

**EXECUTIVE
SUMMARY
TALENTLY**
(RG-Q0101/RG-Q0103)

The recent COVID-19 crisis has fueled a continent-wide digital transformation across Latin America and the Caribbean (LAC), leading to an ever-increasing demand for tech-savvy talents and consequently an increase in tech talent pool in the region. However, despite these advances, there is still a continuous problem of talent-job mismatch in the tech labor market in LAC. Many of the region's tech talent lack the soft skills and employability to land a high-paying job at regional and global companies; and this gap has been affecting women developers disproportionately, who already only represent 7.6% of total LAC tech talent.

Reskilling these talents could lead not only to individual benefit but also to an overall economic gain in the region, especially in smaller countries with lower levels of digitization. As the World Economic Forum suggests, a wide-scale investment in upskilling has the potential to boost global GDP by US\$6.5 trillion by 2030¹. Not only so, helping women developers find better paying jobs and turning them into globally competitive talent can also have an important effect in closing the gender income gap.

Hence, this project aims to help mid and senior level developers throughout LAC – with a special focus on women talent - to improve their skills and employability in the tech job market. The project aims to do so by financing the expansion of the Peruvian EdTech/HRTech, Talently, across Argentina, Colombia, Costa Rica, Ecuador, Guatemala, El Salvador, Honduras, Mexico as well as its home country, Peru. Led by two women co-founders, Talently offers a tech-talent marketplace and upskilling-to-placement platform and connects LAC's tech talent with top regional and global employers such as Nubank, Rappi, Paypal and Microsoft.

With this project, IDB Lab is approving a total ticket of US\$1.75M to be used across two occurrences. On one hand, IDB Lab will invest US\$750,000 in 2022 through a SAFE (Simple Agreement for Future Equity) towards the extension of Talently's Pre-Series A round, of which US\$3,000,000 have been closed in March 2022 by Potencia Ventures, ALAYA Capital, Salkantay, Latin Leap and MrPink VC. Out of this US\$750,000, a total of US\$250,000 will come from MIF core funding and US\$500,000 from Women Entrepreneurs Finance initiative (We-Fi). On the other hand, IDB Lab is including an additional US\$ 1,000,000 from MIF core funding as a reserve, in case of future follow-on investment in the Company. The eligibility for the follow-on investment will be determined upon review of the Company's performance.

Talently expects to reach approximately 160,000 key final beneficiaries that participate in their upskilling program by 2025. From these, about 40,000 are expected to be women software developers, and around 7,000 of them would be from We-Fi target countries (Honduras, Guatemala, El Salvador, Costa Rica y Ecuador). The Company also benefits medium and big technology companies that use their matching and hiring platform to enhance their hiring processes in LAC.

¹ <https://hub.laboratoria.la/10-cosas-que-debes-saber-sobre-el-mercado-laboral-tech>