

## TC ABSTRACT

### I. Basic Project Data

▪ Country/Region:	CHILE/CSC - Southern Cone
▪ TC Name:	Connecting Opportunities in the COVID Age
▪ TC Number:	CH-T1233
▪ Team Leader/Members:	ALAIMO, VERONICA (SCL/LMK) Team Leader; RUCCI, GRACIANA (SCL/LMK) Alternate Team Leader; CASALINO FRANCISKOVIC, JUAN MANUEL (LEG/SGO); HERNANDEZ-CARTAGENA, CAROLINA L. (SCL/LMK); ROBLES ALZAMORA, PAOLA A. (CSC/CCH); CORTES GONZALEZ, VERONICA MARIA (SCL/LMK); GARCIA VALERO, ANDREA CAROLINA (SCL/LMK); REYES ABURTO, FRANCYS BRITANIA (CSC/CCH); SUAZO GARCIA, ANDREA DARIOLETA (CSC/CCH); GONZALEZ HERRERA, BEATRIZ MARIA (SCL/LMK); PENAHERRERA PROANO, SEBASTIAN (SCL/LMK)
▪ Taxonomy:	Research and Dissemination
▪ Number and name of operation supported by the TC:	N/A
▪ Date of TC Abstract:	10 Apr 2020
▪ Beneficiary:	Workers
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK
▪ IDB funding requested:	US\$250,000.00
▪ Local counterpart funding:	US\$0.00
▪ Disbursement period:	24 months
▪ Types of consultants:	Firms
▪ Prepared by Unit:	SCL/LMK - Labor Markets
▪ Unit of Disbursement Responsibility:	SCL - Social Sector
▪ TC included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	Yes
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Productivity and innovation ; Gender equality

### II. Objective and Justification

- 2.1 The objective of the TC is to support the development of online tools that will provide working age individuals information on jobs and skills demanded and training opportunities for job insertion during and after COVID pandemic.
- 2.2 In 2019, the Chilean private sector was demanding support to reskill and upskill personnel to avoid dismissals related to the digital transformation of the economy, especially in retail and banking. It was estimated that 2 million people had highly routine jobs with great potential to be automated by technological change. Suddenly, in October 2019 the country suffered a major social crisis that disrupted normal operations of public transportation and forced the closing of many stores. For the first 3-4 weeks after the crisis, many workers started teleworking while others lost their jobs. The Government and private sector started collaborating to recover from the crisis with a social and a private sector agenda. Only 5 months later, the COVID pandemic paralyzed the country (and the world) and preliminary estimations suggest formal jobs could fall between 4.6% and 15.7% (Azuara et al, 2020). These estimates put pressure on the need to be prepared to support job seekers during and after the COVID crisis to be ready to find a job.

In 2019, the Bank started to collaborate with Fundación Telefonica and the Government of Chile in the development of two platform solutions that will use Big Data technology and Artificial Intelligence (AI) mechanisms to analyze the labor market of Chile. Both tools will be open, published as a public good. On the one hand, a web platform (Employment Map) that offers information on the demand of the different professions in the country and the most requested digital skills, and on the other, a chatbot (Virtual Professional Counselor) that offers labor and training advice to improve the employability of the general population. Both tools offer recent labor market information, useful not only for decision-making of people without work (or at risk of losing it), but also for governments and training entities in policy design and public and private programs for more efficient guidance, training and intermediation based on data on the needs of individuals and companies. The benefits of these tools are enhanced by the current situation: these are online tools, available from any digital device, and the need to have information about the labor market will increase in the coming months.

### III. Description of Activities and Outputs

- 3.1 **Component I: Platform development..** This component will support the development of the Employment Map and the Virtual Professional Guidance chatbot. This includes consultancies to document everything (architecture, processes, etc.) so that any developer who enters the project can see where each block has come from (it is a key input for transfer and sustainability) and to evaluate the customer experience.
- 3.2 **Component II: Training, monitoring and communication..** This component will support (i) the design of materials and development of training workshops for government teams and training providers to appropriate the solutions; (ii) the generation of monitoring reports, whose data will arise from the same tools, and (iii) communication materials.

### IV. Budget

Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Platform development.	US\$200,000.00	US\$0.00	US\$200,000.00
Training, monitoring and communication.	US\$50,000.00	US\$0.00	US\$50,000.00
<b>Total</b>	<b>US\$250,000.00</b>	<b>US\$0.00</b>	<b>US\$250,000.00</b>

### V. Executing Agency and Execution Structure

- 5.1 The Labor Markets Division (SCL / LMK) of the Bank will have overall responsibility for the direction, supervision, coordination and evaluation of this Research and Dissemination CT. The Bank will have the collaboration and coordination of the Ministry of Labor and Social Welfare (MTPS) and Fundación Telefónica.
- 5.2 SCL / LMK has the knowledge and experience in the topics covered by the TC and the development of labor market operations in 20 countries and is therefore in the best conditions to fulfill the functions. In addition, the context of the COVID pandemia reinforces the importance of this TC and having the Bank as executor, to ensure lessons learned are shared and used in other countries. The execution by the IDB will include: (i) coordinating project implementation; (ii) carry out the contracting processes of the consulting services; and (iii) supervise the activities to be carried out by the consulting firms and individual consultants and the implementation of the events.

### VI. Project Risks and Issues

- 6.1 Job portals share their information with a 3-months delay. If the crisis generates a disruption of job opportunities and skills demand in some economic sectors or regions, the tools will show these changes with a delay. To mitigate this risk, the project plans to work with job portals to facilitate this information in shorter periods given the public good nature of this information in the current environment.

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

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