Early Warning System

IADB-CH-T1232

Connecting Opportunities in the Digital Era

Quick Facts

Countries	Chile
Financial Institutions	Inter-American Development Bank (IADB)
Status	Approved
Bank Risk Rating	U
Voting Date	2019-12-02
Borrower	Fundación Telefónica España (Executing agency - will sign agreement with the Bank)
Sectors	Industry and Trade
Investment Type(s)	Grant
Investment Amount (USD)	$ 1.46 million
Grant Amount (USD)	$ 1.46 million
Project Cost (USD)	$ 5.56 million

Project Description

The project objective is to help improve employability in Chile, particularly among the most vulnerable groups of society, by providing broad access to information on the jobs and skills in greatest demand and the training available to access those jobs.

This collaborative IDB Group initiative includes the participation of the IDB Labor Markets Division, which is leading operation CH-T1209 (in preparation) and loan CH-L1135 (in execution). It complements other Bank operations in Chile, such as operation CH-L1138, which is implementing a strategy for digital skills development in the country. The project will also contribute to data-based decisionmaking for various public sector stakeholders, companies, and training providers, so that they can improve the training available, particularly training targeted to the most vulnerable segments, incorporating the development of those skills.

The project will develop three platform solutions, with a large disruptive technology component, that does not currently exist in the region, which will tap into
big data and artificial intelligence mechanisms to analyze Chile’s labor market. It will offer two tools that are universally accessible to the public: (i) a web platform
(job map) that uses interactive graphics to provide information on demand for all occupations countrywide and the most sought-after digital skills; (ii) a chatbot
(virtual job assistant) that offers job and training advice to improve the employability of the population at large. It includes an information and training campaign targeted to specific users in the most vulnerable segments, such as young people, women, migrants, and entrepreneurs (at least 50% of registered users and project activity participants).

The project draws on the experience of Fundación Telefónica, which has been developing a job map and virtual job assistant for Spain, with more
than 100,000 users in the first six months of operation, and on lessons learned.

Investment Description

- Inter-American Development Bank (IADB)

The project has a total cost of US$5,560,000, with US$1,460,000 to be contributed by IDB Lab as nonreimbursable technical-cooperation funding (MIF). The balance will
take the form of:

- (i) cofinancing in cash by the Bank’s Labor Markets Division (SCL/LMK) for US$550,000
- (ii) a local counterpart in cash and in kind to be provided by Fundación Telefónica (US$1,800,000) and ChileValora (US$1,750,000) which reports to the Ministry of Labor andSocial Security.

Private Actors Description

Fundación Telefónica España will be the executing agency of this project and will sign the agreement with the Bank.

Fundación Telefónica is a nonprofit institution that contributes to the development of countries where the Telefónica holding has a presence in Latin America, incluiding Chile. Its mission is to improve development opportunities for individuals through educational, social, cultural, and employability projects, adapted to the challenges of a digital world.

Over the last three years, Fundación Telefónica has promoted the program “Conecta Empleo” [Connecting Jobs], which has the objective of helping individuals obtain the skills and competencies they need to improve their likelihood of finding work in Europe and Latin America. It also works to connect society to the new labor market realities and train people in the new digital professions in greatest demand today. It has impacted 1,585,542 participants worldwide. The social and technological nature of its programs and the extensive knowledge and experience in employability makes it a appropriate partner for carrying out the project. Furthermore, Fundación Telefónica has
experience in cooperating with the IDB Group, in particular in a project cofinanced by IDB Lab in Peru to accelerate implementation of crowdworking platforms and
transfer capacity.
As initial partners in the project Connecting Opportunities in the Digital Era, the Ministry of Labor and Social Security, ChileValora, the IDB, and IDB Lab will
contribute technical knowledge and resources in cash and in kind.
Implementation structure and mechanism: Fundación Telefónica España will establish an executing unit and the organizational structure needed to execute the project and manage resources efficiently and effectively. The project will be headed by the foundation’s Chief of Digital Change.

Contact Information

ACCOUNTABILITY MECHANISM OF IADB

The Independent Consultation and Investigation Mechanism (MICI) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an Inter-American Development Bank (IDB) or Inter-American Investment Corporation (IIC)-funded project. If you submit a complaint to MICI, they may assist you in addressing the problems you raised through a dispute-resolution process with those implementing the project and/or through an investigation to assess whether the IDB or IIC is following its own policies for preventing or mitigating harm to people or the environment. You can submit a complaint by sending an email to MICI@iadb.org. You can learn more about the MICI and how to file a complaint at http://www.iadb.org/en/mici/mici,1752.html (in English) or http://www.iadb.org/es/mici/mici,1752.html (Spanish).

Other Related Projects

- IADB-CH-L1135 Program to Strengthen the Labor Intermediation System in Chile
- IADB-CH-L1138 Program to support Chile's Global Services Export Sector
- IADB-CH-T1209 Connecting Opportunities in the Digital Age