

BRAZIL

Labor Market Division (SCL/LMK)

SUMMARY TERMS OF REFERENCE FOR TECHNICAL COOPERATION

Selection process BR-T1482- P001

Component I- Executor: IDB

TERMS OF REFERENCE

Consulting firm: data manipulation and generation of a panel of local labor market statistics

[BRAZIL]

BR-T1460

ATN/OC-xxxx-BR

<https://www.iadb.org/Document.cfm?id=EZSHARE-xxxxxxxxxx>

1. Objective and Justification

- 1.1. The Brazilian labor market has structural problems that need actions and solutions. In the last few decades, the average level of education in Brazil has increased considerably. For example, in 1981, a Brazilian adult had an average of 3.8 years of education. In 2014, this number was much higher: Brazilians had an average of 7.8 years of education. However, these tendencies did not translate in greater productivity for workers, that in fact was stable between 1980's and 2010's. Among other factors, this demonstrates a mismatch between what is learned in the school environment and what the productive sector demands technical and socioemotional skills.
- 1.2. In addition to the structural weaknesses described above, the labor market suffered from the adverse effects of the economic crisis as of 2016. After having relative low unemployment rates until 2014 (on average 7.1% between 2012 and 2014), the country had an economic crisis that brought the unemployment rate to the level of 13.7% in the first quarter of 2017. Vulnerable groups faced even greater challenges: the unemployment rate among young people in the same period was 28.8%; 24.2% of people with incomplete high school and 15.8% of women were unemployed.
- 1.3. The COVID-19's crisis has impacted a labor market with several vulnerabilities. A slow economic recovery brought the unemployment rate to 12.2% in the first quarter of 2020, however, the COVID crisis interrupted this tendency, and the unemployment rate ended in 2020 at 13.9%. The unemployment rate accounts for only a small part of the scenario since due to the isolation measures caused by the health crisis, a very substantial contingent of people left the labor force. The participation rate, which averaged 62% in 2019, reached the historical minimum level of 55.1% in the third quarter of 2020. This means that 9.8 million Brazilians left the labor market; that is, they were neither employed nor were looking for jobs. Even more strikingly, it is possible to observe that the effects were much more intense for certain groups. The participation rate of women reached a

minimum of 45.8%, a level much lower than that of men (65.7%) in the third quarter of 2020. For the younger populations, who were in schools and universities and needed to transition to the world of work, the scenario was also substantially negative. A survey shows that only 15% of young people leaving university could find jobs in their areas of knowledge and training, whereas before 2020, this proportion was 27%.

- 1.4. The covid19 crisis is an unprecedented phenomenon for assessing all its long-term impacts. However, we know that interruptions in women's careers may negatively impact their labor market performance in the future. Likewise, the evidence points out that the transition period from the world of school to the world of work is decisive for the long-term performance of individuals in their careers. Graduating in a recession may impart scarring effects on earnings for up to ten years. These are just a small sample of the many effects that we can anticipate for the job market in the years to come. More than ever, an effort is needed to work out the challenges in solutions.
- 1.5. The challenging scenario for workers in Brazil requires the creation of innovative and effective solutions. The crisis of COVID19 created a series of changes in society, some transitory and others permanent: in the provision of public and private services, which had rapid technological advances; and in the preferences of individuals, who began to have new demands. All of this is a fertile path for creating innovative solutions with policymakers. And innovative solutions need to be implemented with robust evaluation, which generates knowledge about which actions are effective and deserve to be scaled in the future. To this end, this TC will support: (1) the mapping of innovative initiatives with local policymakers in Brazil; (2) the selection of the best initiatives and their consolidation in structured projects; (3) the implementation of the selected projects, accompanied by a robust assessment, via RCT.
- 1.6. This contract refers to or comprises 1 of this TC, which seeks to create local diagnoses of the labor market and to support or map challenges and innovative initiatives. Brazil is a country of continental dimensions, and there are typically relevant heterogeneities between its locations concerning the labor market. To propose appropriate solutions, it is necessary to create local diagnostics and map interesting intervention opportunities. This is made possible through the intelligent use of the country's rich administrative records. The output of this component will be a panel with data at the municipality and the states' level, available to all the public. This data panel will help map challenges and opportunities for solutions at the local level, essential for Component 2. It will also be a public good to support policy managers in understanding the local scenario and decision making and the IDB in future projects.

2. Objectives

- 2.1. This consultancy aims to compile administrative records and databases related to the Brazilian labor market, exploring its local characteristics (states, cities, and large regions). The generated data panel should be structured in a friendly presentation, using smart and adjustable graphs, maps, and tables.

3. Services scope

- 3.1. This consultancy will generate: (1) a statistical compendium; (2) static routines for updating the compendium; (3) a layout to display the statistics in figures (graphs, tables,

maps).

4. Main activities

4.1. This consultancy requires an expert team with technical and consulting capabilities oriented to data management, analysis of social indicators, and computer science. This equipment shall be responsible for:

- Develop a proposal for indicators and smart exhibition layout.
- A statistical compendium and an update routine.
- A final display product: a panel for customized use of the available data.
- Collaborate with the other actors in the planning of the processes and activities described.

5. Expected Results and Products

5.1. The expected products are:

- Product 1: Work plan and project times
- Product 2: Proposal indicators and smart exhibition layout.
- Product 3: The first version of the data panel - for comments and suggestions from the team.
- Product 4: The final version of the data panel - with the requested adjustments.

6. Project Calendar and Milestones

Product	Deliveries
Product 1. Work plan	Week 1
Product 2. Proposal of indicators and layout	Week 3
Product 3. Data panel: first version	Week 5
Product 4. Data panel: final version	Week 6

7. Report Requirements

7.1. Products should be prepared in Portuguese/English.

8. Acceptance criteria

8.1. Approval of products will be subject to review and conformity by the IDB.

9. Other Requirements

9.1. Does not apply.

10. Monitoring and Reporting

10.1. Supervision will be carried out by Livia Gouvea Gomes, specialist in the Labor Markets Division (LMK/CBR), liaviag@iadb.org. Two meetings will be held per month to monitor the progress of the consultancy, and additional meetings may be organized, if there are aspects that require immediate attention.

11. Payment Schedule

- 11.1.** Payment terms will be based on project milestones or deliverables. The Bank does not expect to make advance payments under consulting contracts unless a significant amount of travel is required. The Bank wishes to receive the most competitive cost proposal for the services described herein.
- 11.2.** The IDB Official Exchange Rate indicated in the SDP will apply to the necessary conversions of payments in local currency.

Payment Plan	
<i>Deliverables</i>	%
Product 1. Work plan	10%
Product 2. Proposal of indicators and layout	20%
Product 3. Data panel: first version	35%
Product 4. Data panel: final version	35%
total	100%

BRAZIL

Labour Markets Division (SCL/LMK)

Component I- Executor: IDB

Consultant for analysis and interpretation of the municipal data panel

Search context:

- 1.. The Brazilian labor market has structural problems that need actions and solutions. In the last few decades, the average level of education in Brazil has increased considerably. For example, in 1981, a Brazilian adult had an average of 3.8 years of education. In 2014, this number was much higher: Brazilians had an average of 7.8 years of education. However, these tendencies did not translate in greater productivity for workers, that in fact was stable between 1980's and 2010's. Among other factors, this demonstrates a mismatch between what is learned in the school environment and what the productive sector demands technical and socioemotional skills.
- 2.. In addition to the structural weaknesses described above, the labor market suffered from the adverse effects of the economic crisis as of 2016. After having relative low unemployment rates until 2014 (on average 7.1% between 2012 and 2014), the country had an economic crisis that brought the unemployment rate to the level of 13.7% in the first quarter of 2017. Vulnerable groups faced even greater challenges: the unemployment rate among young people in the same period was 28.8%; 24.2% of people with incomplete high school and 15.8% of women were unemployed.
- 3.. The COVID-19's crisis has impacted a labor market with several vulnerabilities. A slow economic recovery brought the unemployment rate to 12.2% in the first quarter of 2020, however, the COVID crisis interrupted this tendency, and the unemployment rate ended in 2020 at 13.9%. The unemployment rate accounts for only a small part of the scenario since due to the isolation measures caused by the health crisis, a very substantial contingent of people left the labor force. The participation rate, which averaged 62% in 2019, reached the historical minimum level of 55.1% in the third quarter of 2020. This means that 9.8 million Brazilians left the labor market; that is, they were neither employed nor were looking for jobs. Even more strikingly, it is possible to observe that the effects were much more intense for certain groups. The participation rate of women reached a minimum of 45.8%, a level much lower than that of men (65.7%) in the third quarter of 2020. For the younger populations, who were in schools and universities and needed to transition to the world of work, the scenario was also substantially negative. A survey shows that only 15% of young people leaving university could find jobs in their areas of knowledge and training, whereas before 2020, this proportion was 27%.
- 4.. The covid19 crisis is an unprecedented phenomenon for assessing all its long-term impacts. However, we know that interruptions in women's careers may negatively impact their labor market performance in the future. Likewise, the evidence points out that the transition period from the world of school to the world of work is decisive for the long-term performance of individuals in their careers. Graduating in a recession may impart scarring effects on earnings for up to ten years . These are just a small sample of the many effects that we can anticipate for the job market in the years to eat. More than ever, an effort is needed to work out the challenges in solutions.
- 5.. The challenging scenario for workers in Brazil requires the creation of innovative and effective solutions. The crisis of COVID19 created a series of changes in society, some transitory and

others permanent: in the provision of public and private services, which had rapid technological advances; and in the preferences of individuals, who began to have new demands. All of this is a fertile path for creating innovative solutions with policymakers. And innovative solutions need to be implemented with robust evaluation, which generates knowledge about which actions are effective and deserve to be scaled in the future. To this end, this TC will support: (1) the mapping of innovative initiatives with local policymakers in Brazil; (2) the selection of the best initiatives and their consolidation in structured projects; (3) the implementation of the selected projects, accompanied by a robust assessment, via RCT.

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The team's mission: From LMK we promote quality jobs with which to improve lives in Latin America and the Caribbean. Through our cutting-edge research and development projects, we work with countries in the region to achieve a better prepared and more productive workforce, and pension systems that ensure a dignified life in old age.

What you will do: The consultant will: (1) support developing a local labor market data panel; (2) be responsible for preparing a report with the analysis and interpretation of the panel's data and recommendations regarding public policies.

The candidate shall have selected the following activities:

- Develop the work plan for the project and coordinate its approval with IDB managers.
- Collaborate with the other partners in planning the processes and activities described.
- Support the development of a local labor market data panel. A consultant company will be responsible for delivering the panel, and the consultant will need to support with suggestions, comments, and feedback throughout the development process.
- The consultant should participate in meetings between the IDB and the partners.
- When the final version of the data panel exists, the user must use the tool to build a report that comprises: (1) a diagnosis of the labor markets in the localities; (2) major local challenges for improving the labor market, and especially considering vulnerable groups; (3) public policy recommendations related to these challenges.

Deliverables and Payment Schedule:

The consultant must deliver the following products:

- **Product 1:** The first version of the report - for comments and suggestions from the team.
- **Product 2:** The final version of the report - with the requested adjustments.

Payment schedule

The consultant will receive:

1. 10% on signature
2. 30% to the delivery and approval of Product 1
3. 60% to the delivery and approval by the Product 2

What you'll need:

Citizenship: Be a citizen of one of our 48 Bank member countries.

Consanguinity: not having family members (until the fourth degree of insanguinity and second degree of affinity, including the spouse) working in the IDB Group.

Education: Master's Degree in Economics, Sociology or Related Career. PhD is a plus.

Experience: At least 5 years of experience in data analysis and evaluation. Experience in Brazilian labor markets projects.

Languages: English and Portuguese. Spanish is a plus.

General and technical competences: Must possess excellent interpersonal relationships, persevering, orderly and systematic. Able to work under pressure, under uncertainty and changing environments. Focused on achieving results. Independent, teamed work capability with multidisciplinary teams.

Summary of opportunity:

- **Type of contract and modality:** Contractual of External Products and Services
- **Duration of contract:** The contract will be contracted for 6 months from the signing of the contract.
- **Start date:** June 2021.
- **Location:** External Consulting
- **Responsible person:** Livia Gouvea Gomes, LMK Specialist (liviag@iadb.org, +55 61 3317-4140);
- **Requirements:** You must be a citizen of one of the [48 IDB member](#) countries and have no family members currently working in the IDB Group.

Our culture: our people are committed and passionate about improving lives in Latin America and the Caribbean, and they do what they like in a diverse, collaborative and stimulating work environment. We are the first development institution in Latin America and the Caribbean to receive EDGE certification, recognizing our strong commitment to gender equity. As an employee, you can be part of internal resource groups that connect our diverse community around your common interests.

We encourage women, Afro-descendants, indigenous people, and people with disabilities to apply.

About Us: At the Inter-American Development Bank, we are dedicated to improving lives. Since 1959, we have been an important source of long-term financing for economic, social and institutional development in Latin America and the Caribbean. However, we do more than lend. We partner with our 48 member countries to provide Latin America and the Caribbean with cutting-edge research on relevant development issues, policy advice to inform their decisions, and technical assistance to improve project planning and execution. To do this, we need people who not only have the right skills but are also passionate about improving lives.

Note: other procurements will be made under Componente 2 and 3, where the IDB will not be the executor.