

PROGRAM FOR ON-THE-JOB TRAINING

(TC-97-04-07-5-AR)

EXECUTIVE SUMMARY

COEXECUTING AGENCIES: City of Córdoba Economic Development Agency (ADEC) and the Enterprise Foundation (FE)

BENEFICIARIES: Microenterprises and small and medium-sized enterprises (MSMEs) in the province of Córdoba

OBJECTIVES: The general objective of the program is to encourage MSME owners to invest in human resources training at all levels: executive staff, middle management, and workers, through two subprograms.

The specific objective of **Subprogram A - training promotion** - is to adjust the supply of training, so that it meets the need for human resources training and retraining among MSMEs in a more flexible, practical and concrete fashion.

The specific objective of **Subprogram B - diagnostic study on human capital** - is to implement an efficient system to assess needs and plan training activities at the enterprise level.

FINANCING: Modality: grant under the Human Resources Facility (Facility II)

	Beneficiaries US\$	MIF US\$	TOTAL US\$
Total:	2,492,500	2,507,500	5,000,000

EXCEPTION TO POLICIES AND PROCEDURES: None

SPECIAL CONTRACTUAL CONDITIONS: Prior to the first disbursement, the coexecuting agencies must submit evidence to the Bank that:

- The liaison committee has been established;
- The program's Operating Regulations (OR) have entered into force; and
- The liaison committee has hired a general coordinator for the program (see paragraph 9.1).

I. COUNTRY AND PROGRAM ELIGIBILITY

- 1.1 The Donor's Committee declared the Republic of Argentina eligible for all types of financing provided for under the Multilateral Investment Fund (MIF) on November 30, 1993. This project is eligible for financing under the MIF Human Resources Facility, given that its objective is to promote business investment in human capital, train line workers and management staff in microenterprises and small and medium-sized enterprises (MSMEs), and promote the strengthening of training institutions and innovations in their curricula. Given its focus on improving the productivity and competitiveness of MSMEs, the program is consistent with the Bank's country strategy. It will also supplement other activities in the sector being supported by the Bank. 1/

II. FRAME OF REFERENCE

- 2.1 In recent years the Argentine government, with the support of the Bank, has made investments to modernize its education and training system. It should be noted that these national training programs are designed to help resolve the serious current unemployment problem, and not to improve the skills of already employed workers.
- 2.2 Furthermore, since the Convertibility Act went into effect (1991), economic conditions in Argentina have changed greatly. In recent years the privatization process, together with the process of economic liberalization, have given rise to a transformation toward more intense competitiveness in most economic sectors. In this new context, continuous personnel training has become an indispensable tool for improving productivity and competitiveness in an environment characterized by a growing process of globalization.

1/ The Bank is participating in three national programs involving human resources: (i) the support program for the production-transformation process (816/OC-AR and 925/SF-AR), under which training projects are carried out to prepare semi-skilled workers for jobs for which there is evidence of demand on the part of the productive sectors; (ii) the youth productivity and employability support program (1031/OC-AR), the objective of which is to increase opportunities for entry into labor market and social participation among a group of marginalized youths facing exclusion from society and the labor market; and (iii) the non-university technical higher education reform program (1060/OC-AR), which is intended to improve the availability, quality and relevance of specialized labor by developing a national system of technical institutes.

- 2.3 This need has been well understood by large companies, the structures of which generally contain appropriate mechanisms and resources for assessing and addressing training needs. Thus, the large firms and some medium-sized enterprises in Argentina have undertaken in-depth modernization, in terms not only of technology and facilities, but human capital as well.
- 2.4 For microenterprises and small business, however, the situation differs, since they face several limitations that restrict their investment in human resources. A clear example of this situation is the province of Córdoba, as described below. The proposed operation will seek to eliminate those limitations in that area.
- 2.5 **The case of Córdoba.** The province of Córdoba's economic structure is characterized by a large number of MSMEs (particularly enterprises with between 1 and 50 employees), which represent over 99% of the 105,000 enterprises in the trade, services and manufacturing sectors, and account for some 77% of total employment. Although there is no gender breakdown of this group of enterprises, it should be noted that the employment rate for males in Córdoba is considerably higher (41.5%) than for females (23.8%).
- 2.6 According to a recent diagnostic study on the Córdoba training market, 2/ a lack of awareness of the direct relationship between training and productivity has been detected among MSMEs. Business owners do not have the necessary information or accessible instruments to help them identify or channel their training needs. Given the heterogeneity of MSMEs in terms of their levels of technical development and business maturity, as well as the wide range of areas of economic activity in which they are involved, there is a great variety of training needs at various levels of intensity for any given area.
- 2.7 Furthermore, what little training is carried out by these types of companies is sporadic, based more on the supply of training institutions (TIs) than on actual needs. Except in the case of large enterprises, the supply of "customized" training for other types of enterprises is still embryonic. Finally, training is carried out without evaluating personnel weaknesses and strengths with respect to the company's situation, the environment and the clientele, and without ascertaining the content and type of training most appropriate for MSMEs.
- 2.8 The solution to the problem faced by MSMEs lies therefore, first, in the performance of diagnostic studies on the training needs of individual enterprises with a view to designing customized training

2/ "Training program for microenterprises and small and medium-sized enterprises: market study and technical design," by GAMA Consultores S.A., May 1997.

products. Second, the diversity of demand requires a level of specialization in the supply of training services and a continual updating of their curricula. These are the expected results of the proposed program described below.

III. THE PROGRAM

A. General objective

- 3.1 The general objective of the program is to encourage owners of microenterprises and small and medium-sized enterprises (MSMEs) to invest in human resource training at all levels: executive staff, middle management and workers.

B. Program description

- 3.2 The proposed program is designed to provide incentives to business owners to purchase training through two parallel, complementary instruments, both of which will strengthen demand in the training market. Taking into consideration the experience of successful projects such as the total quality and modernization program CIMO in Mexico, 3/ under the proposed program investment in training will be increased by bringing MSMEs closer to the supply of TIs through a training voucher system. This will result in increased awareness of the benefits of training, which may culminate in the preparation of customized diagnostic studies and training plans, thereby leading to increased training. The program therefore consists of two subprograms, as described below, each of which will stimulate demand for the other.

1. Subprogram A: promotion of training (US\$2,651,200)

- 3.3 Using resources from this subprogram, a system of training vouchers will be implemented to channel a partial subsidy to enterprises for the purchase of training services. An information exchange system (IES) will also be created, in order to help correct the current imbalance in the flow of information between the enterprises and suppliers of training. The program will thereby promote adjustment of the supply of training services, so that they meet the needs for human resource training and retraining in MSMEs in a more flexible, practical and concrete fashion.

3/ Financed with resources from loan 983/OC-ME, the CIMO program is part of a comprehensive program to promote human resource development and the quality, productivity, and competitiveness of MSMEs. Its general objective is to reduce the quality constraints among the active work force.

- 3.4 At the beginning of the program, four promotion desks will be created to serve as clearinghouses for training services, thereby contributing to the promotion of training as a whole. The funds will be used to finance their outfitting and to hire information-service staff who will be responsible for working with business owners seeking training services. Enterprises may use the services to make requests, receive vouchers, and obtain information on the TIs that could meet their needs. They would then directly negotiate the specific content, duration, and total cost of the courses and the method of payment with the respective TIs.
- 3.5 Microenterprises and small businesses located in the province of Córdoba, with a maximum of 20 employees, will be eligible for the program. The training activities will be characterized by the following: (i) they will cover technical skills linked to productivity, from the supply of inputs to product marketing; (ii) they will be executed within a minimum of 20 real hours, and no single session may exceed four hours; and (iii) they will be held in the province of Córdoba. The average amount of each voucher will be approximately US\$45, the equivalent of 45% of the cost of a course (US\$100). The voucher will be used at the end of courses to pay for them and businesses will be required to endorse the vouchers, thereby confirming approval of the training. Since all vouchers will be worth the same amount, the partial subsidy will represent a higher percentage of the cost of courses for smaller enterprises since the latter tend to request lower-cost courses. The amount of the subsidy will be gradually decreased during program execution so that the enterprises can adjust to taking on a larger share of the cost of training.
- 3.6 In order to ensure the quality of the TIs, the program would use the Training Institution Registry (REGICE) administered by the Employment and Training Secretariat in the Ministry of Labor and Social Security (MTSS) for the national programs mentioned above (see paragraph 2.1). The program would thereby benefit from the experience of the REGICE in two respects: (i) information on institutions registered for other national programs in the city and province of Córdoba, and (ii) useful knowledge for purposes of quality control, regarding any sanctions or negative prior history of any of the institutions interested in participating in the program, in order to ensure their supervision or deny entry to the program, if deemed advisable. The program would assist the REGICE by providing information generated during its implementation on the registered institutions and their performance. It should be noted that the registry will be open to any training institution that meets the basic REGICE requirements.

2. Subprogram B: diagnostic studies on human capital
(US\$1,600,100)

- 3.7 The objective of this subprogram is to develop and implement a system for diagnosing a company's human capital, to determine the

status and level of training, for executive staff, middle management and workers, and to establish the most appropriate training plan for overcoming the limitations identified. The subprogram is therefore geared toward vertical integration of large enterprises and MSMEs, which will help remedy current difficulties in the client/supplier relationship and improve sector competitiveness by adjusting the supply of training.

3.8 **Human capital diagnostic study system.** The human capital diagnostic study system (HCDSS) will be geared toward the metal-mechanical, agricultural-food and services sectors, given their relative weight in the Córdoba economy, although in subsequent phases the system may be expanded to other economic activities. This component will be implemented in three phases, as follows:

- a. **Methodology design:** the diagnostic instrument and methodological guidelines for its use in an enterprise will be developed. The HCDSS will be designed and implemented in such a way that the human capital will be assessed globally by professionals, thereby avoiding the identification of individuals and any gender discrimination.
- b. **Pilot test:** the results of the methodology design phase will be tested in a group of 18 enterprises in the business activity sectors mentioned above, for purposes of analysis and validation, in order to draw conclusions about the suitability of the methodology and the instrument developed. The pilot test will be carried out in enterprises representative of the sectors in which the program is being implemented, with a view to validating the system in small, medium-sized and large companies.
- c. **Adaptation of the instruments:** based on experience gained during the pilot test phase, any necessary changes will be made in the methodology system and instrument with a view to guaranteeing that the information provided on the human capital situation is appropriate for the training plan.

3.9 **Selection and training of consultants.** For purposes of implementing the HCDSS, independent consultants will be selected on the basis of technical criteria. It is estimated that 25 consultants will be approved for implementation of the HCDSS. If there is enough demand by local consultants to subscribe to the HCDSS methodology, the number of consultants could be increased, provided that they satisfy the requirements set forth in the eligibility criteria. The selected consultants must undergo an instruction phase, including training in the use of the HCDSS methodology and in the design of training plans.

3.10 The program will finance a voucher for HCDSS services for MSMEs equivalent to 17% of their cost (estimated at US\$1,740 per

enterprise). The purpose of the subsidy is to market the instrument rather than to share the cost of the HCDSS services. All MSMEs in Córdoba with fewer than 50 employees, involved in metalworks, and mechanics, agriculture and food processing, and services will be eligible to participate. In addition, the subprogram will be promoted directly through 10 consultants (called promoters) hired to sell the product to enterprises.

- 3.11 **Dissemination and evaluation.** Given the innovative nature of the program and the importance of disseminating its results, evaluations will be conducted at the beginning of year one and the end of year three, including approximately 500 surveys of the participating enterprises. In addition, the computer unit of the PCU will generate detailed information on an ongoing basis on the progress being made in the two subprograms. Upon program completion, the results of the program will be disseminated through the media and business groups such as chambers of commerce and business associations.

IV. EXECUTION

- 4.1 The program will have a life of 36 months and will be coexecuted, through a program coordination unit (PCU), by the Enterprise Foundation (FE) and the City of Córdoba Economic Development Agency (ADEC). In order to ensure proper operation of the program, a liaison committee will be established, consisting of two directors for each coexecuting agency. In addition to approving the Operating Regulations and periodic reports during the course of program execution, as well as candidates for the executive staff of the PCU, the committee will keep the respective institutions informed as to the program's progress.
- 4.2 The PCU will consist of a general coordinator, an accounting assistant, an information services consultant and a secretary. Each subprogram will have a director and a secretary, as well as periodic specialized technical assistance during program execution (see implementation manual in the technical files of RE1/S01).
- 4.3 **The coexecuting agencies.** The FE is a nonprofit organization that represents more than 100 enterprises in the central region of Argentina. Its activities are designed to promote the conversion of enterprises and their involvement in international trade. The ADEC is a private, nonprofit association consisting of the Municipality of Córdoba and 12 business associations in the city, the purpose of which is to implement jointly devised innovative socioeconomic policies. Both institutions have a track record of business leadership in Córdoba, putting them in a good position to carry out the proposed operation (see the respective institutional evaluations in the technical files of RE1/S01). Their solid

capacity to execute the program notwithstanding, technical assistance from international consulting firms is justified given the innovated nature of the program and the lack of similar experience and thereof of local consulting services in Argentina.

- 4.4 **Beneficiaries.** The program will directly benefit at least 2,000 MSMEs in the province of Córdoba. It will also not only indirectly strengthen the TIs but also stimulate the consulting sector to develop new and better products. Finally, the program will benefit the workers, technical personnel, managers and owners of the participating MSMEs in such a way that, by increasing their skill levels through the training offered, they will be better prepared to respond to changes in qualification and consequently reduce the risk of being laid off in an increasingly demanding labor market.
- 4.5 **Project preparation.** The program design, budget and activities were developed jointly with the two institutions and the Bank. The project is currently in the process of satisfying the conditions precedent (see chapter IX), in particular the creation of the liaison committee, preparation of the Operating Regulations, and identification of candidates for general coordinator.

V. PROJECT COST AND FINANCING

- 5.1 The program's total estimated cost is US\$5 million, 50% of which would be financed with MIF funds. Under the human capital diagnostic study subprogram, approximately 17% of the cost of providing the diagnostic services will be financed using program funds, with the difference to be absorbed by the business owners themselves as the beneficiaries of this service. Under the training promotion subprogram, an average of 45% of the cost of each training course will be subsidized using program funds (the voucher will have a value of US\$45), with the remainder to be paid by the trade associations and/or enterprises. In summary, participating enterprises would contribute 75% and 70% of the counterpart financing for the two subprograms, respectively. Both coexecuting institutions have the necessary budgetary resources to be able to provide the remainder of the counterpart funding, which totals US\$671,000.

CONSOLIDATED BUDGET BY COMPONENT
(In US\$ thousands)

CATEGORY	IDB/MIF	LOCAL CONTRIBUTION		TOTAL	%
		ADEC	FE		
I. PROGRAM COORDINATING UNIT	223,800	85,950	132,725	442,500	9
1. Consulting services	208,800			208,800	
2. Equipment	15,000			15,000	
3. General support		82,800	129,600	212,400	
4. Travel		3,150	3,150	6,300	
II. SUBPROGRAM A: TRAINING PROMOTION	1,311,600	1,339,600	-	2,651,200	53
1. Consulting services	411,600	52,800		463,600	
2. Support		186,800		147,200	
3. Training	900,000	1,100,000		2,000,000	
III. SUBPROGRAM B: HUMAN CAPITAL DIAGNOSTIC STUDY SYSTEM (HCDSS)	858,500		741,600	1,600,100	32
1. Consulting services	708,500			708,500	
2. Training (diagnostic studies)	150,000		720,000	870,000	
3. Support			21,600	21,600	
IV. EVALUATION AND DISSEMINATION	10,000	41,300	151,300	202,600	4
1. Consulting services	10,000		80,000	90,000	
2. Printing of materials			30,000	30,000	
3. Dissemination of results		41,300	41,300	82,600	
V. CONTINGENCIES	103,600			103,600	2
TOTAL	2,507,500	1,466,850	1,025,650	5,000,000	100

- 5.2 It is recommended that a revolving fund be established in the amount of the equivalent of 10% of the financing. It was also agreed that an advance of up to US\$25,000 would be disbursed after signature of the letter of agreement between the Bank and the coexecuting agencies.

VI. JUSTIFICATION AND RISKS

- 6.1 The biggest risk faced by the program concerns the innovative nature of the activities it covers. In the case of the training promotion subprogram, a voucher system will be implemented as an innovative mechanism involving a partial, direct subsidy to the enterprises rather than to the workers for purchasing training. The human capital diagnostic study subprogram will involve

introducing a new practice of examining enterprises in order to diagnose their human resource needs. The risk is that business owners may not perceive the benefits of investing appropriately in their human capital, which could result in low demand for the program.

- 6.2 This risk will be minimized through the activities to increase awareness of the program and to disseminate it, particularly once some experience has been gained in the use of the training vouchers and diagnostic studies.
- 6.3 Moreover, the availability of low-cost instruments, in terms not only of financial resources but also with respect to the time spent by enterprise staff will help minimize the possibility of low demand. Currently, in order to obtain the type of assistance to be offered under the human capital diagnostic study subprogram, an enterprise would have to turn to a large international consulting firm, the fees of which are far beyond the means of small enterprises. Thus, partial subsidies in both subprograms, in addition to making them even more accessible and attractive to the enterprises, would constitute a very strong marketing component.
- 6.4 Lastly, it should be noted that the two coexecuting agencies, the FE and the ADEC, maintain a strong link with the entire Córdoba business community, as this will help in promoting the program. The FE in particular has secured a commitment among medium-sized and large enterprises to collaborate in the development of the HCDSS methodology and to promote its use among subcontracting companies. The members of the ADEC, who represent 12 business associations, have expressed their interest in and commitment to actively supporting program execution.
- 6.5 Cooperation between enterprises of various sizes is a basic premise of the philosophy and operations of both institutions. This internal collaboration would guarantee, among other synergetic effects, good communication between dynamic MSMEs and large enterprises requiring that need to expand or improve their supplier network, and between the traditional business associations and microenterprise trade associations.
- 6.6 **Program continuity.** Implementation of the two subprograms and the positive example that they will set is expected to lead to greater awareness in the business community of the benefits to be gained from greater and more efficient investment in human capital. It is therefore important to stress that under the proposed program, financing for the partial subsidies to be provided will not be continued, but business owners will be motivated to make a greater commitment to investing in their human resources. The program will thus leave the necessary instruments to meet the higher demand for training, specifically the information system, and the diagnostic studies, and the installed capacity to implement them. The two

coexecuting agencies have agreed to provide the services and administer the respective systems for the Córdoba community.

VII. PERFORMANCE INDICATORS AND PROGRAM EVALUATION

- 7.1 The logical framework and the performance indicators can be found in Annex VII-1, which together will provide the foundation for an evaluation of the program results to be carried out upon program completion. To this end, the services of an expert consultant will be hired to design and implement the program evaluation. Through surveys to be conducted during the first few months of program execution and upon program completion, the following indicators, among others, will be measured: (i) diversification and adaptation of the supply of training services (in terms of both content and type); (ii) the number of new entrants on the TI market that satisfy the requirements for inclusion in the REGICE; (iii) the level and frequency of investment in training services at the enterprise level; (iv) perceived quality of the supply of training; (v) the ability to continually collect and use information on new needs and demand preferences; and (vi) impact (efficiency, process quality or productivity) on the operations of enterprises that used a diagnostic study.

VIII. EXCEPTION TO POLICIES AND PROCEDURES

- 8.1 No exception to the Bank's policies and procedures is proposed.

IX. SPECIAL CONTRACTUAL CONDITIONS

- 9.1 The only special contractual conditions are the conditions precedent to the first disbursement: (i) establishment of the liaison committee (see the letter of intent in the technical files); (ii) entry into force of the Operating Regulations; and (iii) hiring of the general coordinator of the program.

X. ENVIRONMENTAL AND SOCIAL IMPACT

- 10.1 The profile for this operation was considered by Committee on Environment and Social Impact (CESI) on March 30, 1998, and the committee did not issue any recommendations on the operation.

the productivity and competitiveness of microenterprises and small and medium-sized enterprises (MSMEs) in the province of Córdoba through training activities

Table 1 : LOGICAL FRAMEWORK OF THE PROGRAM

SUMMARY OF OBJECTIVES			
OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION		ASSUMPTIONS
	Macroeconomic conditions remain		
OBJECTIVE OF THE PROGRAM: ME owners to invest in training resources at all levels middle management, and	1. Increased investment by businesses in training services 2. Greater and more frequent purchase of training services by business owners 3. Change in perceived quality of the supply of training	1. Survey conducted in years 1 and 3 2. Statistics on subprogram execution (see below)	
	ECTIVE OF SUBPROGRAM A: ity of training to cover the training of the human SMEs in a more flexible, concrete way		
	1. Diversification (and adaptation) of the supply of training services (in terms of both context and type) 2. Capacity to collect and process information on new needs and preferences on an ongoing basis	1. IES statistics on course	
ECTIVE OF SUBPROGRAM B: of an efficient system to identify activities for training at the	1. Perceived greater use of training after diagnostic studies conducted 2. Greater impact (in terms of efficiency, process quality, or productivity) on the operations of those enterprises that use the diagnostic study	1. Surveys of entrepreneurs before and after use of diagnostic studies	

SUMMARY OF OBJECTIVES	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<p>d development of the</p> <p>t</p> <p>f consultants</p> <p>tation of the instrument</p>	<ol style="list-style-type: none"> 1. Instrument validated in the MSME market (pilot test in 18 enterprises) 2. Number of consultants trained to implement the instrument (at least 25 consultants trained for implementation) 3. Number of enterprises using the instrument (300 medium-sized and 200 small enterprises) 4. Progress (%) in execution of the training plan 5. Use of training vouchers to carry out the training plan (at least 25% of enterprises using vouchers) 	<ol style="list-style-type: none"> 1. HCDSS subprogram director 2. IES statistics 3. Surveys of beneficiary enterprises (year 3) 	

Table 2: MONITORING OF PROGRAM PERFORMANCE INDICATORS

COMPONENT	ACTIVITY	TOTAL UNITS	YEAR 1	YEAR 2	
SUBPROGRAM A: PROMOTION OF TRAINING					
assistance for the am	Procurement and delivery of equipment, furnishing, and materials for the subprogram director	2 PCs with printer, furniture	100%		
	Hiring of consulting firm for implementation and follow-up services	1 firm	50% (8 cons./mos.)		
n exchange system	Hiring of consultant for computer services	1 consultant	33%	33%	
	Software design	1 software	100%		
	Establishment of four user service desks	4 information desks	100%		
	Hiring/training of information officers for four information desks	4 officials with 1 training event <u>1</u> /	100%		
	IES installed and in operation	1 system	100%		
	Promotion and dissemination of the program	20,000 flyers 24 announcements 12 meetings for dissemination with ADEC business groups	50%	50%	
oucher system	Hiring of consultant for graphic design of vouchers	1 consultant	100%		
	Graphic design of vouchers approved and vouchers printed	20,000 vouchers	100%		
	Opening of TI registry	1 registry	100%		
	Placement of vouchers	20,000 vouchers	50%	50%	
	Use of vouchers	20,000 vouchers	50%	50%	
	Evaluation				

will be given by the consulting firm.

SUBPROGRAM B: HUMAN CAPITAL DIAGNOSTIC STUDY SYSTEM (HCDSS)					
assistance for the am	Procurement and delivery of equipment, furnishing, and materials for the subprogram director	2 PCs with printers	100%		
	Hiring of a consultant for services to design and implement diagnostic studies on human resources	1 consultant	100%		
the instrument	Selection and hiring of consultants in business management	6 consultants	100		
	Methodological design and evaluation	4 professionals	100%		
	Validation through pilot test in agriculture and food production, the hotel business, and metalwork and mechanics (18 enterprises)	18 enterprises			
	Adjustments		100%		
	Computerization		100%		
	Evaluation				
tation of the HCDSS	Selection, hiring, and training of the consultants to implement the HCDSS	25 consultants	100%		
	Dissemination of the program (FE meetings)	12 events	100%		
	Selection and training of promoters	10 promoters	100%		
PROGRAM COORDINATION UNIT					
	Procurement of equipment and furnishings for program coordination unit	4 PCs/printers, photocopy machine	100%		
	Selection and hiring of executive coordinator/secretary	1 coordinator and 1 secretary	100%		
	Selection of subprogram directors	2 directors	100%		
	Selection and hiring of evaluator	1 evaluator	100%		
	Surveys	100 surveys	50%		
	Selection and hiring of computer consultants	1 consultant	100%		

PROPOSED RESOLUTION

ARGENTINA. NON-REIMBURSABLE TECHNICAL COOPERATION FOR A PROGRAM
FOR ON-THE- JOB TRAINING

The Donors Committee of the Multilateral Investment Fund

RESOLVES:

1. That the President of the Inter-American Development Bank, or such representative as he shall designate, is authorized, on behalf of the Multilateral Investment Fund, to enter into such agreements as may be necessary with the Agencia de Desarrollo Económico de la Ciudad de Córdoba (ADEC) y la Fundación de Empresas de Córdoba (FE), and to adopt such other measures as may be pertinent for the execution of the plan of operations referred to in Document MIF/AT-___ with respect to a technical cooperation, the purpose of which is to provide on-the-job training.
2. That up to the amount of US\$2,507,500 is authorized for the purpose of this resolution, being US\$1,480,300 allocated to ADEC and US\$1,027,200 to FE, chargeable to the Human Resources Facility of the Multilateral Investment Fund.
3. That the above mentioned sums are to be provided on a non-reimbursable basis.