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MULTILATERAL INVESTMENT FUND

ARGENTINA

**WORKERTECH: NEW JOB OPPORTUNITIES THROUGH AN
INTEGRATED DIGITAL ECOSYSTEM FOR WORKER SUPPORT**

(AR-T1240)

DONORS MEMORANDUM

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PROJECT SUMMARY

WORKERTECH: NEW JOB OPPORTUNITIES THROUGH AN INTEGRATED DIGITAL ECOSYSTEM FOR WORKER SUPPORT

The technological changes at the core of the fourth industrial revolution are innovations making it possible to automate tasks. But if history is any guide, the price of technological progress has never been technological unemployment: the new economic activities created by new technologies have always far outweighed the occupations lost. In the fourth industrial revolution, the potential adverse impact of automation could be offset at least partially by the emergence of tech-based job matching platforms.¹ The low barriers to entry and greater flexibility offered by these platforms could help people enter the job market more easily or supplement their incomes. Specifically, virtual services platforms could help develop successful job progression, support the country's economic development by exporting knowledge-based services, and make local small and medium-sized enterprises more competitive through greater access to services.

Yet despite the fact that platforms for virtual knowledge-based services (KBS)² offer appealing prospects for workers to earn income, this opportunity is not being leveraged to its full potential. In Argentina, less than 5% of workers registered on these platforms are actually providing services and generating income through them. This gap exists because platforms do not currently offer particularly solid job progression due to the following factors: (i) support services for self-employed workers are limited; (ii) the market for virtual KBSs platforms is still at an early stage of development; (iii) there is significant room for improvement of the intermediation services offered by platforms; and (iv) the jobs offered are not covered by social protection systems. This project fits into the IDB Group's efforts amid COVID-19 to create new job opportunities and support services for workers, particularly those from vulnerable groups, in a context where the use of digital technologies is essential.

The project objective is to contribute innovative solutions to the job progression constraints faced by current and potential workers providing virtual KBSs over platforms by testing innovations on those platforms and in WorkerTech³ services and providing public policy input. The proposed project will leverage the potential of the local and regional digital startup ecosystem to pilot enhancements in platform-based job matching and supplementary WorkerTech services that could benefit the job progression of workers providing virtual KBSs over platforms. In addition to harnessing the strength of the private sector, this project will achieve its objective by generating input for public policy actions.

¹ The platform economy encompasses a wide variety of economic and social activities facilitated by online platforms serving as matchmakers between agents.

² Knowledge-based services (KBSs) are characterized by intensively employing medium- and high-skilled personnel and generating knowledge for the economy in an integrated manner. These activities are associated with technology, knowledge, creativity and design, and other areas.

³ The WorkerTech concept encompasses the service offerings now emerging that harness the potential of new technologies to provide independent workers with personalized solutions that offer greater benefits and access to protections.

The proposed project is the first in IDB Lab's "skills and the future of work" portfolio, seeking to improve the job progression of workers providing virtual KBSs over platforms, and the first of its kind in Argentina. Beyond the "what," the project innovates in the "how." An initiative to improve the job progression of workers by fostering dialogue and coordinating the efforts of all stakeholders in the ecosystem, as well as incorporating them into its design, is a highly innovative alternative to the court battles that have resulted from the arrival of different platforms in the country. Lastly, an additional innovation factor of the project is the possibility of expanding access for vulnerable groups to income-earning opportunities through virtual KBS platforms.

The project's main outcomes will be: (i) 40% increase in virtual KBSs brokered through platforms; (ii) 29 WorkerTech services piloted; (iii) 62,500 workers providing virtual KBSs over platforms; (iv) 100% increase in the number of workers belonging to vulnerable groups providing virtual KBSs over platforms; (v) 25,000 women providing virtual KBSs over platforms; and (vi) 12,500 workers whose skills and competencies improve through accredited experiences and/or access to training and certification. The project is closely aligned with the IDB Group Institutional Strategy, IDB Country Strategy with Argentina (2016-2019) (document GN-2870-1), IDB Lab Strategic Development Objectives, IDB Invest priority business areas, and Sustainable Development Goals 4, 5, 8, 9, and 10.

ANNEXES

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Proposed resolution

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

Annex IV	Itemized Budget
Annex V	Integrity and Institutional Capacity Assessment (including due diligence and integrity review)
Annex VI	Project Status Report and Report on Fulfillment of Milestones and Fiduciary Agreements
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ABBREVIATIONS

CESSI	Cámara de Empresas de Software y Servicios Informáticos [Chamber of Software and Information Technology Services Firms]
CICOMRA	Cámara de Informática y Comunicaciones de la República Argentina [Chamber of Information Technology and Communications of the Argentine Republic]
ICT	Information and communication technology
IDB	Inter-American Development Bank
IDB Lab	Multilateral Investment Fund
KBS	Knowledge-based service

ARGENTINA
WORKERTECH: NEW JOB OPPORTUNITIES THROUGH AN
INTEGRATED DIGITAL ECOSYSTEM FOR WORKER SUPPORT
(AR-T1240)

EXECUTIVE SUMMARY

Country and geographic location:	Argentina		
Executing agency:	Fundación Dr. Manuel Sadosky de Investigación y Desarrollo en las Tecnologías de la Información y Comunicación [Dr. Manuel Sadosky Foundation for Research and Development in Information and Communication Technologies] ("Fundación Sadosky")		
Focus area:	Knowledge Economy		
Coordination with other donors/Bank operations:	The project complements and is and linked with Social Sector operation RG-X1247 and SCL/LMK operation RG-T3152, and with IDB Lab operations PN-T1236 and RG-T3510, as described in Section III.A.		
Project beneficiaries:	The direct beneficiaries of the project will be 50,000 workers providing virtual knowledge-based services over platforms, who will be able to access innovative solutions to improve their job progression.		
Financing:	IDB Lab technical cooperation:	US\$850,000	50%
	Counterpart:	US\$850,000	50%
	Project total budget:	US\$1,700,000	100%
Execution and disbursement period:	36 months for execution and 42 months for disbursements.		
Special contractual conditions:	Conditions precedent to the first disbursement: (i) a cooperation agreement has been signed with at least one anchor firm (see section 2.4).		
Social and environmental impact review:	This operation was screened and classified in accordance with the requirements of the IDB Environment and Safeguards Compliance Policy (Operational Policy OP-703) on 6 May 2020. Since the impacts and risks are limited, the proposed category for the project is "C."		
Unit responsible for disbursements:	IDB Lab Discovery Unit at the Bank's Country Office in Argentina (DIS/CAR).		

I. THE PROBLEM

A. Description of the problem

- 1.1 **Employment in the fourth industrial revolution.** The future of work in Latin America and the Caribbean will be influenced by two major trends: technological change and the aging of the population.⁴ Although technology has evolved constantly throughout human history, this is happening faster in the fourth industrial revolution. At the core of this change are innovations making it possible to automate tasks, e.g., artificial intelligence, robotization, machine learning, 3D printing, and the Internet of Things. Initial projections on the impact automation would have on the job market showed a significant potential for automation. For example, in 2016, the World Bank estimated that around 60% to 70% of jobs in developing countries, and 67% in Latin America and the Caribbean, could be automated.⁵ ⁶ More recent forecasts are less pessimistic: just 5% to 10% of jobs could be completely automated, and 60% of occupations could have at least 30% automatable activities.⁷ Estimates for Latin America and the Caribbean suggest that workers dedicate approximately half of their time to automatable tasks.⁸ In Argentina, specifically, an estimated two thirds of current occupations may run the risk of being replaced by technologies that already exist.⁹ Automation may be affecting middle-income jobs in particular because, with the advent of information and communication technologies (ICTs), job creation has been concentrated both in lower-skilled occupations that are difficult to automate and high-skilled occupations.¹⁰
- 1.2 But if history is any guide, the price of technological progress has never been technological unemployment. New technologies have always eliminated some jobs by replacing tasks once performed by people. This change, however, has also helped create new jobs due to the emergence of new occupations necessary to support technological progress and the rise in incomes driven by economic

⁴ Today, Latin America and the Caribbean are seeing the end of the demographic dividend. Starting from now, the population will age very rapidly with the percentage of people 65 or older doubling over a much shorter time than when this same increase occurred in European countries. Bosch, M., C. Pagés, and L. Ripani (2018), *The Future of Work in Latin America and the Caribbean: A Great Opportunity for the Region?* IDB.

⁵ World Bank. 2016. *Digital Dividends*. World Development Report 2016. Washington, D.C.: World Bank.

⁶ Initial projections for Latin America and the Caribbean on the impact of automation on jobs in the coming years may have overestimated the potential for job destruction by considering the disappearance of entire occupations instead of the transformation of tasks.

⁷ McKinsey Global Institute, 2017. *Jobs Lost, Jobs Gained: Workforce Transitions in a Time of Automation*. McKinsey Global Institute, December. Armtz, M., T. Gregory, and U. Zierahn. 2016. *The Risk of Automation for Jobs in OECD Countries: A Comparative Analysis*. OECD Social, Employment, and Migration Working Papers No. 189, Organisation for Economic Co-operation and Development (OECD), Paris.

⁸ Approximately 53% of the time devoted to work in Colombia and Peru, and close to 50% in Argentina, Brazil, Chile, and Mexico could be automated.

⁹ Aboal, D. and G. Zunino. 2017. *Innovation and Skills in Latin America*. *Integration and Trade Journal* 21 (42, August): Robot-lution: The Future of Work in Latin America *Integration* 4.0: 42-57.

¹⁰ Autor, D. H. and D. Dorn. 2013. *The Growth of Low-skill Service Jobs and the Polarization of the U.S. Labor Market*. *American Economic Review* 103 (5): 1553-97.

progress. All told, the economic activities created by new technologies have always far outweighed the occupations lost.¹¹

- 1.3 **The platform economy.** In this wave of technological change at the center of the fourth industrial revolution, part of the answer to the job loss caused by automation could be found in the emergence of tech-based job matching platforms. The platform economy encompasses a wide range of economic and social activities that use digital platforms to match users.¹² These platforms allow transactions to take place with greater efficiency than traditional intermediation models because they use technology to reduce transaction costs, information asymmetries, and other market frictions and failures. From the vantage point of workers, the low barriers to entry and greater flexibility offered by platforms can help them enter the job market more easily or supplement their incomes.
- 1.4 The potential benefits of these intermediation models are demonstrated by the evolution of this phenomenon, which has existed for a little over a decade. McKinsey Global Institute projects that by 2025 the use of online digital platforms could cause global GDP to rise by US\$2.7 trillion in three ways: productivity gains, greater employment, and increased job market participation (people who are currently inactive could take on work, and those who currently work part-time could take on more hours).¹³ Also, by 2025, as many as 540 million people are expected to benefit from online platforms. In Argentina's case, IDB Lab projections suggest that in 2018 people providing services over digital platforms already accounted for 1% of the country's working population.¹⁴
- 1.5 **Virtual knowledge-based services (KBS).** According to an IDB Lab study (Madariaga et al., 2019), workers providing services over platforms in Argentina mostly fall into one of two categories: (i) low-skill physical work such as courier, passenger transport, and cleaning services; and (ii) medium- and high-skill virtual services such as programming and design. Whereas low-skill physical work is a refuge from unemployment that provides income-earning opportunities for the vulnerable population, especially the country's immigrant population,¹⁵ virtual services offer an appealing opportunity to keep talent in the country despite an economic recession that is pushing skilled workers to emigrate. The expansion of

¹¹ Acemoglu, D. and P. Restrepo. 2017. Secular Stagnation? The Effect of Aging on Economic Growth in the Age of Automation. *American Economic Review* 107 (5): 174-79

¹² The concept includes sharing economy models that match supply with demand on a peer-to-peer basis. They are generally not for profit, instead allowing people to share or exchange goods or invest resources between them to cover the costs of idle assets or specific activities (e.g., carpooling, couchsurfing, etc.), as well as on-demand economy models that match supply with demand, typically through business-to-consumer (B2C) transactions, for a profit. The on-demand economy encompasses highly diverse activities ranging from home, ride, and courier services to professional services like programming and design.

¹³ McKinsey Global Institute. 2015. A Labor Market That Works: Connecting Talent with Opportunity in the Digital Age. McKinsey Global Institute, June.

¹⁴ Madariaga, J., C. Buenadicha, E. Molina, and C. Ernst, (2019). Platform Economy and Employment: What Is It Like to Work for an App in Argentina? CIPPEC-IDB-ILO. Buenos Aires, 2019.

¹⁵ According to the 2018 Survey of Platform Workers conducted as input for the publication cited in the previous footnote, the immigrant population accounts for 83.6% of workers providing courier services through the Rappi app, and 65.7% of those doing so through the Glovo app, with a notable predominance of Venezuelans.

this sector can support the country's economic development by exporting KBSs and make local small and medium-sized enterprises more competitive through greater access to services. From the worker's vantage point, virtual services platforms offer many opportunities to break into the job market or supplement current incomes. The access to digital global job markets provided by these platforms also offers enticing prospects to those who reside in small towns with low employment demand, or temporarily depressed areas, by allowing them to earn an income without migrating. The flexibility that platforms allow may also be a solution for caregivers or those who have domestic responsibilities in addition to their work. The ability to work remotely also helps people with reduced mobility, whether from motor impairment or advanced age, to obtain employment. Lastly, expanding employment in this sector can lead to successful job progression by offering professional development opportunities, i.e., growing skill sets, progressing to more lucrative tasks and occupations, and performing work that allows for the protection and full exercise of labor rights.

- 1.6 **COVID-19.** Since March 2020, the world has been facing a health crisis unparalleled in modern times. This crisis has led to the adoption of stay-at-home restrictions that sharply contract production and reduce aggregate demand. Projections of the pandemic's economic impacts in Latin America and the Caribbean are still under way, but it is clearly taking a serious toll on economic activity, jobs, and people's income from employment and will continue to do so, even after the critical phase of the public health problem is over. According to Azuara et al. (2020),¹⁶ between 5.4 million and 18 million workers in the formal sector could lose their jobs, and informal employment (employees without social security coverage) could rise significantly, reaching 62% of total jobs. In the case of Argentina, the Analytica consulting firm estimated that around 64% of the approximately 19 million Argentine workers—some 12.1 million people—are at risk of losing their jobs. Of these, 5.5 million are self-employed, either in the formal or informal sectors, and are at “very high risk.” The impacts this crisis has on the job market will be felt in terms of numbers of jobs (increasing unemployment and informal work), type of employment and business models (many will not be the same in numerous sectors), and/or wages (falling income from employment). Certain sectors like tourism and retail are laying off workers. Meanwhile, others need workers—as is the case of health and care, supply and distribution of goods and services, and logistics—and are expanding their current services while adding new types, which creates sources of income. The lockdowns announced by countries have also revealed a new reality when it comes to twenty-first century skills. In terms of digital skills, even those who believed they were at a functional level are having trouble expanding their use of technology. This situation especially affects vulnerable groups, whose levels are basic or nonexistent. At the same time, socioemotional skills like creativity, flexibility, resilience, teamwork, and leadership, as well as managing expectations and emotions, self-regulation, time management, empathy, and tolerance are once again proving to be relevant, not just for this time in isolation, but also for the periods of recession and economic recovery that lie ahead. Lastly, COVID-19 has resulted in an exponential increase

¹⁶ Azuara, O. et al., 2020: “Escenarios de Pérdida de Empleos Formales por COVID-19 en América Latina y el Caribe,” IDB.

in the number of people interacting in virtual environments, both in their personal lives and for work and study. However, as new technologies have gained traction, the human roles that support this transformation have become even more important, even if they do not involve in-person interactions. This is the case, for example, for those who assist customers who are beginning to use digital tools to interact and work.

- 1.7 Given the impact the Coronavirus is having, and will continue to have, on the economy, actions must be taken to save jobs and sources of income. In this new context, the potential of the platform economy as a possible source of work and incomes becomes even greater. Many workers and entrepreneurs will have to adapt, update, and “reequip” themselves to perform in this new job market. The platform economy also has significant potential to equip people with crosscutting skills (digital, socioemotional, and cognitive) and support them with coaching and mentoring to navigate study and work options. These include opportunities to acquire, update, certify, and sharpen skills, and get professional training to access the working world and move laterally and upward within it.
- 1.8 **Constraints faced by workers providing virtual KBSs over platforms.** Despite virtual KBS platforms offering appealing prospects for workers to earn income and a highly valuable opportunity given current trends in Argentina’s job market, they are not being exploited to their full potential. Less than 5% of workers registered on these platforms nationally are actually providing services and generating income through them (Madariaga et al., 2019). This gap exists because platforms do not currently offer particularly solid job progression due to the following factors:
 1. **Limited support services.** Thus far, no supplementary services to support these workers and improve their job progression and working conditions have emerged in the country. Support options are few when it comes to training (e.g., acquire, update, certify, and sharpen skills and obtain continuing education); the search for opportunities and markets; associations or networking organizations; administrative, accounting, and tax services for work management, and financial services tailored to their needs, such as insurance. In the United States and Europe, WorkerTech initiatives and startups that offer greater protection and benefits to self-employed workers are beginning to emerge, as are platforms that leverage the potential of new technologies. But in Latin America and the Caribbean, an ecosystem has yet to form around these services.
 2. **Early stage of development of the virtual KBS market.** The quantity and type of services currently matched through platforms is limited, which reduces opportunities for a set of specific profiles. These services also have limited access to global markets, so there is enormous potential to export them, both regionally and globally.
 3. **Room for improvement of intermediation services.** These platforms generally have limited features and operations, considering the opportunities that new technologies like artificial intelligence could offer for optimization of job opening detection systems, improved supply-to-demand matching, and reputation portability with an approach that adheres to ethical standards.

4. **Limited protections.** The opportunities created by platforms for more accessible and flexible employment also pose challenges. This new employment modality that, in most cases, moves away from the traditional concept of the wage-earning employee lessens protection for workers and revenue for countries' social security systems. Moreover, jobs through platforms are not usually subject to the labor regulations applicable to employer-employee relationships, meaning that most workers operate in the informal sector without health insurance, pensions, or coverage for work accidents or other risks.
- 1.9 **The opportunity: WorkerTech.** The concept of WorkerTech encompasses the supply of services emerging to provide greater benefits and protections for the self-employed by leveraging the potential of new technologies to offer customized solutions. These solutions are characterized by their flexibility, since they can be tailored to the needs of each worker and respond dynamically to the changing nature of freelance income. An early-stage startup market, mainly in the United States and Europe, is beginning to innovate in this field.¹⁷ Some examples include companies that offer time-limited or pay-as-you-go insurance policies, or policies tailored to a freelancer's actual activity (Zego, Slice, Dinghy, SafetyWing, and Stride); platforms for association and collective representation that pool workers together on an ad hoc basis according to their specific needs (Coworker, Fair Crowd Work, Organise, Tech Workers, and Coalition); financial services tailored to the needs of the self-employed that support tax estimation and payment, real-time charging, and budget management (Coconut, Joust, Mastercard, SimplyPaid, Multiply, Even, and Hurdlr); flexible options for voluntary retirement savings and pensions (Nest, HonestDollar, and Betterment); portable benefits platforms (The Black Car Fund, Portify, Trupo, and Qwil); portable reputation platforms (mydigitalbackpack, Traity, Deemly, and Credly); and training and certification services tailored to the needs of self-employed platform workers (Mindflash, edX, Jolt, Peers, and KungFu). IDB Lab is currently preparing a Discovery Paper to understand and characterize in depth the scope, nature, and potential impact of this emerging phenomenon.
 - 1.10 **The project's target population** is workers providing virtual KBSs over platforms,¹⁸ who will be able to access innovative solutions to improve their job progression. This population can be divided into two subgroups:
 1. **Current workers.** At present, it is estimated that over 50,000 workers provide virtual KBSs over platforms.¹⁹ Available information on this population

¹⁷ These types of solutions are currently arriving from two different fronts. The first is new startups seeking to develop products and services to support self-employed workers, individually and collectively. The second is traditional firms (insurance, finance, training, etc.) that see an opportunity and are starting to tailor their service offerings to this emerging reality.

¹⁸ The project activities will be open to all workers providing virtual KBSs, even those who do so on their own, not over platforms. However, the bulk of participating workers are expected to be associated with platforms given the key role these play as anchor firms through which virtual KBS providers can be identified, project actions can be disseminated, and workers can be invited to partake.

¹⁹ Estimates based on the number of active users on the platforms Workana (data as of April 2020) and Freelancer (data supplied for the publication "Platform Economy and Employment: What Is It Like to Work for an App in Argentina?" CIPPEC-IDB-ILO, 2019).

indicates that it consists primarily of younger workers who live in small cities far from capitals and do not necessarily have a university education.²⁰ The lion's share do not have health coverage or a retirement pension.²¹

2. Potential workers. In addition to the workers currently providing virtual KBSs over platforms, the project will seek to expand access to platform-based work for certain vulnerable groups that face greater barriers to entry to the job market, including: (i) women caregivers, who may benefit from the flexibility of working different schedules without leaving home;²² (ii) persons with reduced mobility who have difficulty commuting to an onsite job; (iii) workers based in small towns with low demand for KBSs; (iv) retired or laid-off adults who need to complete their years of work but cannot obtain a job as a direct employee; and (v) LGBTIQ persons who face discrimination as employees or in onsite work.

II. THE PROPOSED INNOVATION

A. Project description

- 2.1 The **project objective** is to contribute innovative solutions to the job progression constraints faced by current and potential workers providing virtual knowledge-based services (KBSs) over platforms by testing innovations on those platforms and in WorkerTech services and providing public policy input.
- 2.2 **Intervention model.** The proposed project will leverage the potential of the local and regional digital startup ecosystem to pilot enhancements in platform-based job matching and supplementary WorkerTech services that could benefit the job progression of workers providing virtual KBSs over platforms. Specifically, it will pilot tools to give these workers access to innovative solutions, whether by creating linkages with existing resources or developing special ones, which could include: (i) job training and certification services for current and potential workers (to acquire, update, and/or sharpen skills, obtain continuing education, etc.), particularly those from vulnerable groups; (ii) channels for dissemination of information on markets and demand for services; (iii) learning and networking communities; (iv) venues for dispute settlement and collective representation and action; (v) health services; (vi) administrative, accounting, and tax services for work

²⁰ Information provided by the platforms Workana and Freelancer as input for the publication "Platform Economy and Employment: What Is It Like to Work for an App in Argentina?" (CIPPEC-IDB-ILO, 2019). In Argentina, 74% of workers are in the 20 to 30 age group. They do not typically have a university education but acquire specific skills for jobs sought via online courses or tutorials outside the formal education structure.

²¹ According to data from the 2018 Survey of Platform Workers (CIPPEC-IDB-ILO, 2019), 86.4% of these workers make no retirement contributions, and 95.5% have no social security coverage through their platform-based work.

²² In Argentina, women devote considerably more time than men to unpaid work. According to the latest Annual Urban Household Survey conducted by the National Statistics and Census Institute, which includes a section on the use of time, especially for unpaid work, while women report that they devote six hours per day on average to caregiving activities, men who engage in the same activities (half as many as women) say they devote 3.8 hours per day (<http://elcuidadoenagenda.org.ar/wp-content/uploads/2015/02/DT-2.-El-trabajo-de-cuidado-no-remunerado-en-Argentina-un-an-lisis-desde-la-evidencia-del-Modulo-de-Trabajo-no-Remunerado-Corina-Rodr-quez-Enr-quez.pdf>).

management; (vii) financial services including insurance and voluntary retirement savings tools; and (viii) research and development activities aimed at improving platforms to assist the local ecosystem with developing new features (e.g., automated job opening detection systems, matching algorithms, supply-to-demand matching, reputation portability, formation of work teams, etc.).

- 2.3 In addition to harnessing the strength of the private sector, this project will achieve its objective by generating input for public policy actions. Public policy implications emerging from the project will be identified by targeting inputs that could inform a multisector dialogue on adapting the regulatory framework, and experiences that serve to scale active policies on training, career counseling, marketing, access to markets, and worker protection. The project may also finance the development of a regulatory sandbox: a legal structure that creates a testing environment for experimenting in a controlled setting with new products and business models aimed at improving conditions for workers.
- 2.4 **Anchor firm structure.** The project seeks to benefit workers providing virtual KBSs over platforms and will therefore pursue coordination with the largest number of platforms possible, since they provide strategic access to workers. The project has a commitment from Workana to participate as an anchor firm for piloting WorkerTech innovations, which is a key aspect of the proposed intervention model. Although 70% of Argentina's freelance market is on this platform, there is a significant gap between the total number of people registered and the number actually providing services on the platform regularly. This gap, common across all virtual KBS platforms, limits its growth potential. Workana is interested in supporting initiatives to improve the job progression of its freelancers and will thus be a strategic partner for the project, offering access to a critical mass of workers for piloting the services to be developed. The anchor firm model will make it possible to ground and pilot an early-stage concept like WorkerTech in a very concrete way. The project will actively seek to add other platforms as anchor firms and will explore other types of organizations that could pay this role, such as worker associations.
- 2.5 **Inclusion.** The lower barriers to entry and greater flexibility (in terms of work intensity and the ability to work remotely on flexible schedules) offered by virtual KBS platforms make them an appealing source of income for certain groups that have greater difficulty entering the job market. These include young people with little work experience, women who take care of children or older adults, residents of small towns with low employment demand, persons with mobility challenges, immigrants, and the LGBTIQ community. The project will implement specific actions to expand access to work for vulnerable groups via platforms.²³ Specifically, it will look at the benefits and challenges for these populations of working or not working via platforms and identify good practices and success stories that can serve as examples. Based on the findings, the actions to be piloted

²³ In addition to vulnerable groups that are able to provide virtual KBSs, this project will benefit the vulnerable population providing services over platforms for low-skill physical services (e.g., passenger transportation, courier, or home services) and low-skill virtual services (e.g., crowdsourcing of microtasks like data entry, content labeling, and product classification). This is because the WorkerTech services to be developed will largely benefit all platform workers.

will be modified, or specific pilots will be designed, to ensure that these groups are also benefited by the project. At project-end, a special report will be prepared to make recommendations regarding good practices and lessons learned on how to include vulnerable populations in the platform economy.

- 2.6 **Innovation.** The online platform phenomenon, in existence globally for around 10 years, is relatively recent in the region. In Argentina, it only started to develop significantly in 2016, when economic policy changes brought about a more favorable climate for foreign investment, speeding the arrival of new platforms and the flow of investment for the few local platforms already in place. Precisely because they are such a recent phenomenon, online platforms operate in a vacuum in terms of labor regulations, and no supplementary services to support workers have yet emerged. The proposed project is thus the first in IDB Lab's "skills and the future of work" portfolio, seeking to improve the job progression of workers providing virtual KBSs over platforms, and the first of its kind in Argentina.
- 2.7 Beyond the "what," the project innovates in the "how." The arrival of these platforms in the country has involved dialogue with the authorities in numerous venues and, in some cases, has led to high levels of conflict²⁴ due to their impact on traditional stakeholders and the scant protection offered to workers. So far, these conflicts have stayed within the legal arena, with outcomes that seem incompatible with the platforms' sustainability. Thus, an initiative to improve the job progression of workers by fostering dialogue and coordinating the efforts of all stakeholders in the ecosystem, as well as incorporating them into its design, is a highly innovative approach to this burgeoning phenomenon. It should lead to the harmonious development of platforms in society, spurring economic activity while allowing for worker protection.
- 2.8 Lastly, an additional innovation factor of the project is the possibility of expanding access for vulnerable groups to income-earning opportunities through virtual KBS platforms. As explained above, these platforms offer enormous potential for various population groups but lack active promotion initiatives to reach them with opportunities while taking their particular needs into account. The project will leverage the learning potential of workers providing virtual KBSs over platforms to expand and deepen training and job progression, capitalizing on the preferences and strengths of diverse groups.
- 2.9 **Component I: Innovation in platforms and WorkerTech services**
- 2.10 The objective of this component is to pilot enhancements in platform-based job matching and WorkerTech supplementary services that could benefit worker job progression. This objective will be met through the following activities:
1. Survey and categorize (i) virtual KBS platforms operating in the country and those with the greatest potential to do so; (ii) the occupations, sectors, and jobs currently matched on platforms and their potential; and (iii) met and unmet demand for platform-based virtual KBSs, as well as potential demand

²⁴ Importantly, very little conflict has arisen thus far around the Workana platform.

(unexploited areas that have a potential market locally and internationally), identifying gaps and opportunities on which to act.^{25 26}

2. Survey and categorize WorkerTech service offerings around the world,²⁷ identifying those that are, or could be, applicable under the local conditions, as well as capabilities and interests present in the local industry, with which the development of WorkerTech services could be coordinated.
 3. Identify potential areas for improvement or new platform features and WorkerTech services that could benefit worker job progression.
 4. Survey the barriers to participation for businesses seeking virtual KBSs by interviewing their representatives (business and professional associations, etc.) to identify regulatory, cultural, economic, and other factors that discourage demand from being channeled through platforms.
 5. Host idea competitions, inviting entrepreneurs, businesses, and the scitech community to propose ideas in the areas identified in points 2.10.3 and 2.10.4, and select innovative solutions to pilot under the project, whether platform-based or via WorkerTech services.
 6. Based on the inputs from activity 2.15.2, tailor pilot actions to promote access for vulnerable groups with the potential to earn income over platforms. In addition to adapting the selected pilots, others will be selected that specifically seek to expand access to platforms for these vulnerable groups.
 7. Pilot the solutions selected in point 2.10.5 by either creating linkages with existing resources and institutions or supporting the development of enhancements, functionalities, or specific services.²⁸
 8. Provide technical support for the piloted solutions in areas related to platform enhancements and/or design of new WorkerTech services. The prototype development team will be provided with a critical analysis to help it foresee situations that might affect different stages of the development and implementation process in such areas as IT security, data science, software architecture, education, and other areas. Networking and outreach activities are also planned, to support development of the pilots.
- 2.11 In light of the current emergency caused by the COVID-19 pandemic and its impact on the job market, one of the first actions taken during project execution will be to launch a first idea competition. The goal will be to cofinance solutions aimed

²⁵ This component will also consider the third stakeholder in the platform model: businesses that use it to hire workers, as they are in indispensable part of the system. And while the focus is on the direct beneficiaries of the project, businesses and institutions that currently hire, or potentially could hire workers through platforms will be considered in the solution designs, to promote sustainable situations.

²⁶ The factors to be surveyed under this and the following components could be grouped into a single survey output.

²⁷ This study will build on the survey being conducted for the IDB Lab Discovery Paper currently being developed on the WorkerTech sector.

²⁸ Activities that require new solutions will be accompanied by actions calling on the national science and technology system, as well as entrepreneurs and businesses, separately or together, to find novel, scalable alternatives that expand the frontier of knowledge and, above all, its application.

at cushioning the impact of the current crisis on platform workers and helping workers join platforms when they have lost a job or need to supplement their income. An example of the type of pilots that could be supported is job readiness skills programs,²⁹ which help workers who have lost their jobs transition to the platform economy by explaining new standards or ways to operate and interact. This first idea competition, unlike later ones, will not focus on workers providing virtual KBSs, but can support initiatives targeting any type of workers providing services over digital platforms.

- 2.12 The main outcomes of this component will include: (i) a survey of the market and functionalities of platforms and WorkerTech services; (ii) a survey of the barriers to businesses operating on platforms; (iii) 3 idea competitions held to select pilots; (iv) 32 pilots financed; and (v) 13 pilots financed targeting vulnerable groups.
- 2.13 **Component II: Skills development for virtual KBS work**
- 2.14 The objective of this component is to develop the skills (i.e., digital, technical, and socioemotional) of workers providing virtual KBSs over platforms, to improve their job progression. In addition to building the skills of workers currently participating in these job-matching services, the component's activities will also focus on potential workers with a special emphasis on vulnerable groups that could use this medium to generate income.
- 2.15 This objective will be met through the following activities:
 - 1. Survey workers who currently operate in this market (identifying those belonging to vulnerable groups), the skills and competencies associated with strong performance, and the constraints they face in their training and job progression.
 - 2. Identify and categorize specific vulnerable groups for whom platforms could offer appealing opportunities to access the job market, as well as the potential benefits and challenges of participating in platforms, and good practices or success stories that could be held up as examples.
 - 3. Develop and implement training offerings that target the skills gap identified in point 1 by forming linkages with existing resources (educational technology entrepreneurs, educational institutes, the public sector, etc.) and developing or supporting the development of new resources.³⁰
 - 4. Propose a certification system in coordination with other institutions (universities, training centers, business associations, technical training institutes, large businesses, etc.).
 - 5. Disseminate information on opportunities and potential markets for workers.

²⁹ Acquiring the necessary skills to begin working.

³⁰ Potential coordination will be explored with existing Bank platforms, especially the Knowledge, Innovation, and Communication Sector (KIC).

6. Support a pilot group among the vulnerable groups identified for participation in the platforms.³¹
 7. Create virtual communities for learning and communication.
- 2.16 The main outcomes of this component will include: (i) a survey of skills gaps in virtual KBSs provided over platforms, including the potential to work with vulnerable groups; (ii) 5 training and/or certification offerings implemented; (iii) 2 pilots implemented supporting vulnerable groups; and (iv) a Web microsite for virtual KBS workers.
- 2.17 **Component III: Innovation in evidenced-based regulation and public policy**
- 2.18 The objective of this component is to generate input for the development of regulations and public policies aimed at improving the job progression of workers providing virtual KBSs over platforms. This objective will be met through the following activities:³²
1. Survey platform-based hiring and payment methods, the level of labor protections for workers, and constraints on access to labor rights.
 2. Design and implement a simulation model platform to evaluate possible public policy outcomes and impacts through prospective future scenarios. Models will be built using data on several different variables specific to the project, as well as external variables (national and/or international in scope), to support decision-making through exploration of alternative courses of action.
 3. Design and support the implementation of one or more regulatory sandboxes to test concepts in controlled environments (e.g., labor, social security, fiscal policy, and regional economic development policies).
 4. Conduct studies that can inform processes of change in the regulatory framework applicable to platform work, and survey experiences that serve to scale up active policies on training, job counseling, promotion, access to markets, and worker protection.
- 2.19 The main outcomes of this component will include: (i) policy recommendations to promote protected employment on platforms; and (ii) a simulation model platform to evaluate possible public policy outcomes and impacts through prospective future scenarios.
- 2.20 **Component IV: Knowledge management**
- 2.21 The objective of this component is to contribute to the scalability of this project's impact through the evaluation, systematic documentation, and dissemination of the experience. This objective will be met through the following activities:
1. Design a monitoring and evaluation plan for the different activities to be implemented by the project.

³¹ Support activities could be supplemented with training resources, new platform functionalities, and WorkerTech services developed under Components I and II.

³² Activities 2.18.3 and 2.18.4 will closely involve the national government and therefore must be coordinated with it.

2. Monitor and evaluate project execution according to the designed plan.
 3. Systematically document good practices and lessons learned on: (i) how to improve the training and job progression of workers providing virtual KBSs over platforms; and (ii) how to include vulnerable populations in the platform economy.
 4. Disseminate the knowledge generated through the project in areas of impact, to improve the job progression of workers providing KBSs over platforms in the country and the region.
- 2.22 The main outcomes of this component will include: (i) 22 knowledge products produced; and (ii) 3 workshops to disseminate lessons learned and best practices from the project.

B. Project outcomes, measurements, monitoring, and evaluation

- 2.23 The main indicators of the project's Results Matrix include: (i) 40% increase in virtual KBSs brokered through platforms; (ii) 29 WorkerTech services piloted; (iii) 62,500 workers providing virtual KBSs over platforms (Corporate Results Framework indicator: Number of new jobs created by supported firms); (iv) 100% increase in the number of workers belonging to vulnerable groups providing virtual KBSs over platforms; (v) 25,000 women providing virtual KBSs over platforms; and (vi) 12,500 workers whose skills and competencies improve through accredited experiences and/or access to training and certification. A monitoring system will be established to identify early success indicators and, based on that, track whether or not the intervention can feasibly deliver the project's expected outcomes. The monitoring system will also include contact with early adopters in the target beneficiary group, to identify the intervention's strengths and weaknesses and establish ways to adapt it based on feedback.
- 2.24 An outcome evaluation is expected to be done, to provide insights into the impact this project may have on certain variables of interest, approached using different quantitative and qualitative methodologies to understand the effect of the project's and other external actions. Since no impact assessment will be done, the evaluation will be mainly exploratory in nature, so these variables are not included in the Results Matrix. The variables of interest to be explored relate to variations in the income and productivity levels (as measured, for example, by the number of projects performed per year) of workers providing virtual KBSs over platforms and participating in the project.

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

A. Alignment with the IDB Group

- 3.1 The project is closely aligned with the **IDB Group Institutional Strategy**, which in its 2020 update proposes "assisting countries in supporting learning-work-learning transitions" including "labor intermediation systems such as digital platforms to connect job-seekers with opportunities" as a new priority area for addressing development challenges. It also prioritizes the "use of technology for inclusion to address labor market inequalities that may be exacerbated during transitions, particularly for groups who face employment discrimination" (paragraph 4.4.ii). The project is also aligned with the **IDB Group Operational Priorities** (Labor Sector

Framework Documents). The Bank's primary goal in the labor markets and social security sector is to promote successful job progression while simultaneously enhancing productivity and social inclusion. Lastly, the project is aligned with one of the four **priority areas in which the IDB Group has targeted its support for countries in Latin America and the Caribbean to respond to the coronavirus crisis**: Support for vulnerable populations affected by coronavirus. Among the actions prioritized by this area are actions to facilitate the workforce integration of vulnerable populations when the economic recovery stage begins.

- 3.2 The proposed operation is aligned with the **IDB Group Country Strategy with Argentina (2016-2019)** (document GN-2870-1) under the strategic objectives of "Developing the business services and public goods needed to foster integration and innovation" and "Strengthening the employability of the population and, particularly, supporting efforts to expand women's participation in the job market," by contributing innovative solutions to the constraints faced by workers providing virtual KBSs over platforms, and by incorporating specific actions to expand access to platform work for vulnerable groups (particularly women).
- 3.3 The project is also aligned with the **IDB Invest priority business areas**, particularly "Enhancing private provision of basic goods and services, income-generating opportunities, and social mobility for vulnerable populations," as well as the crosscutting theme of "Gender and diversity."
- 3.4 The project is aligned with the following **Sustainable Development Goals (SDGs)** adopted by the United Nations General Assembly:
 - **SDG 4 – Quality education (target 4.4)**, as the project will offer job training and certification services for current and potential workers (to acquire, update, certify, and sharpen skills, obtain continuing education, etc.), especially those from vulnerable population groups.
 - **SDG 5 – Gender equality (target 5.5)**, as the project incorporates concrete actions to expand women's access to platform-based work.
 - **SDG 8 – Decent work and economic growth (target 8.5)**, as the project promotes new employment opportunities through platforms, which can lead to successful job progression by providing professional development opportunities and contribute to economic development through export of these services, as well as greater access for local small and medium-sized enterprises to services that could help enhance their productivity.
 - **SDG 9 – Industry, innovation and infrastructure (target 9.3)**, as the project promotes the market integration of small businesses and self-employed entrepreneurs.
 - **SDG 10 – Reduce inequality within and among countries (target 10.2)**, as the project incorporates specific actions to expand access to platform-based work for vulnerable people (including women).
- 3.5 The project is closely aligned with the **IDB Lab Strategic Development Objective** to "promote technology-driven business growth and job creation." As described in this document, improving the job progression of workers providing virtual KBSs relies on coordination among multiple stakeholders from different segments of society. IDB Lab is, therefore, the perfect partner to establish such coordination and rapidly pilot innovative solutions. This will allow all stakeholders to learn and ensure that these solutions can be sustained and scaled up. Digital matching

platforms for virtual services open up appealing opportunities for vulnerable groups such as young people, women caregivers, residents of small towns with low employment demand, persons with mobility challenges, and older adults to generate incomes. In this way, the project's focus on inclusion of vulnerable groups also justifies its alignment with, and the participation of, IDB Lab.

- 3.6 The project is associated with the "Digital Saving for Gig Economy Workers" initiative under project RG-X1247. This initiative seeks to harness opportunities presented by digital platforms, such as their users' digital literacy and utilization of bank services, to encourage voluntary savings by these workers, who may not be paying in to contributory pensions, so that they can have more income available in old age. The project could promote the experiments being done in the Pensions Laboratory with the low-skilled work sector by bringing in workers from the KBS segment.
- 3.7 The project also complements regional technical cooperation operation RG-T3152 of the Labor Markets Division (SCL/LMK), which involves the design of an initiative to give young people in Central American countries (El Salvador, Honduras, and Nicaragua) access to the opportunities offered by online platforms for income-earning and successful job progression. A pilot will thus be implemented to develop an institutional ecosystem that connects low-income youth with the online platform sector through the creation of a specific agency that will have a coordination role and provide services to young people, principally training and guidance counseling. The lessons learned and developments under this initiative may inform some aspects of this project, particularly the activities under Component II.
- 3.8 The project is also closely linked to the forthcoming IDB Lab Discovery Paper focused on WorkerTech, which seeks to identify new opportunities for projects in this sector. This project is the first in the region seeking to promote WorkerTech services. Since Argentina is the IDB's launching pad for work with the platform economy, the project will yield valuable experience and lessons learned to support future initiatives in the region that follow from the Discovery Paper. Lastly, this project is also linked to other IDB Group initiatives to develop digital and other skills required for knowledge-intensive activities (programming, design, etc.). Some specific IDB Lab projects now in execution are operation PN-T1236, which, together with the Fundación Crisálida Internacional and support from Google, is developing an online technical support certification program hosted by Coursera; and operation RG-T3510, which, alongside Laboratoria, is helping young women gain skills and knowledge to improve their job progression. Additionally, the IDB Social Sector's "Twenty-first Century Skills" initiative focuses on promoting and leveraging initiatives to help people develop key crosscutting and foundational skills for living and working in the twenty-first century. The training activities under this project will thus build on all the experience developed by IDB Group operations and initiatives in this area.
- 3.9 **Lessons learned.** The main lessons learned that have informed this project's design are from operation ATN/ME-15911-AR, "Development of the Sharing Economy in Cities as a Tool to Promote Social Inclusion, Entrepreneurship, and Innovation," as well as the publication "Platform Economy and Employment: What Is It Like to Work for an App in Argentina?" (IDB Lab, ILO, CIPPEC 2019),

prepared under that operation. The information gathered for that publication revealed that medium- and high-skill virtual service platforms had a large gap between the number of workers registered and the number active: less than 5% of users registered on the Workana and Freelancer platforms in Argentina had earned income through them in the past year. Moreover, the number of hours worked and the amount of income earned suggested that for most workers the platform was a secondary source of income. The lessons learned from analyzing the platforms supported under project ATN/ME-15911-AR show that, while they create opportunities to use resources more efficiently and promote the circular economy and exchange of information among citizens, they do not generate stable incomes or help workers acquire skills and competencies except in isolated cases. These data and lessons are the basis for the hypothesis underpinning this project: workers face constraints in their training and job progression that keep them from harnessing the full income-earning potential of virtual KBS platforms.

B. Scalability

- 3.10 The scaling plan for the project is based on the early and active engagement of different ecosystem stakeholders in its implementation, so that they can incorporate the lessons learned into their service offerings. The various WorkerTech services piloted will be sustainable through the digital startups and institutions with which they are developed, since they will strengthen those groups' business models. The virtual KBS platforms participating in the project as anchor firms can continue and expand the job counseling and market access activities, while incorporating the new functionalities developed under the project, ensuring the sustainability of this line of action. Workana, in particular, is an excellent partner to consider for future scaling of the project regionally, given its large footprint throughout the region. Lastly, the national government's active involvement in the execution of all activities described under Component III, as well as in the project's advisory committee, may scale the experience and knowledge gained as input for policies and regulations contributing to promote the sector, protect workers, and foster the inclusion of vulnerable groups.

C. Project and institutional risks

- 3.11 First, a medium-level reputational risk has been identified in targeting a sector that does not necessarily conform to registered employment, which is the modality promoted by the Bank in the region. The mitigating factor for this risk is, in fact, to bring visibility to these new employment modalities and their recent growth and potential for successful job progression, as well as to provide input for regulations and public policies to benefit the job progression of workers providing virtual KBSs over platforms, including increased protections in this type of employment.
- 3.12 Second, a medium/low macroeconomic risk has been identified in the instability of Argentina's exchange rate regime, which, in a scenario of currency appreciation, could affect the sector and its ability to export services. In addition to promoting access to international markets, the project will promote access to local markets, including the small and medium-sized enterprise sector, to mitigate the impact of this potential risk.
- 3.13 Third, there is a medium risk associated with the possibility that there may be no demand for the WorkerTech services to be piloted under the project. To mitigate

this risk, the competitions launched will target the priorities, opportunities, and constraints identified in the initial surveys under the project. Likewise, the role of the anchor firm, along with other coordination arrangements being made with strategic stakeholders, will strengthen marketing efforts and lessen the likelihood of occurrence of this risk.

- 3.14 Lastly, a medium-level coordination risk has been identified in the need for the close collaboration and involvement of certain key partners (for example, the platforms) in different stages of the project, such as the diagnostic assessment and implementation of solutions involving online training. This risk will be mitigated through the active engagement of these stakeholders in the project's implementation, signing specific agreements at the outset and participating in the project advisory committee and the development of win-win strategies giving all stakeholders an incentive to participate in the project. In terms of anchor firms, the project will actively recruit virtual KBS platforms other than Workana to join the project.

IV. INSTRUMENT AND PROPOSED BUDGET

- 4.1 The project has a total cost of US\$1.7 million. Of that amount, US\$850,000 (50%) will be contributed by IDB Lab, and US\$850,000 (50%) by the counterpart.
- 4.2 The instrument will be nonreimbursable technical cooperation financing, as best suited to the objective of testing an innovative intervention to benefit workers that relies on coordination among different ecosystem stakeholders and, if successful, could be scaled up in their operations.

	IDB Lab	Counterpart	Total	Percentage
Component I: Innovation in platforms and WorkerTech services	486,800	377,800	864,600	50.9%
Component II: Skills development for virtual KBS work	190,600	106,500	297,100	17.5%
Component III: Innovation in evidenced-based regulation and public policy	67,500	118,800	186,300	11.0%
Component IV: Knowledge management	35,500	31,300	66,800	3.9%
Management	21,760	203,440	225,200	13.2%
Evaluation*	15,000	0	15,000	0.9%
Contingencies	32,840	12,160	45,000	2.6%
TOTAL	850,000	850,000	1,700,000	100%
% of financing	50.0%	50.0%	100%	

V. EXECUTING AGENCY AND IMPLEMENTATION STRUCTURE

A. Description of the executing agency

- 5.1 **Fundación Dr. Manuel Sadosky de Investigación y Desarrollo en las Tecnologías de la Información y Comunicación** [Dr. Manuel Sadosky Foundation for Research and Development in Information and Communication Technologies] ("Fundación Sadosky") will be the executing agency for this project and sign the agreement with the Bank. Fundación Sadosky is a public-private institution established by the Ministry of Science, Technology, and Innovation and

the most prominent business associations in the information and communication technology (ICT) sector: the Chamber of Software and Information Technology Services Firms (CESSI) and the Chamber of Information Technology and Communications of the Argentine Republic (CICOMRA). Since April 2011, it has operated through an executive structure that fosters coordination between the science and technology system and the productive sector in the area of information technology and telecommunications, to make a positive impact on society and the country's development potential. This coordination leads to more and better science and promotes the country's productive development. Fundación Sadosky sees its role as a "beacon," anticipating trends in technology that could impact the disciplines within its purview and paving the way for organizations that wish to use them. Its structure includes 72 people who provide technical support to six innovation and development programs: Área de Vinculación Tecnológica [Technological Cooperation Area], Programa de Ciencia de Datos [Data Science Program], Seguridad en TIC [Security in ICT], Program.AR, Vocaciones en TIC [Vocations in ICT], GENis, and MITIC. Its annual budget is around US\$2 million. From the beginning, Fundación Sadosky has been financed with contributions from the Ministry of Science, Technology, and Innovation. It has also received contributions from, and entered into agreements with, numerous firms and organizations, such as the Embassy of the United States in Buenos Aires, ARSAT, INVAP, the Ministry of Agriculture, Livestock, and Fishing, IIPE-UNESCO, Grupo Petersen, and the Development Bank of Latin America. Among Fundación Sadosky's most relevant experiences for this project are: (i) collaboration with the Development Bank of Latin America on the Program.AR initiative (which promotes significant computer science learning in schools) and the Vocaciones en TIC initiative (which promotes higher enrollment in degree tracks related to ICT; (ii) collaboration with UNICEF to drive digital transformation in education in the province of Tucumán; and (iii) launch of the program "Proyectos Colaborativos I+D+i en Temas TIC," [Collaborative Research, Development, and Innovation Projects in ICT], forming linkages with more than 200 sector firms to successfully develop and implement such projects. Fundación Sadosky will act as executing agency for the project, coordinating the implementation of its various lines of action with different startups and institutions.

- 5.2 **Workana.** Originating in Argentina, Workana is a platform with a regional scope that puts businesses in contract with freelancers for remote online work. It currently has more than three million workers registered in Latin America and the Caribbean, generates US\$700,000 per month in virtual services, and has a 75% market share in Argentina. Work opportunities on the platform are mainly found in IT and programming, online marketing and advertising, graphic design, Web design, sales, social media, editing, and translation. It recently developed a pilot called "Workana Education" to offer registered workers courses on strategies to increase income, as well as certifications in English and specific programming languages, among other offerings. Workana would function as a strategic partner for the project, providing access to data to develop profiles of workers, work, and work relationships under this initiative, as well as access to the workers providing services over its platform to market the WorkerTech services piloted under the project. It would also serve as a sounding board to identify new platform functionalities that could be researched and developed as a result of this project. The project team has been in contact with the Freelancer platform and will be open

to the participation of any other virtual KBS platform willing to commit its support, as Workana has done.

B. Implementation structure and mechanism

- 5.3 Fundación Sadosky will establish an execution unit and the necessary structure to implement the project's activities and manage its resources efficiently and effectively. The execution unit will be comprised of a project director, project coordinator, and administrative/accounting manager.
- 5.4 A project advisory committee will also be created, chaired by the project coordinator. Public and private institutions that work in this area and can coordinate activities complementary to the project, as well as facilitate coordination arrangements and synergies to enhance the project outcomes and impacts, will be invited to participate in this committee. Others invited to participate in the advisory committee will include Argentina's Ministry of Labor, Employment, and Social Security and Ministry of Science, Technology, and Innovation, as well as other virtual KBS platforms joining the project as anchor firms and other public and private institutions as key partners. The functions of the advisory committee will be: (i) to review and provide comments on six-monthly business plans and six-monthly reports; (ii) make recommendations on the course of the project; (iii) support invitations to participate in the different project activities.
- 5.5 Fundación Sadosky will be responsible for delivering project status reports. Requirements for these reports can be found in Annex V of the project technical files.

VI. FULFILLMENT OF MILESTONES AND SPECIAL FIDUCIARY ARRANGEMENTS

- 6.1 **Results-based disbursements and fiduciary arrangements.** The executing agency will agree to the IDB Lab standard arrangements for results-based disbursements and the Bank's procurement³³ and financial management³⁴ policies specified in Annexes V and VI. The project will adhere to the terms of Appendix 4 of documents GN-2349-9 and GN-2350-9, applying the executing agency's procurement policies to any procurements under the project, based on an analysis of those policies and verification that the terms stipulated in the abovementioned appendix have been met.

VII. ACCESS TO INFORMATION AND INTELLECTUAL PROPERTY**

- 7.1 **Intellectual property.** The executing agency will retain intellectual property rights to all work and results obtained under the project and will grant the Bank an irrevocable, worldwide, perpetual, royalty-free, and nonexclusive license. Without detriment to the foregoing, agreements will be established under the project with consultants, firms, agencies, and institutions to develop innovative solutions that benefit the job progression of workers providing virtual KBSs over platforms.

³³ Link to the [Policies for the Procurement of Goods and Works Financed by the Inter-American Development Bank](#).

³⁴ Link to the [Financial Management Guidelines for IDB-financed Projects](#).

Situations may arise where the solutions developed and piloted could justifiably be the intellectual property of third parties with which the development of those ideas were coordinated. Such cases will be discussed and agreed upon in writing with the Bank. The innovative solutions to be piloted may also include elements of intellectual property previously developed by these third parties, in which case, written agreements will also be established with the Bank.