

SUMMARY OF THE PROJECT IN DESIGN * (*)

Powercamp by Digevo Ventures

PITCH ELIGIBILITY DATE		COUNTRY(IES)
03/11/2026		Chile
ALIGNED WITH COUNTRY STRATEGY?		
Yes		
PARTNER(S)		
Digevo Ventures		
PRELIMINARY CLASSIFICATION ENVIRONMENTAL AND SOCIAL IMPACT		
N/A (**)		
TOTAL BUDGET	IDB Lab	LOCAL COUNTERPART AND COFINANCING
US 2,400,000	US 1,200,000	US 1,200,000
DESCRIPTION		

The problem: In Latin America and the Caribbean, micro, small, and medium-sized enterprises (MSMEs) represent nearly 99% of formal businesses, of which approximately 88.4% are microenterprises. Despite its significant weight in the productive structure, this segment generates only around 60% of employment and contributes barely 25% of regional GDP, revealing a structural gap between their scale and their economic contribution. This gap reflects a persistent problem of low productivity, which limits inclusive growth and social mobility in the region. Recent studies show that micro, small, and medium-sized enterprises in Latin America and the Caribbean are, on average, 7, 3, and 2 times less productive, respectively, than their counterparts in Europe. These differences reduce competitiveness, restrict the creation of quality jobs, and increase the economic vulnerability of millions of businesses, particularly those operating close to subsistence level. The low productivity of MSMEs responds to a set of interrelated structural gaps, including limited productive capacity, difficulties accessing finance and qualified talent, low levels of innovation, and weaknesses in technological and business management. Added to this is the heterogeneity of the segment, with a significant proportion of necessity-driven entrepreneurship, with limited growth potential and high exposure to economic shocks. These limitations are not restricted to the business sphere, but are also associated with constraints faced by founders themselves, such as lack of time for strategic management, weak connections to support networks, digital literacy gaps, and limited leadership, self-management, and continuous learning skills. Together, these factors reinforce a cycle of fragility that hinders consolidation, sustainability, and scaling of businesses over time. Chile mirrors many of these regional dynamics. MSMEs account for nearly 98% of businesses and generate approximately 65% of employment, but they contribute only 15% of total sales and 2% of exports. The productivity of large companies is five times higher than that of MSMEs, revealing significant structural inefficiencies within the segment² in terms of business management:

- Operational: lack of systematic accounting, planning and internal control practices
- Financial: access to finance gaps, weak cash-flow management and limited financial planning

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**The IDB categorizes all projects into one of six E/S impact categories. Category A projects are those with the most significant and mostly permanent E/S impacts, category B those that cause mostly local and short-term impacts, and category C those with minimal or no negative impacts. A fourth category, FI-1 (high risk) Financial Intermediary (FI)'s portfolio includes exposure to business activities with potential significant adverse environmental or social risks or impacts that are diverse, mostly irreversible or unprecedented, FI-2 (medium risk) FI's portfolio consists of business activities that have potential limited adverse environmental or social risks or impacts, FI-3 (low risk) FI's portfolio consists of financial exposure to business activities that predominantly have minimal or no adverse environmental and social impacts.

- Personal and leadership skills: self-management, resilience, leadership, and continuous learning difficulties
- Technological: low levels of effective technology adoption and difficulties integrating digital tools to optimize daily operations

It is particularly striking that these gaps persist in a context where Chile leads the region in terms of digital connectivity. Only 3.5% of households report not having internet access, which indicates that the main problem is not access to technology, but rather its effective and productive use, a factor that also differentiates MSMEs from large companies in Chile. The low correlation between connectivity and MSME productivity highlights a key challenge: technological adoption alone does not generate sustained improvements unless it is accompanied by adequate management, operational, and financial capabilities. This situation not only reflects persistent gaps between small and large companies, but also has similar consequences for their workers, making it necessary to identify cost-effective models and tools that contribute to reducing the fragility of smaller companies and strengthen their managerial, financial, operational, and technological integration capacities. This constitutes a systemic development challenge, as productivity gaps not only widen disparities between firms of different sizes, but also translate into higher levels of job insecurity, lower income stability, and greater vulnerability for the households that depend on them. The challenge, therefore, is to design transfer models tailored to the specific characteristics of microentrepreneurs, resulting in effective, sustained, and measurable adoption in terms of business productivity and quality of life for founders and workers. While Chile and the region host multiple support programs aligned with these goals, most rely on standardized training approaches with low personalization, limited monitoring of results, and little measurement of real economic impact, with several failed attempts at digitization and strengthening programs in this segment. In the face of rapid and accelerating technological changes, it is essential to identify new models of support for MSMEs that are capable of addressing their heterogeneity, identifying, prioritizing, and strengthening business capabilities, and reducing the fragility of smaller companies in a personalized, measurable, scalable, and sustainable manner, thus contributing to greater productivity, economic resilience, and social cohesion.

The solution: The tool is built on a proprietary assessment and diagnostic based on the concept of the Fuzzy Fragility Index (FFI) developed by Digevo Ventures, which evaluates key organizational performance dimensions and is integrated into an Intelligent Recommendation System, supported by predictive models and generative AI, which suggests actions, strategies, and resources tailored to the specific profile of each microentrepreneur. Recommendations prioritize high-applicability, low-adoption-cost interventions and are delivered through a hybrid program combining applied training, focused mentoring, and continuous digital support. The analysis and support are based on five dimensions: entrepreneurial mindset, environment, financial solidity, costs, and sales—enabling tailored strengthening recommendations and the design of a human-digital hybrid program that develops financial, commercial, collaboration, and networking skills.

The use of fuzzy logic allows the capture of complex, non-binary realities common in informal and low-standardization contexts, establishing an objective and comparable baseline for each business and enabling rigorous measurement before, during, and after the intervention. PowerCamp relies on a hybrid recommendation architecture that combines fuzzy logic, machine learning, and generative language models, ensuring their traceability and explainability.

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The present proposal seeks to contribute to PowerCamp's consolidation as a business training system, enhancing its technological development and international scalability through AI agents that validate and recommend practical, personalized tools, automate progress analysis, and generate specific improvement proposals to participant microenterprises. The project will expand coverage in Chile under responsible AI and universal accessibility standards, incorporating conversational AI, adaptations to varying digital literacy levels, and country-specific regulatory frameworks, with a modular architecture that enables its deployment by public and private entities. Additionally, within this operation the model's impact evaluation practices will be strengthened and the initiative will include a set of structured activities aimed at ecosystem development, articulation among actors supporting the segment, private capital mobilization, and the creation of powerful connections for microenterprises. This design enables a clear pathway toward replicability, allowing PowerCamp to be adopted as a digital infrastructure by governments, civil society or development organizations, adapting content, system rules, and operational components to local contexts without losing the model's core logic or the comparability of results. In this way, the solution transcends the logic of a one-off program and positions itself as a transferable and scalable tool for strengthening the productive base across the region.

The beneficiaries: Building on the evidence already validated by PowerCamp and considering the methodological and technological enhancements incorporated in the present proposal, the project aims to benefit at least 10,000 formal and informal microenterprises, which will experience significant and sustained improvements in their economic performance, management capacities and productive resilience. At least 50% of the beneficiary enterprises will be women-led.

Beneficiary microenterprises are expected to:

- reduce their level of productive fragility by between 30% and 40% relative to the baseline.
- increase their sales by approximately 80% compared to their baseline.
- significantly improve in income flow stability
- transition from basic or nonexistent use of digital tools toward functional, recurrent, and applied use in daily business operations.

As an additional innovative component, the project includes a controlled pilot for the integration of AI agents, aimed at supporting specific management tasks. It is estimated that between 10% and 20% of beneficiary microenterprises will integrate AI agents in areas such as administrative organization, sales tracking, cost control, or support for operational decision-making, depending on their level of maturity and compatibility with the model. This pilot will allow for a rigorous evaluation of the effectiveness, limitations, and conditions for adoption of generative AI within microenterprises, generating transferable learnings for the broader ecosystem.

The partner: Digevo Ventures is an incubator and company builder belonging to the Digevo Group, whose purpose is to design, develop, and implement innovative technological solutions aimed at addressing structural challenges in emerging markets, with a focus on productivity, technology adoption, economic inclusion, and applied innovation. The organization supports both startups and traditional companies throughout their processes of innovation, transformation, and value creation. The Digevo Group has been operating since 1997, under the leadership of Roberto Musso, author of the publication "The Entrepreneur's Journey", which constitutes one of the key conceptual reference

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frameworks underpinning the organization's methodology for entrepreneurial and business support. In 2013, Digevo Ventures was established as a specialized vehicle for innovation, corporate acceleration, and the development of technological solutions with economic and social impact. Among other attributes, Digevo maintains formal partnerships with leading global technology companies such as NVIDIA, Microsoft, Oracle, and Amazon, enabling access to advanced digital technologies and their dissemination within the broader community. In addition to PowerCamp, Digevo Ventures leads and implements other strategic initiatives that strengthen its technical and operational capabilities, including Evolution, a platform focused on startup incubation and strengthening; AI Campus, an initiative aimed at integrating artificial intelligence tools within academic institutions; and AcademIA, an executive training program in artificial intelligence targeted at companies and public and private organizations.

The IDB Lab contribution: The proposal contemplates an IDB Lab contribution of up to USD 1,200,000 in the form of Non-Reimbursable Technical Cooperation (NRTC).

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