

INTER-AMERICAN DEVELOPMENT BANK
MULTILATERAL INVESTMENT FUND

BOLIVIA

**INTERCULTURAL MODEL FOR WORKFORCE INTEGRATION OF
INDIGENOUS YOUTH IN EL ALTO**

(BO-M1064)

DONORS MEMORANDUM

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PROJECT SUMMARY
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With the adoption of its 2009 Constitution, Bolivia has been emphasizing its intercultural nature, founded on plurality and cultural and linguistic pluralism. This plurality is seen in the many different cultures (urban, rural, indigenous, formal, informal, and others) living together in the city of El Alto, as a result of waves of rural-urban and urban-urban migration that have contributed to its diverse social fabric. In this rich yet socially complex context, young people can have difficulty successfully adapting and integrating into the city and the labor market, particularly those involved directly or indirectly through their parents in recent migrations, who do not always have the tools, strategies, and intercultural skills required in an urban context of high cultural diversity. Employers and business owners in the urban formal sector, for their part, often lack the tools, strategies and intercultural skills to apply in their human resource management, contributing to a disconnect between youth labor supply and demand that goes beyond the trades and numbers of job openings or young people seeking employment.

Thus, the **problem** to be addressed by the project is an absence of intercultural tools which heightens the disconnect in the workplace between El Alto youth and business owners, making it hard for young people to get and keep quality jobs in the formal sector. The **impact** will be to diversify and increase opportunities for El Alto youth, particularly recent migrants of indigenous ancestry and women, in order to improve their living conditions. The **outcome** will be that El Alto youth have more and better access to quality jobs in the formal sector, and business owners will strengthen their human resource management through intercultural communication, to improve the workplace environment and productivity of their business.

The project proposes to build a model for technical training and workforce integration that incorporates intercultural communication on a participatory basis involving youth, business, a technical institute, cultural centers, and the public sector. It will work with young people, strengthening their technical and intercultural skills, as well as with firms, raising awareness and providing advisory support, encouraging them to incorporate intercultural human resource management into their operations. The model has three stages. The first is preparatory, conducting labor market studies and developing the training methodology and content, and recruiting and selecting young people to participate. In the second, the young people will receive training, taking their technical and intercultural skills into account. In the third, the young people will be placed in jobs, supporting them and the businesses while employed there. In all three stages, work will be done to raise awareness at the firms and provide advisory support to adopt intercultural practices in their human resource management. The gender perspective will be incorporated as a crosscutting element throughout the project.

The project will be executed by OXFAM-Quebec¹ with two strategic partners, INFOCAL² and two cultural centers (COMPA Trono and Wayna Tambo),³ and one key partner, the Federation of Private-sector Entrepreneurs of La Paz (FEPLP). The beneficiaries are expected to be: (i) 800 El Alto youths (70% recent migrants who self-identify as indigenous⁴ (first or second generation), 50% women) between 17 and 29 years of age, the majority of whom have completed secondary education and may or may not be employed and/or seeking employment with better working conditions; (ii) 100 firms (medium and large) in the cities of El Alto and La Paz belonging to FEPLP, operating in the industrial, construction, commercial, and service sectors. The model developed will be adopted by INFOCAL nationwide and used to train 3,000 young people each year. The project includes transfer of the model and lessons learned in developing it to private audiences such as technical institutes and public institutions. Replication of the consolidated model is also proposed in another Bolivian city.

¹ OXFAM-Quebec is one of the 17 organizations of the OXFAM international confederation working with local partners and communities in more than 90 countries. It has been working in Bolivia with local partners since 1988. In this document OXFAM-Quebec and OXFAM are used interchangeably.

² The INFOCAL Foundation is a nonprofit organization associated with FEPLP that provides youth job skills training.

³ The two centers have extensive experience and are recognized for their work with El Alto youth. They promote the restoration of cultural and social identity among young people in El Alto, providing opportunities for them to learn and interact through cultural, artistic, and educational activities.

⁴ Although the model to be developed is not exclusive or focused on indigenous peoples, this pilot in El Alto seeks to work with a substantial share of recent indigenous migrants, on the assumption that they may have a more urgent need for intercultural tools to lessen their vulnerabilities and challenges. The project also recognizes that intercultural communication is a tool everyone in a highly diverse society should acquire, in order to build an intercultural society. Thus, although the project title reflects a focus on an identified population that is especially vulnerable given the absence of intercultural tools in El Alto, the purpose of the project is to generate an intercultural education and workforce integration model that is replicable and applicable generally to the entire population (not just focused on recently immigrated indigenous youth).

ANNEXES

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AVAILABLE IN THE DOCUMENTS SECTION OF THE MIF PROJECT INFORMATION SYSTEM

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ABBREVIATIONS

CEDLA	Centro de Estudios para el Desarrollo Laboral y Agrario [Center for Agricultural and Labor Development Studies]
CEFREC	Centro de Formación y Realización Cinematográfica [Cinematographic Training and Production Center]
FEPLP	Federación de Empresarios Privados de La Paz [Federation of Private-sector Entrepreneurs of La Paz]
ICTs	Information and communication technologies
INE	Instituto Nacional de Estadística [National Statistics Institute].
PSE	Program to Support Employment

EXECUTIVE SUMMARY
INTERCULTURAL MODEL FOR WORKFORCE INTEGRATION OF
INDIGENOUS YOUTH IN EL ALTO
(BO-M1064)

Country and geographic location:	Municipio of El Alto, Bolivia		
Executing agency:	OXFAM-Quebec		
Access area:	Access to Markets and Skills		
Agenda:	Youth and Employment		
Coordination with other donors/Bank operations:	This operation will be coordinated with the Program to Support Employment (BO-L1051).		
Direct beneficiaries:	800 El Alto youths (70% indigenous, 50% women) 100 member firms of the Federation of Private-sector Entrepreneurs of La Paz (FEPLP) 1 technical training institute, INFOCAL 1 vocational guidance center 2 cultural centers Youth organizations		
Indirect beneficiaries:	3,200 family members of the beneficiaries ⁵ 3,000 INFOCAL students in Bolivia		
Financing:	Technical cooperation:	US\$ 950,000	57%
	Investment:	US\$ 000,000	
	Loan:	US\$ 000,000	
	Total MIF contribution	US\$ 950,000	
	Counterpart:	US\$ 705,782	43%
	Cofinancing (if any) :	US\$ 000,000	0%
	Total project budget	US\$1,655,782	100%
Execution and disbursement:	Execution period: 42 months; disbursement period: 48 months		

⁵ The number of indirect beneficiaries was calculated by multiplying the number of direct beneficiaries by the average number of people per family (800 x 4).

Special contractual conditions:	Conditions precedent to the first disbursement: (i) approval of the Operating Regulations; (ii) agreement among OXFAM/INFOCAL/cultural centers; and (iii) completion of the labor market study for El Alto.
Environmental and social impact review:	This operation has been pre-evaluated and classified according to the IDB's Environment and Safeguards Compliance Policy (Operational Policy OP-703). Since the impacts and risks are limited, the proposed category for the project is "C."
Unit with disbursement responsibility:	MIF staff at the Bank's Country Office in Bolivia (MIF/CBO)

I. BACKGROUND AND RATIONALE

A. Diagnostic assessment of the problem to be addressed by the project

- 1.1 In recent years, Bolivia has made significant progress on some social development indicators. Between 2005 and 2012, the incidence of extreme poverty decreased from 38.2% to 21.6%, and the Gini coefficient declined from 0.60 to 0.47.⁶ However, there is a gap in extreme poverty between indigenous and nonindigenous people (33.5% and 12.4%, respectively).⁷ Despite the economic growth recorded in the 2006-2013 period (average 5% annual),⁸ Bolivia's economy continues to show little diversification and remains primarily informal (more than 60% of the employed population works in the informal sector).⁹ The unemployment rate in Bolivia's capital cities is 7.16% (men 4.98%, women 7.16%).¹⁰
- 1.2 In addition, more than 36 ethnic groups coexist in Bolivia. Recognizing this diversity, since 2009 Bolivia has been emphasizing its intercultural nature, founded on plurality and cultural and linguistic pluralism.¹¹
- 1.3 The city of El Alto has a high cultural diversity: 54% of residents self-identify with an indigenous nation and 82% of these call themselves Aymara (2012 census).¹² Founded in 1988, El Alto is the country's youngest and fastest-growing city (secondmost densely populated), resulting from internal rural-to-urban migration, and 63% of its population is under 30 years of age. Although El Alto offers economic opportunities and better access to certain essential services, it is still one of the country's poorest cities, with a poverty rate of 65% and extreme

⁶ Poverty figures from the Ministry of Economy and Public Finance, Plural Economy, February 2014; Gini data from National Statistics Institute (INE).

⁷ Economic and Social Policy Analysis Unit (UDAPE) (2013), "Séptimo informe de progreso de los Objetivos de Desarrollo del Milenio en Bolivia" [Seventh progress report on Bolivia's Millennium Development Goals].
http://www.udape.gob.bo/portales_html/ODM/Documentos/InfProgreso/7mo%20Informe%20de%20progreso.pdf.

⁸ Ministry of Economy and Public Finance, Plural Economy, February 2014.

⁹ INE, Household Survey 2011.

¹⁰ INE, Statistical Yearbook 2012. Figure for 2010.

¹¹ As recognized in the 2009 Constitution. This definition has been adopted in legislation stemming from the Constitution, including: (i) the Framework Law on Autonomy and Decentralization (LMAD), which recognizes indigenous autonomies; (ii) the Avelino Siñani Education Law, which establishes that education should be "intracultural, intercultural, and multilingual;" and (iii) the Law Against Racism and Discrimination, which has interculturalism as one of its core principles.

¹² The Aymara Nation is the second largest after the Quechua Nation, with a population of 1.6 million, living primarily in the highlands. According to the most recent population census (2012). According to the 2001 census, the Aymara population represented 74% of the total population. Questions in this regard have varied from census to census. According to the 2012 census, other indigenous nations are also represented in El Alto, but at a much lower rate. The largest groups are Quechua (3.37%) and Afrodescendent (0.48%). Although this document refers throughout to work with Aymara youth, youth from other indigenous nations will not be excluded.

- poverty rate of 17% (compared to averages of 34.7% and 12.2% for urban areas nationwide).¹³
- 1.4 In El Alto, the low unemployment rate of 8% masks a high rate of insecure employment: only 13.6% of men and 5.4% of women have a secure job,¹⁴ much lower than the national average (21% and 12%, respectively).¹⁵ This runs counter to the growth in the national economy and job market in recent years.¹⁶ El Alto and La Paz (where many people from El Alto work) are important hubs of industrial development in Bolivia and offer employment opportunities for young people.
 - 1.5 Young people in El Alto find themselves in a complicated situation. Many live hand-to-mouth, especially those who arrived recently, on their own or with their parents. From the social standpoint, the city was built by waves of rural-to-urban migration, with marked periods of growth,¹⁷ unplanned settlements, and unequal access to basic services. These migratory waves produced different generations of migrants, with specific characteristics in terms of settlement, networks, acculturation experiences, marginalization, labor market participation, etc., resulting in a heterogeneous social fabric abounding with contrasts. Culturally, the migrations have produced significant changes and transformations in the social organization of the families and their rural communities of origin. Families, and young people in particular, do not always have all the intercultural tools, strategies, and skills they need to successfully adapt and integrate into the city and the labor market.
 - 1.6 Thus, young people in El Alto are exposed to the influence of many different social practices, some of which can be difficult to distinguish, either because they seem contradictory or because they arise from an environment that is other than their own. Some examples might be urban values associated with different manners of dress, consumption habits, forms of entertainment, or lack of understanding of life in rural areas, which may be regarded as conflicting with nonurban customs and values.

¹³ INE, Statistical Yearbook 2012. National data are from 2011, and El Alto data from 2001 (Census). El Alto data's may be lower, given the nationwide decline in poverty achieved by the country.

¹⁴ Centro de Estudios para el Desarrollo Laboral y Agrario [Center for Agricultural and Labor Development Studies] (CEDLA) (2009), "Situación del empleo en tiempos de cambio" [Employment conditions in times of change]. The index of insecure employment (or its opposite, "secure employment") reflects: (i) job stability; (ii) wages and incomes that can cover the costs of reproduction of the worker and his/her family; and (iii) coverage of long-term social security benefits.

¹⁵ CEDLA (2011), Urban Employment Survey.

¹⁶ In 2005-2011, annual growth rates in the Department of La Paz exceeded 5%. Fundación Milenio. 2012. "La Paz lidera el crecimiento económico y duplica su PIB" [La Paz leads economic growth and doubles its GDP].

¹⁷ According to INE, the population grew from less than 30,000 people in 1960 to around one million in 2011.

- 1.7 In the job world, many young people from recent migrant families enter the informal sector at an early age, working on their own or in a family business. This type of work is frequently based on family ties, community organization, urban-rural connections; it is also marked by instability, the absence of social welfare contributions, and limited opportunities for job growth. Working at an early age in an informal job can limit the future formal employment options of young people, because it limits their knowledge of the practices, behavior, and workings of business organizations in the formal sector.
- 1.8 City business owners, for their part, may be unfamiliar with intercultural tools for drawing on young people's experience in informal jobs and better managing personnel with a high degree of sociocultural diversity. When asked,¹⁸ business owners said they value the effort and job skills of young people, and an intercultural understanding could be useful to strengthen channels of communication and, possibly, to help bring down the high rates of turnover and retain employees longer. High turnover and unannounced job abandonment represent a real bottleneck for entrepreneurs in El Alto and La Paz because they are unable to efficiently meet their demand for labor in the construction, industrial, commercial, and service sectors.
- 1.9 To address this situation in the work environment, new channels of understanding and behavior need to be developed by deepening the intercultural skills of young people and businesses, giving them the opportunity to perform better at the personal, professional, and educational levels.
- 1.10 The problem to be addressed by the project is an absence of intercultural tools which heightens the disconnect in the workplace between El Alto youth and business owners, making it hard for young people to get and keep quality jobs in the formal sector. The leading causes of this problem are:
- 1.11 **The skills of the youth labor supply do not satisfy business market demand.** Some 76% of El Alto business owners regard technical education offerings as fair or poor; 69% think the work skills developed at technical institutes generally do not meet the needs of their sector.¹⁹ The business owners also suggest that young people's work skills need to be aligned with business needs, and training should instill the concepts and values of the business culture.²⁰

¹⁸ Findings of the conversation/focus group with business owners and human resource managers of the Federation of Private-sector Entrepreneurs of La Paz (FEPLP), conducted by INFOCAL on 17 July 2013.

¹⁹ FundaPro (2011), "Actualización del estudio de mercado laboral en Bolivia" [Updated labor market study for Bolivia].

²⁰ Conversation/focus group with business owners and human resource managers of FEPLP, conducted by INFOCAL on 17 July 2013.

- 1.12 Moreover, technical training centers in Bolivia do not offer intercultural education as called for under national legislation.²¹ The concept of intercultural training, called “bilingual intercultural education,” has existed in Bolivia since 1994, when it was established in rural areas, in indigenous communities. This model of education was based on teaching classes in the community’s native language.²² At present, there are no known intercultural models for education and/or technical training adapted to urban conditions that take into account the specific features of the urban labor market (challenges and opportunities) and the skills required to interact with its main players. Nor has a model been validated for mixed intercultural education in a setting of high sociocultural diversity (indigenous, nonindigenous, migrants, urban), which is necessary for multicultural urban interaction and understanding.
- 1.13 **Intercultural disconnect between the business sector and urban indigenous youth.** There are two aspects to this disconnect. For one, El Alto youth begin working at an early age in informal and, generally, insecure jobs.²³ While this experience is common, it is often not valued by businesses in the formal sector. In addition, when these young people do receive technical training, it provides no guidance or intercultural skills for the transition to formal employment. Given the complex social environment, young people often face discrimination or what they perceive as discrimination. Generational, educational, and cultural differences contribute to this disconnect and discriminatory practices against young people by

²¹ The 2010 “Avelino Siñani – Elizardo Pérez” Education Law establishes the need to include an intercultural approach in the educational system, and promotes an “educational, community, social, and productive model that respects cultural and linguistic diversity and strengthens identity.” This is beginning to be implemented in primary education, for subsequent implementation in secondary education. No significant progress has been noted at the technical level. This project will support definition of an intercultural model for technical training that is aligned with those requirements.

²² Intercultural education emerged in Bolivia in the 1980s in response to demand from indigenous organizations for classroom education that reflects the special features of each culture. Law 1565 on Educational Reform (1994) generalized bilingual intercultural education in the country, but the emphasis was on rural communities. For more information, see: Zavala, Virginia (2007) “Avances y desafíos de la educación intercultural bilingüe en Bolivia, Ecuador y Peru. Estudio de casos” [Progress and challenges of bilingual intercultural education in Bolivia, Ecuador, and Peru. Case studies].

²³ The gradual and early entry of family members into the labor market is the main family strategy for dealing with poverty. Thus, the normal course for El Alto youth is to study up to certain age (depending on the family’s socioeconomic level) and then to begin to work to cover the cost of their studies or to help support the family. Youths from the poorest families get their first jobs before they turn 16, usually helping out in a family business or semibusiness activity; this is more common for women. Rossel, P., and B. Rojas (2002) “Destino incierto, esperanza, y realidades laborales de la juventud Alteña” [Uncertain destiny, hope, and the realities of work for El Alto youth].

- businesses and their employees.²⁴ Added to this, women can also be subject to gender discrimination.
- 1.14 Business owners, for their part, perceive, for example, that the high turnover of El Alto youth may relate to the informal job world and not knowing about or valuing the opportunities available in the labor/business sector.²⁵
- 1.15 The absence of intercultural tools in an employment setting that **youth and business owners** can use to address these various disconnects results in poor workforce integration of young people, failing to draw on their experience and talents, as well as in high turnover. Thus, on the one hand, the project aims to improve the work skills of El Alto youth with an intercultural approach, enabling them to better integrate into the formal sector; on the other, it will raise awareness, provide advisory support, and develop positive/intercultural practices with the business sector, to strengthen job placement and retention of youth at firms. Some actions envisaged include: revising the human resources policies of participating firms based on the knowledge and engagement/feedback of El Alto youth, ensuring equal treatment, and assigning a mentor to the youths for their first few months on the job.
- 1.16 **It is difficult for El Alto youth to access networks that promote integration into the formal workforce.** Young people often have a hard time entering social networks to gain and maintain access to quality job opportunities in the formal sector. The networks, communities, and social opportunities to which El Alto youth have access tend to be directed toward the informal sector of the economy, particularly small and unprofitable family firms (commerce, transportation, etc.), where labor rights and social security benefits are often not guaranteed, or no knowledge and guidance is given on how to enter and develop in the formal employment sector. Young people do not always have access to the networks necessary to more easily land formal jobs in the business sector, nor do they understand how these networks function.

B. Project beneficiaries

- 1.17 The project's beneficiaries will be: (i) 800 El Alto youths²⁶ (70% recent migrants who self-identify as indigenous) between 17 and 29 years of age (50% women), the majority of whom have completed secondary education and may or may not be employed and/or seeking employment with better working conditions; (ii) 100 firms (medium and large) in the cities of El Alto and La Paz belonging to

²⁴ In workshops with youth groups in El Alto, it was found that being from El Alto involved discrimination: "Being from El Alto carried an entire social representation of being Indian, a dark-skinned person, uneducated, short in stature, Aymara-speaking... a set of physical and social traits that, according to the participating youths, were causes of discrimination in the work centers of La Paz..." Rossel, P., and B. Rojas (2002), op cit.

²⁵ Conversation/focus group with business owners and human resource managers of FEPLP, conducted by INFOCAL on 17 July 2013.

²⁶ The aim is to recruit 1,000 youths, with the expectation that no more than 20% will drop out.

the Federation of Private-sector Entrepreneurs of La Paz (FEPLP), operating mainly in the manufacturing, construction, commercial, and service sectors, interested in strengthening their intercultural human resource management capabilities; (iii) INFOCAL, which will be strengthened by incorporating the intercultural and gender focus as a crosscutting element in all its youth technical training programs. As part of this work with INFOCAL, at least 60 instructors will benefit from intercultural teacher training and certification; and (iv) the COMPA Trono and Wayna Tambo cultural centers of El Alto, organizations that promote the restoration of cultural and social identity among young people in El Alto, providing opportunities for them to learn and interact through cultural, artistic, and educational activities. With the project, these centers will learn to adapt/target components of their cultural training to making young people more employable.

- 1.18 Indirect beneficiaries of this project include: (i) 3,200 relatives of the beneficiaries (five family members per beneficiary youth); and (ii) the 3,000 youths who receive technical training from INFOCAL in Bolivia each year (8% of all Bolivian students), through integration of the intercultural teaching approach; (iii) the Ministry of Labor, Employment, and Social Security, through better job placement service outcomes as a result of INFOCAL's interconnection with its database for placing youth graduates in jobs; (iv) the Ministry of Education (potential): In line with the new constitutional framework and the educational reform/legislation calling for the mainstreaming of interculturalism, knowledge will be generated on how to incorporate intercultural communication into technical education and workforce integration efforts, given that the new education law mandates introduction of the intercultural approach throughout the educational system, and the Constitution, in all aspects of society.

C. Contribution to the MIF mandate, Access Framework, and IDB strategy

- 1.19 The project is framed by the MIF Youth Agenda for Action, specifically as it relates to:
- (i) **Innovation and employment.**²⁷ An intercultural model for training and workforce integration will be designed and implemented for urban contexts with high sociocultural diversity. The project will also work with firms,

²⁷ This project is linked to the "innovation" element of the Youth Agenda, as it will test an innovative intercultural model for training and workforce integration, both with migrant indigenous youth in El Alto, and with entrepreneurs. One of its aims is to resolve the mismatch between labor supply and demand in that city. The project includes the creation of synergies and coordination with public and private stakeholders so as to increase the impact of the intervention. It shares some elements with the NEO regional program, "New Employment Opportunities for Youth," including the aim to increase the employment rate among poor and vulnerable youth, strengthen coordination with the public and private sectors, etc. It is important, however, to differentiate this project from the large-scale NEO program. The latter does more than generate synergies with the public and private sector; it is based on a public-private partnership whereby firms, governments, and civil society create an ecosystem in which resources, knowledge, and skills can be leveraged (generating economies of scale) to implement effective and sustainable solutions based on shared objectives and targets.

educating them on the importance of adopting intercultural human resource management practices for hiring and retaining young people in jobs. Public and private institutions will also play an important role in the project, through coordination and partnerships with the Ministry of Labor and the Ministry of Education.²⁸

- (ii) **Outcomes and knowledge dissemination.** An intercultural model for workforce integration and training will be designed, validated, and documented for settings characterized by high sociocultural diversity. The model will be disseminated locally and internationally, so as to replicate it in other parts of the country and elsewhere in Latin America and the Caribbean. Methodological manuals and other knowledge products will be prepared to support the transfer process. In addition, the project will develop technical assistance services and training for providers involved in this process, to incorporate intercultural communication into vocational guidance services, cultural centers, technical institutes, and employer practices. While these manuals will offer the “full” model for interaction among all stakeholders, to facilitate dissemination and replication they will also serve as independent documents for individual stakeholders to adopt intercultural communication (for example, if a cultural center is interested in working on intercultural communication without involving other stakeholders). As part of the project, the “full” model (replication) will be transferred to an area in Bolivia characterized by high sociocultural diversity, and where INFOCAL, FEPLP, and cultural centers are operating. In the case of vocational guidance services, if there is no “Centro de Jóvenes” [Youth Center] in the selected area, the project will work with a similar entity.
- (iii) **Empowerment.** The project will work with young people, both as beneficiaries and as partners involved from conception of the idea to design and execution of the project. The institutional capacity of selected youth organizations will be strengthened, so that they can link their activities with workforce integration and participate in new social networks.
- (iv) **Gender.** The methodology will take into account the characteristics and needs of men and women with regard to education, job placement, and job performance. The project includes development of a gender strategy to guide actions at each stage and in each component of the project, aimed chiefly at addressing the distinct barriers faced by women.

1.20 **Collaboration with the IDB Group.** The project is aligned with the 2011-2014 country strategy with Bolivia, which includes “interculturality and participation of indigenous people” as a crosscutting issue, to support the government’s policy

²⁸ The project’s job counseling and placement activities will be coordinated with the Ministry of Labor. With the Ministry of Education, the project’s educational offering is expected to provide input for incorporating the intercultural approach into the country’s education system.

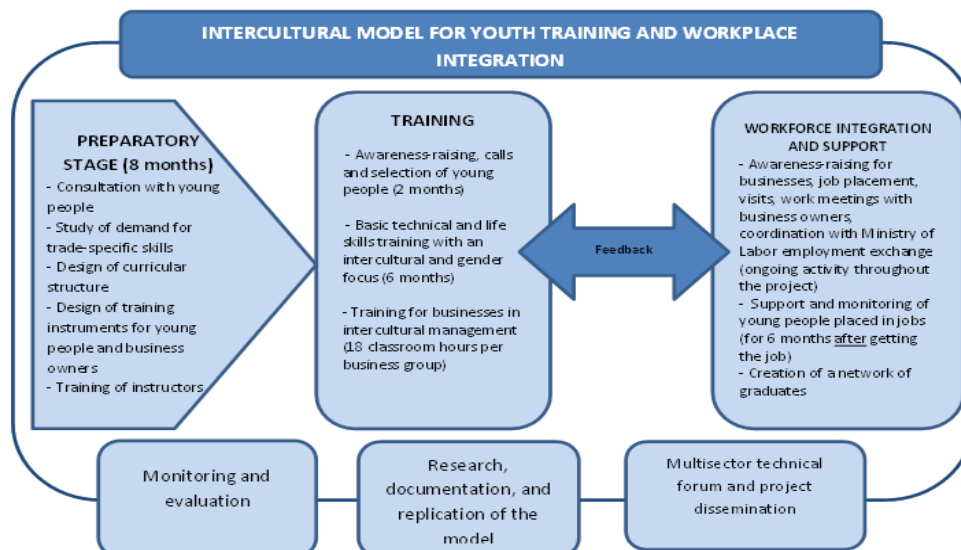
commitment to overcome and improve the living conditions of indigenous people. The strategy puts emphasis on adapting projects and programs to the realities of indigenous cultures, so as to ensure that they share in the benefits and outcomes. This program will also coordinate with the Program to Support Employment (PSE) (loan BO-L1051), of the IDB's Labor Markets Unit (SCL/LMK), being executed by the Ministry of Labor, Employment, and Social Security of Bolivia. That project promotes workforce integration for adults over 18 years of age by consolidating labor intermediation services through a job exchange. Young people graduating from this project's training program will have access to PSE services (addition to the job exchange, job placement with incentive stipends). Participating business owners will have access to the job exchange. In addition, the project will work with the PSE to pilot ways to improve mechanisms for placing young people in businesses. Specifically, the project intends to identify best practices for: (i) involving firms in the process of selecting young people (selection committees, etc.); (ii) jointly identifying with business owners the terms of reference governing young people's work at the firms, as well as assigning a mentor/supervisor to guide their work; and (iii) INFOCAL support for young people in the job placement process and during the six first months on the job, to support the youth employee/employer relationship and improve retention.

II. OBJECTIVES AND COMPONENTS

A. Objectives

The project **impact** will be to diversify and increase opportunities for El Alto youth, particularly those of indigenous ancestry and women, in order to improve their living conditions. The **outcome** will be that El Alto youth, particularly those of indigenous ancestry, have more and better access to quality jobs in the formal sector.

B. Description of the model/solution/intervention



- 2.1 The project will build a comprehensive intercultural model for technical training (trade plus intercultural skills) and workforce integration for working in a context of high sociocultural diversity. This model will work not only with **youth**,²⁹ strengthening their intercultural and job skills, but with **businesses** as well, raising awareness and building capacity to institute intercultural human resource management practices. In addition, the project will work with a **technical training institute** (INFOCAL), which will incorporate the concept of interculturalism into its overall organizational and training structure, and an intercultural pedagogical approach into the structure of its curriculum, through specific programs, the training of its instructors, and its teaching process. INFOCAL will also develop a partnership with two **cultural centers** to strengthen young people's learning and assimilation of intercultural skills that make them more employable. In addition to intercultural communication, the model will incorporate the gender approach, differentiating between women's special needs and characteristics and those of men in the services provided through the project.
- 2.2 The model will be designed for use as part of technical education in urban areas characterized by a large population of migrants from rural areas. The definition of the principle of interculturalism is used within the framework of this project.
- 2.3 In addition, the model will provide substantial learning for technical training centers in Bolivia, which do not have educational offerings for intercultural training consistent with the country's new legislation. At present, no intercultural educational and/or technical training model is known to exist for the urban setting that takes into account the specific features of the urban labor market (challenges and opportunities) and the skills necessary to interact with its main operators. Nor has a model of mixed intercultural education been validated in a setting of high sociocultural diversity (indigenous, nonindigenous, migrant, urban), which is necessary for interaction and understanding between cultures.
- 2.4 **Description of the model.** The model will have a comprehensive training component and job placement actions, with three main modules:
- 2.5 **Preparatory stage.** The necessary supporting studies and analyses will be conducted prior to implementation of the model. These will be reviewed, and feedback provided, by the Multisector Forum or the most relevant stakeholders for each output. One of the first outputs will be a study of labor demand among businesses operating in El Alto and La Paz, and of labor supply, which will serve as the basis for selecting the technical trades to be taught by INFOCAL under the project.
 - (i) **Recruitment and selection of young beneficiaries.** The invitation will be issued by INFOCAL, OXFAM, and the cultural centers. The cultural

²⁹ Training activities will take place with mixed groups of young people of different backgrounds—indigenous, urban, rural, etc.—to emphasize **intercultural communication** that is not limited solely to indigenous/nonindigenous cultures.

centers will make presentations at community organizations in areas having a high concentration of rural migrants and at-risk youth. A validated instrument, called “life plans,” will be used to select young beneficiaries; this instrument makes it possible to identify young people whose projects are consistent with the selected trade and the expectation of a stable job (at least initially). Other selection criteria will also be used, such as: having the characteristics of the target population, interest and commitment to participating in the program, parent/spouse commitment to support them (economically and emotionally) during the training process and as they enter the workforce, etc. After the vocational guidance process, the young people will begin the training offered by the project.

- (ii) **Comprehensive training.**³⁰ The training will be provided by INFOCAL in partnership with the cultural centers Compa-Trono and Wayna Tambo. INFOCAL’s main task will be to offer intercultural training for trades selected on the basis of the findings of a labor market study (supply and demand). The cultural centers will help the young people develop their intercultural life skills, through cultural and/or artistic projects (theater, dance, music, audiovisual) that develop new appreciation for the many possible identities among the young people (rural-indigenous, urban-indigenous, migrant, etc.).³¹

The project will also use information and communication technologies (ICTs) that capture the interest of youth and strengthen their engagement. In this connection, OXFAM’s experience implementing audiovisual projects for indigenous people to renew appreciation for their identity in Canada, Peru, and Bolivia is key (Wapikoni mobile, in partnership with the Centro de Formación y Realización Cinematográfica [Cinematographic Training and Production Center] (CEFREC)).

This comprehensive training is expected to strengthen youth’s technical skills, as well as their understanding, knowledge, and analytical,

³⁰ The training offered through the project will be aligned with the “Avelino Siñani – Elizardo Pérez” Education Law which defines interculturalism as: “The development of the interrelationship and interaction of knowledge, know-how, science, and technology characteristic of each culture with other cultures, that strengthens self-identity and interaction on equal terms among all Bolivian cultures and with the rest of the world. Interaction practices will be promoted among different peoples and cultures, to develop attitudes of valued respect, peaceful coexistence, and dialogue among different world visions in order to project and universalize own wisdom.” This definition is compatible with the three principles established by UNESCO for intercultural education: (i) respect for students’ cultural identity; (ii) teaching of the skills necessary for students to be able to participate fully and actively in society; and (iii) promotion of knowledge and attitudes that foster respect, understanding, and solidarity among individuals.

³¹ On this point, it is important to mention that the project values the MIF’s experience with projects that use the performing arts as a training medium to teach life skills to vulnerable youth. (A Ganar, Galpão).

interpersonal, and communication skills, and awareness of/sensitivity to their own and other cultures.³²

- (iii) **Workforce integration.** Once the training stage has been completed, efforts will be made to place the youth in jobs with member firms of FEPLP. In addition, as already mentioned in the section “Coordination with Bank operations,” the young people will have direct access to the job exchange created under the Bank-financed Program to Support Employment (loan BO-L1051), benefiting both the young people and the business owners participating in the project. An agreement will be signed for this purpose with the Ministry of Labor’s Employment Division (DGE).
- 2.6 For the businesses, awareness activities will be offered on the quality of the comprehensive training for youth, and on the benefits of addressing intercultural communication in their human resource management practices in terms of greater productivity. The awareness activities will also help the businesses become familiar with, understand, respect, and value the cultural practices of migrant youth (for example, their patron saint’s day festivities, their ties to their rural communities during planting and harvest times, the K’oa festivities, etc.). The businesses that show greatest interest and commitment (“champion” firms) will receive technical advisory support for developing intercultural human resources policies and practices, designing mechanisms to improve the performance of the young people they hire, and addressing the problems of turnover and low productivity. In accordance with what OXFAM and INFOCAL have identified thus far, these “champion” firms could include La Francesa, SIMSA, Industria Venado, Molino Andino, La Estrella (gourmet food); SOBOCE (construction); Hotel Gloria, Hotel Calacoto, Laboratorios VITA, Droguería INTI, Embotelladora La Cascada, Hospital Juan XXIII, Hospital de la Caja Bancaria, and Clínica FIDES. These firms participate regularly in discussions on youth employment organized by INFOCAL, and some of them are already applying intercultural practices in their labor relationship with young people. This notwithstanding, the selection of “champion” firms will be based on objective criteria related to firms’ response in the awareness stage. The project also includes a stage to provide support to the young people during their first six months on the job.
- 2.7 Additionally, the project will better enable INFOCAL to provide job placement services directly with firms belonging to FEPLP. It will also build capacity to support/mentor the young people who receive jobs, through INFOCAL or other partners, to reinforce the skills acquired through the project and help them enter and stay in the formal job world.
- 2.8 The model will be built by means of participatory processes (intersectoral and intergenerational), to generate and share lessons learned with the different

³² Culture is understood as a system of shared practices, beliefs, values, rules, behaviors, attitudes, expectations, and understandings. Intercultural skills enable individuals to interact within different cultural systems.

- stakeholders.³³ In addition, a Multisector Forum will be created to support and provide feedback for the process from the outset, with the expected involvement of key public institutions at the central level (Ministry of Labor, Ministry of Education, Office of the Vice Minister for Equal Opportunity), the municipal level (Autonomous Municipal Government of El Alto), as well as representatives of the public sector and civil society (FEPLP, INFOCAL, cultural centers, youth organizations, and beneficiary young people). Youth involvement throughout the project will be essential to empower them as key stakeholders. This experience will generate inputs for policy proposals that reflect to the outcomes obtained.
- 2.9 The model will include mainstreaming the gender perspective throughout the project. The gender approach will be enriched with OXFAM's experience.
- 2.10 Ongoing feedback for adjusting and enhancing the model is planned for two cycles of its implementation.
- C. Components**
- 2.11 The project has four components:
- Component I. Integration of the intercultural approach into vocational guidance services and the existing training model (MIF: US\$164,000; Counterpart: US\$279,064)**
- 2.12 The objective of this component is to provide advisory support and institutional strengthening services to organizations that provide vocational guidance and technical training services to which urban indigenous youth in El Alto have access, so that they can incorporate an intercultural approach that equips them to offer more culturally relevant and sensitive services. The project will work with the Centro de Jóvenes y Empleo de El Alto [Youth and Employment Center of El Alto], INFOCAL, and the cultural centers. PROEIB Andes will provide technical and pedagogical support throughout the preparatory process, to ensure the quality of outputs and activities; PROEIB Andes is a resource for regional human resource training processes involving bilingual intercultural education, as well as for research programs and projects that provide feedback to intercultural curricula and courses.³⁴ PROEIB Andes will be contracted for the project via single-source selection.
- 2.13 Participatory diagnostic assessments will collect information as input for the curricular design (modules, exercises, and tools for young people, educators, and

³³ Surveys, discussion groups, focus groups, and other participatory processes will be used to identify and analyze the problems, opportunities, aspirations, and dynamics among the main stakeholders: youth and technical education/training centers; young people and entry into the workforce/businesses; young people, and their identity communities and groups, the businesses, and training centers.

³⁴ PROEIB Andes is an institution within the Office of the Dean of the School of Humanities and Educational Sciences at Universidad Mayor de San Simón, in Cochabamba, Bolivia. PROEIB Andes offers a master's degree in bilingual intercultural education, and has already graduated seven classes of students.

- businesses) that reflect the needs of the urban setting. (For example, if it is determined that businesses have a hard time communicating with youth, intercultural communication techniques in specific situations will be worked on, so that the employer can learn how to facilitate communication with youth, while at the same time the young people are made more aware and given the tools to communicate better with an employer).
- 2.14 Importantly, the project will contribute to “building” a curricular structure of technical trades leading to the certificate of assistant technician. To this end, INFOCAL will group subjects of courses it currently offers in its senior-level technical programs (approximately four years) and its intermediate-level technical programs (approximately two years) to create the certificate of assistant technician (five-month intensive). This will offer an additional benefit to project youth because it will enable them to be certified in a shorter period of time, increasing the likelihood that they complete the training.
- 2.15 The component’s main activities are: (i) diagnostic assessments of labor demand, technical skills, and intercultural life skills of the youths, and of current capacities of project stakeholders (vocational guidance, cultural centers, and INFOCAL) in terms of their use of intercultural communication; the assessments will include a strategy for incorporating intercultural communication into each of the stakeholders’ activities; (ii) intercultural adaptation of content, and vocational guidance services for youth; (iii) adaptation of the curricular structure, methodologies, and training manuals for youth and instructors currently used by INFOCAL in order to mainstream intercultural communication; (iv) intercultural training for vocational guidance providers and instructors; (v) review of the content and working methods of the cultural centers, to document their use of the intercultural approach to make young people more employable; and (vi) definition of a gender-differentiated approach strategy for each stage of the project.
- 2.16 Expected outcomes include: (i) 60 INFOCAL service providers trained and accredited to teach the intercultural curriculum; (ii) two cultural centers with an intercultural training methodology to strengthen youth employability; (iii) two adapted vocational guidance tools that include the intercultural approach in the recruitment/selection process; and (iv) six INFOCAL courses that include the intercultural approach, selected on the basis of a market study.

Component II. Comprehensive training and workforce integration for youths (MIF: US\$367,300; Counterpart: US\$312,718).

- 2.17 The objective of this component is to provide participating youth with comprehensive training with an intercultural and gender approach, to make them more employable in keeping with their interests, and meet the needs of businesses in El Alto and La Paz, seeking to place them in quality jobs at participating firms.
- 2.18 The different tools, processes, and materials to be used by the vocational guidance agency, the cultural centers, and INFOCAL will be validated by PROEIB Andes, an internationally recognized organization specializing in intercultural education.

- The project will strive to empower young people to begin informing themselves about the formal job world and its conditions, and to have realistic expectations regarding employment. In the case of women, the project will promote and facilitate their participation and continuation in training and employment, for example, with day care centers and differentiated schedules, among other things.
- 2.19 The cost of the project's comprehensive training courses is expected to be similar to the cost of INFOCAL's regular courses. During the first few months of execution, and depending on the young people who join the project, a gradual cost recovery arrangement will be identified and developed. This may include the possibility that the first graduates pay in kind, by helping to promote the project and assisting other young people in subsequent classes. In addition, a scholarship program will be created to help young people in need of assistance for training or living expenses.³⁵ Women will receive scholarships to support their training.
- 2.20 The component's main activities are to: (i) promote the project among target youths; (ii) provide vocational guidance to youth, involving their families; (iii) select youth whose life plan is compatible with workforce integration as an employee (filter); (iv) youths will carry out cultural projects through their participation in the cultural centers, following a systematized methodology to develop and strengthen intercultural skills that improve their employability; (v) technical training courses with an intercultural approach for young people in selected trades, fully coordinated with cultural activities; (vi) job placement activities, through the project's connection with the employment services offered by PSE and INFOCAL with business owners; (vii) establish partnerships with public and private institutions for the workforce integration of young people (Multisector Forum); and (viii) provide support for young people to enter and remain in the labor market for six months.
- 2.21 Expected outcomes include: (i) 800 young people complete the training program (at least 50% are women); (ii) three mechanisms for workforce integration including a job exchange, onsite training, and support; (iii) 400 young people use project-created social networks or online tools to interact about project services; and (iv) three months after completing the comprehensive training, 200 young people continue to participate in at least one cultural center activity.

³⁵ Some 30% of the project's target youth (nonmigrant) are not expected to require scholarships. Of the remaining 70%, all will pay at least 15% of the cost of the course. Student fees will be used to partially or totally subsidize (scholarships) young people unable to take the courses without financial support. The remaining resources will be contributed by OXFAM, INFOCAL, and the MIF. The course duration will be 540 class hours over a five-month period; the average cost will be around US\$318. In addition, the project includes monetary incentives to cover the young people's transportation and other expenses related to their participation in the cultural centers. INFOCAL's capacity to evaluate and select beneficiary young people for scholarships, as well as monitor them, will be strengthened.

Component III. Awareness-raising and work with firms on intercultural human resource management policies (MIF: 68,000; Counterpart: US\$40,000)

- 2.22 The objective of this component is to provide awareness-raising and technical assistance services to FEPLP firms in order to improve the workforce integration and job continuity of El Alto youth. The project will work with the firms to raise their awareness about the advantages of including intercultural communication in jobs, personnel management, and the workplace environment, in terms of increased productivity of young people and lower training and turnover costs. Those firms showing the greatest interest and commitment (“champion” firms) will receive technical assistance for introducing intercultural human resource management policies and practices, as a way of demonstrating productivity improvements.
- 2.23 For the work to raising awareness at firms and introducing intercultural human resource management practices, the project will identify an international agency with recognized expertise in this area. OXFAM is exploring a possible partnership with Université de Sherbrooke in Quebec province, Canada.
- 2.24 The component’s main activities are to: (i) conduct a study on the effects of employee interculturalism on business productivity, and preparation of a baseline; (ii) design a strategy to raise firms’ awareness of intercultural communication, including materials, in terms of variables of business interest; (iii) conduct onsite awareness and media campaigns; (iv) conduct deeper studies of “champion” firms, and develop action plans to incorporate intercultural communication into human resource management; and (v) disseminate information on productivity gains of “champion” firms stemming from the inclusion of intercultural issues in human resource management.
- 2.25 Expected outcomes include: (i) 100 firms with increased awareness of intercultural human resource management; and (ii) 30 firms have introduced and adopted intercultural human resource management practices.

Component IV. Knowledge management and strategic communication (MIF: US\$82,000; Counterpart: US\$45,000)

- 2.26 The objective of this component is to systematize, document, and disseminate the experience and knowledge generated by the project, in order to publicize the intercultural training and workforce integration model and promote its replication at training centers in other departments of the country. To this end, knowledge will be gathered and generated for sustaining and introducing intercultural communication in vocational guidance services, youth training and workforce integration, cultural centers, INFOCAL, and businesses.
- 2.27 The following audiences will be targeted for the dissemination and communication of project-generated knowledge and experiences: (i) national level ministries (education, labor) and local municipios (El Alto, La Paz) interested in

- scaling up the model at the local and national levels, (ii) large firms interested in introducing elements of the model into their own programs in order to improve their intercultural human resource management, and (iii) technical training centers interested in adopting the model to improve youth employability.
- 2.28 The main channels for reaching these audiences will be: awareness and dissemination workshops to publicize the merits, outcomes, and impact of the model; onsite meetings with key stakeholders to generate synergies with the project; items in the print media; dissemination of project information through social networks. To meet these audiences' needs for knowledge, the project will develop the following knowledge products: (i) methodological manual for incorporating intercultural communication into vocational guidance services; (ii) methodological manual for incorporating intercultural communication into cultural center work; (iii) methodological manual for incorporating intercultural communication at technical training institutes; (iv) methodological manual on intercultural human resource management policies at firms; (v) strategy for communicating and disseminating knowledge from the model; and (vi) transfer/replication of the model to another region in Bolivia. INFOCAL's nationwide coverage will facilitate replication of the model in other regions that have a high percentage of migrant population and urban sociocultural diversity. The model will be documented under this project and replicated in another Bolivian city similar to El Alto where INFOCAL has a branch and private and public sector institutional conditions are amenable.
- 2.29 This project will contribute to narrow the knowledge gap of the Youth and Employment Agenda as to: What innovative models for business/training center (secondary/technical/tertiary, or informal education)/civil society organization collaboration exist and are effective in lessening the gap between labor supply and demand? Specifically, the project will seek to determine how to develop an intercultural model for training and workforce integration of young indigenous migrants (rural-to-urban).
- 2.30 Expected outcomes include: (i) an intercultural model for training and workforce integration that includes tested and systematized tools; (ii) a model transferred to the INFOCAL system and replicated at another INFOCAL branch in the country; (iii) a validated manual introduced for intercultural human resource management; (iv) a validated manual for developing and incorporating the intercultural approach to employability at cultural centers; (v) a validated manual for developing and introducing the intercultural approach at technical training centers; (vi) four knowledge dissemination products; and (vii) 50 organizations participating in the event to disseminate the model.
- D. Project governance and execution mechanism**
- 2.31 The project will be executed by OXFAM-Quebec, which will coordinate project actions with the stakeholders and facilitate the process to reach agreement among the participants: (i) Centro de Jóvenes y Empleo de El Alto [Youth and

Employment Center of El Alto]; (ii) Wayna Tambo and COMPA Trono; (iii) INFOCAL; (iv) FEPLP; and (v) the Ministry of Labor, Employment, and Social Security/Program to Support Employment (PSE). OXFAM-Quebec will be responsible for reporting to the MIF. To strengthen governance, a steering committee will be created that includes the cultural centers (one representative per center), INFOCAL (two representatives), students (at least one representative), and OXFAM (two members). OXFAM will chair the committee, which is expected to meet quarterly and will serve as a forum for dialogue on project strategy.

- 2.32 In addition, a Multisector Forum will be created to provide feedback and support the process of consolidating the model, facilitate program execution, disseminate outcomes, and take action to influence public policy. The Multisector Forum will engage key public institutions at the central level (Ministry of Labor, Ministry of Education, Office of the Vice Minister for Equal Opportunity), at the municipal level (Autonomous Municipal Government of El Alto), as well as participants from the public sector and civil society (FEPLP, INFOCAL, cultural centers, youth organizations, and beneficiaries).

E. Sustainability

- 2.33 Although all the stakeholders directly involved have stated their commitment to the project, the model's sustainability will depend on the outcomes obtained and their effective dissemination, to create ongoing demand for the services offered by each stakeholder. Thus, sustainability can be understood at the individual level, for each stakeholder and its contribution, and at the aggregate level, for the model as a whole.
- 2.34 The vocational guidance center and cultural centers will continue using the model after the project has ended, if they notice an improvement in the quality of the services provided to young people, and if, as a result, they experience greater demand from youth. Neither of these cases has financial implications since the services they currently offer are free.
- 2.35 INFOCAL will continue to use the intercultural approach after the project has ended, because Bolivian legislation so requires, but also because its students are expected to become more qualified and to perform better and stay longer in the quality jobs they obtain,³⁶ generating more demand from students and firms for its services and its graduates. INFOCAL will be able to monitor its students' employment outcomes through the on-the-job assistance services to be provided under the project. In addition, INFOCAL has an incentive to continue using this approach once the project has ended because intercultural education is mandated by Bolivian legislation.

³⁶ In addition to minimum wage, quality employment includes the following benefits: contribution to social security, medical insurance, paid vacation, paid sick leave, maternity/paternity/adoption leave (MIF youth employment glossary).

- 2.36 For the businesses, being able to create a demonstration/bandwagon effect is important, based on showing and disseminating improvements in the productivity of young people (and employees in general) from the firms' use of the intercultural approach in human resource management. At the "champion" firms, it will be of key importance to measure productivity so as to provide the firms with an incentive for continuing to use intercultural practices. To create interest among other firms, it will be important to demonstrate the advantages and outcomes to outside audiences.
- 2.37 Outcomes and how they demonstrate sustainability will be monitored on an ongoing basis. One year before project end, a **sustainability workshop** will be held with all participating entities to identify the measures necessary to ensure continuity of the project's actions once the funds have been exhausted.

F. Lessons learned from the MIF or other institutions in project design

- 2.38 Project design took into account the lessons learned by the MIF in 19 years of experience working with young people. Of special importance were the lessons learned from projects like "A Ganar" and "Galpão Aplauso," which also use innovative alternative methods for working with at-risk youth. These lessons include: (i) the **higher the level of youth risk**, the **more innovative** the service must be, so that it can motivate and retain the youth during the training process; usually the costs are higher because a longer comprehensive, multidisciplinary intervention is required. Young people's needs and actual circumstances must be understood, so that programs can adjust classroom schedules, curriculum, and teaching styles to the age, educational level, and vulnerability of the participants; (ii) **interactive and creative methodologies** that use sports, the arts, and technology are especially **relevant for teaching and practicing life skills**; (iii) **training** should be keyed to **market needs**; (iv) **the model should be comprehensive**, with technical training and life skills that will enable young people to construct a life plan for training and employment, taking into account the individual features of each beneficiary; (v) **the quality of the trainers is crucial**, as they often serve as role models; (vi) **information and communication technologies** (ITCs) are a significant element of youth culture, a basic tool that cuts across most quality jobs and a basic requirement for getting them. ITCs have proven to be important for the development of life skills; they capture the interest of youth, generate participatory processes, and are an ideal means of reaffirming identity; (vii) to ensure the success of all **workforce integration** models, it is crucial to build a **broad network** of relationships and partnerships with employers. Because of its special relationship with FEPLP, INFOCAL will be able to take more effective advantage of its potential to work with the business sector; (viii) the **role of the MIF as catalyst for learning**, as a hallmark of quality and disseminator within the agenda, is of key importance for small executing agencies or executing agencies without access to international resources in the subject area.

G. The MIF's additionality

- 2.39 **Nonfinancial additionality.** The MIF will bring to the project its technical experience from 20 years of work on workforce integration of vulnerable youth. It will also contribute its expertise in creating networks and multisector partnerships, life skills training, alternative teaching methods, and refining, validating, and documenting workforce integration and retention models.
- 2.40 **Financial additionality.** Without the MIF's involvement, the vocational guidance center, the cultural centers, and INFOCAL would continue to offer services to El Alto youth as they have done thus far, without an intercultural approach and without collaborative coordination among them. This would limit INFOCAL's effectiveness and impact, and could lead to the exclusion of indigenous youth from its activities. Without the MIF's involvement, OXFAM and INFOCAL could also not coordinate their work with the job placement activities of the Program to Support Employment (PSE) (loan BO-L1051), not only for this project but also in the nine departments of the country. Without the MIF's involvement, the businesses would continue to manage their human resources without an intercultural approach, failing to address the productivity problems they face with young people due to a lack of understanding and not dealing with these issues in the work setting.

H. Project outcomes

- 2.41 The project outcome will be that El Alto youth, particularly those of indigenous ancestry, have more and better access to quality jobs in the formal sector. The following outcome indicators will be used: (i) 640 young graduates with improved technical skills; (ii) 640 young graduates who improve their life skills (with an intercultural approach) (iii) a public-private forum working collaboratively in the city of El Alto to promote and improve the quality of youth employability services; (iv) INFOCAL adoption of an institutional policy of intercultural education; (v) 40 business owners hiring indigenous youths from the project who see improvements in their productivity/performance/attitudes; and (vi) 560 young people participating in the project who recognize the opportunities offered by the formal sector for employment and their life plans.

I. Project impact

- 2.42 The project impact will be to diversify and increase opportunities for El Alto youth, particularly those of indigenous ancestry and women, in order to improve their living conditions. The following impact indicators will be used: (i) 50% of young graduates obtain quality jobs in the formal sector by six months after completing the training (broken down by gender); and (ii) 40% of young people who obtain formal jobs stay with the business for at least four months (broken down by gender).

J. Systemic impact

- 2.43 In terms of the country's social and legal context, since the adoption of its 2009 Constitution, Bolivia has been emphasizing its intercultural nature, founded on plurality and cultural and linguistic pluralism. In line with the new Constitution, laws with "interculturalism" as a guiding principle have been passed in education, autonomy, antiracism and antidiscrimination, and other areas. This environment provides a solid foundation for the project to contribute to systemic change because the model to be developed promotes inclusion of intercultural communication in training and workforce integration processes for vulnerable youth to strengthen employability. The methodologies and tools developed by the project can serve as inputs for technical training, employment, and even cultural policies and programs. In this connection, the creation of the Multisector Forum will be of key importance.

III. MONITORING AND EVALUATION STRATEGY

- 3.1 **Baseline.** During the project's preparatory stage, a comprehensive baseline will be constructed in conjunction with the design of the evaluation and monitoring system. The baseline will contain information on: (i) the young people who enroll in the project, their employability, technical skills, and life skills, broken down by age, sex, ethnic group, and generation of migration; (ii) INFOCAL's status in terms of its ability to offer intercultural training; (iii) the status of the firms; (iv) the status of the cultural centers; and (v) the status of the vocational guidance center. The section of the baseline corresponding to youth and firms will be expanded/supplemented whenever a new cycle of training and job placement begins. "Champion" firms will be selected during the first 18 months of project execution, and a baseline set for each one.
- 3.2 **Monitoring.** A monitoring system will be established and added to periodically. It will be used to report on project progress, detect critical factors proactively, and address them. This monitoring will serve as the basis for six-monthly planning activities, and monitoring of the activities. Monitoring will be ongoing, and OXFAM will deliver six-monthly reports to the MIF.
- 3.3 **Evaluation.** The project will have two evaluations, one midterm and one final, which will be commissioned by the MIF (Country Office in Bolivia) and chargeable to the loan proceeds. The evaluations will be based on data from the monitoring and evaluation system (baseline and updates) and will be participatory, involving the project's main stakeholders. The midterm evaluation will be conducted after 24 months, or once 50% of the contribution funds have been disbursed, whichever occurs first. This evaluation will address: the validity of project design and the proposed model; the execution mechanism for activities, including the relationship among stakeholders; an analysis of the outcomes as of the evaluation date relative to the planned outcomes, at the beneficiary level; the validity of the milestones set in the design relative to the model's development

- and characteristics; and beneficiary indicators. It will also evaluate the technical quality of the materials and tools designed during the project.
- 3.4 The final evaluation will take place once the execution period has ended, or 85% of the funds have been disbursed, whichever occurs first. This evaluation will focus on the scope and quality of project outcomes and impact, as well as the validity and effectiveness of the proposed models and their transfer to another INFOCAL branch. Some of the questions to be answered as a result of this evaluation are: (i) Were the proposed model and methodology followed the most appropriate? (ii) Have the project outcomes and impact been achieved? (iii) Efficiency: Did we use the right resources in the best possible way? (iv) Will positive impacts continue once the project has ended? Is the project sustainable? (v) Is the proposed model replicable and scalable?
- 3.5 **Closing workshop.** Once the execution period has ended, OXFAM-Quebec will organize a closing workshop to evaluate the outcomes with other stakeholders, identify additional tasks to ensure the sustainability of project-initiated actions, and identify and disseminate lessons learned and best practices.

IV. COST AND FINANCING

- 4.1 The total cost of the project is US\$1,655,782, of which US\$950,000 (57%) will be contributed by the MIF, and US\$705,782 (43%) by the counterpart. The execution period will be 42 months, and the disbursement period 48 months.
- 4.2 **Retroactive recognition of counterpart resources.** The MIF may recognize up to US\$15,000 equivalent against the counterpart resources, for expenditures incurred on or after 27 March 2014 (eligibility date of the operation) in connection with the preparatory stage of the project, such as (i) studies and diagnostic assessments; (ii) consulting services; and (iii) preparation of materials.

	MIF	Counterpart	Total
Project components			
Component 1: Integration of the intercultural approach into vocational guidance services and the existing training model	164,000	279,064	443,064
Component 2: Comprehensive training and workforce integration for youths	367,300	312,718	680,018
Component 3: Awareness-raising and work with firms on intercultural human resource management policies	68,000	40,000	108,000
Component 4: Knowledge generation; systematization, dissemination, and transfer of the model	82,000	45,000	127,000
Execution and supervision component			
Project coordinator	83,400		83,400
Administrative assistant	61,300		61,300
Baseline and monitoring system	15,000	6,000	21,000
Project management committee		15,000	15,000
Midterm evaluation	9,000		9,000
Final evaluation	9,000		9,000
Closing workshop	3,500	8,000	11,500
Subtotal	862,500	705,782	1,568,282
% of financing	55%		45%
Audit	20,000		20,000
Impact Evaluation Account (5%)	47,500		47,500
Agenda Account	20,000		20,000
Grand Total	950,000	705,782	1,655,782

V. EXECUTING AGENCY

- 5.1 OXFAM-Quebec will be executing agency for this project and will sign the agreement with the Bank. OXFAM has worked in Bolivia since 1988 with local partners, facilitating participatory processes, coordinating projects with applied research, strengthening its partners' organizational capabilities, and performing knowledge management, monitoring, and evaluation tasks. OXFAM-Quebec is the ideal partner for this project because: (i) it has experience with economic empowerment of young people in Bolivia and Peru through its work in the areas of cultural assertion, employability, and entrepreneurship among vulnerable youth, and support of initiatives to empower Aymara, Quechua, and Guaraní youth, especially in urban settings. One example is its experience with the "Wapikoni Mobile" project, in partnership with the Centro de Formación y Realización Cinematográfica [Cinematographic Training and Production Center] (CEFREC) in Bolivia; and (ii) it also works closely with INFOCAL, promoting improvements in educational quality, in general, and the differentiated gender approach to empower women through education.
- 5.2 The project is aligned with OXFAM's priorities in Bolivia: economic justice and youth, women, and indigenous populations in low-income urban neighborhoods.
- 5.3 **Strategic partners:** (i) INFOCAL is a nonprofit educational institution that trains young people in job skills, under the auspices of FEPLP. Its main objective is to promote excellence in specialized services for job-related education and

- training for skilled labor in the private sector, keyed to labor market demand. In 2012, it provided training to more than 24,000 young people in La Paz. INFOCAL has participated successfully in the execution of MIF-financed projects, including the FORMUJER technical/vocational training program for women (ATN/MH-5081-RG). (ii) The cultural centers COMPA Trono and Wayna Tambo, recognized for their extensive work with El Alto youth to regain their cultural identity through artistic and cultural activities.
- 5.4 **Other partners:** (i) The Federación de Empresarios Privados de La Paz [Federation of Private-sector Entrepreneurs of La Paz] (FEPLP): (a) will hire young people who graduate from the project; (b) will participate in the study on labor demand through its member firms, and serve on the Multisector Forum; (c) will be encouraged to adopt the project in order to promote intercultural human resource management among its member firms. (ii) Centro de Jóvenes y Empleo de El Alto [Youth and Employment Center of El Alto]; (iii) Ministry of Labor, Employment, and Social Security; (iv) the Autonomous Municipal Government of El Alto.
- 5.5 OXFAM-Quebec will create an execution unit with the necessary structure to effectively and efficiently execute project activities and manage project resources. OXFAM-Quebec will also be responsible for delivering progress reports on project implementation. The details of the execution unit structure and progress report requirements are set out in Annex VII of the technical files of this operation.

VI. PROJECT RISKS

- 6.1 **Institutional risks.** One of the noteworthy elements of the project is the participatory and multisectoral development, by multiple stakeholders, of an intercultural model for technical training and workforce integration. This may present challenges for orderly and timely execution. For this reason, a participatory coordination mechanism (management committee) has been planned, for representatives of the different institutions to set guidelines by consensus. This committee will be led by OXFAM, as the executing agency responsible to the MIF for the project. In addition, technical cooperation resources will be used to hire a liaison coordinator, whose main function will be to coordinate activities and management with all participants.
- 6.2 **External risks.** Not enough measures are in place to encourage business owners to offer formal jobs to youths. The partnership being created in El Alto will help demonstrate the business owners' willingness to hire local indigenous youth in order to foster selective incentives for this responsible corporate sector. The project will work to educate the business sector on the benefits of hiring local project graduates, which will lower labor costs in the medium and long term.
- 6.3 **Sector risks.** The private sector may not be sufficiently open to adopting new intercultural practices. To reduce this risk, firms will learn about the benefits of

intercultural management (improved productivity, employee loyalty, lower turnover rate, etc.), and “champion firms” will be identified to promote peer-to-peer emulation among the parties (demonstration/bandwagon strategy).

- 6.4 **Sustainability risks.** These risks relate to the project partners’ ability and interest to continue using the intercultural model for training and workforce integration. The mitigation actions will be: to build the model on existing activities of the partners that are already sustainable (INFOCAL’s technical training; artistic activities at cultural centers); and to generate evidence on the model’s effectiveness among firms seeking financial sustainability in the medium term.

VII. ENVIRONMENTAL AND SOCIAL IMPACTS

- 7.1 No adverse environmental and social side effects of any kind are foreseen. The project will have an impact on vulnerable youth and their environment, so the only foreseeable social impact is positive.

VIII. FULFILLMENT OF MILESTONES AND SPECIAL FIDUCIARY ARRANGEMENTS

- 8.1 **Results-based disbursements and fiduciary arrangements.** The executing agency will agree to the MIF’s standard arrangements concerning results-based disbursements, procurement, and financial management, as specified in Annex VIII.

IX. ACCESS TO INFORMATION AND INTELLECTUAL PROPERTY

- 9.1 **Access to information.** Information on the project is not confidential under to the IDB’s Access to Information Policy.