

Technical Cooperation (TC) Document

I. Basic Information for TC

▪ Country/Region:	COLOMBIA
▪ TC Name:	Social inclusion model for individuals with disabilities
▪ TC Number:	CO-T1425
▪ Team Leader/Members:	Gonzalez Velosa, Carolina (SCL/LMK), team leader; Novoa Molina, Carlos (MIF/CCO), alternate team leader; Casas Rojas, Laura Ximena (SCL/LMK); Alvarez Marinelli, Horacio (SCL/EDU); Jimenez, Javier (LEG/SGO); Ramirez Salcedo, Gerardo (CAN/CCO); Muhlstein, Ethel (SCL/LMK); Gaona, Tania (SCL/LMK); Orellana, Miguel (VPC/FMP) and Cardenas, Claudia Mylenna (VPC/FMP)
▪ Taxonomy:	Client Support
▪ Operation Supported by the TC:	N/A
▪ Date of TC Abstract authorization:	03 Mar 2017.
▪ Beneficiary:	Colombia
▪ Executing Agency and contact name:	Fundación Saldarriaga Concha,
▪ Donors providing funding:	Japan Special Fund – Poverty Reduction Program (JPO)
▪ IDB Funding Requested:	US\$315,000.00
▪ Local counterpart funding, if any:	US\$62,790.00
▪ Execution and Disbursement periods:	36 months
▪ Required start date:	October 2017
▪ Types of consultants:	Individual consultants and consulting firms
▪ Prepared by Unit:	SCL/LMK-Labor Markets
▪ Unit of Disbursement Responsibility:	CAN/CCO-Country Office Colombia
▪ TC Included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality; productivity and innovation.

II. Objectives and Justification of the TC

- 2.1 The objective of this Technical Cooperation (TC) is to support the development of a productive inclusion model that provides training in soft skills and employment services to: (i) increase employment opportunities of People with Disabilities (PwD); and (ii) promote and facilitate entrepreneurship of PwD. This productive inclusion model will incorporate activities of outreach, identification of barriers for inclusion, institutional strengthening and disability awareness.
- 2.2 Disability is understood as a concept that evolves and is the result of barriers that limit the participation – full and effective- of PwD inside the society, in equal conditions with others (People with Disability Rights Convention, ONU, 2006). Therefore, it is necessary to promote actions directed to decrease barriers and generate more inclusion opportunities.
- 2.3 According to the 2005 census, 6.4% of Colombia's population (2,650,000 people) has disabilities. Their rights are protected under several provisions of the Colombian legislation. Law 1618, of 2013, states that in Colombia everyone has the equal right to work and that the State must promote and safeguard the exercise of the right to work and forbid discrimination on grounds of disability. This law also refers to the right to a decent income through productive and inclusive business units. Additionally, Colombia's Government abides by the International Labor Organization (ILO) mandate that defines work as a fundamental right to reduce inequity, social exclusion, and poverty.

- 2.4 Despite these provisions, PwD in Colombia have limited employment opportunities. Although 52% of PwD are in a productive age, only 15% are currently working. According to the Colombian Labor Ministry the unemployment rate among the PwD is of 80%. Furthermore, only 2.5% of PwD working receive an income equal or greater than the legal minimum wage.
- 2.5 Restrictions in the demand from employers are a major barrier. A survey conducted by *trabajando.com* in 2014 (to more than 2,100 employers), reported that 55% of the businesses would not hire PwD. While this is an improvement with respect to 2013, when 64% of businesses would not hire PwD, there is still an important restriction.
- 2.6 Lessons learned from a previous intervention led by the IDB Group have identified the lack of socio-emotional skills as one of the most important barriers to employability of PwD¹. According to the experience of two civil society organizations involved (namely, Saldarriaga Concha Foundation (SCF) and Best Buddies Colombia (BBC)), PwD who have a productive activity but have not developed social life and relational skills, must deal with difficulties to access and maintain their jobs. Lessons in this direction have also been obtained from the *Work Opportunity program*, which has been implemented by BBC during the last 12 years and currently benefits 540 young PwD who work in 61 businesses. The experience of *Work Opportunity* highlights how young people with intellectual disabilities need reinforcement in issues concerning labor relations and social skills.
- 2.7 Thus, *Productivity Pact Program* and *Work Opportunity* have identified the lack of social skills as a factor that is hampering the productive inclusion of PwD in Colombia. This barrier reflects two conditions that limit the adequate provision of social skills among PwD. First, according to the Economic Commission for Latin America and the Caribbean's (ECLAC) Social Inclusion Development report (2015), PwD have not received education due to the lack of qualified institutions for PwD. As a result, they have less opportunities to find jobs, and hence, they will probably live their adulthood in poverty. Second, many PwD have been excluded from social environments and they do not have an active social participation, required to develop social behavior and interaction with others from childhood to adulthood. PwD are often excluded from social contexts because they are not considered to be able to have an active and productive role in society. Therefore, families and society have not invested in them. In this way, they have not received essential tools to have a meaningful interaction within their communities.
- 2.8 This TC aims at reducing barriers to productive inclusion among PwD. The TC will finance a set of activities that will contribute to improve the economic performance of PwD. Regarding those who are currently in poverty conditions, it specifically promotes the development of income generation activities either through employment or economic entrepreneurship. To achieve this goal, the project finances a comprehensive set of activities that include technical training, intermediation, outreach, awareness. It emphasizes soft skills development, through a very innovative approach specifically tailored to PwD. As discussed earlier, soft skills are often not taught, but are essential for productive inclusion. PwD without these skills hardly retain their jobs or can develop a successful entrepreneurship even if they have the necessary technical skills.
- 2.9 The productive inclusion model proposed for this TC is based on the *basic skills for life approach*. With this approach, PwD acquire employability skills through interventions that are tailored based on a detailed diagnostic. Once a young individual obtains a job, he/she is assessed in two areas: labor relations and job performance. In most cases, they have a superior job performance while in labor relations they have lower results. Work performance assessments evaluate technical skills related to the work; while labor relations skills are measured by the following indicators: interpersonal relationships, conflict resolution, monitoring instruction, teamwork, discipline and rules of coexistence and interaction with others. Through the support provided by BBC to the employed PwD, this organization involves the family, the partner institution and other training agents in order to improve the labor relations skills of the individual.

¹ The Productive insertion work program for people with disabilities, also known as the *Productivity Pact Program* (ATN/ME-11368-CO) led by the Multilateral Investment Fund in coordination with the civil society and the Government of Colombia, aimed at increasing employability opportunities of PwD by a combination of interventions including skills training, capacity building and awareness.

- 2.10 FSC and BBC have related experience working with PwD; however, neither organization has developed a training process in soft skills focused on increasing the probability of insertion of people with any type of disability in the labor market. Best Buddies Colombia has hands-on experience of PwD in the labor market, and has identified some of the barriers on the job. This project pretends to create a methodology, which proves to be an effective tool for a successful labor inclusion strategy.
- 2.11 This process includes training for PwD and their families in soft abilities through a practical-theoretical curriculum that will be developed for them. Also, the project will count with a monitoring strategy to follow-up every beneficiary and establish a ground rule. This activity must be implemented with each persona and his/her family. This process is both customized and specialized, and will require a close and lasting interaction with beneficiaries to meet the training objectives.
- 2.12 This TC is consistent with the Bank's Update to the Institutional Strategy (UIS) 2010-2020 (AB-2008) and is aligned with the (i) social inclusion and equality, and (ii) productivity and innovation challenges. Since it focuses on the productive inclusion of PwD through the provision of labor intermediation services, the development of technical and soft skills to insert them into the labor market; and the development of income generation activities either through employment or economic entrepreneurship. These initiatives are also promoted by the Labor Sector Framework ([GN-2741-7](#)), which highlights the development of labor trajectories for vulnerable groups by providing labor intermediation services and technical skills-training as well. Additionally, this TC is well-aligned with the priority established in the IDB Country Strategy with Colombia 2015-2018 ([GN-2832](#)), of continuing to reduce poverty and eliminate extreme poverty in Colombia (See paragraphs 4.39 to 4.41 of the Country Strategy). In particular, this section highlights the country challenges of expanding the coverage and targeting of programs that promote social inclusion and the accumulation of human capital in poor and vulnerable individuals, and offer social protection to those who have special needs.

III. Description of activities/components and budget

- 3.1 **Component 1. Training in soft skills for PwD, assistance in job search process and institutional strengthening of entities that participate in the employability process** . This component will finance the development and implementation of a training model that increases the employability of job seekers via (i) soft skills development for PwD; (ii) labor market intermediation, job search assistance and counselling for PwD; (iii) institutional strengthening of training on skills for employability; and (iv) disability awareness for businesses. It comprehends both the labor supply and the labor demand to engage both sides of the labor market.
- 3.2 More specifically, this TC will include an institutional strengthening process focused on entities that participate in the employability process or that offer services to PwD.
- 3.3 **On the labor supply side**, the first phase of the process will be implemented throughout the structuring of the training methodology, which is focused not only to PwD but their families as well. The expected activities for this phase are:
 - a. **Identification of PwD and their families:**The official institutional service disposed in Colombia responsible of labor intermediation is the Special Administrative Unit of the Public Employment Service (PES), which is attached to the Colombian Labor Ministry. The program will use the PES route in order to identify PwD who could be interested in participating in the program. Nevertheless, the lack of knowledge PwD have about this service represents a barrier, and hence, the identification process will be further supported by BBC and allied organizations² in the places prioritized by the project.
 - b. **Construction of content, subjects, methodology and inputs for training in soft skills:** This activity will be led by BBC. The type of training required for the project is based on social/labor skills for work. Specifically, the training process will include the following items:
 - o Module 1. Self-awareness/Social Skills: Rights and duties, assertive communication, emotional management, self-care, self-recognition, self-definition and self-esteem.

² BBC allies are a network of more than 30 organizations that work with PwD.

- Module 2: Labor and Entrepreneurship Skills: Identify profiles of individuals with disability, skills according to profiles, knowledge of business environment, and skills for productive units.
 - Module 3: Labor intermediation services: The activities involve creating a curriculum vitae, preparing for a job interview, and searching for job opportunities.
 - Module 4: Training for parents and/or caregivers: This activity addresses the independence, rights and duties and legal context of PwD, and the role and responsibility of the family.
- c. **Implementation of soft skills and employment training modules:** During this phase, beneficiaries will acquire the skills and knowledge to advance on their employment opportunities. At the same time, their caregivers will acknowledge the importance of these skills and of the support required by PwDs' to advance in the labor market. Within the training phase, PwD will develop their employment profile. Specifically, PwD will be able to identify their skills and interests oriented either towards employment or entrepreneurship. Those who need to strengthen their technical skills will be guided to the institutions authorized to offer professional skills training in Colombia, such as the National Service of Learning (SENA).
- d. **Institutional strengthening process:** This activity will be advanced by transferring knowledge and creating a replicability model to organizations with prior experience in education and placing young people within the labor market job to strengthen a PwD approach.
- 3.4 **On the labor demand side,** the main activity constitutes the structuring of an awareness session among the business community and a strategy to engage employers and promote hiring of PwD in their enterprises. Business awareness about disability, inclusion and its economic potential: this will be done by BBC and may include the participation of the Saldarriaga Concha Foundation (SCF), the Ministry of Labor, and the *Productivity Pact Program*.
- 3.5 **Component 2. Model for productive entrepreneurship.** This component will finance the design and implementation of an intervention to promote entrepreneurship among PwD. It is targeted to PwD who, according to their productive profiles, have the potential to become successful entrepreneurs. Overall, the component includes the development of a productive entrepreneurship model (to satisfy a specific demand) to promote sustainable income generation activities among PwD and their families. It includes identifying potential pairings in the productive chain between businesses that are potential buyers and families led by PwD entrepreneurs. Training, technical assistance and support to materialize transactions with buyers/anchor companies will be implemented as well as the publication of a handbook of lessons learned. The activities include:
- a. **Identification of entrepreneurs of PwD with growth potential:** BBC and allied Organizations, disability committees, and SCF partner organizations will support this process. It is important to note that the project aims either to consolidate a strong business unit or associate different existing productive units within a supply chain, rather than create new small businesses, which may not overcome the startup phase.
 - b. **Strengthening of entrepreneurships:** Allied Organizations to the SCF such as the Ministry of Commerce, Industry and Tourism and Chambers of Commerce and National Business Association of Colombia (ANDI)³ Foundation are to support this phase.
 - c. **Identification of companies and business allies:** This process will be led by the SCF and Best Buddies with the support of the ANDI Foundation.
 - d. Documenting **the whole process and creating a handbook** about lessons learned and good practices.

³ ANDI Foundation is a special project led by the National Business Association of Colombia, which aims to build a more equitable society. It generates tools for affiliated companies so they can make relevant, sustainable and impactful social investments. The Foundation works by promoting companies in which social issues are strategic for the business and seeks to highlight the role of ANDI as a world example of a guild committed to social development.

- 3.6 **Component 3. Monitoring.** This component will, on one side, finance supervision and external audit expenses. On the other side, it aims to construct and document the performance indicators of the project by describing outputs and outcomes (including employment/entrepreneurial outcomes of graduates from the project). Given the project scope, it is not possible to measure impacts based on a counterfactual methodology. The proposed activities are:
- Construction of an information system to monitor the outputs and economic and social outcomes of the project.
 - Systematization of the monitoring process by the SCF, which has a guide for the systematization of experiences; and
 - Documenting the monitoring and performance indicators of the project.
- 3.7 **Component 4: Dissemination.** Disclosure of the main results of the project, lessons learned, best practices and key challenges and opportunities will be presented in an event that will take place in Bogota, and its organization will be led by the SCF.
- 3.8 The intellectual property derived from the project will belong to the project partners (Inter-American Development Bank and Saldarriaga Concha Foundation). SCF will subscribe with BBC intellectual property arrangements. The estimated cost of this project is US\$377,790, of which the IDB will provide a non-reimbursable TC of US\$315,000 that will be financed with resources from the Japan Special Fund – Poverty Reduction Program (JPO), and US\$62,790 will be provided by the Saldarriaga Concha Foundation as counterpart funding. US\$30,000 of this counterpart will be provided in cash and US\$32,790 in-kind.

Indicative Budget (US\$)

Activity/Component	IDB/ JPO Funding	Counterpart Funding/SCF (in cash)	Counterpart Funding/SCF (in kind)	Total Funding
Component 1. Training in soft skills for PwD, assistance in job search process and institutional strengthening of entities that participate in the employability process	155,000	0	0	155,000
Component 2. Model for entrepreneurship	123,000	17,542	10,930	151,472
Component 3. Monitoring	18,769	12,458	10,930	42,157
Component 4. Dissemination	18,231	0	10,930	29,161
Total	315,000	30,000	32,790	377,790

IV. Executing agency and execution structure

- 4.1 The Saldarriaga Concha Foundation will be the executing agency for this TC, in partnership with Best Buddies Colombia (BBC).
- 4.2 The Saldarriaga Concha Foundation is a Colombian non-governmental organization. For more than 42 years, it has invested its own resources and provided technical assistance to develop innovative alternatives that generate structural, sustainable, and high-impact changes to improve the living conditions and promote social inclusion of PwD and the elderly population.
- 4.3 SCF's mission focuses on transforming Colombia into a more equitable society. SCF works in partnership with organizations that contribute to the expansion and consolidation of its goals. Organizations such as governments at national, regional and local level; public and private institutions; and multilateral organizations. SCF's strategies are based on a differentiated approach,

which recognize diversity and understands it as an inherent aspect of the human condition. Through this approach, one of SCF principal objectives is to remove barriers that create inequality.

- 4.4 In the past 4 years, SCF has invested more than US\$15,000.000 of its own resources in projects of education and labor inclusion of PwD and the elderly population in Colombia. These projects have focused on three areas: (i) healthy living, (ii) access to knowledge, and (iii) social welfare. This last area is responsible for leading strategies for income generation and employability of SCF beneficiaries. Specifically, it has aimed to remove barriers that prevent PwD earn an income in order to have an active and independent life. Some of these projects are the TEAM Project and *Productivity Pact Program*. On the one hand, the TEAM Project is an initiative of the US Agency for International Development (USAID), World Vision and FSC that seeks social inclusion of people with disabilities in four areas of the country and to benefit about 1,900 people. One of the main objectives of this project is precisely the elimination of barriers that prevent project participants of obtaining formal employment. Specifically, the project aims to provide the necessary capacities for 400 people to get formal employment or to create and develop their own businesses. On the other hand, *Productivity Pact Program*⁴ is an institutional alliance among the Inter-American Development Bank, SCF, and other allies. This is an initiative that for more than five years, has promoted the employment relationship of people with disabilities through the generation of institutional capacities in all actors involved in the employment of PwD.
- 4.5 **Best Buddies** is the world's largest organization dedicated to ending the social, physical and economic isolation of the 200 million people with intellectual and developmental disabilities (IDD). Best Buddies helps them form meaningful friendships with their peers, secure successful jobs, live independently, improve public speaking, self-advocacy and communications skills, and feel valued by society. In Colombia, Best Buddies is a leader in labor inclusion by being the organization with the highest number of jobs for persons with IDD. It partners with more than 60 institutions nationwide and serves approximately 11,000 persons with cognitive disabilities. This network allows them to develop inclusion activities where thousands of persons with disabilities participate in social, productive and educational contexts like any other citizen without disabilities. Also, their experience has served to highlight the importance of promoting greater knowledge about the approach to disability from the Convention on the rights of persons with disabilities of the United Nations, adopted in Colombia by the Law 1346 of 2009.
- 4.6 There will be a three-party execution structure for this TC: (i) the **executing and implementing agency**, the Saldarriaga Concha Foundation, which shall be responsible for the management of this TC. (ii) **An executive committee** will support the coordination and supervision of this TC. This committee will be joined by Best Buddies Colombia and the IADB⁴. Finally, (iii) a **technical advisory committee** will be created to provide supervision and inputs for adjustments to the project when deemed necessary. This committee will be constituted by: Ministry of Labor, National Training Service (SENA), Special Administrative Unit for the Public Service Employment, Fundación Corona, and the Productivity Pact Program.
- 4.7 SCF will make available to the JPO/IDB all the monitoring arrangements used to supervise the proper implementation of the activities. With monthly frequency, the SCF uses an alert system

⁴ The IADB Country Office in Colombia (CAN/CCO) will be the responsible unit for disbursements.

which allows the team to monitor the project. It is financed with SCF's resources which are accounted as in-kind counterpart.

4.8 SCF will be responsible of preparing and sending the required reports, within the guidelines established by the Japan Special Fund Poverty Reduction Program (JPO).

4.9 With respect to and financial management, this TC will be executed according to the IDB Procurement Operational Guidelines for non-reimbursable technical cooperation (OP-639). According to OP-639, private sector executing agencies that do not have formal and written procurement methods will use the procedures in these guidelines to ensure compliance with the principles of the Bank's procurement policies.

V. Major issues

5.1 This is an innovative program. As such, there are several risks entailed see Risk Economic inclusion model for PWD). Two of the most relevant risks are: i)the possibility of firms not having the expected level of involvement. Also, as happens with many youth training programs, a considerable dropout rate of beneficiaries is a risk. These risks will be mitigated with activities dedicated to outreach, mentoring and awareness. Also, the executing agency has considerable experience in managing these risks. li) Another important risk to be considered is a change of law, which may affect business hiring PWD, Government policies focus on protecting workers with disabilities. These can lead to laws that reinforce the right of the worker, and demands business to retain these employees. Hence, these legal demands, can produce a counter effect on businesses, and reduce their interest in hiring PwD. In this case, the risk could be mitigated with the support of lawyers of allied entities..

5.2 The intellectual property derived from the project will belong to the project partners (Inter-American Development Bank and Saldarriaga Concha Foundation). SCF will subscribe with BBC intellectual property arrangements.

VI. Exceptions to Bank policy

6.1 None.

VII. Environmental and Social Strategy

7.1 Due to the nature of this operation, it is not foreseen that it will have a significant negative social or environmental impact. Also, it is expected that it will have a positive impact on people with disabilities. The ESG classification for this operation is [C]. See [SPF](#) and [SSF](#).

Required Annexes:

[Annex I : Letter of Request/Non-Objection/CPD/Aide Memoire - CO-T1425](#)

[Annex II: Results matrix - CO-T1425](#)

[Annex III: Terms of Reference - CO-T1425](#)

[Annex IV: Procurement Plan - CO-T1425](#)

SOCIAL INCLUSION MODEL FOR INDIVIDUALS WITH DISABILITES

CO-T1425

CERTIFICATION

I hereby certify that this operation was approved for financing under Jsf Poverty Reduction Program (JPO) through a communication dated 06/29/2017 and signed by Tamashiro, Michiko Vilela. Also, I certify that resources from said funds are available for up to **US\$315,000.00** in order to finance the activities described and budgeted in this document. This certification reserves resources for the referenced project for a period of four (4) calendar months counted from the date of eligibility from the funding source. If the project is not approved by the IDB within that period, the reserve of resources will be cancelled, except in the case a new certification is granted. The commitment and disbursement of these resources shall be made only by the Bank in US dollars. The same currency shall be used to stipulate the remuneration and payments to consultants, except in the case of local consultants working in their own borrowing member country who shall have their remuneration defined and paid in the currency of such country. No resources of the Fund shall be made available to cover amounts greater than the amount certified herein above for the implementation of this operation. Amounts greater than the certified amount may arise from commitments on contracts denominated in a currency other than the Fund currency, resulting in currency exchange rate differences, for which the Fund is not at risk.

Certified by: Hertz, Kai on behalf of Rivera, Sonia M. 10/24/2017
GCM Chief Date
Grants and Co-Financing Management Unit
ORP/GCM

Approved by: Pages-Serra, Carmen 10/25/2017
Division Chief Date
Labor Markets
SCL/LMK