The Programming Committee met on 22 September to consider a proposed IDB country strategy with Ecuador for the period 2008-2011.

This period coincides closely with the country’s own National Development Plan, which aims to consolidate strong recent growth in Ecuador as a tool for promoting inclusive development. It also comes at a time of profound change in Ecuador, as the country undertakes to establish new political, institutional and economic foundations under a new Constitution.

The proposed strategy for Ecuador provide support for the national plan in three main areas:

First, the development of productive infrastructure, including efforts to modernize the State system for oil production, develop a sustainable national energy system based on available renewable resources, and improve transportation as a key to national integration, productivity and competitiveness.

Second, productive development in a wide range of areas, including the modernization of related public services, better access to credit, the channeling of remittance resources toward productive investment, and the improvement of financial systems.

And third, efforts to promote economic and social inclusion, including policies to achieve universal access to key social services, develop the economic capacity and potential of disadvantaged groups, help the poor gain access to the labor market or start microenterprises; and provide an effective social safety net.

Directors expressed strong support for the proposal, commending Management on a more focused strategy concentrated on specific economic sectors and Bank instruments.

Going forward, Directors suggested areas for special emphasis in Ecuador, including: a more strategic leadership role for the Bank in promoting private-sector investment in critical sectors; a clearer legal framework for oil development concession contracts; and support for clean energy technologies, infrastructure and the mining sector.

OVE shared some preliminary comments on the proposed strategy, welcoming the inclusion of outcome indicators but also noting room for progress in defining indicators more precisely.
Given the strong support expressed by Directors for the new strategy, as Chairperson of the Programming Committee, I recommend that the Board approve it as proposed in document GN-2490.