

## TC ABSTRACT

### I. Basic Project Data

▪ Country/Region:	Regional/IDB
▪ TC Name:	Technology Solutions for the Internationalization of SMEs During and After the Coronavirus Pandemic
▪ TC Number:	RG-T3727
▪ Team Leader/Members:	Estrazulas De Souza, Francisco Hugo (INT/TIN) Team Leader; Jimenez Orjuela, July Emperatriz (INT/INT) Alternate Team Leader; Esteves, Yasmin (INT/INT); Boibo Mouta, Alejandra (LEG/CLA); Rospide, Maria De La Paz (INT/TIN); Zegarra, Levi (INT/TIN); Arias Urones, Ana (INT/TIN); Corcuera-Santamaria, Sandra (INT/TIN); Gomez Gonzalez, Maria Margarita (INT/TIN); GRECO, Maria Sofia (LEG/SGO)
▪ Taxonomy:	Research and Dissemination
▪ Number and name of operation supported by the TC:	N/A
▪ Date of TC Abstract:	17 Jun 2020
▪ Beneficiary:	Micro, Small and Medium Enterprises in Latin America and the Caribbean
▪ Executing Agency:	Inter-American Development Bank
▪ IDB funding requested:	US\$300,000.00
▪ Local counterpart funding:	US\$0.00
▪ Disbursement period:	24 months
▪ Types of consultants:	Individuals; Firms
▪ Prepared by Unit:	INT/TIN - Trade & Investment
▪ Unit of Disbursement Responsibility:	INT - Integration and Trade Sector
▪ TC included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Economic integration

### II. Objective and Justification

- 2.1 To contribute to the resilience and recovery of LAC MSMEs during the COVID-19 pandemic by expanding access to technology solutions that promote business connections and learning. CA would offer these solutions directly by organizing online business matchmaking events, and publishing and disseminating relevant content through connectamericas.com, and indirectly by providing, free of charge, a portfolio of four technology solutions to LAC trade promotion organizations (TPO). The key activities are to: (i) develop whitelabels, and Application Programming Interfaces (APIs) for TPOs; (ii) carry out ten online business matchmaking events; and (iii) produce and disseminate COVID-19 related contents for businesses.
- 2.2 Online business matchmaking tools and e-learning have become essential for LAC businesses. Quarantine measures to prevent the spread of the virus have drastically limited the ways in which firms can meet potential new clients, suppliers, partners, and other opportunities. Fairs, business forums, trade missions, and similar activities have been cancelled or postponed. Online business matchmaking tools have become the only business development mechanism available. Also, online training, the way in which firms can strengthen the skills of its personnel.
- 2.3 ConnectAmericas (CA) is an IDB-led initiative designed to help LAC SMEs internationalize. It consists of: (i) an online platform connectamericas.com where users

can apply to purchasing announcements from corporations and governments, contact any of the 400,000 registered business people, access e-learning tools, and apply to receive financing from local banks; and (ii) a series of face-to-face, sector or geography-specific business matchmaking events that connect LAC SME exporters with buyers from all over the world—LACFlavors, Outsource2LAC, ChinaLAC, JapanLAC, KoreaLAC, and DubaiLAC.

- 2.4 CA prioritizes, designs, and assesses all its features and contents through participatory methodologies and tools that collect the perspectives and needs of CA users. During the first days of the pandemic, the CA team carried out 80 interviews with firms, TPO, and chambers of commerce to better understanding the challenges that the pandemic was imposing. Based on this, the CA team put together a COVID-19 Response Strategy consisting of 3 key fronts of actions: Online Business Matchmaking, Technology for Export Promotions, and Contents for Businesses. During the first weeks of the pandemic, CA has focused on piloting these tools before rolling them out throughout the region. It carried out LACFlavors Virtual, a business matchmaking that connected buyers and sellers in food and beverages sector. The event generated US\$1.76 million in reported deals and feedback was positive.
- 2.5 On the technology, the CA team has worked in developing a portfolio of 4 technology solutions to offer to TPOs to help strengthen the web-based services they offer to LAC exporters: a whitelabel of CA (a customized, TPO-branded online platform for SME internationalization), a whitelabel of the CA mobile app (an Android and iOS solution containing purchasing announcements, the database of CA registered firms, and an internal messaging system), an online business matchmaking event , and Application Programming Interfaces (APIs, so that TPOs can display CA contents on their existing web platforms ). CA has successfully implemented whitelabels in the past. Also, over the past weeks it developed the capability of offering the CA mobile app as a whitelabel, and has conceptualized and put together a plan to develop a dedicated landing page where TPOs can find information and connect with the CA APIs.
- 2.6 Since the beginning of the pandemic, CA has focused on producing the following types of content: original articles, translations of relevant articles from countries first affected by the pandemic, video interviews with business people, webinars, and a 6-episode podcast series. All these contents directed to a business audience, seek to provide concise, practical information that can contribute to the resilience and recovery of businesses. These contents have generated significant engagement on connectamericas.com, and the CA social media accounts.

### **III. Description of Activities and Outputs**

- 3.1 **Component I. Develop whitelabels, and APIs for TPOs.** (i) onboarding and customization/requirements mapping with TPs; (ii) development of technology solutions; (iii) train TPO personnel on the management, dissemination, monitoring and evaluation of the whitelabel; (iv) produce standardized and on-demand reports of activity on the whitelabels; (v) provide technical assistance to TPOs that seek to develop additional features and functionalities for the whitelabels; (vi) develop API landing page; and(vii) provide financial support (up to US\$3000) for TPO
- 3.2 **Component II. Carry out ten business matchmaking events.** CA will use the funds of this TC to engage MyBusinessMatches through a single sourcing contract to license 10 business matchmaking events
- 3.3 **Component III. Produce Contents and Marketing.** CA will use funds to engage internal and external consultants to produce multi-media contents for a business audience focusing on matters related to COVID-19, international trade, and business strategy and management

#### IV. Budget

Indicative Budget (in \$US)

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Develop whitelabels, and APIs for TPOs	200,000.00	0.00	200,000.00
Carry out ten business matchmaking events	50,000.00	0.00	50,000.00
Produce Contents and Marketing	50,000.00	0.00	50,000.00
<b>Total</b>	<b>300,000.00</b>	<b>0.00</b>	<b>300,000.00</b>

#### V. Executing Agency and Execution Structure

##### 5.1 Inter-American Development Bank

5.2 This operation will be executed by the Trade and Investment Division of the Trade and Integration Sector. There main reason that justifies the execution of the project by the IDB's Integration and Trade Sector (INT): (i) INT has designed, developed, disseminated, and managed ConnectAmericas.com platform; (ii) INT has successfully designed and deployed CA whitelabels, and its whitelabels; and (iii) INT has over 10 years of experience implementing face-to-face and virtual matchmaking events. Also, the xecution by the Bank is justified to the extent that it is a Research and Dissemination TC and therefore this exception is contemplated in Annex 10 of Document GN-2629-1.

#### VI. Project Risks and Issues

6.1 The success of the project will depend on a significant level of engagement and participation of Trade Promotion Organizations (TPOs). The operation will mitigate the risk by engaging these users and stakeholders in the activities from the start of the TC and through an intensive promotion strategy during the preparation of the Components. Since the beginning of the pandemic, TPOs have requested on multiple occasions support from INT in the provision of technology solutions that would help MSMEs be more resilient during the COVID-19 pandemic.

#### VII. Environmental and Social Classification

7.1 The ESG classification for this operation is "C".