

## TC ABSTRACT

### I. Basic Project Data

▪ Country/Region:	SURINAME/CCB - Caribbean Group
▪ TC Name:	Promoting Formal Employment Opportunities in the Amazonian Region of Suriname
▪ TC Number:	SU-T1172
▪ Team Leader/Members:	CRUZ AGUAYO, YYANNU (SCL/LMK) Team Leader; CAROLINA ECHEVERRI (SCL/LMK); MELISSA CHIN (SCL/LMK); GASTON FERRIN (SCL/LMK); LIBERTAD SICCHA (SCL/LMK); GONZALEZ HERRERA, BEATRIZ MARIA (SCL/LMK); CENTENO LAPPAS, MONICA CLARA ANGELICA (LEG/SGO)
▪ Taxonomy:	Operational Support
▪ Number and name of operation supported by the TC:	Labor Market Alignment with New Industries - SU-L1061
▪ Date of TC Abstract:	19 Dec 2022
▪ Beneficiary:	Indigenous and tribal communities in the Amazon region of Suriname
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK
▪ IDB funding requested:	US\$450,000.00
▪ Local counterpart funding:	US\$0.00
▪ Disbursement period:	24 months
▪ Types of consultants:	Individuals
▪ Prepared by Unit:	SCL/LMK - Labor Markets
▪ Unit of Disbursement Responsibility:	SCL/LMK - Labor Markets
▪ TC included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	Yes
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality ; Diversity

### II. Objective and Justification

- 2.1 The objective of this TC is to support the execution of the 5626/OC-SU Labor Market Alignment with New Industries Program by increasing the employability in the Amazon region of Suriname, to be able to meaningfully benefit from the bioeconomy, and advance sustainable and efficient production technologies. Specifically, this TC will: (i) promote access to training opportunities to provide indigenous and tribal communities with skills to find employment in environmentally sustainable industries, greening production processes, and other integral parts of bioeconomic activities; and (ii) expand the coverage and effectiveness of labor market intermediation services by jobseekers and employers in the Amazon region of Suriname.
- 2.2 Difficulty in obtaining jobs is caused by two employability constraints: (i) jobseekers are unequipped with the skills demanded by the productive sector and (ii) jobseekers and employers lack labor market information to efficiently find a job or employee, respectively. In the interior Amazon region these constraints are further strengthened because of low education levels, and lack of training for employment and employment services (Suriname Mid-term Labour Market Policy 2022-2025).
- 2.3 The remote interior of the country is home to diverse groups, amongst which indigenous groups (native to South America) and tribal Maroon communities

(descendants of runaway slaves who settled in the interior). These communities mainly reside in the two interior rural districts of Brokopondo and Sipaliwini. The population of the interior bears higher levels of poverty and associated risks compared to the population of the urban coastal areas. The non-extreme and extreme poverty rates in the interior are 32.2% and 15.7% (26.5% and 1.8% coastal, respectively) (Suriname Survey of Living Conditions, 2017). The rural interior region is characterized by small and medium-sized informal economic units heavily dependent on extractive activities (gold and timber) and, to a lesser extent, on agriculture. There are also some multinational mining companies that provided around 4000 formal jobs in 2017. Moreover, in the rural interior, some indigenous populations are dependent on self-sufficient primary sector activities such as hunting, fishing, and subsistence agriculture, with minimal economic activities and labor market demand. Non-Government Organizations and Community-based Organizations have supported numerous initiatives for socio-economic development and job opportunities last decades.

- 2.4 The program 5626/OC-SU Labor Market Alignment with New Industries was approved by the Board of Directors on October 21st, 2022, and was signed by the Government of Suriname on November 11th 2022. The general objective of the program is to promote employability for jobseekers. The specific objectives are to: (i) provide jobseekers with relevant and high-quality training for employment; and (ii) expand the use of labor market intermediation services by jobseekers and employers. This TC will support the execution of the loan Program by developing activities focused on attending the specific needs of rural interior communities, to promote formal employment opportunities that cater to the different groups in living in the Amazon region. Thus, this TC will contribute to strengthening the scope of the Program by benefiting indigenous and tribal communities in remote areas.

### III. Description of Activities and Outputs

- 3.1 **Component I: Promote access to relevant training to develop bioeconomic activities in the Amazon region of Suriname.** This component aims to provide people in the Amazon with high-quality and demand-driven training related to bioeconomic processes through: (i) aligning the training supply with the needs of employers in the Amazon region; (ii) improving the quality and relevance of training for employment to promote labor insertion and permanence of indigenous and maroons; and (iii) promoting access to training for jobseekers in the Amazon region by providing transfers for tuition, materials, and stipends.
- 3.2 **Component II: Technical and operational support to expand the coverage and effectiveness of employment.** This component aims to improve formal employment for indigenous and tribal communities in Suriname by (i) assessing barriers to access employment services; (ii) providing access to employment services such as job-search tools, and referral to training programs; (iii) expanding recruitment services for employers to help them find local candidates to cover their vacancies; and (iv) promoting the generation of skills for entrepreneurship sustainability in non-timber sectors

### IV. Budget

#### Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Promote access to relevant training to develop bioeconomic activities in the Amazon region of Suriname	US\$275,000.00	US\$0.00	US\$275,000.00

Technical and operational support to expand the coverage and effectiveness of employment	US\$175,000.00	US\$0.00	US\$175,000.00
<b>Total</b>	<b>US\$450,000.00</b>	<b>US\$0.00</b>	<b>US\$450,000.00</b>

## **V. Executing Agency and Execution Structure**

- 5.1 This TC will be executed by the Bank, through the Labor Markets and Social Security Division.
- 5.2 The team leader, Yyannú Cruz Aguayo (SCL/LMK) will be responsible for the execution and oversight of this TC.
- 5.3 At the request of the Government of Suriname, the IDB, through the Labor Markets and Social Security Division (SCL/LMK) will execute this TC given that : (i) the Bank, through SCL/LMK has technical expertise on the effectiveness of labor market programs oriented to women and diverse groups, based on international best practices; (ii) administrative burdens can be reduced on the government, particularly in the identification and contracting of international experts; and (iii) this TC will complement the activities in SU-T1143, which is currently being executed by the Bank. The supervision of this TC will be carried out by the project team. The results of these activities are intended to bring key and timely inputs to the executing agency of the loan (5626/OC-SU). SCL/LMK will be responsible for the direction, supervision, and coordination of this TC. The Bank will coordinate its work extensively with the Government of Suriname and other benefitting ministries/entities.

## **VI. Project Risks and Issues**

- 6.1 Risks are mainly associated with low engagement and participation by private and public sector stakeholders, as well as civil society. Insufficient integration, coordination and communication among government agencies may also lead to delays in project execution. To mitigate this risk, the TC will finance a technical, operational, and administrative consultant, with project management experience to support the execution.

## **VII. Environmental and Social Classification**

- 7.1 The ESG classification for this operation is "undefined".