

TC Document

I. Basic Information for TC

▪ Country/Region:	BRAZIL
▪ TC Name:	Qualification for Young People in Belém
▪ TC Number:	BR-T1602
▪ Team Leader/Members:	Gouvea Gomes, Livia (SCL/LMK) Team Leader; Elisa Tavares (CSC/CBR); Gonzalez, Jorge Luis (VPC/FMP); Ferrin Gaston (SCL/LMK); Eschoyez, Guillermo Antonio (LEG/SGO); Rachter De Sousa Dias, Laisa (SCL/GDI); Libertad Siccha (SCL/LMK); Gonzalez Herrera, Beatriz Maria (SCL/LMK); Bettini Vicente, Juliana (CSD/RND); Serrao Acioli, Ellen Cristina
▪ Taxonomy:	Client Support
▪ Operation Supported by the TC:	N/A.
▪ Date of TC Abstract authorization:	09 Jan 2024.
▪ Beneficiary:	Municipality of Belém/PA, through Instituto BEI
▪ Executing Agency and contact name:	Inter-American Development Bank, Instituto Bei
▪ Donors providing funding:	OC SDP Window 3 - Sustainable Development in the Amazon(W3A)
▪ IDB Funding Requested:	OC SDP Window 3 - Sustainable Development in the Amazon (W3A): US\$500,000.00 Total: US\$500,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes Execution period):	36 months (which includes Execution period)
▪ Required start date:	July 2024
▪ Types of consultants:	Individuals; Firms
▪ Prepared by Unit:	SCL/LMK-Labor Markets
▪ Unit of Disbursement Responsibility:	CSC/CBR-Country Office Brazil
▪ TC included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	Yes
▪ Alignment to the Update to the Institutional Strategy 2024-2030:	Afro-descendants; Diversity; Environmental sustainability; Gender equality; Productivity and innovation; Social inclusion and equality

II. Objectives and Justification of the TC

2.1 **Objective** The objective of this Technical Cooperation (TC) is to provide training for young people in vulnerable situation in the city of Belém, located in northern Brazil, thereby promoting more sustainable and inclusive development in the region. This area, rich in biodiversity and culture, faces significant challenges that need to be addressed through education and skills training. The TC aims to expand opportunities for vulnerable youth in productive inclusion through technical training and qualification, and strength ties with the local productive sector. Also, the city will host the United Nations Climate Change Conference (COP 30) in 2025. This initiative is strategic for: (i) generate opportunities for young people to access quality professional education and enter the formal job market, prioritizing those who are outside the formal job market and have difficulty accessing qualification courses; (ii) promote integration and the exchange of information between employers and qualified young people; and (iii) initiating working relations with the Belém City Council to implement labor market

policies that lead to an increase in quality formal employment, especially for socially vulnerable population groups and, contribute to improving technical skills in structuring, managing and monitoring projects to promote public policies aimed at developing the labor market, in the context of social inclusion, increased productivity and environmental sustainability. In this context, TC will finance: (i) qualification courses to train young people (18-29 years) – primarily those who do not study or work (nem-nem) in strategic sectors, whose program contents is aligned with the demands of the productive sector and cross-cutting themes of gender equality, diversity. The TC will finance scholarships to cover transportation and food costs, in order to make the courses accessible to students and reduce the risk of dropouts; (ii) a workshop to present the results and main learnings of the program and connecting young people with the productive sector; and (iii) consultancies of external specialists in qualification and labor market, project management, monitoring and evaluation.

- 2.2 Belém, the capital of Pará, is the most populous city among the 144 cities in the state, with a population of 1,303,389 inhabitants, ranking as the 12th most populous city in Brazil¹. Its metropolitan region, comprising the municipalities of Ananindeua, Belém, Benevides, Castanhal, Marituba, Santa Bárbara do Pará, and Santa Izabel do Pará, is notable for housing the world's largest riverine island, Ilha do Marajó. The city is gearing up to host the United Nations Climate Change Conference (COP-30) in 2025, a crucial global event in the context of environmental and climate change discussions.
- 2.3 The economic and social context of the city becomes even more relevant when considering the existence of a demographic bonus in the Legal Amazon. In this region, there is a ratio of 60 young people for every 100 adults, compared to the national average of 45 young people for every 100 adults in Brazil. Nonetheless, Belém faces specific challenges in education, with an average high school enrollment rate 10 percentage points below the rest of the country. The education of the young population is a crucial point, since only 9% of enrollments in vocational education in Brazil are from students in the Legal Amazon, despite this region concentrating 16% of the youth at the typical age to attend this stage. These data, sourced from the Amazonia 2030 Project, highlight the need for comprehensive strategies that not only address the limitations of the development model but also promote the educational and professional development of the city's youth, aligning with the demands and opportunities of the region.
- 2.4 Data obtained by Amazônia 2030 project² indicate that, between 2012 and 2019, there was an increase in job creation in the service sector in the Legal Amazon region. Notably, the most in-demand professionals were salespeople, followed by those involved in personal services, care, as well as social and cultural activities. In contrast, there was a slight reduction in the number of employees in the financial and administrative sectors. Moreover, the Legal Amazon region has a high rate of informality in the labor market, standing almost 20 percentage points above the national average. In the last quarter of 2020, more than half of the workers in the region (56.1%) were in informal employment, that is, without a formal contract or working as self-employed. This rate contrasts with that of other regions of Brazil, where the percentage of workers in informality was 36.7%.³

¹ IBGE. 2022 Population Census. Instituto Brasileiro de Geografia e Estatística, 2022

² <https://amazonia2030.org.br/>

³ Amazônia 2030. Labor Market in the Amazon. 2020, <https://amazonia2030.org.br/wp->

- 2.5 Like the other capitals in the north of Brazil, Belem has greater problems with employability than the rest of the country, especially among socially vulnerable population groups such as young people, women and blacks. The unemployment rate in Belém was 12%, while for Brazil it was 7.7% (IBGE, 2023). Young people, between 15 and 29, make up 30% of Belém's population, and they represent 22.3% of the unemployed. This rate is much higher than in Brazil: young people are 28% and the unemployment rate among young people is 13.5%. By targeting young adults aged 18 to 29, who are neither working nor studying, including those engaged in informal activities, the project addresses a significant national challenge. According to the OECD, 36% of Brazilian youth are in a situation of not studying or working, making them particularly vulnerable to long-term disengagement from the labor market, as highlighted in the 2022 "Education at a Glance" report. The situation of nem-nem is worst for women, who represented 63.8% of the "nem-nem" total in Belém. Considering race heterogeneities, brown people are 58.4% of the total "nem-nem" in Belém, black people are 15.5% and indigenous people 0.4% (Demographic data based on the 2022 Census - BRASIL, 2023).
- 2.6 Having the opportunity to host COP-30 emerges as an opportunity for the city, providing a platform for sustainable development and social inclusion. The project in question presents itself as a strategic intervention that goes beyond the injection of financial resources, promoting effective coordination among various local stakeholders—including the productive sector, city hall, and academia. This integrated approach aims to equip young people for the formal labor market and seeks to create sustainable professional careers aligned with regional opportunities. Thus, the project not only aligns with the immediate needs generated by COP-30 but also lays the foundation for a lasting legacy of professional development and social inclusion in Belém.
- 2.7 The project includes a comprehensive survey with Belém's productive sector, aiming to identify specific demands for professional qualification. This initiative is crucial to ensure that the selection of offered courses aligns with the real market needs, maximizing employment opportunities for the youth and ensuring that the training provided is relevant and current. The research will allow for a detailed mapping of skills and competencies most valued by employers. The decision to commission a survey for mapping the demands for professional qualification is justified by the need for precise, data-driven intervention, which can significantly contribute to local economic development and the social inclusion of young people in Belém. Thus, this study will become the cornerstone in the strategic definition of courses, ensuring that the project not only meets the productive sector's expectations but also promotes an effective and sustainable insertion of young people into the labor market.
- 2.8 The proposed research may identify available vacancies in companies, which can later be matched with trained participants. The project plans to hold an event connecting trained youth with companies in need of skilled labor from mapped sectors. During the event, companies will present job opportunities to certified youth, who can apply for available positions. This process not only facilitates direct access to the job market for youth by presenting concrete employment opportunities but also provides them with the experience and confidence needed to successfully navigate the job search process. Expectedly, youth will receive guidance to prepare their CVs and will be

trained for job interviews, preparing them comprehensively for effective entry into the job market. Additionally, the municipality will be encouraged to promote partnerships with companies to develop internship programs that enable participants in the project to gain relevant practical experience. Finally, youth will also be connected to public job placement programs, ensuring continuous support throughout their employment integration process.

- 2.9 The proposed project holistically addresses Belém's challenges, focusing on professional qualification, knowledge dissemination, and institutional strengthening. By mapping labor market demands through detailed research and aligning professional qualification courses with the identified needs, the project aims to prepare the youth for emerging opportunities. Moreover, by collaborating with Belém's city hall and other institutions, the project seeks to strengthen labor market policies, creating a more robust ecosystem for formal employment and social inclusion. Thus, by addressing these strategic pillars, the project not only creates a legacy of skills and knowledge, but also lays the foundations for tackling Belém's long-term socioeconomic challenges, contributing to economic development and social inclusion.
- 2.10 **Strategic Alignment.** The proposed TC is consistent with the IDB Group Institutional Strategy: Transforming for Scale and Impact (CA-631) and is aligned with objective(s) of: (i) reduce poverty and inequity; and (ii) bolster sustainable regional growth by providing training to young people who are out of the formal labor market and previously did not study, in key areas for the development of the city's productive sector. The TC is also aligned with the operational focus area(s) of: (i) gender equality and inclusion of diverse population groups; and (ii) social protection and human capital development. The TC is also aligned with one of the strategic objectives defined in the IDB Group Country Strategy with Brazil 2019-2022(GN-2973): improve management and the quality of spending and infrastructure in the health and education sectors. It is synchronized with the Skills Development Sector Framework Document (GN-3012-3) and its lines of action of ensuring access to high-quality and relevant learning opportunities throughout life, as well as with the Labor Sector Framework Document (GN-2741-12), which has as actions lines: (i) Multisectoral approaches to increase productivity growth and ensure that gains are shared equitably; and (ii) Strategies to promote a more inclusive labor market. It also is consistent with the Education and Early Childhood Development Sector Framework Document (GN-2708-5) in Dimension 5 that "all children and young people acquire the necessary skills to be productive and contribute to society." Finally, it is aligned with the Amazonia Forever Regional Coordination Program, a holistic umbrella program for the region's sustainable development that aims to collaborate on forest conservation and climate action, offering economic alternatives to improve people's quality of life, especially in the line of providing adequate access to quality education, health care, and employment, as well as promoting innovative solutions adapted to the local conditions of the population of the Amazon region.
- 2.11 The program is also aligned with OC SDP Window 3 - Sustainable Development in the Amazon (W3A) (GN-2819-14) through "Emerging need 1: Amazon's sustainable development" by providing training and scholarships for young people in vulnerable situation and promoting dialogue between public and private sectors to identify their needs for skilled labor, which will support the region's sustainable and inclusive development.
- 2.12 **Complementarity with other initiatives.** This TC is supplementary to IDB's program Amazonia Forever, that promotes the region's sustainable development and aims to

upscale financing; strengthen the planning and execution of projects to generate impact; share knowledge and evidence-based innovations and leverage expertise to support policy development; and enhance regional collaboration and coordination. This TC is also complementary to other IDB initiatives in the Amazon region, such as the project to create urban development models contextualized with the challenges faced by Amazonian cities, aiming to protect their biodiversity, halt rapid urban expansion and consequent deforestation, and attract investments related to the bioeconomy ([ATN/OC-19443-BR](#)); a project to improve Amazon's sustainable development through technical education (TVT) courses for açai ([ATN/OC-19809-BR](#), [ATN/TV-19810-BR](#)), among others existing interventions in the areas of tourism, bioeconomy, urban development, innovations for the sustainable development and to strengthen sustainable value chains ([ATN/OC-18784-BR](#), [ATN/OC-19591-RG](#), [ATN/OC-18956-BR](#), [ATN/OC-19258-BR](#)). This TC will work to prepare students with the skills needed to thrive in a constantly changing labor market (IDB-TN-1328), which has guided IDB's work on TVT projects ([ATN/OC-17398-DR](#), [ATN/OC-15890-CH](#), [4798/OC-BL](#)). Especially, it complements the programs on the importance of a strong cooperation between learning institutions and the private sector to identify and update the skills required by employers ([4692/OC-DR](#), [3787/OC-BH](#), [2739/OC-BA](#), [3547/OC-PE](#), [4645/OC-JA](#)) as well as those supporting curricular transformations to ensure these skill needs are formally incorporated in the education system ([3539/OC-CH](#); [4555/OC-PE](#)). The Program also contributes to the operational strategy implemented in Brazil (GN-2973) as the proposed technical cooperation will enable the implementation of a pilot project which, depending on its results, could be scaled up into broader strategies with the State of Pará and the city of Belém for the professional qualification of larger groups, achieving more comprehensive results. Additionally, the project can contribute experiences and lessons learned for the development and implementation of new IDB projects in the Northern Region of Brazil, where the greatest challenges in education, professional qualification, and labor productivity are faced.

III. Description of activities/components and budget

- 3.1 **Component I: Professional qualification (US\$360,000.00).** This component will finance qualification courses to train young people in various areas, considering strategic sectors, such as IT, gastronomy, hotel services and tourism. The definition of the courses to be offered will be based on the results of the comprehensive diagnostic of productive sector demands that will be delivered. Educational institutions with proven experience will be hired to provide the training courses and technical qualification. Content on the cross-cutting theme of gender and diversity will be included in the program. Additionally, scholarships will be offered to cover transportation and food costs, in order to make the courses accessible to students and reduce the risk of dropouts. The selection of participants will be conducted by the Municipality of Belém, which will choose participants based on criteria determining their vulnerable situation. All selected participants will receive scholarships, without distinction. The objective of this component is qualifying young people for the formal labor market.
- 3.2 **Component II: Communication and Dissemination (US\$40,000.00).** The TC will finance: (i) creation of a distinctive visual identity to strengthen the project's presence; (ii) strategic communication materials to engage young people, providing clear information about the projects opportunities and benefits; and (iii) promotion of an event to bring together project participants, including students, teachers,

businesspeople, and public managers, to publicize the results achieved. The objective of this component is: (i) in a first stage, to involve young people and the employing productive sector in the project; and (ii) in a second stage, to highlight the results and lessons learned for general public.

- 3.3 **Component III: Institutional Strengthening (US\$54,000.00).** This component will finance: (i) consultants to support project management (ii) consultants to implement local activities in Belém aimed at promoting the program among young people, encouraging, and facilitating enrollment in the courses; and (iii) consultants to engage students and their active participation throughout the qualification process, reducing dropout rates. The objective of this component is to contribute to increasing the knowledge of Belém City Hall managers about labor market policies and project management.
- 3.4 **Component IV: TC diagnosis report and result evaluation (US\$46,000.00).** A diagnostic of productive sector's demands and a result evaluation will also be financed and executed by the Bank. The evaluation will include results concerning the following outcomes: (i) number of individuals approved on the technical and qualification courses provided by the educational institution; and (ii) number of individuals who received the conclusion certificate for participating on the equality, diversity, and gender courses. The results will be generated from the information provided by the educational institutions contracted to provide the courses. Furthermore, the lessons learned from the project implementation should be systematized to benefit the development and implementation of future similar projects, or even the expansion of the proposed project to a broader audience and to other cities and states in the region. By documenting and analyzing these lessons, stakeholders can refine strategies, improve efficiency, and replicate successful practices, ultimately enhancing the effectiveness and scalability of future initiatives. Finally, it is expected that with the technical cooperation, the municipal government of Belém can be strengthened institutionally and can incorporate into its practices: the development of diagnostics to identify problems and demands in formulating public policies; the establishment of ongoing dialogue and partnerships with the productive sector to map opportunities, challenges, and needs; the evaluation of program impact and results to make necessary corrections, expand actions, and be accountable to society. Additionally, the pilot project will serve as a test of hypotheses, such as the greater effectiveness of qualification programs that offer scholarships to participants.
- 3.5 The total cost of this TC is US\$500,000 in non-reimbursable resources, which will be financed by the OC SDP Window 3 - Sustainable Development in the Amazon (W3A), as detailed in the chart below. No counterpart funding is contemplated.

Indicative Budget (US\$)

Activity/Component	Description	IDB (W3A)		Total Funding
		Instituto BEI	IDB	
Component I: Professional qualification	i. Course execution ii. Gender and diversity course execution iii. Scholarships iv. Mobile unit (trailer)	360,000.00		360.000
Component II:	Communication and connection with productive sector (Workshop)	40,000.00		40.000

Communication and Dissemination				
Component III: Institutional Strengthening	Support for project operation	54,000.00		54.000
Component IV: TC: diagnosis report and result evaluation	Monitoring and Evaluation Other Costs/Contingencies		46,000.00	46.000
TOTAL		454,000.00	46,000.00	500.000

IV. Executing agency and execution structure

- 4.1 As requested by the City of Belem, through the Mayor's Office, the executing agency of this TC will be the IDB and Instituto BEI (IBEI) and the beneficiary will be the City of Belém. The IDB will be responsible for the execution of the TC result evaluation, and IBEI will be responsible for components 1, 2 and 3. The IDB will maintain a close and constant dialogue with IBEI and the City of Belém through all stages of execution.
- 4.2 The present TC was approved by the Secretariat of Development and International Issues, of the Ministry of Planning and Budget (SEAID/MPO).
- 4.3 Instituto BEI (IBEI), a private, non-profit social organization founded in 2018, stands out for educational programs and projects that foster debates and influence the formation of public policies. By bridging academia and society, it seeks impactful solutions in various areas such as education, urban development, and citizenship, relying on specialists and researchers. Since its inception, it has already benefited over 100,000 students and 1,200 educators in the public-school systems of Goiás and Pernambuco states with the program "Learning to deal with money" (*Aprendendo a lidar com dinheiro*) which impact was evaluated through a RCT with rigorous implementation protocols. During the pandemic of COVID-19, Instituto BEI, in partnership with community leaders from São Paulo and Rio de Janeiro, distinguished itself by identifying demands, donation points, and institutional collaborations, becoming model adopted by private and governmental organizations. Its actions inspired an academic article published in the "Cities & Health" journal. Furthermore, its concern for social transformation through education led to the creation of the CORA project – Corações da Amazônia (Hearts of the Amazon), aimed at strengthening the education of young people in the Amazon region. Qualification for young people in Belém is an initiative aligned with Instituto BEI purpose.
- 4.4 The Bank's active role in this TC can have positive externalities for other countries in the Amazon region, as part of efforts to support countries in promoting the development and implementation of sustainable and inclusive models that contribute positively to improving the quality of vocational education services and preparing young people in situations of social vulnerability for the labor market, in the context of Amazonian issues of great importance. The IDB can further ensure independent and transparent execution of TC result evaluation. Disbursement will be tasked to the BrazilCountry Office (CSC/CBR). The TC disbursement and execution period will be 36 months.
- 4.5 **Procurement.** Activities to be executed under Component 1, 2 e 3 of this TC have been included in the Procurement Plan 2 (see Annex IV) and, considering that BEI is a private sector entity, procurement will be made using BEI' procedures according to appendix IV of the Policies for the Procurement of Goods and Works financed by the IDB (GN-2349-15) and appendix IV of the Policies for the Selection and Contracting

of Consultants financed by the IDB (GN-2350-15), both of May 2019. BEI has experience in the execution of similar projects to the one targeted by this TC, so the risks are considered low from the point of view of procurement and financial management. The diagnosis and result evaluation reports of this TC have been included in the Procurement Plan 1 (see Annex IV) and will be contracted in accordance with Bank policies as follows: (a) AM-650 for Individual consultants; (b) GN-2765-4 and Guidelines OP-1155-4 for Consulting Firms for services of an intellectual nature and; (c) GN-2303-28 for logistics and other related services; as amended from time to time. Please note that Policy GN-2303-33, approved by the Board of Executive Directors on November 22, 2023, will become effective on July 1, 2024. It replaces the Corporate Procurement Policy (document GN-2303-28) and the Policy for the Selection and Contracting of Consulting Firms for Bank-executed Operational Work (document GN-2765-4) by updating and consolidating them into a single policy. After July 1, 2024, all procurement for Services provided by firms shall be conducted under this new Policy GN-2303-33 and its associated Guidelines. As a result, it is expected that the procurement supervision modality will be ex post.

- 4.6 **Financial Management.** The project team has determined that an external audit of the TC will not be required, due to the funding amount, the low level of risk, and the nature and complexity of the TC. To supervise the financial management of Components 1, 2 and 3, IBEI will present to the Bank semi-annual unaudited financial reports. The first of these reports shall be presented to the Bank by November 2024.
- 4.7 **Monitoring and Evaluation.** IBEI shall present semi-annual reports to the Bank, which shall include, in relation to Components under its responsibility and among other aspects, a description of the progress of execution, an update on implementation and financial status, and updated disbursement projections. Additionally, BEI shall collaborate with the Bank and City of Belém in the preparation of the TC result evaluation.

V. Major issues

- 5.1 The risks in executing the TC and achieving its objectives are threefold: (i), risk of delay in the execution of the project, due to the BEI Institute's inexperience with the IDB's operational practices and policies and procurement policy. In order to mitigate this risk, the project's management and execution teams will be trained in the Bank's operational and procurement practices and policies. The project team will also be in close communication with the co-executors and beneficiaries; (ii) risk on the part of the beneficiary in mobilizing young people about the existence of the program, offering the space for registration, and checking the requested documentation and completing the registration enrollment. (iii) risk in relation to the political cycle, considering the occurrence of municipal elections in Belém/PA in 2024 and the possible change in the management team. To mitigate risks (ii) and (iii), it will be essential to document the key processes and establish clear communication channels between the project team and the technical stakeholders. This will support the continuity of activities, regardless of changes in municipal management.

VI. Exceptions to Bank policy

- 6.1 None.

VII. Environmental and Social Aspects

- 7.1 This TC is not intended to finance pre-feasibility or feasibility studies of specific investment projects or environmental and social studies associated with them;

therefore, this TC does not have applicable requirements of the Banks Environmental and Social Policy Framework (ESPF).

Required Annexes:

[Request from the Client_78056.pdf](#)

[Results Matrix_82246.pdf](#)

[Terms of Reference_70396.pdf](#)

[Procurement Plan_79054.pdf](#)