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MULTILATERAL INVESTMENT FUND

**REGIONAL**

**INSERTA - EFFECTIVE JOB PLACEMENT FOR PERSONS WITH DISABILITIES  
THROUGH THE USE OF TECHNOLOGY**

**(RG-T3466)**

**DONORS MEMORANDUM**

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**PROJECT SUMMARY**  
**INSERTA - EFFECTIVE JOB PLACEMENT FOR PERSONS WITH DISABILITIES THROUGH THE**  
**USE OF TECHNOLOGY**  
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Article 27 of the Convention on Rights of Persons with Disabilities recognizes the “right of persons with disabilities to work.” The article goes on to establish the principles and mechanisms to safeguard that right.

Effective labor inclusion under acceptable and equal working conditions is essential to the well-being and dignity of persons with disabilities. Nonetheless, the exercise of that right is far from a reality. Tackling this problem requires comprehensive actions to address the inequalities and discriminatory practices that prevent effective hiring. The “Inserta” program is proposed as a comprehensive system for efficient job placement to be implemented in Colombia, Ecuador, the Dominican Republic, and Costa Rica. This project will focus on introducing job placement mechanisms for persons with disabilities, changing the perspective of economic and social stakeholders with respect to disability and employment through complementary support measures and the use of digital tools.

Those tools (in particular, an online job search platform and the innovative application of technology systems that promote employment) will maximize benefits for the individuals who are able to fulfill their vocational aspirations, as well as for the companies that hire a capable and committed workforce. The principal impact, as the ultimate objective, is a paradigm shift vis-à-vis the employment of persons with disabilities based on their capabilities and interests. Added to these outcomes is the immediate impact in quantitative terms, which can be estimated based on the Inserta experience in Spain, applied in this case to the socioeconomic and legislative development conditions in the countries targeted by this intervention. Accordingly, 6,300 persons with disabilities are expected to be integrated into the labor market in the four target countries during the first four years of the project.

This is a timely project for the IDB Group in that it contributes to progress on the guidelines agreed upon in its Update to the Institutional Strategy 2010-2020, particularly the specific objectives of eradication of extreme poverty and development of quality human capital. Both of those objectives include the promotion of better labor training and job placement services. It is aligned with the Diversity Action Plan for Operations 2019-2021, which highlights the importance for the IDB Group of maintaining its “commitment to addressing diversity, creating operational policies, defining strategies, and placing diversity prominently in its key institutional policies” and its clear commitment “to support development with identity and inclusion” in Latin America and the Caribbean. The project will also work in concert with IDB Invest to identify its potential clients interested in participating in this initiative and in implementing this job placement model.

## **ANNEXES**

Annex I	Results Matrix
Annex II	Itemized Budget
Annex III	iDELTA

## **APPENDICES**

Proposed resolution

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

Annex IV	Summary budget
Annex V	Diagnostic needs assessment of the executing agency (including due diligence and integrity analysis)
Annex VI	Project status reports, fulfillment of milestones, and fiduciary agreements
Annex VII	Procurement Plan
Annex VIII	Operating Regulations for the Innovation

## **ABBREVIATIONS**

CERMI	Comité Español de Representantes de Personas con Discapacidad [Spanish Commission of Representatives of Persons with Disabilities]
FOAL	Fundación ONCE para América Latina [ONCE Foundation for Latin America]
ICTs	Information and communication technologies
IDB	Inter-American Development Bank
IDB Invest	Inter-American Investment Corporation
IDB Lab	Multilateral Investment Fund
ODISMET	Observatorio sobre Discapacidad y Mercado de Trabajo [Observatory on Disability and Labor Market]
OISS	Organización Iberoamericana de Seguridad Social [Ibero-American Social Security Organization]
ONCE	Organización Nacional de Ciegos Españoles [Spain's National Organization of the Blind]
PWD	Persons with disabilities
SDG	Sustainable Development Goals

**PROJECT SUMMARY**  
**INSERTA - EFFECTIVE JOB PLACEMENT FOR PERSONS WITH DISABILITIES THROUGH THE**  
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<b>Country and geographic location:</b>	Regional: Colombia, Ecuador, Dominican Republic, and Costa Rica		
<b>Executing agency:</b>	ONCE Foundation for Cooperation and Social Inclusion of Persons with Disabilities		
<b>Focus area:</b>	Knowledge economy. Labor inclusion of persons with disabilities.		
<b>Coordination with other Bank operations/donors:</b>	Work has been done on the design and subsequent implementation of this operation in coordination with the Inter-American Development Bank's (IDB) Social Sector. Coordination has also taken place with the Chile Productivity Pact (operation CH-T1224). Work will be done with IDB Invest to encourage the participation of private companies in the project activities as key stakeholders in the ecosystem.		
<b>Project beneficiaries:</b>	The direct beneficiaries of the project will be 25,000 persons with disabilities, of whom 6,300 are expected to obtain direct employment and 10,000 to complete education or training courses.		
<b>Financing:</b>	Technical cooperation funding:	US\$1,350,000	50%
	<b>Total IDB Lab contribution:</b>	US\$1,350,000	
	Counterpart:	US\$1,350,000	50%
	<b>Total project budget:</b>	US\$2,700,000	100%
<b>Execution and disbursement period:</b>	54 months for execution and 60 months for disbursements.		
<b>Special contractual conditions:</b>	The following will be conditions precedent to the first disbursement: (i) presentation of evidence that the executing agency has appointed a General Manager of the project; and (ii) presentation, to the Bank's satisfaction, of the annual work plan and execution timetable.		
<b>Environmental and social impact review:</b>	This operation was screened and classified in accordance with the IDB Environment and Safeguards Compliance Policy (operational policy OP-703) on 15 August 2019 as a category "C" operation.		
<b>Unit responsible for disbursements:</b>	IDB Lab Ecuador (DIS/CEC)		

## I. THE PROBLEM

### A. Description of the problem

- 1.1 **Problem and frame of reference for development of the project. Employment of persons with disabilities (PWD) as a human right.** The recent “Realization of the Sustainable Development Goals by, for and with Persons with Disabilities: UN Flagship Report on Disability and Development 2018” indicates that “being able to work has a positive impact on social inclusion and quality of life” for persons with disabilities. According to the United Nations Sustainable Development Goals (SDG) declaration, as many as 80% of PWD live in poverty worldwide.
- 1.2 Effective and equitable labor inclusion of PWD is still far from a reality. Women with disabilities are doubly discriminated against, with a greater impact on their rates of employment, education, access to services, health, exposure to violence, and, in general, poverty than on their male counterparts. According to data from eight countries in Latin America, the average employment gap is 24.3 percentage points in the case of men (employed men without a disability: 85.56% versus 61.26% with a disability), compared to a gap of 12.81 percentage points for women (employed women without a disability: 55.23% versus 42.41% with a disability).<sup>1</sup>
- 1.3 Although the countries targeted by the project have adopted affirmative measures to promote employment of PWD, such as preferences in government procurement, fiscal incentives for hiring PWD, quotas in both the public and private sector, etc., the rate of employability of PWD in those countries has not increased.
- 1.4 **Basic characteristics of PWD in the labor market.** While inclusion of PWD in the information systems of Latin America and the Caribbean is a matter of growing importance (mainly since the 2000 census round), it is still difficult to accurately quantify true conditions, to measure changes, and to identify trends over time<sup>2</sup> because of conceptual, methodological, and operational differences in data collection procedures between the countries of the region. For example, available statistics show that only 15.2% of all registered PWD in Colombia ages 10 and older in 2010 were employed.<sup>3</sup> In Costa Rica, the rate in the same year (2010) was somewhat higher at 23%, but was still far below the 51.7% employment rate for nondisabled persons.<sup>4</sup> Likewise, in Ecuador, the employment rate of PWD differs in a number of studies. However, according to 2018 data from Consejo Nacional para la Igualdad de Discapacidades [National Council for Equality and Disability] (CONADIS), this percentage is 20.9% for PWD between the ages of 13 and 65. In the Dominican Republic, 34% of PWD are recorded as employed, according to the 2013 ENHOGAR survey. It is important to note that there are currently several initiatives to improve data and tracking.
- 1.5 This low level of employability and employment of PWD results from a lack of supplemental measures to existing regulations in the countries to overcome the

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<sup>1</sup> Data for individuals aged 25-34 taken from the 2010 population censuses in eight Latin American countries. Similar gaps are identified for the population aged 35-54. Source: Duryea, Madrigal, and Urquidi (2019).

<sup>2</sup> Regional Report on Measuring Disability. Task force on measuring disability. The Statistical Conference of the Americas (SCA)-Economic Commission for Latin America and the Caribbean. 2014.

<sup>3</sup> According to 2010 data from the Ibero-American Social Security Organization (OISS).

<sup>4</sup> According to 2010 data from the OISS.



barriers to inclusion of this group in the labor market: negative social attitudes, difficulties accessing and remaining in education and technical-vocational training systems, mistaken prejudices regarding their vocational skills, lack of awareness of companies and unions with respect to the competencies of PWD, inaccessible workplaces, centers, and services, and access to informal or temporary employment.

- 1.6 In this context, and in line with article 5.4 and article 27 of the Convention on Rights of Persons with Disabilities and SDG 4, SDG 8, and SDG 10,<sup>5</sup> the project proposes to strengthen (or create, if necessary), structures to promote the employment of PWD in the target countries. This strengthening will be accomplished by establishing specialized job placement mechanisms which, through the incorporation of information and communication technologies (ICTs), connected to mainstream job placement platforms, make it possible to establish processes involving all stakeholders (private sector, public sector, civil society, PWD). This will shift the social paradigm vis-à-vis employment of PWD that until now has focused on the limitations of the individuals rather than on their skills and the opportunities offered by the labor market.
- 1.7 The above is complemented by awareness-raising actions targeting the general public and employers (both public and private sector) with respect to PWD and their families; actions to strengthen job promotion programs with innovative job placement methodologies, and incorporation of ICTs in their processes as well as in the jobs themselves; complementary training actions both for PWD seeking employment and for employers; and systematization, monitoring, and tracking actions.
- 1.8 **Experience of the IDB Group.** The Bank's Social Sector has a PWD inclusion strategy emphasizing support for policies and programs that leverage the talent and productivity potential of PWD. In its Diversity Action Plan for Operations 2019-2021, the IDB highlights the importance of working on labor intermediation platforms to promote the job placement of PWD and promotes interventions that ensure the proper use of technology so as not to reinforce existing prejudices and to carefully and ethically manage the data.
- 1.9 IDB Lab has supported various economic inclusion initiatives for PWD in the region. The main lessons learned from work with PWD in those projects are: (i) job training for PWD should allow for reasonable adjustments and maintain flexible criteria that are tailored to market restrictions and opportunities; (ii) niches should be identified in which PWD have comparative advantages in their competencies and their performance stands out; (iii) training courses and curricula should be focused on meeting the demands of the labor market; (iv) the importance of support during the initial phase of job placement of PWD; (v) the importance of this type of program being operationally linked to the entities in charge of the corresponding public policies; (vi) creating mechanisms to transfer knowhow and methodologies to local

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<sup>5</sup> **SDG 4.4:** By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship. **SDG 8.5:** By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. **SDG 10.2:** By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

agencies and businesses in order to achieve buy-in of the models; and (vii) strengthening thematic leadership on training and labor inclusion for PWD.

- 1.10 In addition, operation CH-T1224<sup>6</sup> is in the design phase, with Chile's Fundación Descúbreme [Discover Me Foundation] as the executing agency. This project, along with the one mentioned above, will develop a joint knowledge agenda and lessons learned.

## II. INNOVATION PROPOSAL

### A. Project description

- 2.1 The objective of the project is to improve labor inclusion opportunities for PWD by implementing a comprehensive job placement mechanism tailored to existing conditions, structures, and initiatives, in both the private (including self-employment and entrepreneurship) and public sectors.
- 2.2 **Inserta methodology.** The project establishes job placement mechanisms in four Latin American countries<sup>7</sup> based on a comprehensive system of support for the beneficiary PWD, public administration, and companies. This system is characterized by a view of disability and employment from the perspective of the capacities and talent of PWD, and by the use of complementary online tools and support for private companies and public administrations in their recruiting processes. This will be the first time that the Inserta model will be implemented in a Latin American or Caribbean country. It has been successfully introduced in Spain and Hungary and is starting to be adapted for Portugal and France.
- 2.3 Inserta applies its model to and through the existing structures and systems in the target countries. The model is driven by the vocational skills of the beneficiary PWD, rather than by the limitations resulting from their disabilities, which maximizes the benefits for both the individuals who are able to fulfill their vocational aspirations and for the companies that hire a capable and committed workforce. This is a necessary step for businesses to view the disabled as talented and productive employees, just like their non-disabled counterparts, and to subsequently hire PWD as part of their strategic policies to attain sustainability and business excellence, thus distancing themselves from the concept of philanthropy.
- 2.4 To accomplish the above, a diagnostic assessment will be conducted of labor market conditions for PWD and of the needs and requirements of businesses, and an intermediation system will be designed that is tailored to the conditions in each

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<sup>6</sup> CH-T1224 "Chile Productivity Pact", which has the objective of consolidating a public-private cooperation platform capable of generating virtuous and effective coordination of stakeholders in the labor inclusion ecosystem for PWD, thus increasing the sustainability and impact of Law 21015.

<sup>7</sup> According to the foregoing analysis by the ONCE Foundation, it was decided to implement this project in Colombia, Ecuador, the Dominican Republic, and Costa Rica due to the fact that these countries have the conditions necessary for this type of initiative: (i) a legal framework favorable for the employability of PWD in the form of affirmative measures (quotas and/or incentives to hire PWD); (ii) strong institutional framework for policies on disabilities; in Ecuador and Colombia, this area falls directly under the Office of the President; (iii) participation by PWD and the organizations that represent them in the lead agencies on disabilities; (iv) specific experiences promoting the employment of people with certain types of disabilities; (v) disabilities are a priority on the agendas of all four governments, with particular interest in promoting employment; and (vi) the business sector in these countries has a positive dynamic enabling the implementation of measures and the raising of awareness.

country. Inserta will then hold a business forum (“Inserta Forum”), to present the model and attract interested organizations, while simultaneously identifying beneficiaries and analyzing their individual labor market integration timelines. The agents<sup>8</sup> will provide employment guidance to the beneficiaries, with consideration for the vocational, skill, and capability profiles of the job applicants. Based on the results, they will forward available job vacancies, in all cases avoiding the categorization of jobs as open to PWD candidates only and/or according to the type of disability. At the same time, training for beneficiaries will be promoted, particularly in digital and new technology sectors,<sup>9</sup> in order to align skills with the needs and requirements of the labor market. All of the above will be supported by awareness-raising measures.

- 2.5 **Por Talento platform.** The Inserta model includes an online training and job platform for PWD. It is an innovative model that connects PWD who are actively seeking employment with the labor market. Through the platform, participants are given guidance on their vocational orientation, skills training, and on improving their employability, which culminates with them being put in contact with the participating companies. The platform will also be used to provide guidance to the business owners in labor intermediation with future candidates so as to ensure success in the selection, hiring, and incorporation of PWD as permanent staff. Lastly, the platform makes project execution and outcome indicators available to the executing agency in real time, allowing effective and efficient monitoring.
- 2.6 **Por Talento Digital platform.** The project will include a training platform for the development of digital job skills and acquisition of the knowhow that is in high demand by companies and associated with work in digital and technology professions. This platform will ensure that existing training opportunities in the target country that are most suited to meeting the needs of the labor market are made available to the beneficiaries, thus enhancing the effectiveness of the intermediation. Por Talento Digital will ensure availability of an accessible online platform that offers a diagnostic assessment of the digital competency of the PWD, permits access to training resources with different levels of complexity depending on the profile of the disabled user, and permits tracking of the individuals registered with the tool through the executing agency. Both platforms have a AA accessibility level certified by World Wide Web Consortium (W3C), which can be verified at the bottom of each webpage.
- 2.7 Upon completion of the project, with the involvement of key local partners, each country will have strengthened its systems for job promotion and intermediation, having incorporated inclusive methodologies, as well as recruitment technologies. The strengthening of the job placement mechanisms with an inclusive perspective (mainstreaming) through affirmative measures complementary to current legislation will help narrow the gaps between people with and without disabilities in access to the job market, by promoting equal opportunities (adjustments and support) and

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<sup>8</sup> It should be noted that the project will strengthen existing job placement agents for the general population and their capacity to include PWD so they can enter the job market. It will seek to improve employment opportunities for PWD through the incorporation of methodologies and specialized technology (supplementary affirmative measures as indicated in the Convention on Rights of Persons with Disabilities in articles 5.4 and 27.h) in existing job placement systems for the entire population.

<sup>9</sup> Including certain new technology professions, such as robotics, the internet of things (IoT), artificial intelligence, augmented reality, 3D printing, big data, cybersecurity, etc.

consolidating an inclusive social fabric through the engagement of various social actors. The above, combined with the change in perception of society regarding the competencies of PWD, will further advance the processes of inclusion of this group beyond the scope of this project.

- 2.8 **Beneficiaries.** The project targets 25,000 PWD who can benefit directly during the project. Of those beneficiaries, 6,300 will find direct employment, and 10,000 will complete education and training courses. Of the beneficiaries, the project proposes to attract 9,000 of the most vulnerable PWD, including indigenous peoples, Afrodescendants, people from rural areas, displaced peoples, victims of conflicts or disasters, as well as those with the most invisible disabilities (e.g. those who suffer from psychosocial or intellectual disabilities, multiple disabilities, or deaf-blindness). The specific activities to be carried out to reach those groups and involve them in the project include: (i) awareness-raising actions with families and in the surrounding environments; (ii) incorporation of specialized ICTs such as modifications and support targeting those groups; (iii) multidisciplinary support in the case of women who are victims of gender violence, among other complementary affirmative measures.
- 2.9 **Impact.** The financial return of the project, which will be the basis for its potential growth, corresponds to the overall reduction in State spending following advances in the social inclusion of PWDs, in addition to the increase in their purchasing power. The study by the Spanish Commission of Representatives of Persons with Disabilities (CERMI) and ONCE Foundation<sup>10</sup> illustrates the Spanish case: *“Currently, the cost of incentives to hire nearly 100,000 people with disabilities is approximately 957 million euros each year, generating benefits of approximately 2.154 billion euros, which is equivalent to a rate of return of 2.25 euros for each euro invested. The return for the State and society is 3.94 euros for each euro invested by the Administration.”* The study conducted by the ONCE Social Group, ONCE Foundation for Latin America (FOAL), OISS, and PwC Colombia demonstrates how the inclusion of PWD in the labor market could produce an increase of up to 2.62% of GDP.<sup>11</sup>
- 2.10 **Innovation.** The project is innovative from a methodological, social, and technological standpoint. The project proposes affirmative measures for more vulnerable groups, as well as the involvement of society as a whole through awareness-raising activities. The Inserta model applies innovative technologies of proven effectiveness to a job training and placement process, which in turn applies highly relevant social innovations to the area of labor inclusion of PWD. Of those technologies, the most innovative are the Por Talento web platform and the Por Talento Digital training program. With respect to methodology, use of the Observatory on Disability and Labor Market (ODISMET) for the study and development of the diagnostic assessment is noteworthy. Incorporation of the ODISMET methodology makes it possible to aggregate different preexisting sources

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<sup>10</sup> (CERMI, ONCE Foundation, 2015) “**Los beneficios de la inclusión social de las personas con discapacidad**”. [https://www.cermi.es/sites/default/files/docs/colecciones/Beneficios\\_inclusion\\_social.pdf](https://www.cermi.es/sites/default/files/docs/colecciones/Beneficios_inclusion_social.pdf).

<sup>11</sup> (PwC, OISS, ONCE, and FOAL) “**La creación de empleo para personas con discapacidad en Colombia**” <https://www.foal.es/es/biblioteca/la-creaci%c3%b3n-de-empleo-para-personas-con-discapacidad-en-colombia>.

of information to obtain higher quality data, thus addressing the problems identified in the employment statistics of PWD.

- 2.11 Development of training in Big Data is an example of innovation: a study on Big Data by ONCE Foundation and KPMG<sup>12</sup> found that there were a number of jobs related to this technology where the hiring of PWD is ideal, and PWD began to be in high demand by leading companies in the Spanish market. In order to take advantage of this situation, a training guide was developed for PWD in the process of job training (courses and syllabuses, content) and was used with great success in the training given by the ONCE Foundation's "Digital Academy" in this area.
- 2.12 One of the most innovative aspects from a social perspective is the analysis of capacities and strengths from the standpoint of the job to be performed, through job profiles and innovative individual analyses, rather than based on the disabilities of the beneficiaries.
- 2.13 **Component I: Diagnostic assessment by country and engagement of stakeholders (IDB Lab: US\$0; Counterpart: US\$283,000).** The objective of this component is to identify the baseline in each country where the project will be implemented, for the successful development thereof. This will take into account the particular conditions in each country, available structures, regulations, existing initiatives to promote employment for PWD, and the ecosystem stakeholders.
- 2.14 This component will include: (i) an initial information-gathering mission (regulations, prior experiences, and data systems), and contact with local stakeholders (public, private, civil society), identifying the strengths and weaknesses of each; (ii) analysis of the contextual elements of each country; and (iii) mapping of project partners, direct and indirect beneficiaries, and other stakeholders.
- 2.15 This component is expected to have the following outcomes: (i) mapping by country to identify the local partners, target population, and the strategic partnerships to be developed; (ii) identification of secondary information sources that will serve as inputs for ODISMET, as well as for creating a benchmark inclusion rate enabling comparisons between countries; (iii) an incentives guide for labor inclusion of PWD that will be used in each country's Inserta Forum; (iv) an initial base of PWD job seekers to start the job placement process through the Por Talento platform; and (v) an analysis of the attitudinal considerations of each cultural structure to be specifically addressed in the awareness-raising actions.
- 2.16 **Component II: Creation of the Inserta ecosystem: an open, inclusive, and accessible labor market (IDB Lab: US\$198,000; Counterpart: US\$40,000).** The objective of this component is to establish partnerships in each country with the partners identified in Component I, and to build relationships with significant companies and the public sector in the four target countries so as to implement the Inserta job placement model by taking their job vacancies, and, in turn, determining how those vacancies match the talents and capacities of PWD.
- 2.17 This component will include the following activities: (i) establishment of partnerships to implement the project in each country with the governance structure defined by those involved; (ii) awareness-raising actions targeting the key potential stakeholder

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<sup>12</sup> (ONCE Foundation and KPMG, 2015) ***"Big Data & Inclusión Laboral de Personas con Discapacidad."***

- employers (private companies and public sector entities);<sup>13</sup> (iii) creation of the Inserta Forum with responsible companies, developed through a series of multilateral meetings, which will seek to recruit the entities and subsequently reach agreements with them and define the services to be applied to achieve labor inclusion; and (iv) adoption of the Inserta tools (incorporation of technology in hiring processes and jobs, use of incentives, measurement of the achievement of inclusion objectives).
- 2.18 The following outcomes are expected from this component: (i) establishment of a local project implementation structure in each country targeted by the project; (ii) agreements with private companies and public sector entities to participate in the Inserta Forum; (iii) an increase in the use of affirmative measures and fiscal incentives in the target countries by the public and private sector; and (iv) an increase in job offers with an inclusive perspective.
- 2.19 **Component III: Comprehensive management of labor inclusion (IDB Lab: US\$720,000; Counterpart: US\$420,000).** The objective of this component is to implement a comprehensive labor management system with the candidates based on the Inserta model, through support and strengthening of the existing structures and experiences in the target countries. This system is implemented following a diagnostic assessment of the labor market conditions for PWD, as well as the contexts, stakeholders, and institutional tools already present. Once the conditions on the ground have been determined, the model will be tailored to best suit the companies, public administrations, and beneficiaries, in order to maximize results.
- 2.20 To finalize implementation, this component will include activities to launch the labor management system: (i) proposal to create a labor management system for partner entities in the target countries, tailored to their characteristics and contexts; (ii) development of the Por Talento platform, customized based on the proposed labor management systems; (iii) training of local operators to participate in the labor management process, including recruitment, interview, job profiling, application, and support (employers-employees); (iv) systematization of the registry of potential PWD beneficiaries based on the Inserta model, focusing on their skills and talent; and (v) design of the training system based on the results of the diagnostic assessment and on the utilities of Por Talento Digital.
- 2.21 The following outcomes are expected as a result of this component: (i) operators are trained in the Inserta methodology in the local partners of the project; (ii) 25,000 PWD are identified, recruited, and their paths are determined; at least 9,000 will come from vulnerable groups or from groups with the most invisible disabilities; (iii) 10,000 beneficiaries complete education and training courses; and (iv) 6,300 people obtain employment in the four target countries, four years into the project, a figure that will increase each year once the system is fully implemented.
- 2.22 **Component IV: Lessons learned and scalability (IDB Lab: US\$387,000; Counterpart: US\$223,000).** The objective of this component is to change the perspective on employment of PWD in the target countries, especially among

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<sup>13</sup> This project will work with existing employment services entities from the public sector in each country. During execution of this project, the IDB Lab specialist in each country will coordinate the dialogue with public sector agents with Social Sector colleagues in each targeted country. It has been demonstrated in Spain that the Inserta model promotes the inclusion of PWD in the public sector workplace, and that it also fosters collaboration with the public administration to improve the benefits of government contracting in the area of disability.

businesses, as well as to motivate companies to hire them. It also includes the project's scalability and an analysis of the project outcomes that facilitate scalability.

- 2.23 Based on ONCE Foundation's knowledge and experience implementing communication campaigns (i) a plan will be developed for raising awareness in the target countries to demonstrate the benefits of promoting the employment of PWD. Those campaigns will also serve to publicize the program among potential beneficiaries, and to increase registration in the Por Talento platform. In addition, the component (ii) proposes to organize two regional conferences, one midway into the project and the other at the end of the project to increase the visibility of the project's objectives and outcomes. It will also (iii) conduct a study on the lessons learned during development and implementation of the Inserta model so as to propose a scalability model applicable to other contexts and/or with other dimensions. Lastly, (iv) workshops will be proposed to expand and disseminate the project in other countries of the region.<sup>14</sup>
- 2.24 The following activities and knowledge products will also be developed in coordination with IDB Lab project CH-T1224: (i) "Resource guide for employing persons with disabilities"; (ii) joint communication and branding strategy; and (iii) joint events.
- 2.25 As a final outcome of this component, the project's profiles on social media will have strategic followers, identified as key stakeholders, which will amplify the impact of the campaigns and, therefore, of the project's awareness-raising actions. In addition, the interest of other countries in implementing this model will be reported.

## **B. Project results, measurement, monitoring, and evaluation**

- 2.26 **Results matrix indicators.** The general objective of the project is to improve labor inclusion opportunities for PWD by implementing a comprehensive job placement mechanism based on the Inserta model. The principal direct outcome will be the inclusion in the project of 25,000 PWD, of whom at least 6,300 will obtain employment during the first four years of the project. For such purposes, the project will utilize an online job search platform, a resource for training in digital content and competencies, and innovative application of technology systems that promote the hiring of PWD.
- 2.27 The indicators disaggregated by gender that will be used in the project are: PWD beneficiaries of the project; number of participants that have obtained employment through the project; number of key stakeholders that adopt new practices or technologies; number of potential local partners identified; secondary information sources used in the ODISMET model; metabases of PWD data for the Por Talento platform; entities participating in the Inserta Forum; number of companies and public entities participating in the Inserta Forum that utilize quotas and/or fiscal incentives; percentage of contracts signed by companies and public sector entities out of the total offered through the Por Talento platform; number of participants with disabilities in the most vulnerable conditions (indigenous peoples, Afrodescendants, people from rural areas, displaced peoples, victims of conflicts or disasters), as well as those with the most invisible disabilities (psychosocial or intellectual disabilities, multiple

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<sup>14</sup> Actions will be coordinated with IDB Group offices and with the corresponding IDB Lab specialists when countries potentially interested in replicating this initiative are identified.

disabilities, and deaf-blindness); number of beneficiaries who complete education or training processes; labor operators trained in Inserta standards; followers of the project's key stakeholders; and countries that express an interest in developing Inserta models.

- 2.28 It is worth noting that the objective of promoting labor inclusion of PWD in private (including self-employment) or public sectors aligns with SDG 4, SDG 8, and SDG 10. Of special note is SDG 8.5, which sets 2030 as the deadline to achieve full and productive employment for all women and men, including persons with disabilities, and equal pay for work of equal value.
- 2.29 **Monitoring and evaluation.** The project will mainly be monitored through the Por Talento platform and the Integra management tool, which provides real-time identification of the number of beneficiaries, segregating by specific variables where necessary (gender, age, disability, etc.), and verifying the results obtained in terms of labor inclusion. A final evaluation will be made four years into the project to analyze potential improvements for the remainder of the project, as well as to analyze scalability for other sectors and/or countries.

### III. PROJECT ALIGNMENT WITH THE IDB GROUP, SCALABILITY, AND RISKS

#### A. Alignment with the IDB Group

- 3.1 **IDB Group.** The Update to the Institutional Strategy 2010-2020 proposes specific objectives, including the eradication of extreme poverty and the development of quality human capital. Both objectives address the promotion of better job training and placement services. The IDB strategy highlights “gender quality and diversity: A substantial fraction of the income inequality in Latin America and the Caribbean is determined by characteristics such as race, place of birth, the education levels of one’s parents, gender, and sexual orientation. These deep inequalities in well-being mean that the focus on fairness must be increased to ensure that those underserved or excluded—primarily women and minorities, including the disabled—are given equal opportunities for growth.” The project is also aligned with the Diversity Action Plan for Operations 2019-2021, which highlights the importance for the IDB Group of maintaining its “commitment to addressing diversity, creating operational policies, defining strategies, and placing diversity prominently in its key institutional policies” and its clear commitment “to support development with identity and inclusion” in Latin America and the Caribbean.
- 3.2 The IDB agreed on a series of commitments related to disability in the framework of the Global Disability Summit (London, July 2018). The IDB’s commitments include the following: (i) supporting the collection of better disability data in the 2020 census round to provide technical assistance to national statistics institutes and reaching agreements with third parties; and (ii) expanding its operational work disability-inclusive social development the scope of its work, including the promotion of inclusive social development for PWD.
- 3.3 **IDB Invest.** The project will work in concert with IDB Invest to identify its potential clients interested in participating in this initiative and in implementing this job placement model.



- 3.4 **IDB Lab.** This project is part of the knowledge economy pillar since it promotes social inclusion and the development of digital skills and employability by leveraging new technologies.
- 3.5 **IDB Social Sector.** The project is closely related to the strategic sector framework of the Labor Markets Division (LMK) and Social Protection and Health Division (SPH) of the IDB. It also complements the PWD Inclusion Strategy developed by the Social Sector in 2018.

## **B. Scalability**

- 3.6 Establishment of this innovative model in Colombia, Costa Rica, Ecuador, and the Dominican Republic, together with targeted actions planned for other countries, will result in expansion of the network to new countries and labor markets. Activities to promote the project model in other countries of the region<sup>15</sup> could potentially be financed over the course of this project.
- 3.7 This model is replicable in Latin America and the Caribbean with the support of the ONCE Social Group and IDB Lab through the use of innovative technologies for the social inclusion of PWD. Implementation of these technology solutions, supported by the relationships and exchanges through the network of Inserta models to be established, is a system that ensures optimization of the investment in labor inclusion by the target countries and future expansion to other countries.
- 3.8 With respect to the capacity for scalability in new countries, in its first five years the project is expected to be established in the four initial countries plus two additional countries, and over 10 years is expected to reach a total of 10 countries in Latin America and the Caribbean. This scalability potential can be inferred from the scalability of the FOAL program, known as Ágora (originally called Integra). Through an investment from the Multilateral Investment Fund (now IDB Lab), that program grew from 3 to 16 countries in 15 years. After its initial launch in three countries, it expanded to four additional countries in the first four years, followed by four more countries in the next three years, and five countries in the final six years, for a total of 16 countries. The returns obtained and the positive outcomes of Ágora promoted recognition of a labor inclusion model for persons with visual disabilities in the region.
- 3.9 In this project, the scale will be determined by organic growth, i.e. growth of the program in the four countries. In this process, the partners identified will collaborate to ensure the program's sustainability and to tailor the solution to the specific conditions in each country. The scalability mechanisms are:
  - a. governmental, transferring the necessary tools and methodologies, and training in their use to expand the Inserta network through public/private partners;
  - b. with civil society organizations, which makes regional scalability possible;
  - c. by partnering with other multilateral organizations;
  - d. through exploration of new and innovative mechanisms for social impact financing;

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<sup>15</sup> The project's geographical distribution (Andean region, Central America, and the Caribbean) will allow it to be scaled in each of those regions using the corresponding country as a reference point.

- e. with the private sector, with existing cooperation in Latin American and Caribbean business networks;
  - f. through development cooperation networks and international organizations.
- 3.10 Lastly, once the project has been implemented and scaled, through contacts with civil society and expert organizations and via the above mechanisms, the scalability of the project for other disadvantaged social sectors can be analyzed.

### **C. Project and institutional risks**

- 3.11 One potential risk of the project, given its nature, is an unfavorable hiring environment in general, e.g. an economic slowdown or uncertainty in the private sector. In these cases, the most vulnerable populations tend to be the first impacted by higher unemployment rates and the last to rejoin the labor market. However, Inserta has demonstrated a high level of resiliency by continuing to create jobs for PWD during the economic crisis affecting Spain for the last 12 years.
- 3.12 The second potential risk is a lack of interest by the private sector and other stakeholders in taking part in the Inserta Forum, together with business culture that is still far from understanding the economic advantages of inclusion of disability and accessibility in its business development models. However, the experience gained in Spain provides assurance that the work networking with and presenting to the country's leading companies, while continuing with the successful operation of Inserta Forum and the effective job placement process, create sufficient ties between ONCE Foundation, local partners, and interested companies for the project to expand and become established. Thus, the experience of the ONCE Social Group and working alongside the IDB and the leading local partners ensure that the project will attract the interest of companies committed to inclusion and disability policies from the outset. The successful operation of the Inserta model bolsters their commitment and fosters the stability of their participation.
- 3.13 Another potential risk of the project is the existence of a wide gap between the labor market requirements in terms of training and the capacities of the PWD seeking employment. When this gap is wide, the job placement process has to dedicate greater resources to the phases of education and training and formal identification of candidate skills. For that reason, the project will map the relevant training resources available in the country and public models for skills identification. In addition, candidates with the most suitable profiles will be trained in digital capacities through the Por Talento Digital platform.

## **IV. INSTRUMENT AND BUDGET PROPOSAL**

- 4.1 The project will be a nonreimbursable technical-cooperation operation with a total cost of US\$2,700,000, of which US\$1,350,000 (50%) will be contributed by IDB Lab, and US\$1,350,000 (50%) will be contributed by the counterpart.
- 4.2 **Retroactive recognition of counterpart funds.** Expenditures for initial missions to collect data and map key stakeholders financed with counterpart funds and incurred after 1 July 2019 will be recognized for up to a maximum of US\$50,000.

	IDB	ONCE Foundation		TOTAL
		In cash	In kind	
Component 1: Diagnostic assessment by country and stakeholder engagement	-	83,000	200,000	283,000
Component 2: Creation of the Inserta ecosystem: an open, inclusive, and accessible labor market	198,000	15,000	25,000	238,000
Component 3: Comprehensive management of labor inclusion	720,000	350,000	70,000	1,140,000
Component 4: Lessons learned and scalability	387,000	163,000	60,000	610,000
Component 5: Project management	45,000	30,000	314,000	389,000
Contingencies	-	40,000	-	40,000
<b>Total</b>	<b>1,350,000</b>	<b>681,000</b>	<b>669,000</b>	<b>2,700,000</b>
%	50.0%	25.2%	24.8%	100%

## V. EXECUTING AGENCY AND IMPLEMENTATION STRUCTURE

### A. Description of the executing agency

- 5.1 The ONCE Foundation for Cooperation and Social Inclusion of Persons with Disabilities will be the executing agency for this project and will sign the agreement with the Bank. The ONCE Foundation for Cooperation and Social Inclusion of Persons with Disabilities is a nonprofit foundation established in Spain for charitable purposes, with an indefinite term. Its assets are permanently devoted to social purposes of general interest, and it was established by the Organización Nacional de Ciegos Españoles [Spain's National Organization of the Blind] (ONCE) by General Council resolution 2E/88-2.2 of 28 January 1988.
- 5.2 The ONCE Social Group is a social organization whose purpose is to promote the inclusion of PWD. In its 80 years of experience and work, it has helped improve opportunities for inclusion and the full autonomy of the blind and other disabled persons in Europe, Latin America, and other parts of the world. This contribution takes place in the form of technical assistance, partnerships, cooperation, and active involvement in a number of global platforms on employment, rights of PWD, and the social economy, all with the purpose of making the Spanish model a global one for the social inclusion of PWD.
- 5.3 The ONCE Foundation for Cooperation and Social Inclusion of Persons with Disabilities, one of the three executive areas of Grupo Social ONCE, was established in February 1988, by resolution of the ONCE General Council, and was launched in September of that same year as an instrument for the cooperation and solidarity of Spain's blind population with other groups of disabled persons to improve their living conditions. The main objective of the ONCE Foundation is the implementation of job placement/training and employment programs for PWD, as well as global accessibility, promoting the creation of globally accessible spaces, products, and services. In addition to ONCE itself, as a founding entity, the ONCE Foundation's Board of Trustees, its highest decision-making authority, also includes Spain's leading organizations for PWD, including the Spanish Commission of Representatives of Persons with Disabilities (CERMI), an umbrella organizations for Spain's primary organizations of PWD, many of them regional, bringing together

more than 3,000 associations and entities, representing the Spain's 3.8 million persons with disabilities and their families.

- 5.4 The ONCE Social Group manages the Ibero-American Program on the Rights of PWD, which includes 10 governments in the region. It has also been named a partner of the European Union's EUROsociAL + program in Latin America, providing technical assistance in the modernization of the region's policies on disability. It also heads a number of groups aimed at improving various European policies on foundations (in the European Foundation Centre), the social economy (in Social Economy Europe), and disability and civil society (in the European Platform for Rehabilitation and the European Disability Forum).
- 5.5 The Inserta Empleo model of the ONCE Social Group has extensive experience in labor inclusion work for PWD in Spain. The Por Talento program has served 236,235 people, trained 81,588 students, and closed 63,565 contracts between 2000 and 2015, which has been considered a Good Practice by the European Commission.

## **B. Structure and implementation mechanism**

- 5.6 The ONCE Foundation will set up an execution unit and the structure needed to executive project activities and managed project resources effectively and efficiently. The ONCE Foundation will also be responsible for submitting progress reports on the status of project implementation. The details of the structure of the execution unit and the requirements for progress reports are included in Annex V in the technical files for this operation.
- 5.7 The project will have one overall project manager and four national coordinators, as well as coordination and support from the IDB Country Office in Ecuador. The overall project manager will act as coordinator, and as such, will be responsible for preparation of launch and monitoring reports, fulfillment of IDB Lab administrative requirements, supported by the national coordinators when necessary. He or she will also be responsible for: (i) planning the execution of each phase of the project in each country; (ii) supervising execution and coordinating activities; and (iii) directing and coordinating relations with local partners and enterprises associated with the project. The national coordinators will be responsible for planning activities and relations with third party stakeholders and entities that are only involved in one of the target countries.
- 5.8 In general, the project will be monitored by a **General of the Whole**, including the ONCE Foundation, IDB Lab, the general manager, the national coordinators, and national partners. The inclusion of relevant international organizations, such as the International Labour Organization, and the Ibero-American Social Security Organization, to play advisory support roles, may also be considered. This Committee, whose coordination and ultimate formation will be considered in a specific document that will detail its duties and responsibilities, will be primarily responsible for analyzing the status of project execution in each country and making decisions on the overall execution of crosscutting activities, as well as deciding on the agreements with enterprises and partners that affect more than one target country. The Committee of the Whole will also be responsible for developing the activities that affect third countries not included among the four initial target countries.

- 5.9 From the standpoint of national project monitoring, each country will have a **National Coordination Committee** made up of the national partners, together with the IDB Country Office and the ONCE Foundation, and each respective national coordinator. These national coordination committees will review the execution of national activities, which they will monitor continuously, and will make decisions on future execution or changes impacting only that respective country. The national coordination committees' operations will also be established in a specific document agreed upon between the parties.
- 5.10 A **Global Advisory Committee** will be formed, made up of the IDB Group, Corona Foundation, Chile Productivity Pact, the ONCE Foundation, and other relevant entities working for the inclusion of PWD in the workplace, and will meet twice a year, in person or virtually, with the main objective of sharing experiences and lessons learned. An **IDB Lab Project Coordination Committee** will also be established, made up, in principle, of the ONCE Foundation and the Descúbreme Foundation, for the purpose of sharing best practices, methodologies indicator reporting standards, and innovations developed.

## VI. FULFILLMENT OF MILESTONES AND SPECIAL FIDUCIARY ARRANGEMENTS

- 6.1 **Disbursement by results and fiduciary arrangements.** The executing agency agrees to adhere to the standard IDB Lab disbursement by results arrangements and the policies on procurement and financial management<sup>16</sup> applicable to the private sector, consistent with the provisions of the 12 June 2019 version of the Financial Management Guidelines for IDB-financed Projects (document OP-273-12) and the provisions of the Guide to Management by Milestones and Financial Supervision for IDB Lab and SEP Technical Cooperation Operations. This is consistent with the results of the Diagnostic Needs Assessment (DNA) of the executing agency, which found that the ONCE Foundation has a financial management system that is acceptable for IDB Lab and has a monitoring and accounting structure for the presentation of its institutional financial statements to the Bank. For this project it may use its own procurement procedures aligned with the principles of transparency competitiveness, economy, and efficiency, in accordance with market practices for the private sector, acceptable to the Bank.
- 6.2 **Risk- and performance-based project management.** Under this modality, the amounts of project disbursements will be determined by the project's estimated liquidity needs for a maximum of six months. Those needs will be agreed upon by IDB Lab and the executing agency, and will reflect the activities and costs determined in the annual planning exercise.
- 6.3 **Disbursements.** Project disbursements will be subject to verification of fulfillment of milestones, according to the means of verification agreed upon by the executing agency and IDB Lab. Fulfillment of milestones does not release the executing agency from the responsibility of fulfilling the Results Matrix indicators and the project objectives. The first disbursement will be contingent upon fulfillment of the conditions precedent, and subsequent disbursements will be made provided the following two conditions are met: (i) verification by IDB Lab that the milestones have

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<sup>16</sup> [https://secwebapps.iadb.org/SecForms/api/docs//17463/gu%C3%ADa\\_de\\_gesti%C3%B3n\\_financiera\\_op-273-12\\_july2019\\_vf.pdf](https://secwebapps.iadb.org/SecForms/api/docs//17463/gu%C3%ADa_de_gesti%C3%B3n_financiera_op-273-12_july2019_vf.pdf).

been fulfilled, as agreed in the annual planning exercise; and (ii) the executing agency has accounted for at least 80% of the cumulative advances of funds. In the event the disbursement milestones are not met, the executing agency will present to the Bank, for its no objection, an action plan for fulfilling the milestones. If the action plan proves ineffective, the Bank may cancel the undisbursed project balance.

## **VII. ACCESS TO INFORMATION AND INTELLECTUAL PROPERTY**

- 7.1 **Access to information.** According to the Bank's Access to Information Policy, this is a public document.
- 7.2 **Intellectual property.** The Bank will be the owner of the intellectual property corresponding to the project and will grant a free, noncommercial, irrevocable license for an indefinite term for the use of the copyrights, patents, and any other intellectual property right to the ONCE Foundation, who may grant a similar license to government entities or other entities that work, apply, replicate, or generate knowhow using the products developed as part of this project. The ONCE Foundations maintains the intellectual property of the previously developed Inserta model and methodology, as well as that of its Por Talento, Por Talento Digital, and Digital Academy platforms. Agreements will be established with the local partners responsible for implementing the **labor management system** (component 3) with the corresponding licenses (comprising the platform and the respective technologies) to ensure the sustainability of this project's initiative.