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MULTILATERAL INVESTMENT FUND

BRAZIL, COLOMBIA AND PERU

**MIGRALAB: PROMOTING BUSINESSES WITHIN THE MIGRANTS AND THEIR
HOST COMMUNITIES**

(RG-T3745)

DONORS MEMORANDUM

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PROJECT SUMMARY

MIGRALAB: PROMOTING BUSINESSES WITHIN THE MIGRANT AND THE HOST COMMUNITIES (RG-T3745)

Venezuela has recently become a major country of emigration. This has been motivated by a national crisis in a context of social, economic, and political deterioration and instability. As a result, almost 5,5 million people have left the country by October 2020 according to the UN platform R4V¹, more than 80% migrating to countries across Latin America and the Caribbean (LAC). The countries that host the largest portion of Venezuelan migrants are Colombia (over 1,76 million) and Peru (over 1,04 million). Furthermore, Brazil is the country with the largest population of Venezuelans with refugee status in the region (over 40,000).

Moreover, the COVID-19 context has aggravated this crisis. Latin America, which was already experiencing weak economic growth and rise in unemployment, is now facing a "deep recession", which will lead to a drop of regional GDP between 1.8 and 4%. These circumstances create even more vulnerability among immigrants since they mainly work in the informal sector when compared to non-foreign workers. Moreover, migrants are struggling to adapt, as they have not completely embraced local digital marketing channels and other alternatives for income generation.

There is an urgent need to implement solutions by taking into consideration the profiles and skills of migrants, the context of their integration, the impact on the host communities, as well as the new market needs related to COVID-19. Considering all these factors, this project proposes a solution where entrepreneurs from the migrant and host communities will increase their incomes by supporting the growth of their businesses and the emergence of new ones.

The proposed intervention is to **consolidate and expand MigraLab**, Migraflif's existing program for enhancing economic and financial inclusion through entrepreneurship and adapt it to the current economic context. MigraLab is an innovative digital platform, based on four pillars: (i) Assessment of the socio-economic profile of users who register in the platform and diagnosis of their business, (ii) Development of a data based system that will suggest personalized entrepreneurship path, including a customized online training program to develop hard and soft skills related to the participants' needs and aspirations, (iii) Connection of participants with the market through partner sales channels, and (iv) Offer of technical support to use digital tools, individual mentoring with business plan, and access to financial services.

The project **beneficiaries will be 2,380 migrants and 1,020 people from the host communities totaling 3,400 beneficiaries, of whom 70% will be women**. The project will also engage the private sector in the host communities by establishing 12 new partnerships with sales channels in Sao Paulo, Boa Vista, Bogotá and Lima and 5 new partnerships with financial institutions in these 3 countries. As the main outcome, the project seeks to raise the income of **600 entrepreneurs** (in São Paulo, Boa Vista, Bogotá and Lima) by 15% on average and **create 110 new businesses** across the four cities where the program plans to operate. Furthermore, the program will foster mostly the economic and financial inclusion of women, as 70% of entrepreneurs connected to sales channels through MigraLab are expected to be female.

¹R4V. R4V database. Accessed: <https://r4v.info/es/situations/platform>

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AVAILABLE IN THE TECHNICAL DOCUMENTS SECTION OF IDB LAB PROJECT INFORMATION SYSTEM

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ACRONYMS AND ABBREVIATIONS

ECLAC	Economic Commission for Latin America and the Caribbean
GBV	Gender-based Violence
GDP	Gross Domestic Product
HUD	Housing and Urban Development
IDB	Inter-American Development Bank
IDB Lab	The Multilateral Investment Fund
ILO	International Labour Organization
LAC	Latin America and the Caribbean
R4V	Coordination Platform for Refugees and Migrants from Venezuela
UN	United Nations
USAID	United States Agency for International Development

PROJECT INFORMATION
BRAZIL, COLOMBIA, AND PERU
MIGRALAB: PROMOTING BUSINESSES WITHIN THE MIGRANT AND THE HOST COMMUNITIES
(RG-T3745)

Country and Geographic Location:	Brazil (São Paulo and Boa Vista), Colombia (Bogotá), and Peru (Lima)		
Executing Agency:	Associação Migraflif		
Focus Area:	Knowledge Economy		
Coordination with Other Donors/Bank Operations:	This project will be implemented in coordination with the U.S. Agency for International Development (USAID) as part of the BetterTogether/JuntosEsMejor Challenge, a global initiative to crowdsource, fund, and scale innovative solutions worldwide to support Venezuelan migrants and their host communities in the region. Also, this project has been designed in coordination with the IDB Migration Unit seeking to align it with their operational work in Brazil, Colombia and Peru.		
Project Beneficiaries:	The key beneficiary groups are Venezuelan migrants in Brazil, Colombia, and Peru. Direct beneficiaries: 2.380 migrants and 1.020 people from the host community totaling 3,400 beneficiaries, of whom 70% will be women. The project will also benefit host communities through 12 new partnerships with sales channels in Sao Paulo, Boa Vista, Bogotá and Lima and 5 new partnerships with financial institutions in these 3 countries.		
Financing:	IDB Lab Technical Cooperation:	\$USD 430.000	45.5%
	Counterpart:	\$USD 512.000	54.5%
	TOTAL PROJECT BUDGET:	\$USD 942.000	100%
Execution and Disbursement Period:	18 months of project execution and 24 months of disbursement and monitoring expected results.		
Special Contractual Conditions:	Conditions prior to first disbursement will be, to the Bank's satisfaction: (i) designation of the Project Manager, (ii) selection of the project assistant, and (iii) establishment of the Steering Committee, who will monitor the project with Migraflif.		
Environmental and Social Impact Review	This operation was screened and classified as required by the IDB's safeguard policy (OP-703) on November 10 th , 2020. Given the limited impacts and risks, the proposed category for the project is C.		
Unit responsible for disbursements	Bank's Country Office in Brazil (CCB/CBR).		

I. The Problem

A. Problem Description

- 1.1. Throughout its history, Venezuela has been a country of destination for immigrants in South America. However, the political and economic turmoil in Venezuela has caused a humanitarian crisis in the region and now more than five million Venezuelans live in exile (Castillo Castro and Reguant Álvarez 2017)². Currently, Venezuelans are the second largest displaced population in the globe and constitute the biggest migration crisis in the history of the Western hemisphere (UNHCR, 2019³).
- 1.2. Latin American and Caribbean countries are hosting record numbers of Venezuelan immigrants without having the resources to provide adequate support for their socioeconomic inclusion. Additionally, xenophobia has been growing in cities with a high influx of immigrants⁴. The countries that host the largest portion of Venezuelan migrants are Colombia (over 1,76 million) and Peru (over 1,04 million)⁵. Furthermore, the case of Brazil (over 260,000) is particularly important because it has decided to recognize the refugee status of over 40,000 Venezuelans based on the legal framework of the Cartagena Declaration, making it the country with the largest population of Venezuelan refugees in the region⁶.
- 1.3. The deterioration of the economic situation in Latin America worsens the scenario. According to the ILO Report *Labour Overview in Latin America and the Caribbean* (ILO, 2020)⁷, there was an increase in unemployment in the region in 2019. Even before the COVID-19 pandemic, ILO predicted the deterioration of the economy and, thus, of the quality of employment in the region in 2020. Brazil is one of the most affected countries economically, suffering a 30% drop in its stock exchange value. In Brazil, about 41% of the population are informal workers, representing more than 38 million Brazilians⁸. In Colombia and Peru, the informality is even worse. In Colombia, more than 60% of the labor force is informal (ILO/2018)⁹. In Peru, 71%¹⁰ of workers are in the informal sector, increasing the level of uncertainty in the face of a health emergency unleashed by the Covid-19 pandemic.

² Castillo Casto, T. E., & Reguant Álvarez, M. (2017). Percepciones sobre la migración venezolana: causas, España como destino, expectativas de retorno

³ UNHCR (2019). Global Trends, 2019. Accessed: <https://www.unhcr.org/globaltrends2019/>.

⁴ UNHCR (2019). Regional RMRP for Refugees and Migrants from Venezuela. Accessed: <https://reporting.unhcr.org/sites/default/files/2019%20RMRP%20Venezuela%20%28December%202018%29.pdf>

⁵ R4V database. Accessed: <https://r4v.info/es/situations/platform>

⁶ ACNUR (2019). ACNUR parabeniza Brasil por reconhecer condição de refugiado de venezuelanos com base na Declaração de Cartagena. Accessed: <https://www.acnur.org/portugues/2019/07/29/acnur-parabeniza-brasil-por-reconhecer-condicao-de-refugiado-de-venezuelanos-com-base-na-declaracao-de-cartagena/>

⁷ ILO (2020). Labour Overview in Latin America and the Caribbean. Accessed: https://www.ilo.org/wcmsp5/groups/public/---americas/---ro-lima/---sro-port_of_spain/documents/genericdocument/wcms_735507.pdf

⁸ Riveira (2010). Como a alta informalidade no Brasil freia a produtividade das empresas. Accessed: <https://exame.com/negocios/como-a-alta-informalidade-no-brasil-pode-frear-a-produtividade/>

⁹ El Tiempo (2018). ¿Por qué es tan difícil bajar índices de empleo informal en Colombia? Accessed: <https://www.eltiempo.com/economia/sectores/informalidad-laboral-en-colombia-y-como-superar-sus-altos-indices-242148>

¹⁰ La República (2020). El 71,1 % de trabajadores son informales en el Perú. Accessed: <https://larepublica.pe/economia/2020/04/02/71-de-trabajadores-son-informales-en-el-peru/>

- 1.4. In addition to the characteristics of the economy and labor market, ILO has produced a report about labor migration in LAC¹¹ (ILO, 2017). Three important characteristics should be highlighted: the feminization of migration, the high number of migrants in irregular situation, and the high levels of labor informality among the migrant population.
- 1.5. When focus is placed on Venezuelan women, one can notice that they face additional challenges, since they are more exposed to gender-based violence (GBV), labour exploitation, and human trafficking (R4V, 2019¹²). Additionally, many migrant women have to provide for the entire family without any other support (Fleury, 2016¹³), which makes them a group that needs to be prioritized in social and economic inclusion programs. According to Fleury (2016), poor women migrate more, especially when they do not own land, a home, or a business. Additionally, Fleury presents various studies that indicate that women decision to migrate is based on supporting their family rather than on an individual will.
- 1.6. ECLAC (2020)¹⁴ estimates that 78% of the women in LAC work in the industries that will be more hardly affected by the current economic crisis, which puts them in a more vulnerable position than men.
- 1.7. Accessing decent work is one of the biggest challenges that Venezuelans face during their exodus (ILO, 2019). In general, immigrants face different types of obstacles to access the labor markets, for example, a) personal barriers due to the lack of support networks or weak socioemotional skills, b) educational barriers due to the lack of complementary training, difficulties to validate home-country's educational credentials, or issues to certify skills or previous work experience, c) identification issues to regularize the migratory status and obtain a work permit, d) social difficulties originated by not speaking the language or prejudices and discrimination towards migrant population, or e) information barriers where employers might not be sufficiently informed on how to hire immigrants or immigrants do not know how to start businesses in the local market.¹⁵
- 1.8. Migrants can have a higher tolerance for risk and become successful entrepreneurs if given the correct opportunities. Many Venezuelans then opt for self-employment, which according to the ILO, contributed to 49% of the employment growth in the region, in 2018. Thus, **resorting to self-employment and entrepreneurship is often the most relevant way for Venezuelan migrants to increase their income.** Independent work *per se* is already a huge challenge, and additionally most of them are informal, which reduces migrants' chances to access banking services, government subsidies, and other potentially beneficial programs.

¹¹ ILO (2017). Labour migration in Latin America and the Caribbean. Diagnosis, Strategy and ILO's work in the Region Accessed: https://www.ilo.org/americas/sala-de-prensa/WCMS_548185/lang-en/index.htm

¹² R4V (2019). R4V Gender Based Violence Working Group Factsheet - July 2019. Accessed: <https://r4v.info/en/documents/details/70523>

¹³ ILO (2016). Understanding Women and Migration: A Literature Review. Accessed: <http://apmigration.ilo.org/resources/understanding-women-and-migration-a-literature-review-annex-annotated-bibliography>

¹⁴ CEPAL (2020). Pactos políticos y sociales para la igualdad y el desarrollo sostenible en América Latina y el Caribe en la recuperación pos-COVID-19. Accessed: <https://www.cepal.org/es/publicaciones/46102-pactos-politicos-sociales-la-igualdad-desarrollo-sostenible-america-latina>

¹⁵ Sánchez, J. & Munevar, Luis. (2020). Inclusión laboral para la población migrante proveniente de Venezuela en Colombia. OIT..

- 1.9. The COVID-19 pandemic has worsened an already fragile economy, affecting the poorest and most marginalized, including migrants. Generally, they participate in economic activities that have suffered disproportionately from the impact generated by the sanitary crisis such as services, trade, restaurants, housing and construction. In Colombia and Peru, the proportion of immigrants working in the service sector is approximately 47% and 57%, respectively.¹⁶ According to ECLAC¹⁷ (2020), the GDP of Latin America will decrease 9,1% in 2020, which is the worst drop in the history of the region. ECLAC warns that the socioeconomic crisis might become a food and humanitarian crisis in the region – the organization expects extreme poverty to increase from 11,2% in 2019 to 15,6% in 2020.
- 1.10. Due to the measures of lockdown and social distancing in Brazil, Colombia, and Peru, businesses remained closed for weeks. Moreover, many entrepreneurs cannot access government programs, including microcredit and debts renegotiation^{18,19}. The informal nature of the Latin American economy presents further challenges since most Venezuelans find themselves as independent workers due to the hardships in finding regular jobs.
- 1.11. In Brazil, unemployment has risen 31% between May and July 2020²⁰. Additionally, 716.000 businesses in Brazil, mostly small ones who were not able to adapt fast enough, closed since the beginning of the pandemic²¹. A recent report by ILO (2020²²) estimates that the Brazilian GDP will decrease 9,1%, while in Colombia it will decrease 7,8%. ILO (2020²³) also predicts that Peru will lose 1,5 million jobs due to the pandemic. Additionally, to curb unemployment, ILO suggests that the country invest in self-employment work and small businesses.

II. The Innovation Proposal

A. Project Description

- 2.1. The objective of the project is to promote the creation and growth of businesses owned by migrants and local entrepreneurs in the host communities to achieve economic and financial inclusion, through food entrepreneurship and Green Economy entrepreneurship.

¹⁶ Abuelafia, E. (2020). Impacto de COVID-19 en los migrantes. Banco Interamericano de Desarrollo (mimeo). Washington, D.C

¹⁷ CEPAL (2020). Pactos políticos y sociales para la igualdad y el desarrollo sostenible en América Latina y el Caribe en la recuperación pos-COVID-19. Accessed: <https://www.cepal.org/es/publicaciones/46102-pactos-politicos-sociales-la-igualdad-desarrollo-sostenible-america-latina>

¹⁸ Roubicek (2020). Barriers for small businesses to access credit in the crisis. Accessed:

<https://www.nexojornal.com.br/expresso/2020/05/20/Os-entraves-para-pequenas-empresas-acessarem-crédito-na-crisee>

¹⁹ Universidad de Lima (2020). The reactivation of SMEs. Accessed: <https://www.ulima.edu.pe/ulima/noticias/la-reactivacion-de-las-pymess>

²⁰ Silveira (2020). Número de desempregados diante da pandemia teve alta de 31% em 12 semanas. Accessed: <https://g1.globo.com/economia/noticia/2020/08/14/numero-de-desempregados-diante-da-pandemia-teve-alta-de-27percent-em-12-semanas-aponta-ibge.ghtml>

²¹ Oliveira (2020). 716.000 empresas fecharam as portas desde o início da pandemia no Brasil. Accessed: <https://brasil.elpais.com/brasil/2020-07-19/716000-empresas-fecharam-as-portas-desde-o-inicio-da-pandemia-no-brasil-segundo-o-ibge.html>

²² ILO (2020). Panorama Laboral en tiempos de la COVID-19. Accessed: https://www.ilo.org/wcmsp5/groups/public/---americas/---ro-lima/documents/publication/wcms_749659.pdf

²³ ILO (2020). Perú › Impacto de la COVID-19 en el empleo y los ingresos laborales. Accessed: https://www.ilo.org/wcmsp5/groups/public/---americas/---ro-lima/documents/publication/wcms_756474.pdf

- 2.2. This project contributes to the consolidation, expansion, and transformation of Migraflif, formerly an in-person program to a fully online program carried out through an innovative digital platform, called **MigraLab**, based on the following four pillars:
- 2.3. **(i) Assessment of the socio-economic profile of migrants and host community individuals** who register for the program with the objective of learning about the personal profile, skills, strengths and needs, as well as an assessment of their businesses. These assessments will enable the program to be adapted and improved on a recurring basis.
- 2.4. Potential entrepreneurs from migrant and host communities will be mobilized through campaigns and inspiring content through social media and local partners. The mobilization aims to facilitate the registration for the online program that will promote the creation and growth of businesses owned by migrants and local entrepreneurs in the host communities to achieve economic and financial inclusion, through food entrepreneurship and green economy²⁴ entrepreneurship (such as sustainable tourism and renewable energies).
- 2.5. **(ii) Development of a Data based system that will suggest a personalized entrepreneurship path**, an online learning path developing hard and soft skills related to the participant's needs and aspirations. This path offers personalized recommendations based on the socio-economic assessment, business assessment and predictive analytics.
- 2.6. The digital learning path is a personalized training program, i.e., each participant will have to complete certain modules depending on their needs, such as finances, digital marketing, and business formalization. The content will be available in Portuguese and in Spanish. This means that there is no single training program that all participants must go through but rather a combination of entrepreneurship content and tools tailored to fit business needs. Based on the socio-economic assessment, crucial to understand the resources and needs of each participant, the platform applies predictive analytics to suggest to each beneficiary those modules that relate to skills that they need to acquire and/or improve in order to achieve positive outcomes. The training will be completely online and requires a mobile phone with sporadic internet access.²⁵
- 2.7. **(iii) Connection of participants with the market through partner sales channels.** The project will enable entrepreneurs to connect with relevant sales channels through the MigraLab platform according to the products and services that they offer, expanding their customer base. The platform will structure and present entrepreneurs with a portfolio of services available to promote their products and services, offering certain benefits in the case of partner sale channels as the project will develop win-win partnerships with the private sector building on the current network of over 50 customer/partner companies.

²⁴ According to the UN, “a green economy is defined as low carbon, resource efficient and socially inclusive. In a green economy, growth in employment and income are driven by public and private investment into such economic activities, infrastructure and assets that allow reduced carbon emissions and pollution, enhanced energy and resource efficiency, and prevention of the loss of biodiversity and ecosystem services”. Source: <https://www.unenvironment.org/regions/asia-and-pacific/regional-initiatives/supporting-resource-efficiency/green-economy>

²⁵ The project intends to start partnerships to offer mobile data for those who have a smartphone, but do not have regular access to the internet, and/or refer users to public places with free Wi-Fi such as public co-working spaces.

- 2.8. Beneficiaries will be connected to prominent sales channels, through the MigraLab platform, to increase their network of clients and, thus, their monthly income. The sales channels are presented to the user as a Sales Hub, which includes guides to access sales channels that are relevant for their products and services, such as UberEATS, Mercado Libre and Facebook. Moreover, MigraLab platform will encourage entrepreneurs to open bank accounts for their businesses and access microcredit from financial institutions that have proper terms for vulnerable groups, facilitating access to capital.
- 2.9. **(iv) Offer of technical support** with digital business tools, offering individual mentoring with business plan, as well as connecting entrepreneurs to financial institutions in order to facilitate access to banking services including microcredit. MigraLab platform will encourage entrepreneurs to open bank accounts for their businesses and access microcredit from financial institutions that have proper terms for vulnerable groups, facilitating access to capital²⁶.
- 2.10. Participants will be encouraged to complete a Business Model Canvas which will be reviewed by a MigraLab tutor with business background. A business model will help migrants and host community to envision the products and/or services they wish to offer considering the challenges and opportunities that entrepreneurship entails. Beneficiaries who complete the Canvas will be able to access private mentoring with a business professional. These mentors will assist beneficiaries by teaching them tools to improve their businesses or to create one.
- 2.11. The online platform, MigraLab, has a minimum viable project (MVP) version created in 2020, that has free access. The project will support the continued development of the platform and include five new main features that enhance the experience of entrepreneurs. These features will be validated and prioritized as the project is executed. . Some of the features that are already being considered are the following: chat bot for questions from participants to provide support at all times, providing online training modules through WhatsApp to increase user engagement, integrating AI-powered advanced Analytics in the recommendation engine that offers personalized entrepreneurship paths, integrating Gamification linked to rewards that benefit entrepreneurs to increase user engagement in the training modules and achieve higher outputs. In addition, this project is expected to consolidate and expand the use of MigraLab in migrants and host communities.
- 2.12. **The solution is innovative** in three aspects: (i) MigraLab is a platform that is completely digital and entirely designed to be user-friendly considering the limitations and challenges faced by Venezuelan migrants and vulnerable entrepreneurs from the host communities, (ii) even though this is a digital platform, MigraLab is human-centered because it monitors the progress of its users on an granular level, it provides continuous support to the participants and presents personalized entrepreneurship paths, and (iii) MigraLab is more than a capacity building program with training modules, the platform also offers businesses online tools and individual mentoring as well as connecting each entrepreneur with specific sales and financial platforms.

²⁶ The local context and legal framework of each country will be evaluated in order to define the better strategy to connect entrepreneurs to financial institutions.

- 2.13. **Project Location:** The project will take place in Boa Vista, São Paulo, Bogotá, and Lima. The last three are vibrant cities with enormous potential for the development of new businesses. Boa Vista, on the other hand, is in Roraima, the state with the lowest GDP in Brazil. The main city's services are associated with public service and agriculture. However, these discouraging data hide the great potential of the city, which is an important export zone, within the Manaus Free Trade Zone, and a promising area for tourism and industrial growth.
- 2.14. In Brazil, São Paulo is the city with the highest number of Venezuelan migrants that are legally registered outside of the Northern region of Brazil, which is the main source of entrance for Venezuelans into the country. Additionally, São Paulo is the city with the largest number of Venezuelans that are interiorized, i.e., migrants that enter Brazil through the Northern border in Roraima but that are later flown to other cities in the country in a scheme of responsibility sharing among the states of Brazil. On the other hand, Boa Vista (and the state of Roraima as a whole) is the city with the highest number of Venezuelan migrants that are legally registered in the entire country²⁷.
- 2.15. Concerning Colombia, Bogotá is the city with the largest number of Venezuelan migrants. According to the R4V platform²⁸, the Colombian capital concentrates nearly 20% of the Venezuelans in the country, even though the city is over 500km from the border city of Cúcuta, one of the main points of entrance for Venezuelans. Furthermore, most migrants in the city are part of the economically active population and are between 18 and 59 years old.
- 2.16. Concerning Peru, it is estimated that more than 1 million Venezuelans are living in the country. Lima is the city that concentrates most Venezuelan migrants. According to BBVA Research, the majority of Venezuelans in Peru are of productive age and have a higher number of years of studies than the average for the Peruvian population. Around 89% of dependent workers do not have a contract and 76% work in very small companies (with 1 to 10 workers), which tend to be less productive and more informal (91% informal). More than 65% of Venezuelan immigrants over the age of 14 send remittances and do so mainly on a weekly or biweekly basis. Even so, the fiscal impact of Venezuelan migration is positive, representing a net impact equivalent to 0,08% of GDP (average for 2018 and 2019), reinforcing the importance of supporting the socio and economic inclusion of immigrants, in the local context²⁹.
- 2.17. **Project beneficiaries:** The key beneficiary groups are Venezuelan migrants in Brazil, Colombia, and Peru³⁰. Direct beneficiaries: 2.380 migrants and 1.020 from the host community totaling 3,400 beneficiaries, of whom 70% will be women. The project will also benefit the private sector, engaging company employees, through 12 new partnerships with sales channels in Sao Paulo, Boa Vista, Bogotá and Lima to benefit

²⁷ Atlas Temático: Observatório das Migrações. Accessed:

https://www.nepo.unicamp.br/publicacoes/livros/atlasvenezuela/atlas_venezuela.pdf

²⁸ R4V (2020). GIFMM Colombia: Venezolanos en Bogotá y región - Julio 2020. Accessed: <https://r4v.info/es/documents/details/827344>

²⁹ BBVA (2019). El aporte de la inmigración venezolana a la economía peruana. Accessed: <https://www.bbva.com/es/pe/bbva-research-el-aporte-de-la-inmigracion-venezolana-a-la-economia-peruana/>

³⁰ The project will benefit migrants with different migratory status. The local legal framework will be evaluated in each country in order to guarantee that the program is offering the right tools to all participants.

entrepreneurs participating in MigraLab and 5 new partnerships with financial institutions in these 3 countries to support migrants' financial inclusion.

- 2.18. A recent study by Blyde et al. (2020)³¹ on the profiles of immigrants in Latin America and the Caribbean shows interesting features of this population. In general, a large share of the Venezuelan population that has migrated across Latin America are young working-age migrants and show higher levels of education compared to the native population. For instance, 60% of migrants in Brazil, 65% in Colombia and 80% in Peru are between 15 and 64 years old. Also, on average, 60%, 75% and 85%, respectively, have completed their secondary or their tertiary education. Another interesting characteristic is that the share of migrants in the informal sector is almost always larger than that of the native population.
- 2.19. **The industries.** The program will focus on two industries: Creative Economy³² (specifically food industry) and the Green Economy (specifically in two sectors that will be defined during project execution).
- 2.20. Migraflif has been running food entrepreneurship programs for migrants in Brazil since 2017 and has developed an advanced know-how in this field which will be crucial for scaling and expanding to Colombia and Peru with MigraLab.
- 2.21. Also, the project will seek to promote the use of MigraLab as a platform for entrepreneurs within the Green Economy, considering that this industry has the potential to create millions of jobs in Latin America according to the report *Creating jobs for a sustainable growth and a future with zero net emissions* (IDB and ILO, 2020). Last year, UNHCR developed a successful program of Circular Economy in one of the biggest migrant shelters in Boa Vista with great results which serves as an example of what could be done to achieve significant outcomes.
- 2.22. To understand the possibilities in Green Economy, the project will explore opportunities discovered after the execution of a market research in Sao Paulo, Boa Vista, Bogota, and Lima. Two specific sectors within the Green Economy will be prioritized guiding the focus of the online program.
- 2.23. **Gender resilience:** The report *ILO Global Estimates on Migrant Workers. Results and Methodology* (ILO, 2018)³³ shows that migrant women participate more in the workforce of destination countries than national women (55,7% of participation among migrant women and 54% among the non-migrant women). Additionally, 51.6% of the migrants in LAC were women (ILO, 2017). When focus is placed on Venezuelan women, one can notice that they face additional challenges, since they are more exposed to gender-based violence (GBV), labor exploitation, and human trafficking (R4V, 2019³⁴). Additionally, many migrant women must provide for the entire family

³¹Blyde, J., Cortes, C., Morales, F. y Pierola, D. 2020. Los perfiles de los inmigrantes en América Latina y el Caribe desde la perspectiva de la integración económica. Inter-American Development Bank Discussion Paper. Nr. IDB-DP-00787.

³² According to the UN, the creative economy “no single definition. It is an evolving concept which builds on the interplay between human creativity and ideas and intellectual property, knowledge and technology. Essentially it is the knowledge-based economic activities upon which the ‘creative industries’ are based”. Source: <https://unctad.org/topic/trade-analysis/creative-economy-programme>

³³ Source: https://www.ilo.org/global/publications/books/WCMS_652001/lang--en/index.htm

³⁴ Source : <https://r4v.info/en/documents/details/70523>

without any other support (Fleury, 2016³⁵), which makes them a group that needs to be prioritized in social and economic inclusion programs. According to Fleury (2016), poor women migrate more, especially when they do not own land, a home, or a business. Additionally, Fleury presents various studies that indicate that women decision to migrate is based on supporting their family than on an individual will.

- 2.24. This data reinforces the choice of the project to work with a majority focus on the female population. As a project outcome, 70% of entrepreneurs connected to sales channels through MigraLab will be women. Also, it is aimed that 600 entrepreneurs increase their revenues by 15% on average. Out of these, 70% of the total number of entrepreneurs (at least 420) will be women.
- 2.25. **Ethical and responsible use of technology and data.** The technological solution proposed in this project, MigraLab, was developed and will be consolidated and expanded in compliance with the principles of “ethics by design”. The incorporation of ethical values from the design of the platform, at the time of incorporation of new features, such as AI-powered advanced Analytics, and in the use of personal data is a commitment of Migraflix. The project and the technological solution developed will have a consistency that guarantees its reliability and respect for privacy, transparency, legal compliance, sustainability, and inclusion, seeking to generate trust in users.

B. Components and activities

- 2.26. The project will be executed through these three components: (i) market research focusing on the Green Economy and prioritizing sectors with the highest potential for small business entrepreneurship, (ii) setting up and developing businesses led by migrants and the host community, and (iii) communications strategy, scaling and creating knowledge products.

Component I: Market research focusing on the Green Economy and prioritizing sectors with the highest potential for small business entrepreneurship (IDB Lab: USD 34.000; and Counterpart: USD 27.000)

- 2.27. **The objective** of this component is to map opportunities and challenges for entrepreneurs in these four cities within the Green Economy to boost new small businesses of migrants and the host community. Migraflix has over five years of experience developing cultural projects within the Creative Economy, mostly in gastronomy, to support migrant entrepreneurs. In 2021, two new sectors of the Green Economy will be included in MigraLab in addition to gastronomy to expand the opportunities for entrepreneurs. The choice of certain sectors in the Green Economy, for example, as sustainable tourism and renewable energies, will be defined by Migraflix based on the results of a market research and will guide the program implementation, since this choice will influence the development of segmented content by sectors, as well as the partnerships that will be developed with sales channels. This market research will be executed by a consulting firm selected by Migraflix that will define the best methodological approach. Also, running focus groups with beneficiaries will be a key strategy to achieve such goals.

³⁵ Available at: <http://apmigration.ilo.org/resources/understanding-women-and-migration-a-literature-review-annex-annotated-bibliography>

- 2.28. The main **activities** to be financed will include: (i) conducting a market research (ii) producing a report (iii) analysis of the sectors within the Green Economy that are attractive and adequate for both migrants and the host community and that have market potential to foster new small businesses in each one of the cities.
- 2.29. The main expected **outputs** of this component are: (i) Market research on Green Economy completed in the four cities, and (ii) two new sectors prioritized, within the Green Economy.

Component II: Setting up and developing businesses led by migrants and the host community (IDB Lab: USD 191.000; and Counterpart: USD 390.000)

- 2.30. **The objective** of this component is to mobilize migrants and the host communities to participate in MigraLab and provide them with the right tools and opportunities for setting up or improving their businesses.
- 2.31. Migraflix's experience in supporting migrant entrepreneurs has helped identifying the biggest challenges faced to become successful entrepreneurs: lacking a professional entrepreneurial background, the need of reinventing themselves by working in a different field, lacking a business network and an understanding of the new market needs and their vulnerability facing extremely high interest rates for borrowing money.
- 2.32. MigraLab was designed by Migraflix to be a complete entrepreneurial program that addresses each one of the mentioned challenges. The main pillars of the program are: (i) Training on entrepreneurial skills, soft skills and technical capabilities, (ii) Connecting entrepreneurs with potential customers through partnerships with leading online sales platforms and offline key points of sale, and (iii) Access to technical support, mentoring and financial solutions, such as support to open bank accounts and/or to access microcredit.
- 2.33. The main **activities** to be financed will include: (i) the mobilization of potential entrepreneurs to register in the MigraLab platform, (ii) to carry a socio-economic and business assessment targeting all potential entrepreneurs, (iii) to offer personalized paths through the platform to each entrepreneur, including training modules and individual mentoring, (iv) to establish partnerships with sales channels and financial institutions, and (v) to include new features in the MigraLab online platform .
- 2.34. **Mobilization.** The project will consider potential entrepreneurs as people interested in starting a business as well as entrepreneurs running small businesses which need to improve and grow. Potential entrepreneurs will be mobilized through campaigns and inspiring content through social media and through local partners (such as NGOs and grassroots organizations) in the cities of Sao Paulo, Boa Vista, Lima and Bogota³⁶. Migraflix will run several campaigns targeting women, showcasing success stories of women entrepreneurs, to inspire and engage a high percentage of women in the program.

³⁶ Expected number of potential entrepreneurs mobilized and registered per city: 1,000 in São Paulo; 1,000 in Boa Vista; 900 in Bogotá; and 500 in Lima. Participants: 70% migrants and 30% host community. 70% of participants in each city will be women.

- 2.35. **Socio-economic and business assessment.** The socio-economic assessment will be carried out in the MigraLab platform within potential entrepreneurs from the migrant community and the host community. Entrepreneurs who already have a small business will also go through a business assessment³⁷ while those who are interested in starting a new business will go through a basic product/service assessment to better understand their idea.
- 2.36. **Personalized paths.** Entrepreneurs will get recommendations on the platform with personalized entrepreneurship paths, including training modules, business online tools and individual mentoring as well as connecting each entrepreneur with specific sales and financial platforms³⁸. A data-based system will suggest these personalized entrepreneurship paths.
- 2.37. **Sales channels.** A portfolio of services will be available through MigraLab to promote the entrepreneur's products and services. They will also be connected to sales channels through the platform according to the products and services that they offer, expanding their customer base³⁹. Win-win partnerships with the private sector will be established. For instance, *Raízes na Cozinha*, the Migraflix entrepreneurship program held for the first time in 2017, connected food entrepreneurs with the UberEats delivery app. These entrepreneurs received higher visibility on UberEats and were offered a discount on the application's commercial fee.
- 2.38. **Financial institutions.** Entrepreneurs who have validated their Business Model Canvas, will be encouraged to open bank accounts for their businesses and access microcredit. Migraflix will do partnership with financial institutions and fintech's that have proper terms for vulnerable groups, taking into consideration entrepreneurs' profiles and needs.
- 2.39. The main expected **outputs** of this component are: (i) 3.400 potential entrepreneurs mobilized and registered on the MigraLab platform, (ii) 2.100 potential entrepreneurs from the migrant community and the host community will go through the socio-economic assessment in the MigraLab platform. Entrepreneurs who already have a small business will also go through a business assessment, (iii) 1.900 entrepreneurs get recommendations on the platform with personalized paths to follow, including training modules, business online tools and individual mentoring as well as connecting each entrepreneur with specific sales and financial platforms, (iv) 600 entrepreneurs connected to sales channels through MigraLab, (v) 12 new partnerships with sales channels in Sao Paulo, Boa Vista, Bogota and Lima to benefit entrepreneurs participating in MigraLab, (vi) 5 new partnerships with financial institutions in 3 countries, and (vii) 5 new main features included in the new version of the MigraLab platform, providing a better experience for entrepreneurs.

Component III: Communications strategy, scaling and creating knowledge products (IDB Lab: USD 85.000; and Counterpart: USD 59.000)

³⁷ Expected number of respondents of the assessment per city: 650 in São Paulo; 650 in Boa Vista; 500 in Bogotá; and 300 in Lima. Participants: 70% migrants and 30% host community. 70% of participants in each city will be women.

³⁸ Expected number of benefited entrepreneurs per city: 600 in São Paulo; 600 in Boa Vista; 450 in Bogotá; and 250 in Lima. Participants: 70% migrants and 30% host community. 70% of participants in each city will be women.

³⁹ Expected number of entrepreneurs connected per city: 250 in São Paulo; 50 in Boa Vista; 200 in Bogotá; and 100 in Lima. Participants: 70% migrants and 30% host community. 70% of participants in each city will be women.

- 2.40. **The objective** of this component is to create a communication strategy to promote the project's key learnings and a scaling strategy. The elaboration of knowledge products will also enable the consolidation of results and information that will be useful for the private sector and for future entrepreneurs. Based on the project execution, the activities carried out under this component will generate awareness for the inclusion of migrants and facilitate the sharing of good practices. Finally, this component will support Migraflix to continue its work in the region, reaching new partners, migrants and new people from the host community.
- 2.41. The main **activities** to be financed will include: (i) the creation and publication of a Infographic Guide that details processes and insights related to the economic and social inclusion of migrants and the host community, (ii) designing a communication strategy related to the Infographic Guide, and (iii) designing a scaling strategy in new markets.
- 2.42. The project will produce two knowledge products: one guide with the objective of systematizing the knowledge generated by the project for both the migrant and host community and another guide for the private sector.
- 2.43. The project will carry out a communications campaign for the civil society and the private sector to disseminate the initiative, the businesses of the entrepreneurs as well as the opportunities to support the migrant and host community through entrepreneurship.
- 2.44. MigraLab new market assessments in other Latin American countries will be carried out with the purpose of analyzing the opportunities for expanding the project and design a scaling strategy.
- 2.45. The main expected **outputs** of this component are: (i) Published Infographic Guide (knowledge product) detailing processes and insights related to the economic and social inclusion of migrants and the host community, (ii) Designed Communications strategy, related to the knowledge product, and (iii) Designed Scaling strategy in new markets.

C. Project Results, Measurement, Monitoring and Evaluation

- 2.46. The executing agency, Migraflix, will be responsible for collecting the data and reporting on results and achievements as per the results matrix of the project. Migraflix will develop a monitoring plan at the start of the project that will ensure tracking and measuring of indicators. Progress in monitoring these indicators will be facilitated by MigraLab platform database. Additionally, Migraflix will report to the Bank every six months through a Project Status Report (PSR) and submit a Project Completion Report (PCR) on the project's final outcomes.
- 2.47. The **results** of the project will be: (i) a 15% average revenue increase for entrepreneurs connected to the sales channel, (ii) 110 new businesses created, (iii) 30% of entrepreneurs from host communities connected to sales channels, (iv) 535

entrepreneurs with new Business Models Canvas approved by a online tutor, and (v) 70% of entrepreneurs connected to sales channels are women⁴⁰.

- 2.48. **Project monitoring and evaluation.** There will be a final evaluation to determine accomplishments of the project. Data will be collected and reviewed throughout the implementation considering most of the outcome and output indicators can be monitored precisely through MigraLab's platform and recurrent reports can be generated. In addition to the standard IDB Lab semiannual project supervision reports, a concise report of indicators will be also prepared at the end of the project. The evaluation questions will provide information on (i) the achievement of the proposed outcomes, (ii) the generation of income within the 3 prioritized industries and the analysis if a specific industry stood out in this generation, (iii) the income generation results of women in the 4 cities of the project, (iv) new partners in the Green Economy industry, and (v) the engagement of the host communities to the project.

III. Alignment with IDB Group, Scalability and Sustainability, and Risks

A. Alignment with IDB Group

- 3.1. This project will be implemented in coordination with the U.S. Agency for International Development (USAID) and IDB Lab in Brazil, Colombia and Peru as part of the [BetterTogether/JuntosEsMejor Challenge](#), a global initiative to crowdsource, fund, and scale innovative solutions worldwide to support Venezuelan migrants and their host communities in the region. This Challenge has included its judges/evaluators from all the IDB Group to align the proposals selected with the work and priorities of other sectors.
- 3.2. The project is aligned with cross-cutting themes of **Gender Equality and Diversity** as 70% of beneficiaries will be women. Also, this project has been designed in coordination with the **IDB Migration Unit** seeking to align it with their goal of implementing a comprehensive agenda to transform the challenges of migration into development opportunities for Latin American and Caribbean countries using financial and non-financial instruments, leveraging investments and scaling innovative solutions contributing to the successful integration of migrants to their host communities.
- 3.3. The project is aligned with cross-cutting themes addressing **Climate Change and Environmental Sustainability** and with the **Energy Sector Framework Document** by supporting initiatives in the Green Economy sector. Also aligned with **IDB Housing and Urban Development Sector Framework Document (SFD)** contributing to face the Challenge 2.10 "Cities hold the key to changing the way we interact with our planet and use its resources" and aligned with the **IDB Tourism Sector Framework Document**.
- 3.4. The project is aligned with the Country Strategy for Brazil 2019-2022 (GN-2973) by proposing the adoption of new technologies, environmental sustainability and addressing social inclusion with opportunities, aligning with its strategic objective of

⁴⁰ In the Result Matrix the numbers are presented desegregated by city.

promoting greater economic competitiveness. The project will contribute to the IDB Country Strategy for Colombia, 2019-2022 (GN-2972) by directly attending the needs of Venezuelan immigrants that are prioritized with a special emphasis as a transversal theme. Also, the project will contribute to one of the strategic objectives, “strengthening local digital innovation and entrepreneurship systems and expanding e-commerce and seed capital for the development of startups”. The project is aligned with the Country Strategy for Peru 2017-2021 (GN-2889) through its priority area of promoting science, technology, and innovation, and specifically to the strategic objective of support business development in the country.

- 3.5. The project is also aligned to the Sustainable Development Goals, particularly with the following objectives:
- SDG 5, gender equality, target 5.b, for promoting the use of information and communication technology to empower women.
 - SDG 8, decent work and economic growth, target 8.3, for promoting entrepreneurship and the growth of micro and small enterprises.
 - SDG 9, industry, innovation and infrastructure, target 9.3, for promoting entrepreneurship and MSMEs access to markets.
 - SDG 10, reduced inequalities, target 10.2 for supporting the social and economic inclusion of Venezuelan migrants and v entrepreneurs from the host community.

B. Scalability and Sustainability

- 3.6. This project will be launched taking advantage of the experience and network of Migraflif. The organization will capitalize on its own network of over 50 companies most of them multinationals (such as Google, UberEats, Linkedin, Bayer, Carrefour, Cargill, Bank of America, etc.) which are current customers/partners. Existing partnerships will be expanded, and new partnerships will be developed and implemented.
- 3.7. Efforts will be made to expand Migraflif’ activities, as a social enterprise, mainly the catering and delivery service and cultural workshops given by migrants. In 2019, Migraflif catering service served around 50 medium and large enterprises and provided food to over 6,500 employees of companies who got to connect with world cultures and entrepreneurs. For 2021, Migraflif sees an opportunity to engage selected entrepreneurs that have participated in MigraLab, which will be able to offer their services through Migraflif’s social enterprise and, therefore, substantially increase their income.
- 3.8. A paid premium version of MigraLab platform will be analyzed as a possible step towards the program sustainability during the project execution. Entrepreneurs will have the opportunity to access exclusive benefits for their businesses by paying an affordable monthly fee. Nevertheless, Migraflif will keep providing access to several features described in this proposal for free. This freemium model will enable the long-term sustainability of MigraLab.
- 3.9. Migraflif will explore opportunities to replicate MigraLab in other cities in Latin America with a significant number of Venezuelan migrants in need of support to start new businesses or accelerate current ones. The design of the scalability plan, carried

out in the third component of this project, will highlight the opportunities in other Latin American countries, prioritizing two cities and increasing by 50% the number of people impacted through MigraLab in 2022, reaching 5,100 migrants and members of the host community.⁴¹

- 3.10. The resources invested in this project will be key for its future scalability and sustainability as the main legacies of the project will remain after its conclusion date. Some examples of project results that are connected with its consolidation, are: (i) the development of new features included in the MigraLab online platform, (ii) partnerships with sale channels and with financial institutions that will be articulated to last for more than one year, (iii) knowledge products containing results and information that will give credibility for the work carried out, and (iv) all the learnings experienced during the project that will guarantee that the project solution is more mature and consistent.

C. Project and Institutional Risks

- 3.11. **Community engagement risk:** potential entrepreneurs do not feel comfortable filling out the socioeconomic assessment. That way, Migraflix will not have a deep understanding about MigraLab users, which will have a negative impact on the individual paths (training, mentoring, and sales channels) that it offers. **Mitigation:** Focus groups will be organized to make sure that migrants and host community understand the questions and feel comfortable answering them. The project will apply gamification tactics to encourage participants to fill out the socio-economic assessment. The socio-economic assessment will be refined based on initial tests, user behavior in the platform and outputs.
- 3.12. **Access to technology risk:** participants face difficulty to take full advantage of the program on their mobile phones. **Mitigation:** all the content is being designed to be mobile-friendly. Migraflix is constantly doing QA (quality assurance) on mobile phones to ensure that the experience is pleasant and is not causing dropouts. Additionally, Migraflix has already established partnerships to donate smartphones to people who do not own one (*Trocafone* is a current partner in Brazil). The project also intends to start partnerships to offer mobile data for those who have a smartphone, but do not have regular access to the internet, and/or refer users to public places with free Wi-Fi such as public co-working spaces.
- 3.13. **Regulatory risk:** legislation changes related to migrants' rights to start their own businesses. **Mitigation:** the team is constantly monitoring legislation on these issues. Migraflix plan to establish direct contact with government bodies that are responsible for such legislation in the three countries of MigraLab. Finally, advocacy is an important line of action for Migraflix. The organization is working on growing a network with other civil society organizations to advocate for policies that are beneficial to migrants in Brazil, Colombia, and Peru.

⁴¹ In the case of Colombia, for example, Migración Colombia estimates that there are about 337,526 Venezuelans living in Bogotá alone. If we assume that 5% of these migrants work in the food service industry, 16,876 Venezuelan migrants living in Bogotá could potentially benefit from MigraLab.

- 3.14. **Covid-19 risk:** lockdowns are imposed once again due to an increase in COVID-19 cases/deaths. **Mitigation:** MigraLab is going to place great focus on training entrepreneurs in digital marketing, so that they can increase the online presence of their products. Additionally, MigraLab is going to seek partnerships with delivery services to benefit the entrepreneurs and allow them to deliver their products even when their physical businesses cannot open.

IV. Instrument and Budget Proposal

- 4.1. The project has a total cost of US\$ 942.000, of which US\$ 430.000 will be a non-reimbursable technical cooperation provided by IDB Lab, and US\$ 512.000 by the counterpart.
- 4.2. Retroactive Recognition of Counterpart Funds. The retroactive recognition of Counterpart funds is applicable under this operation. Applicable date: July 15, 2020.
- 4.3.

Project Components	IDB Lab	Counterpart	Total
Component 1: Market research on Green Economy completed in those four cities included in this project	\$ 34,000	\$ 27,000	\$ 61,000
Component 2: Setting up and developing businesses led by migrants and the host community	\$191,000	\$ 390,000	\$ 581,000
Component 3: Communications strategy, scaling and creating knowledge products	\$ 85.000	\$ 59.000	\$ 144.000
Project Administration	\$ 82,000	\$ 20,000	\$ 102,000
Project Evaluation, Audits and Contingencies	\$ 38,000	\$ 16,000	\$ 54,000
Grand Total	\$ 430,000	\$ 512,000	\$ 942.000
% of Financing	45.5%	54.5%	100.0%

V. Executing Agency (EA) and Implementation Structure

A. Executing Agency(s) Description

- 5.1. Associação Migraflif will be the Executing Agency of this project and will sign the agreement with the Bank. Migraflif is a nonprofit organization founded in 2015, with headquarters in Sao Paulo, that promotes economic and social inclusion of migrants. In Bogota and Lima Migraflif will hire consultants to lead the activities in these countries coordinating with Migraflif headquarters in Brazil. The organization stands on two pillars: 1) Income generation programs 2) Bridging the gaps between migrants and host communities, shaping a balanced public narrative on migration and recognizing its positive impact on social cohesion, support for diversity, economic growth and innovation.
- 5.2. Migraflif has been developing entrepreneurship programs that provide training on entrepreneurial and industry related skills as well as soft skills, connects entrepreneurs with potential customers through win-win partnerships with popular sales channels and through Migraflif's social business approach, and gives access to microcredit. Its programs are embedded in three strategic pillars: 1. Mobilizing and

inspiring migrants (ie: *Encontros* - a program taking place in five cities, focused on presenting entrepreneurship opportunities and inspirational stories from entrepreneurs to migrants who are looking for additional sources of income), 2. Capacity building and immediate connection with the market (ie. *Raizes na Cozinha* - a food entrepreneurship program sponsored by UberEats and *Raizes na Cidade* - a cultural entrepreneurship program sponsored by Airbnb), and 3. Methodologies to develop creative solutions (Hackathons and Design Thinking workshops to solve challenges that migrants are facing (co-hosted with Impact Hub, Google and Accenture).

- 5.3. Migraflix launched last year the first version of MigraLab, offering an employment path to migrants who go through a training program to adapt their skills to the Brazilian market and offer reskilling to those with such aspirations. In parallel, Migraflix runs *Talentos sem Fronteiras*, a series of business Summits that mobilize the private sector and prove how companies can benefit from hiring migrants (events specially designed to promote networking, successful cases of hiring migrants, and clarifications on how to join the program and became part of our network of employing companies).
- 5.4. Migraflix also runs *Meu Amigo Refugiado* an initiative which connects Brazilian families with families of migrants on special holidays, promoting intercultural dialogue and fostering a support network for the newcomers.
- 5.5. Migraflix has already impacted directly over 900 migrants who have participated in its programs related to economic inclusion and/or social integration in Sao Paulo, Rio de Janeiro, Brasilia, Porto Alegre, Belo Horizonte and Boa Vista and over 50,000 Brazilians who were engaged in the cause, participating in cultural workshops, catering services and motivational talks, being inspired by the stories and culture of migrants from many different nationalities and shaping a positive narrative around migration.

B. Implementation Structure and Mechanism

- 5.6. Migraflix has a global team headquartered in São Paulo, Brazil that oversees the whole program. The team has proven expertise in working with migrants on metropolitan cities for the past 4 years, as well as specific experience on supporting women and working with groups in vulnerable contexts. For this project implementation, local consultants will also be hired in Colombia and Peru with the purpose of focusing on local implementation of the project and monitoring the indicators of the program.
- 5.7. During the implementation of the project, Migraflix will keep both IDB Lab and USAID well informed about any advancement and will coordinate meetings among all parties whenever it is necessary.

VI. Compliance with Milestones and Special Fiduciary Arrangements

- 6.1. **Disbursement by Results, Fiduciary Arrangements.** The Executing Agency will adhere to the standard IDB Lab disbursement by results, Bank procurement policy⁴² and financial management⁴³ arrangements as specified in Annex V and VI.
- 6.2. **Results-based disbursement.** The Project will be monitored by the Country Office of Brazil in coordination with the IDB Lab Private Finance Operations Specialist. Monitoring will be undertaken in accordance with the performance and risk management policies (fulfilment of milestones) established by the IDB Lab MIF in April 2008. Project disbursements will be contingent upon verification of the achievement of milestones (pre-determined outputs critical to achievement of the development objectives). Achievement of milestones does not exempt the Executing Agency from the responsibility of reaching the results matrix indicators and project's objectives.

VII. INFORMATION DISCLOSURE AND INTELLECTUAL PROPERTY

- 7.1. **Information Disclosure.** This document contains confidential information related to one or more of the ten exceptions to Access to Information Policy and will be initially treated as confidential and made available only to Bank employees. This document will be disclosed and made available to the public upon approval.
- 7.2. **Intellectual Property.** MigraLab is a digital platform developed by Migraflax with the support of various partners, such as the International Organization for Migration (IOM/United Nations) and Accenture. Intellectual property related to this original platform will not be shared with the IDB Lab. Additionally, the intellectual property of this Project related to the new functionalities of the platform developed with IDB funds and work financed by IDB Lab and the results obtained under the Project will be the intellectual property of the Executing Agency. The Executing Agency will grant a non-exclusive and royalty-free license to the IDB, including the rights of use, copy, dissemination, reproduction, and publication in any medium, of knowledge products resulting from the Project.

⁴² Link to the Policy: [Procurement of Works and Goods Policy](#)

⁴³ Link to the document [Operational Guidelines for Management of Milestones and Financial Supervision for MIF and SEP Technical Cooperation Projects](#)