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ARGENTINA

INCLU-TEC: INCLUSIVE EMPLOYMENT IN KNOWLEDGE-BASED BUSINESSES

(AR-T1178)

DONORS MEMORANDUM

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PROJECT SUMMARY

INCLU-TEC: INCLUSIVE EMPLOYMENT IN KNOWLEDGE-BASED BUSINESSES

(AR-T1178)

Argentina shows high growth potential in the global services industry (main clusters: information technology, business process outsourcing, and audiovisual content). However, to keep growing, it needs to ensure the availability of human capital to meet the growing demand for services, especially from abroad. According to the Argentine Chamber of Knowledge-exporting Businesses, by 2020, the demand for labor in this sector from export growth alone will reach 95,000 jobs for the three clusters mentioned above.

One response to this need comes from the Ministry of Production through a new initiative called “Plan 111,000,” which aims to train 100,000 programmers, 10,000 professionals, and 1,000 entrepreneurs in the technology sector over the next four years. This plan is open to people who have finished high school or are in their final year, and there is no age limit for participation. The plan will focus on teaching the fundamentals of programming. It does not include English or socioemotional skills, which the private export sector considers indispensable for entering the job market.

The proposed program, Inclu-Tec, will offer a solution to 1,500 young people, particularly women, from vulnerable socioeconomic strata that will help them obtain the technical, socioemotional, and language skills required for employment with knowledge-exporting businesses, thereby enabling them to improve and differentiate their career paths. Inclu-Tec will be coordinated with Plan 111,000 to complement technical training with English instruction, the strengthening of socioemotional skills, and support for young people throughout their training and job placement. The effect of this complementary solution will be evaluated, with a view to transferring it to the State and scaling it up within the framework of public policies (Plan 111,000 and others), to the extent that its effectiveness in improving the job placement and career paths of young people can be demonstrated. In addition to young people, at least 60 teachers and tutors will be trained to support the students, strengthening their competencies to work with vulnerable young people, prioritizing the incorporation of women into the job market, and using technology to enhance socioemotional and language skills. The commitment of both the public and private sectors is reflected in the contribution of resources to the project (more than doubling the MIF’s contribution), and in the active participation by enterprises, organizations, and public institutions in the initiative’s design and subsequent execution.

The project is aligned with the IDB Group Country Strategy with Argentina, particularly in the development of human capital to enhance productivity and the need to expand the boundaries of technology, by complementing sovereign-guaranteed operations and coordinating with the IIC. The project is also part of the MIF’s Knowledge Economy pillar, aimed at enhancing the technical, technological, and people skills of the workforce in export and growth sectors.

ANNEXES

Annex I	Results Matrix
Annex II	Summary Budget

APPENDICES

Proposed resolution

**INFORMATION AVAILABLE IN THE TECHNICAL DOCUMENTS SECTION OF THE MIF PROJECT
INFORMATION SYSTEM**

Annex III	Itemized Budget
Annex IV	Diagnostic Needs Assessment of the Executing Agency (DNA)
Annex V	Project Status Report (PSR), Fulfillment of Milestones, and Fiduciary Agreements
Annex VI	Procurement Plan

ABBREVIATIONS

ARGENCON	Cámara Argentina de Empresas Exportadoras de Conocimiento [Argentine Chamber of Knowledge-exporting Businesses]
BPO	Business Process Outsourcing
DNA	Diagnostic Needs Assessment of the Executing Agency
INET	Instituto Nacional de Enseñanza Técnica [National Technical Training Institute]
ICT	Information and Communications Technology
IT	Information Technology
MSME	Micro, small, and medium-sized enterprise
SES	Socioemotional skill
STEM	Science, Technology, Engineering, and Mathematics

ARGENTINA
INCLU-TEC: INCLUSIVE EMPLOYMENT IN KNOWLEDGE-BASED BUSINESSES
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EXECUTIVE SUMMARY

Country and geographic location:	Argentina. The project will be executed in at least five areas including Buenos Aires, Greater Buenos Aires, and three technology development hubs outside the capital to be determined.		
Executing agency:	Argentine Chamber of Knowledge-exporting Businesses (ARGENCON).		
Focus area:	Knowledge economy		
Coordination with other donors/Bank operations:	This project has been designed in collaboration with the IDB Labor Markets Division (LMK), the Competitiveness, Technology, and Innovation Division (CTI), and the Education Division (EDU). Their collaboration has made the project more strategically relevant and positions it to be scaled up in the future.		
Beneficiaries:	The beneficiaries will be 1,500 young people between 16 and 25 years of age from vulnerable socioeconomic strata, whose skills will be honed so that they can find jobs with tech-based businesses.		
Financing:	Technical cooperation funding:	US\$740,000	31%
	Investment:	US\$000,000	
	Loan:	US\$000,000	
	Other (explain):	US\$000,000	
	Total MIF Contribution:	US\$740,000	
	Counterpart:	US\$1,658,000	69%
	Cofinancing (include a separate line for IDB cofinancing, if applicable):		00%
	Total Project Budget:	US\$2,398,000	100%
Execution and disbursement period:	36 months of execution and 42 months of disbursements.		
Special contractual clauses:	Conditions precedent to the first disbursement: (i) hiring the project coordinator; (ii) signing an agreement between ARGENCON and the Ministry of Production (Plan 111,000), in order to provide courses and exchange data.		

Environmental and social impact review:

This operation was pre-evaluated and classified in accordance with the requirements of the IDB's Environment and Safeguards Compliance Policy (Operational Policy OP-703) on 1 March 2017. Since the impact and risks are limited, the project is proposed as a category C operation.

Unit responsible for disbursements

MIF/CAR

I. PROBLEM TO BE ADDRESSED

A. Problem description

- 1.1 Argentina shows high growth potential in the global services industry (main clusters: information technology (IT), business process outsourcing (BPO), and media). According to the Everest Group (March 2016), the country is one of the six global leaders, coming in behind India, the Philippines, China, Poland, and Mexico (in terms of revenue).¹ The global market is led by Asia (69%), Eastern Europe (10%), Canada (9%) and Latin America (9%), which, in the past decade, become latest region to break into this sector.² Argentina has become the region's top exporter of BPO.³ Nonetheless, to continue growing, it needs to ensure the availability of human capital to meet growing demand. According to the Argentine Chamber of Knowledge-exporting Businesses (ARGENCON), **by 2020, the demand for labor in this sector resulting from export growth alone will reach 95,000 jobs** for the three clusters mentioned above.
- 1.2 The skills gap between labor supply and demand is an obstacle to this potential sector growth. To provide an example from the IT cluster, a 2015 study by the global company CISCO estimated that the technical skills gap (for network technology) was 33% of demand (13,580 full-time employees).⁴ In addition to technical skills, the literature indicates that it is necessary to have a command of the English language⁵ and socioemotional skills (SESs), including teamwork, effective communications, creativity and innovation, dispute resolution, interpersonal relations, etc.
- 1.3 The gap in skilled labor can be attributed to the following: (a) secondary education, mainly in public schools, is not equipping young people with the knowledge and skills to meet the emerging needs of the knowledge economy; (b) enrollment levels in STEM (sciences, technology, engineering, and mathematics) degree tracks in both public and private universities are insufficient; (c) the low participation level of women in this sector limits the closure of the gap between skilled labor supply and demand. On average, in Argentina, female participation in organizations is 13.9%, and 31% of businesses still do not have any women employees.⁶
- 1.4 In addition to the significant, growing skilled labor gap, if Argentina wants to maintain its regional leadership and be able to compete at a global level, its workers need to receive training that extends beyond technical skills. By focusing only on technical skills, Argentina, like other countries, runs the risk of losing jobs, since technological progress adversely affects job creation, due to automation. Recent studies have shown an increase in jobs that require a combination of technical and socioemotional skills, because these jobs are difficult to automate. For example, between 2000 and 2012 in the United States, there was a 3% drop in jobs that required only STEM technical skills. However, over the same period, jobs that

¹ [Analysis based on 2014 global services exports.](#)

² [América Latina en las cadenas de los servicios globales: avances y retos futuros.](#)

³ IADB. "[Servicios globales en América Latina y el Caribe.](#)"

⁴ Report entitled [Brecha de empleados a tiempo completo](#) and Technical report: [Destrezas en materia de redes en AL.](#)

⁵ A command of technical English is considered a basic skill for the sector. See [CISCO, Everest, and IDB.](#)

⁶ http://informacionpresupuestaria.siu.edu.ar/DocumentosSPU/Anuario_2013.pdf.

required a combination of technical and socioemotional skills grew by 11%.⁷ Although there are few rigorous long-term studies of this issue, there is a growing body of evidence demonstrating the ability of SESs to predict outcomes including a person's future employment and income.⁸ The World Economic Forum report, *The Future of Jobs*, indicates that the rapid pace of the technological revolution is requiring new skill sets for the jobs of the future, and SESs are becoming vital.

B. The technology training system in Argentina

- 1.5 As previously mentioned, in Argentina today, the public and private offering of technical and academic training is not aligned with the demands of the business sector. Furthermore, this training does not take place at a large enough scale to train a workforce that would allow the tech services sector to meet the needs of the services market at home and abroad. Low-income youth and women and those from the most vulnerable groups cannot generally access these training opportunities. There are numerous public and private programs geared towards this population, but their scope is limited or they only take place as part of a school curriculum.⁹
- 1.6 Recognizing this shortfall, the Ministry of Production has endeavored to meet the labor demand by launching a new initiative called Plan 111,000,¹⁰ which aims to train 100,000 programmers, 10,000 professionals, and 1,000 entrepreneurs in the technology sector over the next four years. This plan is open to people who have finished high school or are in their final year. The Plan's technical content was designed in collaboration with companies in the sector and includes two modules (basic and specific), providing 364 hours of instruction over nine months. The certificate awarded by Plan 111,000 will be valid nationally and approved by Argentina's Ministry of Education and Ministry of Production. However, Plan 111,000 does not cover English-language or socioemotional skills. The proposed project aims to supplement Plan 111,000 courses by strengthening English-language and socioemotional skills. The outcomes of the MIF project will be shared with Plan 111,000, so that they can incorporate the lessons learned and expand the curriculum with the new content developed under the Inclu-Tec initiative.

C. Beneficiaries

- 1.7 In this model, work will be done with the private sector to increase job opportunities for young people and women from vulnerable socioeconomic strata. The project will be executed in five areas, including Buenos Aires, Greater Buenos Aires, and at least three technology development hubs outside the capital to be determined. Priority will be given to areas that have IT businesses.
- 1.8 The goal is to reach 1,500 young people aged 16 to 25. These beneficiaries must have finished high school, or be taking or completing final-year courses. They can

⁷ Deming. "The Growing Importance of Social Skills in the Labor Market," National Bureau of Economic Research, 2015.

⁸ Kautz, T., et al. (2014), "[Fostering and Measuring Skills: Improving Cognitive and Non-cognitive Skills to Promote Lifetime Success](#)," OECD Education Working Papers, 110, OECD Publishing, Paris. DOI.

⁹ Clubes de programación [Programming Clubs] and Aprender Programando [Learn by Programming] (City of Buenos Aires). Nationally, there is Program.AR, an initiative to incorporate programming in public schools. There are also programs offered by private institutions and other civil society organizations.

¹⁰ [Plan 111,000](#).

be unemployed or have an income below 1.5 times the minimum wage (or twice the minimum wage if they are heads of household).

- 1.9 Beneficiaries will be targeted as follows: those enrolled in Plan 111,000, through efforts to promote the program in public or subsidized schools, and through grassroots organizations in the neighborhoods of the most vulnerable socioeconomic groups that are close to technology companies. Women will be encouraged to enroll in courses, by holding activities specifically aimed at announcing the courses. In these activities, information will be provided on opportunities in the technology job market to help combat stereotypes about gender divisions in the field that discourage participation by women.

II. INNOVATION PROPOSAL

A. Project description

- 2.1 The main objective is to strengthen the employment and employability of vulnerable youth and women in the knowledge economy through a comprehensive, innovative methodology.
- 2.2 The proposed solution is a program complementary to Plan 111,000 aimed at strengthening the employability of two groups: vulnerable youth and women who do not currently have job opportunities in the knowledge economy ecosystem.
- 2.3 This model will be designed by ARGENCON, and work will be done directly with human resources departments in ARGENCON member businesses to ensure that training is relevant to private sector demands. This should increase job opportunities for young people and women from vulnerable socioeconomic strata. Innovative, scalable methods will be used, incorporating educational technologies and platforms, to strengthen some of the skills required in the market (English and socioemotional skills), with the goal of supplementing public education. Young people will also receive assistance throughout their training from tutors provided by businesses in the sector, thereby ensuring that the program is relevant and linked to the job market. Since vulnerable young people often lack contacts in the world of formal employment, the proposed model also plans to offer job placement services.
- 2.4 Since the Inclu-Tec program supplements the Plan 111,000 curriculum, both the Ministry of Production and INET expressed interest in assessing its effectiveness in developing the young people who participate in this pilot. This will be done in coordination with both institutions. This assessment is expected to help improve Plan 111,000, and the pilot developed by ARGENCON can be scaled up if its effectiveness is demonstrated. To this end, the working methodology and good practices developed are also expected to be transferred to the public sector.
- 2.5 The program content will focus on supplementing the training of participants in Plan 111,000 by: (a) improving SESs through specially designed online games (gamification) and on-site workshops; (b) teaching technical English through virtual platforms; (c) assisting trainees with tutors from businesses in the sector to reduce the dropout rate and enhance the training received; (d) assisting with job placement and incorporation into the job market. Platforms will be used, and young people will receive support during the job placement process, as will businesses as they incorporate young people from the most vulnerable socioeconomic strata, with a

view to breaking cultural and training barriers that are so often invisible in the market; and (e) transferring the methodology to the public sector. The project will work on the platform specifically developed for Plan 111,000, or with others that are compatible with it to transfer methodologies for strengthening socioemotional and language skills as of the third year of execution.

- 2.6 **Innovation.** Innovations include: (a) the use of technology to train young people in SESs, by incorporating gamification and online platforms to make the methodology more interactive, dynamic, and easily scalable; (b) ARGENCON's interest in executing the program and leading the creation of a methodology to train and employ vulnerable youth in the knowledge sector; and (c) the incorporation, starting with this pilot project, of easily-scalable methods to teach technical English online.
- 2.7 Targets will be set for participation by women in training, and flexible work schedules will be encouraged with a view to increasing the presence of women in the sector. ARGENCON is designing a program to encourage the hiring of a larger proportion of women for its businesses. This program will receive a substantial part of the workers produced by this initiative.

Component I: Methodological development (MIF: US\$205,000; local counterpart: US\$11,000).

- 2.8 The purpose of this component is to design content that responds to the demand for technical, socioemotional, and technical-English skills required by ARGENCON member businesses to cover their basic programming positions (Programmer Trainee). Once these requirements are clear, the following will be determined: (a) criteria for selecting beneficiaries from among the target population, including basic logical and mathematical skills, as well as personal drive; and (b) training curricula in three areas (technical, SESs, and English), which will be offered under component 2. These curricula, along with training materials for students and teachers, will be designed after an exhaustive survey of the content of Plan 111,000 available English programs, and those using gamification to strengthen SESs; (c) pedagogical tools (online platforms, phone applications, on-site courses) that will be utilized to supplement the content of Plan 111,000; (d) methods to encourage program participation, especially by women; and (e) the training of at least 30 tutors and teachers, who will support the training processes. The training of tutors and teachers will entail: (i) pedagogical tools aimed at motivating beneficiaries, especially women, to participate in and graduate from courses; (ii) strengthening SESs throughout the course; and (iii) coordinating the technical curricula with English-language content. To cover these three areas, recruitment will target teachers and tutors from technology companies, professionals from NGOs focused on the development of SESs, and technical English instructors. Seeing that a goal of the program is to encourage participation by women, priority will be given to recruiting female teachers to serve as role models.

Component II: Training process and job placement (MIF: US\$295,000; local counterpart: US\$1,460,000).

- 2.9 This component will provide training and support for 1,500 individuals according to the requirements set out in component 1. The project aims to have 30% of trainees be women. The training process includes three stages: (1) announcement of

courses, enrollment, and selection; (2) teaching of the courses; and (3) job placement.

- 2.10 The first stage will emphasize striking a balance between assisting the most vulnerable beneficiaries and ensuring that young people who apply have minimum capabilities that will allow them to acquire the skills taught in training sessions and meet the businesses' job requirements. There will be two methods for announcing courses: (a) targeting young people who are already enrolled in Plan 111,000 and receive training through INET, offering them additional content on English and SESs; and (b) going through grassroots organizations (schools, neighborhood associations, and youth-focused NGOs) to enroll them in the Plan 111,000 platform. If young people do not exhibit the minimum capabilities (logical and mathematical), support classes may be provided before the course begins.
- 2.11 Given the profile of the young people that the project intends to support, the second stage will offer complete and rigorous training, while also taking into account the conditions and challenges present in the young beneficiaries' place of origin. Training will use a blended learning approach. Technical content (Plan 111,000 modules) will be taught in on-site classes with a course load of nine hours per week over nine months, which will be complemented by tasks to be done through the platform. Socioemotional and language skills will be taught remotely and through in-person meetings focused on group review and reflection. Language classes will be taught over platforms with specially designed content to be coordinated with technical content. SESs will be taught with the help of civil society organizations that have extensive experience working with low-income youth. Twenty courses with 25 students each are planned for each academic year. Each course will have a tutor from ARGENCON businesses to ensure the quality of the training sessions and their relevance to sector needs.
- 2.12 In the third stage, civil society organizations that work with young people, along with ARGENCON, will offer job placement services to match graduates with businesses seeking workers. The MIF's extensive experience with youth employment and entrepreneurship has proven that support for young people and job placement services are essential, even in high-demand sectors, for low-income youth to get jobs, since they lack the networks of contacts that young people and adults in other spheres of society have.

Component III: Knowledge products and transfer (MIF: US\$160,000; local counterpart: US\$35,000).

- 2.13 The objective of this component is to generate evidence on the effectiveness of combining skills (technical, socioemotional, and English) and services (job placement) to help young people get jobs in the industry, with a view to being able to transfer these practices to the Ministry of Production and other public and private entities, and to take them into account in the formulation of public policies. To this end, the project includes a series of quantitative and qualitative assessments to learn as much as possible. These assessments will use data collected on the program's teaching platforms. Connections will be drawn between the socioeconomic classification of the young people, their participation in Inclu-Tec, and outcomes in terms of skills certification, the time it takes them to enter the job market, the type of employment obtained, and their tenure in that position. This group can be compared to similar groups of students that have not been beneficiaries of Inclu-Tec to

determine the impact of the program on young people's training and career paths. An examination of these variables is expected to help identify the pedagogical areas that require improvement and/or more hours of instruction for the young people to achieve the level of competence required by the businesses.

- 2.14 Once an outcome evaluation is performed on the first cohort, a process will be initiated to transfer the training methodology (curricular content, teacher training, training tools and materials) to Plan 111,000, along with the use of content in English and SESs, and the training of teachers to assist students. To do this, SES and English instruction should be delivered with methods that are easily scalable, employing platforms that are compatible with Plan 111,000 platforms.

B. Project outcomes, measurements, monitoring, and evaluation

- 2.15 At the end of the project, it is expected that the effectiveness of a comprehensive training model on basic programming that helps young people find jobs in tech companies will be demonstrated, and this model will have been transferred to the State for scaling via public policies. The model will be designed and tested as a pilot that will train and certify 1,500 young people, 65% of whom will enter the formal job market. The project is expected to boost women's participation by seven percentage points, so they account for 20% of all young people entering the job market.
- 2.16 As part of the project, an evaluation is planned to compare the outcomes of the participants in the Inclu-Tec program with those that only participate in Plan 111,000, in order to enhance public policy with innovative models and content that can be incorporated to improve young people's career paths. To this end, a specialist will be hired with resources from the contribution to determine the baseline and design a monitoring system that allows for data collection through platforms used to educate young people or additional instruments (data analytics). Once the first cohort has concluded, the outcomes of its participation in Inclu-Tec will be evaluated with respect to similar young people who only participated in Plan 111,000. Adjustments will be proposed to improve the performance of both programs in the areas of retention, support, and content. Upon program completion, an evaluation will be done to compare career paths, analyzing key indicators that may include how long it takes to enter the job market, wages, and tenure in positions.
- 2.17 This project is part of the MIF Knowledge Economy pillar, aimed at enhancing the technical, technological, and people skills of the workforce in export sectors that have unmet demand for qualified labor. It incorporates lessons learned from previous projects, such as adapting learning methodologies to jobs in the knowledge economy, incorporating the strengthening of SESs, and using technology as a learning method. The project prioritizes strengthening the employability of the new workforce (young people) in knowledge-intensive sectors, while specifically incorporating women, and closing the gap between labor supply and demand. Taking into account the projects already approved for the Dominican Republic, Guatemala, Costa Rica, and Uruguay, a subset of operations is being generated that will systematize knowledge to serve as feedback for new operations, providing specific information on methodologies, technical elements, and scaling processes.

III. ALIGNMENT WITH THE IDB GROUP, SCALABILITY, AND PROJECT RISKS

A. Alignment with the IDB Group

- 3.1 This project is aligned with the IDB Group Country Strategy with Argentina, particularly in the development of human capital to enhance productivity and the need to expand the technology frontier. It complements the efforts financed under loan operation AR-L1145¹¹ of the Competitiveness, Technology, and Innovation Division (CTI) with the Ministry of Production, to promote the competitiveness of Argentine micro, small, and medium-sized enterprises (MSMEs). This project, in the amount of US\$50 million, provides nonreimbursable contributions to innovative MSMEs and new dynamic ventures; however, it does not consider support for training. With its cluster-support component, it supports Information and Communications Technology (ICT) businesses, which are part of the unmet labor demand that the program aims to address. The project will also entail the selection of young people from the most vulnerable areas, and may be coordinated with loan AR-L1260 (Urban and Educational Integration in Barrio 31 and the Autonomous City of Buenos Aires) to support the IDB Group's multisector work vision. In that context, course may be provided specifically to young people from Barrio 31 in coordination with local organizations. Moreover, this type of program is aligned with the Corporation's strategy to improve connectivity, broadband, and shared efficiency in telecommunications companies, facilitating the use of devices for educational purposes, such as those proposed in this operation.

B. Scalability

- 3.2 This project shows high scalability potential. Once the effectiveness of the method is demonstrated, training in English, SEEs, and for tutors can easily be scaled up, as it will take place over computer platforms that will be compatible with those used for Plan 111,000. By the third year of execution, the best practices and methodologies will be transferred to the public sector. CTI project AR-L1145 is the third in a long line of sector support, and funds for this project are set to run out in 2019. Discussions about a fourth phase with the Ministry of Production that should take place in 2017/2018 will open the possibility of including the scaling of activities supported by this project.

C. Project and institutional risks

- 3.3 **External risks to the project:** The identified risk is that the implementation method of Plan 111,000 would change in a way that would be incompatible with Inclu-Tec. To address this, an agreement is expected to be signed with the public entities involved (Ministry of Labor, Ministry of Production, and INET) to maintain the agreed coordination mechanisms and the availability of data on beneficiaries to perform evaluations of Inclu-Tec.
- 3.4 **Institutional risks:** ARGENCON's lack of experience executing projects with external financing and those with scope of Inclu-Tec. This risk is mitigated by the inclusion of an execution unit with staff experienced in education and employability and a steering committee made up of businesses' human capital managers.

¹¹ Link to document: [AR-L1145](#).

IV. INSTRUMENT AND PROPOSED BUDGET

- 4.1 The project has a total cost of US\$2,398,000, out of which US\$740,000 (31%) will be contributed by the MIF as nonreimbursable technical cooperation funding, and US\$1,658,000 (69%) from the counterpart. The counterpart funds will come from ARGENCON and contributions made by the Ministry of Production, INET, and the Ministry of Labor as part of Plan 111,000 or another plan.
- 4.2 **Retroactive recognition of counterpart funds.** Counterpart funds may be recognized as of the date of the project analysis mission, up to a maximum of US\$70,000.

	MIF	Counterpart	Total
Project components			
Component 1: Methodological development	205,000	11,000	216,000
Component 2: Training process	295,000	1,460,000	1,755,000
Component 3: Knowledge products and transfer	160,000	35,000	195,000
Coordination and administration	60,000	132,000	192,000
Ex post reviews ¹²	15,000		15,000
Contingencies	5,000	20,000	25,000
Grand total	740,000	1,658,000	2,398,000
% of financing	30%	70%	100%

V. EXECUTING AGENCY AND IMPLEMENTATION STRUCTURE

A. Description of the executing agency(ies)

- 5.1 The Argentine Chamber of Knowledge-exporting Businesses (ARGENCON) will be the executing agency for this project and will sign an agreement with the Bank. ARGENCON is a second-tier entity made up of 34 businesses that provide knowledge-based services related to foreign markets. Its members include IBM, Fox, Accenture, Exxon Mobile, Hewlett Packard, JPMorgan, Globant, PWC, and other medium-sized enterprises. Its strategic plan is based on three pillars: (a) positioning Argentina at a global level; (b) working with the educational system to promote related degree tracks, and preparing young people for jobs in knowledge-services sectors; and (c) strengthening the local ecosystem. This project is directly aligned with the second pillar and indirectly contributes to the other two.
- 5.2 ARGENCON's agreement to execute a project that strengthens the employability and employment of vulnerable young people by getting its member businesses involved will have an unprecedented demonstration effect across the sector and country. It should be noted that work on this project's design has been done directly with human resource managers at ARGENCON member businesses. This shows the importance that these companies place on the proposal.

¹² Contribution funds to contract ex post reviews will be administered by the Bank.

- 5.3 The Ministry of Production and INET expressed their interest in the ARGENCON proposal, which also aims to evaluate the paths of the young people participating in this pilot, with a view to improving the public policies being implemented through Plan 111,000. The proposal also includes plans to transfer the working methodology and good practices developed to the public sector.

B. Structure and implementation arrangements

- 5.4 ARGENCON will establish an execution unit and the structure needed to execute project activities and manage project resources effectively and efficiently. This execution unit will also be responsible for submitting project status reports. Details regarding the structure of the execution unit and requirements for project status reports can be found in Annex V in the technical documents for this operation.
- 5.5 ARGENCON will also form two committees. The first will be the Steering Committee, which will be composed of representatives (Human Resources Managers) of member businesses. This committee will make binding decisions related to the project, such as approving semiannual work plans or project status reports. It may also decide on the selection of key staff and procurement for the operation (such as the coordinator, curricular content and platforms, etc.). The second committee will be the Advisory Committee, which will be made up of one representative each from the Ministry of Production, INET, and the Ministry of Labor. Businesses and civil society organizations specialized in supporting young people may also join. This committee will meet annually or on an ad hoc basis when convened by ARGENCON to offer opinions on the program or specific issues. Its opinions will not be binding.

VI. FULFILLMENT OF MILESTONES AND SPECIAL FIDUCIARY ARRANGEMENTS

- 6.1 **Results-based disbursements and fiduciary arrangements.** The executing agency will agree to standard MIF arrangements for results-based disbursements and the Bank's policies on procurement¹³ and financial management¹⁴ as specified in Annexes V and VI.
- 6.2 Civil Society Organizations that work with young people may be contracted directly, based on their expertise and capacity to work in project execution areas.¹⁵

VII. ACCESS TO INFORMATION AND INTELLECTUAL PROPERTY

- 7.1 **Access to information.** According to the Bank's Access to Information Policy, this document is public.
- 7.2 **Intellectual property.** Since this project plans to transfer the training model to the State or other actors, intellectual property rights will have to be assigned pursuant to the terms and conditions of the Creative Commons IGO 3.0 BY-NC-ND license (<http://creativecommons.org/licenses/by-nc-sa/3.0/igo/legalcode>).

¹³ Link to [Policies for the Procurement of Works and Goods Financed by the IDB](#).

¹⁴ Link to [Financial Management Guidelines for IDB-financed Projects](#).

¹⁵ Situation provided for in document GN-2350-9.