ADMINISTRATION AGREEMENT

between

THE INTER-AMERICAN DEVELOPMENT BANK

and

VISA

regarding

Project Specific Grant to the Inter-American Development Bank for Project No. RG-T5047 titled, "ConnectAmericas: AI-Driven Private Sector Knowledge & Behavioral Research"

THIS ADMINISTRATION AGREEMENT is entered into between the Inter-American Development Bank (the "Bank") and Visa (the "Donor") (hereinafter together referred to as the "Parties", and individually, each a "Party").

WHEREAS, the Bank has designed Project No. RG-T5047 titled, "ConnectAmericas: AI-Driven Private Sector Knowledge & Behavioral Research" (the "Project"), as described in the preliminary project document attached hereto as Annex A, as may be modified in a revised project document, identified by the same Bank project number (the "Project Document"), to be approved by the Bank pursuant to Section 12 below;

WHEREAS, the Donor has agreed to support the execution of the Project by providing a project specific grant (PSG) to be administered by the Bank; and

WHEREAS, the Bank is prepared to receive and administer the contribution funds to be made available by the Donor for the Project.

NOW, THEREFORE, the Parties hereby agree as follows:

1. The Donor will make available to the Bank a grant contribution in the amount of U.S.$ 150.000,00 (one hundred fifty thousand dollars of the United States of America) (the "Contribution") to be administered by the Bank to co-finance the Project.

2. The Contribution will be solely for the purposes indicated in the Project Document (subject to the approval mentioned in Section 12 below). Any material deviations from the objectives and activities of the Project described in the Project Document will require the Donor's written approval. The Bank will notify the Donor in writing of any material deviation from the objectives, activities, or budget allocations described in the Project Document promptly upon the Bank becoming aware of such deviation.

3. (a) The Donor will transfer the Contribution to the Bank according to the following payment schedule:

Date:	**Amount:**
Upon signature of this Administration Agreement by the Parties:	U.S.$ 100.000,00 (one hundred thousand dollars of the United States of America)
No later than September 30, 2026	U.S.$ 50.000,00 (fifty thousand dollars of the United States of America)

   (b) The Donor will deposit the Contribution installments into, upon the Bank's written request, to the account indicated by the Bank in writing (the "Account"). The Account is denominated in U.S. dollars and includes resources provided as grant funds by other donors for other Bank projects. The Contribution will be administered in the Account without distinction from other donors' contributions**.**

4. The Bank will administer the Contribution in accordance with the provisions of this Administration Agreement and the Bank's applicable policies and procedures, including those applicable for third party resources administered by the Bank. The Bank will exercise the same care in the discharge of its functions, as described in this Administration Agreement, as it exercises with respect to the administration and management of resources from other donors, and will have no further liability to the Donor in respect thereof, except to the extent such liability arises from the Bank's fraud, gross negligence, or willful misconduct.

5. The Contribution will be accounted for separately from the Bank's assets and will be administered together with other contributions received by the Bank. The Bank may freely exchange the Contribution funds into other currencies as may facilitate their administration and disbursement. The Bank will not be responsible for foreign exchange risk in the receipt, conversion or administration of Contribution funds, provided that the Bank complies with its internal policies and procedures to minimize any losses to the Contribution arising from such currency conversions. Further, the Bank may at its discretion invest and reinvest the resources of the Contribution pending their disbursement in connection with the Project.

6. To assist in the defrayment of the administration costs in relation to the Contribution, the Bank will:

   (a) charge a non-refundable fee equal to five percent (5%) of the total Contribution amount at the time the first installment of the Contribution is deposited by the Donor into the Account (for the avoidance of doubt, such fee will not be incorporated into the Project budget reflected in the Project Document); and

   (b) retain investment income generated (if any) by the Contribution pending its disbursement towards the Project.

7. The Bank's procurement policies and procedures will be applicable to the contracting of consulting services, as well as the procurement of non-consulting services, if applicable, carried out with the Contribution, as required by the different components of the Project. Further, the Donor accepts that:

   (a) the resources of the Contribution will be completely untied;

   (b) the consulting services financed with the Contribution may be provided and executed by consulting firms, specialized institutions or individuals from any Bank member country; and

   (c) specialized institutions, engaged to support project preparation and/or implementation, may apply their own financial management and procurement policies and procedures for the provision of goods, works, non-consulting services, or consulting services, as further regulated by any agreement with the Bank.

8. The Donor will not be responsible for the activities of any person or third-party engaged by the Bank as a result of this Administration Agreement, nor will the Donor be liable for any costs incurred by the Bank in terminating the engagement of any such person.

9. The Bank will indemnify and hold the Donor harmless from and against any third-party claims, losses, damages, or liabilities arising out of the Bank's fraud, gross negligence, or willful misconduct in connection with the administration of the Contribution.

10. In addition to the final Project report described below, the Bank will provide the Donor with semi-annual progress and financial reports throughout the execution period of the Project, at no additional cost to the Donor, summarizing the use of the Contribution and the status of Project activities. Promptly following the completion of the Project, the Bank will submit to the Donor a final Project report. The Donor may also request a non-audited financial expense report of the Contribution, as prepared by the Bank. In addition, the Donor may request an "agreed upon procedures" report issued by an external auditor selected by the Bank on the use of the Contribution resources or of the Project. The cost of such auditor's report will be borne by the Donor and will not be deducted from the Contribution. The Donor will reimburse the Bank for the cost of this report promptly after receiving a written request from the Bank. The Bank will not provide audited financial statements for the Account.

11. As soon as possible upon completion of the Project, the Bank will return to the Donor any remaining uncommitted Contribution funds, unless otherwise agreed to in writing by the Parties. In addition to the foregoing, and without limiting any other right or remedy available to the Donor, the Bank will return to the Donor the applicable portion of the Contribution described below (each, a "Clawback Event"), within sixty (60) days of the Donor's written request, net of any portion of the Contribution that has not already been irrevocably and properly committed to third parties in accordance with the Project Document prior to the date the relevant Clawback Event arose, if:

    (a) the Project is suspended, cancelled, or terminated prior to completion for reasons not attributable to the Donor;

    (b) any portion of the Contribution is used for purposes materially inconsistent with, or not authorized by, the Project Document without the Donor's prior written consent;

    (c) the Donor's name, trademarks, or affiliation with the Project is used by the Bank in a manner inconsistent with the Use of Name and Publicity provisions of this Administration Agreement, without the Donor's prior written consent, and such use is not remedied within thirty (30) days of the Donor's written notice; or

12. The Donor acknowledges that the Bank's commitment to use the Contribution as contemplated herein will be subject to the Bank's formalization of all internal approvals necessary for the Project and/or the Project Document. Once the Project Document has been approved, the Bank will furnish a copy of it to the Donor, which will then be deemed incorporated into this Administration Agreement as Annex A. The Donor accepts that the final, approved version of the Project Document may vary from the attached Annex A, in which case the approved version will prevail, and no amendment to this Administration Agreement will be required.

13. Should the Bank determine, in its sole discretion, that the Donor (or any of the Donor's officers, directors, controlling parties and/or beneficial owners) appears, or that there is evidence that such name appears, on any internationally recognized sanctions list[1], the Bank shall have the right to immediately take, among others, the following mitigating measure/s: (i) decline to accept any Contribution funds; and/or (ii) decline to return any Contribution funds due to the Donor hereunder. In the event the Bank takes any mitigating measure/s, it will inform the Donor of the measure/s and the reason/s for making the decision. Such mitigating measure/s shall remain in effect until such time as the Bank concludes, in its sole discretion, that the Donor's name (or the name of any of the Donor's officers, directors, controlling parties and/or beneficial owners) does not appear on the relevant sanctions list or that in the Bank's sole discretion the risks presented by such listing are adequately mitigated. The Donor shall adhere to all laws and regulations applicable to the Donor regarding anti-money laundering and countering the financing of terrorism.

14. The offices responsible for coordination of all matters and receiving any notice or request in writing in connection with this Administration Agreement or the Project are as follows:

    (a) For the Bank:

        i. All communications pertaining to Donor relations and resource mobilization will be directed to:

        Inter-American Development Bank
        1300 New York Avenue, NW
        Washington, D.C. 20577
        UNITED STATES OF AMERICA
        Attention: Manager, Global Partnerships Office (GPS)
        Tel.: +1 (202) 623-1723
        E-mail: partnerships@iadb.org

[1] The term "internationally-recognized sanctions list" refers to any list included in the Bank's Anti-Money Laundering/Combating the Terrorism of Finance Framework, including lists maintained by the United Nations Security Council Committee (UN list), the European Commission (EU list), the Office of Foreign Asset Control (OFAC) of the U.S. Department of Treasury (OFAC list), and the Treasury of the United Kingdom (UK list), as a may be updated from time to time, and which framework is available at www.iadb.org

ii. Day-to-day communications regarding the management of the Contribution and the implementation of this Administration Agreement will be directed to:

Inter-American Development Bank
1300 New York Avenue, NW
Washington, D.C. 20577
UNITED STATES OF AMERICA
Attention: Chief, Grants and Co-financing Management Unit
Global Partnerships Office (GPS/GCM)
Tel.: +1 (202) 623-1192
E-mail: gps-gcm@iadb.org

(b) For the Donor:

VISA
1004 NW 65th Ave, Miami, FL 33126
Attention: Juan Carlos Cogorno, Head LAC VGS
Tel.: 305-632-2458
E-mail: jcogorno@visa.com

15. This Administration Agreement will come into force on the date of its last signature by the Parties.

16. The Parties may amend any provision of this Administration Agreement in writing.

17. Subject to their respective policies and procedures with respect to access to information, the Parties may make this Administration Agreement publicly available, except for Annex A, which shall remain confidential until the Bank obtains all necessary internal approvals for the Project Document.

18. Neither Party will use the name, trademarks, logos, or other proprietary marks of the other Party, or otherwise represent or imply an endorsement by the other Party, in any publicity, advertising, press release, or other public communication without the prior written consent of the other Party, except: (i) as required by applicable law, regulation, or the Bank's Access to Information Policy; or (ii) to identify the Donor as a contributor to the Project in factual, non-promotional listings of the Bank's donors.

19. Nothing in this Administration Agreement may be construed as creating an agency relationship between the Parties.

20. Nothing in this Administration Agreement may be construed as a waiver, express or implied, of the Bank's privileges and immunities, under international or any applicable law, including any privileges and immunities agreement.

21. The Parties will seek to settle amicably any disputes that may arise from or relate to this Administration Agreement.

22. This Administration Agreement may be signed and delivered in counterparts (including by scanned .pdf counterpart), each of which will be deemed an original, but all of which, when taken together, will constitute one and the same instrument.

IN WITNESS WHEREOF, the Inter-American Development Bank and VISA, each acting through its duly authorized representative, have signed this Administration Agreement in the English language as of the dates indicated below.

INTER-AMERICAN DEVELOPMENT BANK

Matías Bendersky
Manager, Global Partnerships Office

Date:

VISA

Signed by:
Juan Carlos Cogorno,
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Juan Carlos Cogorno,
Head LAC VGS

Date: August 7, 2026 | 17:20 PDT

ANNEX A

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

RG-T5047

ConnectAmericas: AI-driven private sector knowledge & behavioral research

Technical Cooperation Document

This document was prepared by the team consisting of:

TEAM LEADER: July Jimenez Orjuela (PTI/PST), ALTERNATE TEAM LEADER: Luciano Gasparini Palladino (PTI/PST), TEAM MEMBERS: Sebastian Gonzalez Saldarriaga (PTI/PST), Christian Volpe (PTI/PTI), Isabella Mejia Jimenez (PTI/PST), Vanesa Garcia Sanchez (PTI/PST), Jorge Pantoja Mendez (PTI/PST), Ivan Abdala Grauert (PTI/PST), Natalia Leal Puerta (PTI/PST), Jimena Serrano Pardo (ICT/GSI), Nadin Medellin (SCL/GDI), Cesar Buenadicha Sanchez (LAB/EBA), Nevardo Javier Arguello (TTD/TDS), Ana Isabel Chaparro Garzon (TTD/TTR)

REGIONAL CONNECTAMERICAS: AI-DRIVEN PRIVATE SECTOR KNOWLEDGE & BEHAVIORAL RESEARCH		
Project Summary		
Operation Type:	Technical Cooperation (TC)	
Sector:	VPS/PTI	
Subsector:	PTI/PST	
TC Taxonomy:	Research and Dissemination (RD)	
Project Number under the Operational Support Taxonomy:	RG-T5047	
Technical Responsible Unit:	PTI/PST Private Sector, Synergies & Trade	
Unit with Disbursement Responsibility (UDR):	PTI/PST Private Sector, Synergies & Trade	
Executing Agency:	Inter-American Development Bank	
Project Objective		
This technical cooperation aims to strengthen the Inter-American Development Bank's ability to connect private sector companies in Latin America and the Caribbean with knowledge, business networks, and international market opportunities through the ConnectAmericas platform. It also aims to generate actionable private sector data and insights that enable the IDB Group to design more effective programs and engagement strategies across the region.		
Financial Information		
Financing Type	**Fund**	**Amount in US$**
IDB Financing (P3B)		$500,000
Partner financing (PSG)		$142,500
Counterpart Financing		**N/A**
Total Project Budget		$642,500
Donors:	Visa	
Disbursement Period:		

Execution Period:	36 months
Additional Finance Information	These funds will be administered by the IDB through a Project-Specific Grant (PSG). Visa will contribute US$150,000.00. Out of this contribution, US$7,500.00 will be set aside as a 5% administration fee. The remaining contribution of US$142,500.00 corresponds to the project amount as indicated in the Financial Information table.

I. JUSTIFICATION AND OBJECTIVE

1.1 Diagnostic. Micro, Small, and Medium Enterprises (MSMEs) are the backbone of the Latin American and Caribbean (LAC) economy, representing 99.5% of firms, employing 60% of the formal workforce, and contributing one-quarter of total regional production value. (UNDP, 2025) [1] Despite this structural importance, MSMEs face high constraints to growth and internationalization, driven by, among other, information frictions, high search costs, and limited access to global markets.

Even after decades of global trade policy liberalization, substantial informational barriers to access to foreign markets still exist, limiting the potential gains to cross-border trade relations. Quantitative estimates place the cost of finding a single potential export client at over US$50,000 per year for non-exporting firms, while search frictions account for more than 90% of the empirical gravity relationship between trade flows and shipping distance (IDB-GWU, 2025)[2]. Firms themselves consistently identify the identification of initial business contacts and the establishment of first commercial dialogues as among the most significant trade barriers they face. (IDB, 2023). Quantitative estimates place the cost of finding a single potential export client at over US$50,000 per year for non-exporting firms, while search frictions account for more than 90% of the empirical gravity relationship between trade flows and shipping distance (IDB-GWU, 2025)[3]. Firms themselves consistently identify the identification of initial business contacts and the establishment of first commercial dialogues as among the most significant trade barriers they face.

Digital business platforms can efficiently reduce these frictions. The IDB's ConnectAmericas (CA) platform, launched in 2014 in partnership with Google, DHL, Mastercard, MAERSK and Meta was designed precisely to address some of these barriers by connecting LAC MSMEs with international buyers, suppliers and knowledge resources. Rigorous empirical evidence confirms that the platform works: for the broader population of firms, each additional day spent operating on the platform increases exports by 1.8%

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[1] [1] United Nations Development Programme (UNDP) (2025), *MSMEs in Latin America and the Caribbean*. MSMEs represent 99.5% of firms, generate nearly 60% of formal employment, and contribute approximately 25% of regional GDP.

[3] [1] IDB and George Washington University (2025), *"Searching for Trade: Evidence from AI-Firm Interactions"* (work in progress, December). The study combines ConnectAmericas platform data, detailed ADA interaction records, and transaction-level export data for firms in Colombia and Uruguay, and applies quasi-experimental methods (difference-in-differences and discontinuity design) to estimate the impact of AI-generated recommendations on firm visibility and export performance.

to 1.9% (almost US$1,050 at the median), primarily by allowing firms to expand their buyer base and the number of products they sell abroad (IDB, 2020).[4] These impacts are particularly strong for female entrepreneurs, where participation in ConnectAmericas "increases export values for women-led firms by almost 40% within product and destination" (IDB, 2023).[5] The platform has grown from a few thousand firms at launch to over 260,000 registered companies from more than 180 countries as of 2025, demonstrating sustained demand for digital trade facilitation across the region.

As the platform has scaled over the recent years, new coordination challenges have emerged. With hundreds of thousands of firms across multiple sectors, manual search—where users independently browse profiles without algorithmic support—becomes less efficient, limiting firms' ability to identify the most relevant partners and content. As more companies compete for visibility, this can reduce the effectiveness of connections and slow down matching outcomes. This highlights the importance of more targeted, data-driven approaches to improve how firms discover opportunities and connect within the platform.

Generative artificial intelligence (AI) offers a targeted solution to these residual digital frictions. CA recently developed a pilot AI-powered matchmaking tool, ADA (in beta phase), in collaboration with Microsoft Lab, which provides personalized recommendations to users by simultaneously considering firms' specific requests and the full set of potential partners' platform profiles. A study by the IDB and George Washington University (work in progress, December 2025), *"Searching for Trade: Evidence from AI-Firm Interactions,"*[6] leverages ADA's pilot phase on ConnectAmericas to generate the first causal evidence on AI as an information friction-reduction mechanism in online business platforms. The study finds that firms using ADA are significantly more likely to visit other firms' profiles—including firms beyond those directly recommended—indicating that AI stimulates broader search activity. AI-based recommendations are associated with an 11.9% increase in profile visits received by recommended firms at the semester level, and with a statistically significant increase in export values of approximately 50% at the firm level. Importantly, ADA recommendations are associated with a 26.7–29.4% increase in export values at the firm-country-destination level, confirming that AI-generated information has real commercial consequences (IDB-GWU, 2025)[7]. These findings establish B2B AI-based platforms as effective mechanisms for reducing information frictions and provide a strong foundation to scale its deployment and further strengthen the evidence base through broader implementation and more robust experimental design.

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[4] Carballo, J., Rodriguez Chatruc, M., Salamanca Malagón, C., & Volpe Martincus, C. (2020). *Information and Exports: Firm-Level Evidence from an Online Platform*. IDB Discussion Paper No. IDB-DP-00663. Inter-American Development Bank

[5] Poole, J. P., & Volpe Martincus, C. (2023). *Can online platforms promote women-led exporting firms?* Inter-American Development Bank.

[6] IDB and George Washington University (2025), *"Searching for Trade: Evidence from AI-Firm Interactions"* (work in progress). The study analyzes the impact of AI-based matchmaking within the ConnectAmericas platform by combining firm-level platform data, detailed records of ADA interactions, and external datasets, and applies quasi-experimental methods to estimate the effects of AI-generated recommendations on firm behavior and outcomes.

[7] Estimates on export effects are based on the integration of ConnectAmericas and ADA interaction data with transaction-level export data for firms in Colombia and Uruguay, covering periods before and after ADA's introduction. The analysis compares firms receiving AI-generated recommendations with similar non-recommended firms using a difference-in-differences framework to identify the impact on export performance.

However, while the existing evidence is promising, it was generated under a limited beta deployment. Scaling ADA's impact will require expanding and strengthening the underlying company and content database, as well as incorporating more granular, longitudinal analysis of firm-level behavioral data.

1.2 Request. This Technical Cooperation reflects the Inter-American Development Bank's interest in reducing information frictions and search costs that constrain firm internationalization across Latin America and the Caribbean. The Bank also seeks to strengthen collaboration with private sector partners that can contribute complementary capabilities, knowledge, or resources, enhancing the reach, relevance, and sustainability of the proposed interventions, with particular attention to supporting women-led businesses. This TC will be executed by the Bank through the PTI/PST unit, in accordance with the Bank's Technical Cooperation Policy (GN-2470-2) and the Procedures for the Processing of Technical Cooperation Operations and Related Matters (OP-619-4), given that it constitutes a Research and Dissemination initiative originated and led by the IDB.

1.3 Objective. The general objective of this TC is to strengthen the Inter-American Development Bank's ability to connect private sector companies in Latin America and the Caribbean with knowledge, business networks, and international market opportunities through the ConnectAmericas platform. It also aims to generate actionable private sector data and insights that enable the IDB to design more effective programs and engagement strategies across the region.

To accomplish this, the TC has three specific objectives: (i) **Enhance the ability of private sector companies** in LAC to identify relevant knowledge resources, training opportunities, and potential business partners through personalized digital guidance on the ConnectAmericas platform using GenAI. This objective focuses on improving how companies navigate the platform and access relevant opportunities based on their needs, characteristics, and interests by deploying and testing AI-powered tools; (ii) **generate evidence** on how artificial intelligence–enabled digital tools influence the way companies search for information, discover opportunities, and build business connections through digital platforms. This objective seeks to understand the effectiveness of AI-driven features in reducing information barriers, facilitating opportunity discovery, and strengthening networking and matchmaking outcomes for firms; (iii) **strengthen the IDB's capacity** to leverage private sector data and digital behavioral insights to design more effective programs and engagement strategies. This objective focuses on improving the Bank's ability to organize, analyze, and use integrated firm-level and CA's platform-generated data to better understand company needs, support decision-making, and identify opportunities for private sector engagement across the region.

1.4 Complementarity. This program builds upon the broader IDB initiative to scale the ConnectAmericas program as a whole. It leverages previous strategic integration efforts—such as RG-T3818—which strengthened the platform's digital services with a focus on nearshoring and Foreign Direct Investment (FDI). It also builds on the experience and results of the ConnectAmericas for Women technical cooperations, including RG-T3817 and RG-T4783, which seek to strengthen the capabilities of women entrepreneurs and expand their access to knowledge, business networks, markets, financing opportunities, and other resources needed to grow their firms. In this context, activities targeting women-led businesses under this TC will be implemented in close coordination with the Bank's Gender and Diversity Division (SCL/GDI), ensuring alignment with the IDB's broader gender equality agenda and leveraging the technical expertise and lessons generated through these operations. By incorporating AI-driven functionalities and generating new behavioral insights, this TC directly contributes to the next phase of evolution and scaling of the ConnectAmericas ecosystem. In addition, this intervention builds on prior research conducted by the IDB and George Washington University on the information barriers entrepreneurs face when identifying potential business partners, providing a strong evidence-based foundation for the proposed approach. It also complements existing big data initiatives within the Bank's PTI department, such as Integra (RG-E1690), which compile regional indicators on trade and capital flows, further strengthening the analytical backbone of this TC.

1.5 Strategic Alignment. This TC is aligned with IDB Group Institutional Strategy: Transforming for Scale and Impact (IDBStrategy+) (GN-3159-12) and one of its core objectives of Bolstering Sustainable Growth. IDBStrategy+ recognizes that productivity in LAC remains below potential due to limited innovation, low technology adoption among smaller firms, and weak competitive pressures that reduce incentives for efficiency. To close this gap, IDBStrategy+ promotes a comprehensive approach integrating market development, innovation, and institutional strengthening—emphasizing integrated, multisectoral, and data-driven solutions across areas including trade, entrepreneurship, and digital transformation to boost productivity, equity, and economic dynamism.

Also, this TC operationalizes the Ordinary Capital Strategic Development Program (OC SDP) Pillar 3 Productive Development and Innovation through the Private Sector (P3B) (GN-2819-25) by addressing three critical constraints to LAC SME productivity and competitiveness: (i) information frictions that limit firms' ability to identify business partners, export markets, and knowledge resources; (ii) low adoption of digital and AI-enabled technologies, reducing competitiveness in increasingly digital global markets; and (iii) gaps in private sector knowledge and innovation infrastructure. The AI-powered matchmaking and personalized guidance tools developed under this TC address the first two constraints, while the integrated private sector data infrastructure addresses the third. Together, these interventions support SME productivity, stronger value chains, and deeper trade integration. By reducing information barriers and strengthening conditions for MSME internationalization and private sector engagement, the TC aligns with the IDB Group's private sector development agenda, complementing IDB Invest's focus on investment and productivity and IDB Lab's emphasis on innovation and technology-driven inclusion.

To support this strategic alignment, the TC will place a particular emphasis on women-led firms by leveraging the ConnectAmericas for Women program and its strategic partnership with Visa, implemented in collaboration with IDB Invest, through a grant contribution of approximately US$142,500. Through this collaboration, Visa seeks to expand and strengthen a regional community of women entrepreneurs by building on the established ConnectAmericas for Women network and promoting greater financial inclusion as a driver of business growth. Visa will support activities and content creation related to financial capability development, knowledge generation, and access to financial solutions for SMEs. This collaboration will combine the IDB's regional platform and convening power, IDB Invest's expertise in supporting women-led businesses, and Visa's expertise in digital payments and financial inclusion, contributing to improved access to relevant business resources, networks, and growth opportunities for women entrepreneurs while also generating evidence and behavioral insights to inform future private sector engagement strategies.

II. COMPONENTS

2.1 Components. To achieve the stated objectives, the TC will finance three components:

1) **Component 1: AI-powered digital assistant and personalized user journey.**

Objective: Enhance the ability of private sector firms in LAC to navigate the ConnectAmericas platform and access relevant knowledge, training, and business partner opportunities through AI-powered personalized guidance.

This component will finance the design, development, and deployment of an AI-powered guidance system within the ConnectAmericas platform, building on the existing ADA pilot to expand its capabilities beyond business matchmaking and deliver a personalized user experience through a conversational interface and enhanced navigation. Leveraging user profiles, behavioral data, platform content, strategic company databases, and external datasets, the system will provide tailored recommendations on knowledge resources, business opportunities, and potential partners.

Key activities include: (i) the functional and technical design of the AI-powered system, including the conversational layer and semantic navigation capabilities, defining system architecture, data integration requirements, and user experience specifications; (ii) the development and deployment of a multilingual AI conversational assistant capable of responding to natural language queries, guiding users through the platform, and generating personalized recommendations based on firm characteristics, sector, and expressed needs; (iii) the updating and enrichment of the ConnectAmericas data repository—which may include practical articles, online courses, webinars, training sessions, toolkits, strategic company databases, and relevant external datasets—to ensure the relevance and accuracy of recommendations; and (iv) the organization and facilitation of Business-to-Business (B2B) matchmaking activities through the platform, encompassing virtual, in-person, and hybrid formats aligned by sector and geography, and supported, where relevant, by AI-driven tools to identify, prioritize, and connect participants.

Expected Outputs (Component 1): (i) Functional and technical design of AI conversational layer and semantic navigation system completed; (ii) Multilingual AI conversational assistant deployed and operational on the ConnectAmericas platform; (iii) Data repository updated with new content, strategic company databases, and relevant knowledge resources; (iv) B2B matchmaking activities organized or supported through the platform.

2) **Component 2: Experimental evaluation framework.**

Objective: To generate rigorous, causal evidence on how AI-enabled digital tools influence firm behavior on digital platforms—particularly in terms of information search, opportunity discovery, and business network formation.

This component will design and implement a structured experimentation framework within the ConnectAmericas platform to better understand how firms interact with digital tools and how these interactions translate into business outcomes. Building on the IDB and George Washington University study on information frictions and firm behavior—conducted through the analysis of Ada, ConnectAmericas' AI-powered matchmaking assistant—and applying its key insights and recommendations, the component will deploy rigorous evaluation methodologies to assess the effectiveness of AI-powered features and generate actionable evidence for platform optimization and broader private sector support strategies.

Key activities include: (i) the design of a comprehensive experimentation plan defining core research questions, baseline user engagement metrics, and evaluation methodologies, including treatment and control groups and sampling strategies; (ii) the implementation of structured experiments—such as randomized control trials (RCTs) and A/B testing—across selected platform features (e.g., AI conversational assistant, semantic search, and personalized matchmaking tools) to identify their causal impact on firm-level outcomes, including connection rates, knowledge acquisition, and export readiness; (iii) the analysis of differential effects across firm types—such as firms in lower-income countries and first-time exporters—where information is available, to better understand which segments benefit most from these interventions; and (iv) the generation of a knowledge product consolidating behavioral insights, evidence on the effectiveness of AI-driven tools, and actionable recommendations to inform the scaling of ConnectAmericas and the design of future IDB Group operations.

Expected Outputs (Component 2): (i) Experimentation action plan completed, including baseline metrics, research questions, and evaluation methodology; (ii) Structured experiments — including Randomized Controlled Trials (RCTs) and A/B testing — executed across selected platform features; (iii) Research reports and briefs published with findings, behavioral insights, and scalable recommendations for platform improvement.

3) **Component 3: Integrated private-sector data infrastructure and decision-support tool.**

Objective: To strengthen the IDB's institutional capacity to leverage private sector data and digital behavioral insights generated by ConnectAmericas for program design, upstream business development, and strategic private sector engagement.

This component will finance the development and deployment of a unified data infrastructure that consolidates firm-level information and behavioral insights generated through the ConnectAmericas platform into a decision-support tool for the IDB. By integrating multiple data sources into a single architecture, the component will enable more targeted, data-driven interventions to engage the private sector more effectively.

Key activities include: (i) the design of the functional and technical architecture for a unified data platform, defining data sources, integration protocols and governance frameworks; (ii) the development and operationalization of a data lake integrating ConnectAmericas company profiles, behavioral engagement data (e.g., searches, connections, and content interactions), and relevant external datasets—which may include trade flows, investment trends and firm-level characteristics to enable a more comprehensive and dynamic understanding of firms in the region; and (iii) the implementation of analytical tools, including a query interface, to inform IDB´s strategic private sector initiatives.

Expected Outputs (Component 3): (i) Functional and technical design of unified data architecture completed; (ii) Data lake integrating company profiles and behavioral data built and operational; (iii) Natural language query interface implemented.

2.2 Expected Results. Upon successful delivery of the three components, the TC is expected to generate the following development outcomes:

- **Outcome Component 1:** Improved ability of private sector firms to identify relevant knowledge resources, training opportunities, and potential business partners through the ConnectAmericas platform. **Indicators:** (i) number of firms identifying relevant training, knowledge resources, or market opportunities through the platform; (ii) and number of firms participating in B2B matchmaking activities.
- **Outcome Component 2:** Improved institutional knowledge on how digital and AI-enabled interventions influence firm behavior in accessing information, opportunities, and business networks. **Indicators:** (i) number of internal sessions conducted to present evidence-based results; (ii) number of digital engagement strategies or tools adjusted based on experimental results.
- **Outcome 3:** Enhanced availability and use of integrated private sector data to support program design, private sector engagement and decision-making. **Indicators:** (i) number of queries made on the data platform.

2.3 Beneficiaries. The direct beneficiaries of this TC are: (i) firms registered on or accessing the ConnectAmericas platform, who will benefit from AI-powered tools that reduce information frictions and improve their ability to identify knowledge resources and business partners—with a special focus on export-oriented firms; and (ii) IDB Group sector and country specialists, who will gain access to an integrated data platform and decision-support tool to inform private sector engagement strategies and program design. The indirect and final beneficiaries are: (i) MSMEs across LAC — particularly women-led and export-oriented firms — that ultimately benefit from reduced information frictions, improved matchmaking, and enhanced access to knowledge and markets through the ConnectAmericas platform; (ii) international buyers and suppliers seeking reliable partners in the region; and (iii) the broader LAC private sector ecosystem, which benefits from stronger trade integration, value-chain development, and more evidence-informed IDB programming.

III. BUDGET

3.1. The total cost of this TC is US$642,500, to be financed by resources from the Ordinary Capital Strategic Development Program (OC SDP), Pillar 3 – Productive Development and Innovation through the Private Sector (P3B), and a contribution from Visa. There is no local counterpart financing. The budget is distributed across three components as detailed below.

Component	Description	IDB - P3B (US$)	Visa - PSG (US$)	Total amount (US$)
Component 1	Design and deploy the AI-powered digital assistant	US$ 300,000	US$ 142,500	US$ 442,500
Component 2	Execute the experimental	US$ 50,000	-	US$ 50,000

	evaluation framework and RCTs			
Component 3	Development of the integrated private-sector data infrastructure and decision-support tool	US$ 150,000	-	US$ 150,000
Total		**US$ 500,000**	**US$ 142,500**	**US$ 642,500**

3.2. Visa is expected to commit resources to this operation for a total amount of US$142,500 net for the project. This amount corresponds to the project value net of the five percent (5%) administrative fee applicable to Project Specific Grants (PSGs). The resources will be administered by the Inter-American Development Bank (IDB) through Project Specific Grants (PSGs).

3.3. The administrative fee does not form part of the project budget and is applied exclusively to the donors' contributions.

3.4. The resources from the donor will be received through a Project Specific Grant (PSG), administered by the Bank in accordance with the Report on COFABS, Ad Hocs and CLFGS and a Proposal to Unify Them as Project Specific Grants (PSGs) (Document SC-114). Under these procedures, the donor commitment will be formalized through separate administration agreements, under which the Bank will manage the project resources.

IV. EXECUTION STRUCTURE

4.1 The IDB as Executing Agency for RD TC: This TC will be executed by the Inter-American Development Bank (IDB), through the Private Sector, Synergies and Trade Unit (PTI/PST) of the Productivity, Trade and Innovation Sector (PTI), over a 36-month execution period. Given that this TC constitutes a Research and Dissemination initiative promoted by the Bank, the IDB will act as Executing Agency in accordance with the Bank's Technical Cooperation Policy (GN-2470-2) and the Procedures for the Processing of Technical Cooperation Operations and Related Matters (OP-619-4), Annex II, Section C. No external executing agency is involved.

IDB execution is justified by its role as developer and operator of the ConnectAmericas platform, providing unique access to its architecture, user base, and data. This enables the implementation of experimental methodologies, the development of internal data infrastructure, and builds on existing partnerships with academic institutions like George Washington University to support the research agenda.

4.2 Institutional Capacity. PTI/PST, through the ConnectAmericas team, has a strong track record implementing previous TCs that have directly strengthened and expanded the ConnectAmericas platform, including RG-T3818, RG-T3727, RG-T3453, and RG-T3051. The team brings extensive experience in platform development, data analytics, content generation, and business matchmaking, building on lessons learned from these operations to implement user-centric solutions efficiently. Fiduciary risk is assessed as low and supervision will follow standard ex-post review modalities.

4.3 Procurement. All procurement to be executed under this Technical Cooperation have been included in the Procurement Plan and will be hired in compliance with the applicable Bank policies and regulations as follows: (a) Hiring of individual consultants, as established in the regulation on Complementary Workforce (AM-650) and (b) Contracting of services provided by consulting firms in accordance with the Corporate Procurement Policy (GN-2303-33) and its Guidelines.

4.4. Execution and Disbursement Period. The execution and disbursement period is estimated at 36 months from the date of approval. This period is designed to allow sufficient time for the iterative design and testing cycles inherent to AI development (Component 1), the implementation and analysis of structured experiments including RCTs (Component 2), and the full development and operationalization of the data infrastructure (Component 3). The timeline is consistent with the implementation periods reflected in the Results Matrix and Procurement Plan.

4.5 Financial Management. Financial management will be conducted in accordance with standard IDB policies for Bank-executed operations. PTI/PST will be responsible for maintaining financial records and submitting periodic financial reports to the relevant IDB oversight units.

4.6 Monitoring, Reporting, and Supervision. Progress monitoring will be conducted by the PTI/PST, with semiannual progress reports submitted to the relevant Bank oversight units and registered in the Technical Cooperation Monitoring and Reporting System (TCM). Supervision will leverage platform analytics and behavioral data generated by the ConnectAmericas system to provide real-time visibility into output progress, user engagement metrics, and experimentation results.

4.7 Evaluation. A final evaluation will be conducted by the project team (PTI/PST) upon project completion to assess the achievement of outcomes and the quality of knowledge products generated.

4.8 Reporting to donors. Origination and Reporting to Donors. The project team will be responsible for the preparation and submission of project reports to the donor, in compliance with the stipulations of the Administration Agreement.

4.9. Non-objection letters. Should any country-specific intervention or on-the-ground activity be undertaken during execution, the Team Leader will obtain the corresponding non-objection letter(s) from the relevant official liaison entity(ies) prior to initiating such activities, in accordance with applicable Bank procedures.

V. POTENTIAL RISKS

5.1 Risk Identification. The main risks associated with this TC include: (i) low user adoption of AI features, which may limit data generation and the validity of experimental results; (ii) delays in technology development due to the complexity of integrating AI into the ConnectAmericas platform; (iii) data quality and completeness constraints affecting the effectiveness of AI recommendations and the data lake; and (iv) experimental contamination between treatment and control groups in platform-based RCTs.

To mitigate these risks, the TC will implement: (i) a user-centric design approach with iterative testing, feedback cycles, and targeted communications to drive adoption; (ii) a phased development process with clear milestones and procurement of experienced firms, leveraging the IDB team's knowledge of the platform; (iii) data quality protocols, continuous data curation, and integration of external data sources; and (iv) rigorous experimental design in collaboration with academic partners, including firm-level randomization, management of spillovers, and pre-registration of statistical protocols.

5.2 Intellectual Property. All technology solutions, data products, research outputs, and knowledge assets developed under this TC will be the intellectual property of the Inter-American Development Bank. Research publications resulting from the experimental evaluation component will be made publicly available in accordance with the IDB's open knowledge policies. The AI system and data infrastructure developed under Components 1 and 3 will be integrated and hosted into the ConnectAmericas platform and will not require any special intellectual property agreements beyond standard IDB procurement contractual provisions.

VI. EXCEPTIONS TO BANK POLICIES

6.1 Exceptions. There are no identified exceptions to any Bank policy required for the execution of this Technical Cooperation.

VII. ENVIRONMENTAL AND SOCIAL ASPECTS

7.1 Environmental and Social Statement. This Technical Cooperation 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 Bank's Environmental and Social Policy Framework (ESPF).