

INTER-AMERICAN DEVELOPMENT BANK
MULTILATERAL INVESTMENT FUND

COLOMBIA

**NEW EMPLOYMENT OPPORTUNITIES FOR YOUTH IN THE
URABÁ REGION – ANTIOQUIA
(NEO-URABÁ)**

(CO-M1094/CO-T1374)

DONORS MEMORANDUM

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ABBREVIATIONS

AUS	Partnership Trust Fund for Poverty Reduction in Latin America
COMFENALCO	Caja de Compensación Familiar COMFENALCO Antioquia
EMAA	Educación Media Académica Articulada [Coordinated Secondary Academic Education]
ETDH	Educación para el Trabajo y Desarrollo Humano [Education for Work and Human Development]
IYF	International Youth Foundation
LMK	Labor Markets and Social Security Unit
MIF	Multilateral Investment Fund
NEO	New Employment Opportunities
QED	Quality for effectiveness in development
SEDUCA	Antioquia Department of Education
SENA	Servicio Nacional de Aprendizaje [National Learning Service]
SFCH	Sistema de Formación del Capital Humano [Human Capital Training System]
SIMAT	Sistema de Matrícula [Enrollment System]

PROJECT SUMMARY
NEW EMPLOYMENT OPPORTUNITIES FOR YOUTH IN THE
URABÁ REGION – ANTIOQUIA
(NEO URABÁ)

“New Employment Opportunities for Youth in the Urabá Region – Antioquia (NEO Urabá)” is an initiative being launched under the regional program, “New Employment Opportunities for Youth (NEO)” (ATN/ME-13213-RG). NEO seeks to improve the quality of human capital and the employability of 500,000 vulnerable young people in 10 countries of the Latin American and Caribbean. It was launched at the 2012 Summit of the Americas and is led by the MIF, the IDB’s Social Sector, and the International Youth Foundation (IYF), along with five founding partner enterprises: Arcos Dorados, Caterpillar, CEMEX, Microsoft, and Walmart. In Colombia, the Urabá region of Antioquia was selected for the launch of NEO because it is a strategic target of public investment of the governorship of Antioquia. In addition, its productive sector is in the process of change, and there is unmet demand for qualified personnel for new sectors with growth potential. It has a high concentration of unemployed youth, a high dropout rate, and low quality of basic skills training in upper-secondary education. In addition, the MIF and IYF have conducted a number of activities in Medellín, the capital of Antioquia, under the entra21 program, and so are familiar with the main actors and programs available to youth, and some of IYF’s NEO team is based there.

To address these problems with a systemic approach, a public-private partnership was created for businesses, government, and civil society to contribute resources, knowledge, and skills for the implementation of effective and sustainable employment solutions. The members of the NEO Urabá partnership are: for the public sector, Governorship of Antioquia – Urabá Regional Management Office, National Learning Service (SENA) – Urabá, Antioquia Department of Productivity and Competitiveness, Antioquia Department of Education, Antioquia Joven, Instituto Colombiano de Bienestar Familiar [Colombian Family Welfare Institute] (ICBF), Agencia de Cooperación e Inversión de Medellín y el Área Metropolitana [Cooperation and Investment Agency of Medellín and the Metropolitan Area] (ACI), and Administrative Department for Social Prosperity (DPS); for the private sector, ManpowerGroup, Fundación Social Corbanacol, Fundación Social de C.I. Unibán S.A. (Fundauibán), Asociación de Bananeros de Colombia [Colombian Banana Growers Association] (AUGURA), Urabá Chamber of Commerce, and Microempresas de Colombia [Microenterprises of Colombia]; and for civil society and academia, Corporación de Desarrollo y Paz de Urabá [Urabá Development and Peace Corporation] (Cordupaz), COMFENALCO, COMFAMA, Pastoral Social, and the University of Antioquia.

The impact sought by the NEO Urabá initiative is to increase opportunities for poor and vulnerable youth between the ages of 16 and 29 in Antioquia’s Urabá region to enter the workforce. The expected outcome is an increase in the scope and quality of youth training programs and employment systems in Urabá. During execution, the project will benefit 13,390 poor and at-risk youth, at least 50% of whom will be women. In addition,

it will strengthen 25 upper-secondary education, job training, and youth service centers of the Antioquia Department of Education, SENA, COMFENALCO, and COMFAMA. The NEO Urabá initiative has four components: (i) strengthening of Coordinated Secondary Academic Education (EMAA); (ii) strengthening of short-term job training; (iii) strengthening of job placement services; and (iv) knowledge management, strategic communication, and strengthening of the NEO Urabá partnership. Through the governorship of Antioquia, SENA, and the family assistance funds (COMFENALCO and COMFAMA), the efforts are expected to be transferred and scaled up to other regions and departments in Colombia and the initiative's impact will be expanded with the help of the IDB's Labor Markets and Social Security Unit (LMK) and Education Division (EDU), through their operations with the Government of Colombia.

The MIF's financial contribution is essential for incentivizing the partnership's work and for leveraging public and private resources. Each MIF dollar invested will leverage at least three counterpart dollars. The Australian Agency for International Development (AusAID) will contribute resources to the project.

COLOMBIA
NEW EMPLOYMENT OPPORTUNITIES FOR YOUTH IN THE
URABÁ REGION – ANTIOQUIA
(NEO-URABÁ)
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EXECUTIVE SUMMARY

Country and geographic location:	Urabá region, Department of Antioquia, Colombia
Executing agency:	Caja de Compensación Familiar COMFENALCO Antioquia (COMFENALCO)
Access area:	Access to Markets and Skills
Agenda:	Job skills (Youth: jobs, skills, and entrepreneurship)
Coordination with other donors/Bank operations:	<p>The initiative involves coordination with the Education Division (SCL/EDU) through project CO-T1352, “Educational and Informational Content for Educational Parks in Antioquia,” now in preparation, which will support the governorship of Antioquia’s strategy to implement 11 educational parks in Urabá, specifically in: (i) providing educational and informational content for students and instructors; and (ii) linking the educational parks with the formal educational system. Youth employment centers with youth service windows are projected to be created at six of the 11 educational parks by 2015 with the NEO Urabá initiative.</p> <p>The Labor Markets and Social Security Unit (SCL/LMK) is also working to reform the country’s human resources training system, laying the groundwork for Colombia’s future qualifications system through project CO-L1112. The series of three programmatic operations will support the Government of Colombia in designing and implementing the reform of its National Human Capital Formation System, turning it into a continuing education system based on work competencies. As a strategic partner, LMK will work to complement and contribute to NEO efforts.</p>
Direct beneficiaries:	13,690 poor and at-risk young people between the ages of 16 and 29, at least 50% of whom will be women (6,845), divided into three subgroups:

- 1,440 at-risk youth in Coordinated Secondary Academic Education (EMAA) with Education for Work and Human Development (ETDH);
- 2,250 youth neither in education nor in employment (or in informal employment), or who have completed their secondary school studies and see their job opportunities as poor;
- 10,000 youth served through the youth employability centers.

18 upper-secondary education centers, 4 ETDH and short-term job training centers, and 3 youth employability centers will also benefit directly from the project. In addition, 100 businesses will benefit from youth who are better prepared for work.

Indirect beneficiaries: Given that there are an average of 4.9 persons per Antioquian family, the project will indirectly benefit 67,081 people.

Financing:	MIF technical cooperation:	US\$840,098	13%
	AUS technical cooperation (CO-T1374):	US\$837,942	12%
	Total Bank contribution:	US\$1,678,040	25%
	Counterpart:	US\$4,974,410	75%
	Total project budget:	US\$6,652,450	100%

Execution and disbursement period:

Execution period:	36 months
Disbursement period:	42 months

Special contractual clauses: The following will be conditions precedent to the first disbursement: (i) project Operating Regulations; (ii) governance agreement between the NEO Urabá partnership and the executing agency; (iii) annual work plan (AWP); and (iv) NEO Urabá coordinator selected. All these conditions must be met to the satisfaction of the IDB/MIF.

Environmental and social review: This operation was pre-evaluated and classified in accordance with the requirements of the IDB's Environment and Safeguards Compliance Policy (Operational Policy OP-703). Since the impact and risks are limited, the project has been classified as category "C."

Unit with disbursement responsibility: The project will be supervised by the Bank's Country Office in Colombia with technical support from the NEO regional team.

I. BACKGROUND AND RATIONALE

A. Diagnostic assessment of the problem to be addressed

- 1.1 “New Employment Opportunities for Youth in the Urabá Region – Antioquia (NEO Urabá)” is an initiative being launched under the regional program, “New Employment Opportunities for Youth (NEO)” (ATN/ME-13213-RG), approved by the MIF Donors Committee on 12 April 2012. NEO seeks to improve the quality of human capital and the employability of 500,000 vulnerable young people in 10 countries of the Latin American and Caribbean. It was launched at the 2012 Summit of the Americas and is led by the MIF, the IDB’s Social Sector, and the International Youth Foundation (IYF), along with five founding partner enterprises: Arcos Dorados, Caterpillar, CEMEX, Microsoft, and Walmart.
- 1.2 **Country context for youth employment and training.** According to the Report on Decent Work in Colombia, prepared by Escuela Nacional Sindical [National Labor Union School],¹ in 2011 young people represented 30% of the working-age population (10,405,670 people). The unemployment rate for this group is 20%, nearly 10 points higher than the national average and one of the highest in Latin America. The situation of young women is even worse, with an unemployment rate of 28%, exceeding that of men by 14 points. Moreover, the inactivity rate among youth is 44%, and the likelihood of negative inactivity (i.e., youth neither in education nor in employment) is high. In rural areas, that figure is 43%. Moreover, for those young people who do find a job, the quality of employment is troubling: according to the International Labor Organization, in 2011, 67% of jobs held by youth are in the informal sector.
- 1.3 In Colombia, the Human Capital Training System (SFCH), comprising both formal education and vocational training, has limitations in terms of access, equity, and relevance.² For example, while average schooling in Colombia is eight years, in the two lowest income quintiles the average is less than six years. Coverage declines at the secondary education level, and in higher education the coverage is 37% for youth between 17 and 21 years of age. Students enrolled in higher education come from higher-income households than the average. With regard to relevance, two thirds of higher-education students pursue a university education, while only one third opt for a technical or technological education. The situation in vocational training is similar, with coverage also low and unequal. According to the 2009 Social Protection Survey, only 21% of the population over 17 years of age receives some sort of job-skills training. Of these, most had an above-average educational level and received the training at their place of

¹ http://ens.org.co/apc-aa-files/45bdec76fa6b8848acf029430d10bb5a/TD_2012.pdf.

² Formal education is divided into basic education (primary and secondary), upper-secondary education (academic and technical), and higher education (technical, technological, and university). Vocational training is provided by the National Learning Service (SENA), and by public or private institutions under the aegis or regulation of the National Ministry of Education and the Ministry of Labor.

- employment. In other words, opportunities for improving job performance are limited for people with less skills, who most need them.³
- 1.4 **The Department of Antioquia and Urabá region.** The Department of Antioquia, Colombia, has a population of 6,299,990. The Urabá region is divided into 11 municipios⁴ and has 10% (626,597 inhabitants) of the total population of Antioquia. Urabá is noted for its cultural diversity and biodiversity, as well as its strategic geographic location. It is also the country's most important banana- and plantain-growing region.
- 1.5 Despite its economic potential, the region has high poverty levels and negative labor market outcomes. According to the most recent poverty report published in 2013 by the National Administrative Department of Statistics (DANE), its population has the lowest quality of life in Antioquia, with an index of unmet basic needs (UBN)⁵ exceeding 50%, and 20% of the population living in extreme poverty. In addition, Urabá's unemployment rate is well above the rate for the rest of the country, which is 8.7%.⁶ Problems of poverty and employment principally affect young people. According to a 2013 profile survey on the Urabá labor market, 46% of young people between 15 and 29 years of age (30% of the total population) are unemployed.
- 1.6 **Causes of these problems.** Urabá historically has not received support for its development and has been especially marked by violence. The leading problems affecting young people and limiting their labor development include weaknesses in manpower development. Specifically, there are serious problems in the coverage, quality, and relevance of secondary education. First, the gross total enrollment ratio is low, not just for Urabá but the department as a whole, at 53%. This is a supply-side problem since, according to the SIMAT Enrollment System, in 2012 there were just 464 public upper-secondary educational institutions in the 117 municipios of Antioquia, 50 of which were in the municipios of the Urabá region. In addition, of the 47,202 students enrolled in upper-secondary education in Antioquia each year, 45,738 are pursuing academic studies, and only 9,196 technical studies.⁷ This is because of greater limitations in terms of infrastructure and quality for upper-secondary technical education, as compared to upper-secondary academic education; as a result, centers are being shut down. The linkage with technical learning thus occurs through Coordinated Secondary

³ Paragraph 1.5 of project document: CO-L1112 Reform Program to Strengthen the National Human Capital Formation System.

⁴ The municipios are: Arboletes, San Juan de Urabá, San Pedro de Urabá, Necoclí, Apartadó, Carepa, Chigorodó, Turbo, Mutatá, Murindó, and Vigía del Fuerte.

⁵ The UBN methodology is used to determine, on the basis of some simple indicators, if the basic needs of the population are being met. Groups below an established minimum threshold are classified as poor.

⁶ DANE, 2013, http://www.dane.gov.co/files/investigaciones/boletines/ech/ech/bol_ech_oct13.pdf.

⁷ Data from the "Development Plan 2012-2015, Antioquia, the most educated," p. 4. http://www.antioquia.gov.co/Plan_de_desarrollo_2012_2015/PDD_FINAL/PDD_FINAL/6_Linea_2.pdf.

- Academic Education (EMAA), which connects upper-secondary academic education with supplementary courses in Education for Work and Human Development (ETDH) leading to a vocational certification.
- 1.7 Second, the quality of education is very poor. According to the findings of the 2011 “Grade 11 Knowledge Tests” conducted in the Department of Antioquia, 31 of the 41 participating centers in the Urabá region were rated as “poor” and “inferior” quality, with very low scores among tested youth in the basic skills of language and mathematics. Thus, the main cause of the weakness in basic and secondary education is the **poor quality of training in core competencies⁸ (reading, writing, and mathematics)**. Additionally, according to the Antioquia Department of Education, in 2013 Urabá’s terminal efficiency indicator for upper-secondary education was 60%, meaning that only 60% of students complete an educational level normally within the established time. This is due, in part, to the **weaknesses in vocational and professional guidance services and their lack of coordination with ETDH programs**. According to the Urabá Chamber of Commerce, in 2012, 64% of educational institutions indicated that they use a nonstandardized, low-quality program for vocational and professional guidance, while the remaining 36% does not offer such services at all. In addition, 25% of youth surveyed indicated they wish to continue on to higher education, while 75% said they wanted to begin working right away.
 - 1.8 Third, upper-secondary education suffers from problems of relevance to the **socioeconomic dynamics of the subregion**. A recent study by the Urabá Chamber of Commerce⁹ shows that most institutions of higher education, as well as vocational training institutions, in the region offer the same programs in the different municipios, regardless of the special interests of the educational communities, development policies, subregional strategic plans, or the characteristics of the business sector. Most of the 137 EDTH programs focus on information technology and health, and remarkably **few educational offerings are aligned to the economic activity of the region**, such as ports, logistics, natural resources, environmental management, hotels and tourism, or to meeting the current high demand for employees trained for the banana industry, represented in the area by multinational companies such as Unibán and Banacol.
 - 1.9 Moreover, the **job placement services offered in the region are weak and disjointed**. Such services can amplify the impact of education and/or job training. Yet, as noted, there is currently a disconnect between training institutions and employers, and information systems are weak. As a result, people are unaware of job opportunities, or they are out of date, making such systems unreliable.

⁸ This conclusion is from an analysis by Banco de la República, based on data from the Colombian Institute for Evaluation of Education (ICFES), www.banrep.gov.co/docum/ftp/borra381.pdf.

⁹ Urabá Chamber of Commerce, 2012. Estudio de factibilidad de la Institución Educativa para el Trabajo y el Desarrollo Humano [Feasibility study of the Educational Institution for Work and Human Development].

- 1.10 Lastly, a fundamental issue already apparent in the problems of quality, coverage, and relevance of instruction is at the institutional level, and has to do with the **limited coordination among the different actors** working in the area of youth employability. The causes include weak public policies on youth employability in the region and in each municipio, no avenues for coordination, and no incentives or resources to align objectives and arrive at a shared vision. There are also problems of culture and patterns of individual behavior.
- 1.11 Because of the problems described above, young people do not have access to effective instruction or related services to strengthen their basic skills (mathematical reasoning and communication) or their employability competencies (life and work skills, use of information and communication technologies, and specific technical skills). This, combined with other social factors such as poverty, violence, and lack of opportunities, affects students' motivation¹⁰ to enroll and continue in secondary education, leading them most often to drop out and take unskilled jobs, engage in illegal activities such as drug trafficking and extortion, or join gangs or illegal armed groups.¹¹ All this makes less skilled human talent available to meet demand from the current public and private sector investment in the region, and to develop the potential and productive strengths of the different regions of Antioquia.¹²
- 1.12 **Public policies of the governorship of Antioquia.** Currently, in its proposed "Strategic Youth Development Plan for Antioquia, 2006-2015," the Government of Antioquia is implementing several programs to strengthen upper-secondary education and vocational training, such as the "Jóvenes con Futuro" [Youth with a Future] program.¹³ It is also promoting employment together with the Department of Productivity and Competitiveness through specialized training programs to increase productivity and competitiveness in the subregions.
- 1.13 The Government of Antioquia has included a special chapter on Urabá in its Comprehensive Plan for the Development of Antioquia, entitled "Urabá, a Sea of Opportunities,"¹⁴ with a sizeable investment of US\$2.9 billion in the region. The plan gives special importance to promoting education and opportunities within the framework of public-private partnerships, with a focus on youth. The public investment includes the construction of hospitals, improvements to airports with national and international terminals, accessways and highways, education infrastructure, three specialized university campuses with excellent facilities, and

¹⁰ http://www.contratos.gov.co/archivospuc1/2011/DA/122001000/11-10-120133/DA_PROCESO_11-10-120133_122001000_2733395.pdf.

¹¹ http://www.derechoshumanos.gov.co/Observatorio/Publicaciones/documents/2010/Estu_Regionales/uraba.pdf.

¹² http://antioquia.gov.co/Plan_de_desarrollo_2012_2015/PDD_FINAL/PDD_FINAL/6_Linea_2.pdf.

¹³ This program originated with the MIF/IYF *entra21* program, which was launched as a pilot project, scaled up to the level of the city of Medellín, and now is being scaled up to Antioquia (see paragraph 1.18).

¹⁴ <http://www.slideshare.net/GobAnt/urab-antioquia-caribe-visin-estrategica-2012>.

- final improvements to the sea and river port system with various terminals for fuels, goods, livestock, and other shipments. The hope is to position Urabá as the nearest Atlantic port accessible to 70% of Colombia's GDP. The region is also expected to turn out first-class products while safeguarding human and natural resources such as: banana, cacao, rubber, plantain, pineapple, palm, aquaculture, fish farming, and reforestation activities. This strong public investment is a firm commitment from the government after years of limited funding for a region hard hit by displacements, illicit activities, and armed conflict.
- 1.14 This regional development plan is of strategic importance for “reinventing the economy of Antioquia,” and is expected to considerably increase private investment in trade and services, tourism, agroindustry, and large-scale industry (via the free-trade area). It is also expected to create short- and medium-term demand for technical personnel and skilled workers that currently does not exist. The “Highways to prosperity” roads plan alone should create 66,000 jobs per year in the short term, most of them in the region. Private investment is likewise taking off in the region with shopping and retail centers being built that in the short term will require skilled labor for construction and subsequent business operations.
- 1.15 **Employment centers and Ministry of Labor.** Another interesting window of opportunity is the recent enactment of Decree 0722 of 2013 by the Government of Colombia, through the Ministry of Labor, establishing and regulating the employment centers operated by different actors, such as the family assistance funds and SENA, to more effectively match employment supply and demand. In Urabá, COMFENALCO has just opened an employment center, and SENA and COMFENALCO are preparing to open others. Thus, the time is right for strengthening existing job placement services in a coordinated and differentiated manner, addressing the specific needs of youth and businesses in the region, as well as those soon to be established.
- 1.16 **The proposed project.** NEO Urabá seeks to contribute to this regional development dynamic by increasing opportunities for poor and vulnerable youth through the knowledge generated by the MIF and the Bank, as well as training and implementation of best practices in the public and private systems, so that they can invest their resources more efficiently in a way that generates a greater return, making public-private systems stronger and better-coordinated, and young people better equipped for employment.
- 1.17 In Colombia, the Urabá region of Antioquia was selected for launching NEO because it is a strategic target of public investment of the governorship of Antioquia. In addition, its productive sector is in the process of change, and there is unmet demand for qualified personnel for new sectors with growth potential. It has a high concentration of unemployed youth, a high dropout rate, and low quality of basic skills training in secondary education.
- 1.18 It is worth noting the significant development and scale-up of the IMF/IYF program *entra21* in Medellín, which was launched in 2003 as a pilot project to

test and validate a methodology that trained 1,100 disadvantaged youth in order to integrate them into the workforce. Around 59% of its participants obtained jobs, and in 2007 the model was scaled up in the mayorship of Medellín under its Youth with a Future program, which in 2010 involved some 25,000 young people. Youth with a Future is now one of the projects being expanded and replicated by the governorship of Antioquia in its 125 municipios, and will also be targeted for strengthening by NEO Urabá.

1.19 The NEO Urabá project has grown out of a process of consensus-building and participatory planning that led to the establishment a permanent strategic partnership made up of public, private, and civil society agencies of Urabá and Antioquia seeking to improve the employability of vulnerable youth in Colombia. The vision of the NEO Urabá partnership is to be a model agent of innovation for the employability of the most vulnerable youth, and to transform the work culture of both employers and at-risk youth in the region. Its aims include avoiding a duplication of efforts, increasing effectiveness, and ensuring economic and social impact.

1.20 The members of the NEO Urabá partnership are:

Private sector ¹⁵	<ul style="list-style-type: none">• Manpower. A company with 60 years of experience delivering recruitment, evaluation, outsourcing, consulting, and training services, to ensure that specific jobs are filled by people with the specific skills needed.• Fundación Social Corbanacol, founded in 1987 and representing the Banacol Colombia corporation, contributes to the sustainable development of the target populations where Banacol has its plantations; it provides community support, executes own social investments, and manages cooperation funded with regional resources.• Fundación Social de C.I. Unibán S.A. (Fundauibán), founded in 1987 and representing the Unibán corporation and Turbana brand, seeks to improve the quality of community life and contribute to sustainable development in the agroindustrial regions of Colombia through ongoing improvements of processes for the design and development, implementation, and evaluation of quality-certified socioeconomic projects and services, grounded in human talent equipped with the necessary skills, appropriate technology, and a natural desire to serve.
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¹⁵ There are more than 10,000 private-sector businesses associated with NEO Urabá, represented by their employees, family assistance funds, union organizations, and chambers of commerce.

	<ul style="list-style-type: none"> • Asociación de Bananeros de Colombia [Colombian Banana Growers Association] (AUGURA) is a strictly trade-related nonprofit, collective corporation of five banana growers and international banana marketers in Antioquia and Magdalena, established under civil law. • Urabá Chamber of Commerce, established by Decree 1230 of 3 May 1982, is a private, nonprofit trade group of the merchants enrolled in the commercial registry and has 7,310 member companies in the Urabá region. • Microempresas de Colombia [Microenterprises of Colombia], a private nonprofit corporation with 2,612 members, was founded by a large group of businesses in Antioquia and is known for its work to create, grow, and strengthen businesses, offering a comprehensive portfolio of financial and business development services through a credit union and the Microenterprise Development Corporation. It has the dual mission of consolidating the culture of entrepreneurship and competitiveness, and improving the quality of life of entrepreneurs.
Public sector	<ul style="list-style-type: none"> • Governorship of Antioquia – Urabá Regional Management Office. The Urabá Regional Management Office was created within the organizational structure of the governorship of Antioquia during the 2008-2011 term of office, to “strengthen territorial development planning and management processes.” The office’s manager reports administratively to the Administrative Department for Planning, headquartered in the municipio of Apartadó. With the launch of the Regional Comprehensive Project for the Development of Urabá and its implementation from 2013 onward, the Governor has placed administration of the plan with the Urabá Regional Management Office, to strengthen it at the local level. • National Learning Service (SENA) – Urabá is a public institution founded in 1957. Its mission is to invest in the social and technical development of workers, offering comprehensive vocational training in order to place and develop people in productive activities that contribute to the country’s social, economic, and technological development. It reports to the Ministry of Labor of Colombia. • Antioquia Department of Productivity and Competitiveness, an agency of the governorship of Antioquia, spearheads the productive economy throughout Antioquia; legalizes the exploration, exploitation, and transformation of nonrenewable natural resources; and promotes tourism development in the subregions of Antioquia.

	<ul style="list-style-type: none"> • Antioquia Department of Education is responsible for guaranteeing the right to education for children and young people in the nine regions of the department. Its great challenge is strengthening the quality of public education in order to improve the living conditions of the inhabitants of Antioquia. • Antioquia Joven: The program “Antioquia Joven” [Young Antioquia] was created in 2012 at the start of the current government administration, reporting directly to the Office of Childhood, Adolescence, and Youth in the social sector of the governorship of Antioquia. The aim is to design strategies for promoting and showcasing the talent of young men and women in the region, keyed to the opportunities offered through the current development plan. • Agencia de Cooperación e Inversión de Medellín y el Área Metropolitana [Cooperation and Investment Agency of Medellín and the Metropolitan Area] (ACI) manages the region’s relations with the world and strengthens its engagement in global flows of capital, products, services, cooperation, and knowledge. The ACI plays an important role for the governorship of Antioquia in the area of international cooperation, especially for the Regional Comprehensive Project for the Development of Urabá. • Administrative Department for Social Prosperity (DPS) is the national government apex institution for the social inclusion and reconciliation sector, and includes important social development agencies. • Instituto Colombiano de Bienestar Familiar [Colombian Family Welfare Institute] (ICBF), created in 1968 and reporting to the DPS, works in Urabá in support of the comprehensive protection of infants, children, teens, and family welfare in Colombia.
<p>Civil society and academia</p>	<ul style="list-style-type: none"> • Corporación de Desarrollo y Paz de Urubá [Urubá Development and Peace Corporation] (Cordupaz) is a civil organization committed to comprehensive human development, social welfare, and peace in the department of Córdoba and the Urabá region. • COMFENALCO, founded in 1957, has 1,241 member companies in the Urabá region and provides services in the social security sector and is part of the country’s system of family assistance funds. • COMFAMA, founded in 1954, has 262 member companies in the Urabá region and is a private social enterprise in the system of family assistance funds that provides health, educational, credit, housing, recreation, and cultural services.

	<ul style="list-style-type: none">• Pastoral Social is a social organization of the Catholic Church that promotes the social welfare of children, women heads of household, youth, the elderly, and vulnerable indigenous, black, and mestizo communities that are victims of violence.• University of Antioquia is a departmental public institution of higher learning based in Urabá, organized as an autonomous university governed by special regulations, reporting to the Ministry of National Education for educational policy and planning matters, and part of the national science and technology system.
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B. Project beneficiaries

1.21 During its implementation period, this initiative will benefit at least 13,690 poor and at-risk young people between the ages of 16 and 29, at least 50% of whom will be women (6,845), in the 11 municipios of Urabá. It will also benefit 25 employability service providers (18 upper-secondary education centers of the Department of Education, four ETDH and short-term job training¹⁶ centers of SENA and the Youth with a Future program, and 3 employment centers with youth service windows of COMFENALCO, COMFAMA, and SENA) in the municipios of Apartadó, Arboletes, Carepa, Chigorodó, Necoclí, San Juan de Urabá, San Pedro de Urabá, and Turbo, whose services will be strengthened and aligned with the needs of the labor market, including training in basic skills, life skills,¹⁷ vocational guidance, and job placement services. One hundred companies will also benefit from young people better prepared for work.

C. Contribution to the MIF mandate, Access Framework, and IDB strategy

1.22 **Poverty reduction.** The NEO Urabá initiative will contribute to the poverty reduction objective by developing the capabilities of low-income youth. It will also benefit the private sector because participating youth will be better prepared to be productive in the workplace, thereby reducing the costs associated with the selection, turnover, and training of new employees.

1.23 **Economic empowerment of women.** NEO Urabá will contribute to the MIF's WEmpower initiative because: (i) gender issues have been integrated into its design, execution, and monitoring and evaluation, (ii) gender issues have been included in the activities to evaluate the quality and strengthen the technical capabilities of employability service providers, as described in paragraph 2.4

¹⁶ Job training is comprised of highly practical and usually short-term courses whose main objective is to train unemployed or working people, preparing them for a specific vocation or work activity. Job training activities are not bound by school calendar schedules and dates since they are generally independent of the vocational training regulated by the educational system.

¹⁷ Life skills, also known as socioemotional or "soft skills," and include communication, teamwork, respect, problem solving, self-assessment, and other abilities.

- below, and (iii) it promotes and facilitates equitable access of men and women to capacities and basic services.
- 1.24 **Connection to the Agenda.** NEO Urabá will contribute to the scale pillar of MIF's Youth Agenda,¹⁸ and to the pillar for generating results and knowledge on achieving scale and working in public-private partnerships. NEO Urabá will increase understanding of how to transfer new methodologies and best practices to public EMAA and job training systems so they can offer comprehensive training, guidance, and support for integrating at-risk youth into the workforce. The initiative will also contribute to the Agenda by generating learning on how to better involve businesses in the design of curricula and job training so they are better aligned with their needs, and by increasing their involvement in job placement services to make them more effective.
- 1.25 **Connection with project RG-M1210, New Employment Opportunities for Youth (NEO).** NEO Urabá is the fourth country-level initiative under the NEO regional program,¹⁹ approved by the MIF Donors Committee on 12 April 2012 (document MIF/AT-1175). NEO aims to integrate 500,000 poor and at-risk youth into the workforce through training in ten countries of the region by 2017. The initiative is led by the IDB, through the Office of the MIF and the Labor Markets and Social Security Unit (SCL/LMK), as well as the International Youth Foundation (IYF), and five founding partner enterprises: Arcos Dorados, Caterpillar, Cemex, Microsoft, and Walmart.
- 1.26 **Complementarity with the Bank's strategy.** This operation is aligned with the Bank's country strategy with Colombia 2012-2014 (document GN-2648-1), which underscores the importance of increasing the relevance of technical training offerings. The Bank is preparing an EDU/CDR project (CO-T1352) to support the governorship of Antioquia in implementing its Educational Parks strategy, specifically by: (i) providing educational content and information for students and educators; and (ii) linking the educational parks to the formal educational system. NEO Urabá will supplement the operation by establishing six youth service windows at the educational parks.
- 1.27 The project also fits into the broader support being provided by the IDB to the Government of Colombia through programmatic policy-based loan CO-L1112, Reform Program to Strengthen the National Human Capital Formation System, which seeks to lay the technical and operational groundwork for the future National Qualifications System. The National Qualifications System will more closely engage the productive sectors in defining labor competencies and in improving the relevance of job training. Thus, the lessons learned from NEO Urabá could also serve as inputs for the future qualifications system.

¹⁸ "Give Youth a Chance. An Agenda for Action." MIF, 2012.

¹⁹ Throughout this document the term NEO refers to the NEO regional initiative (document MIF/AT-1175). Three NEO operations have been approved thus far in Brazil (BR-M1114), the Dominican Republic (DR-M1044), and Mexico (ME-M1091/ME-T1255).

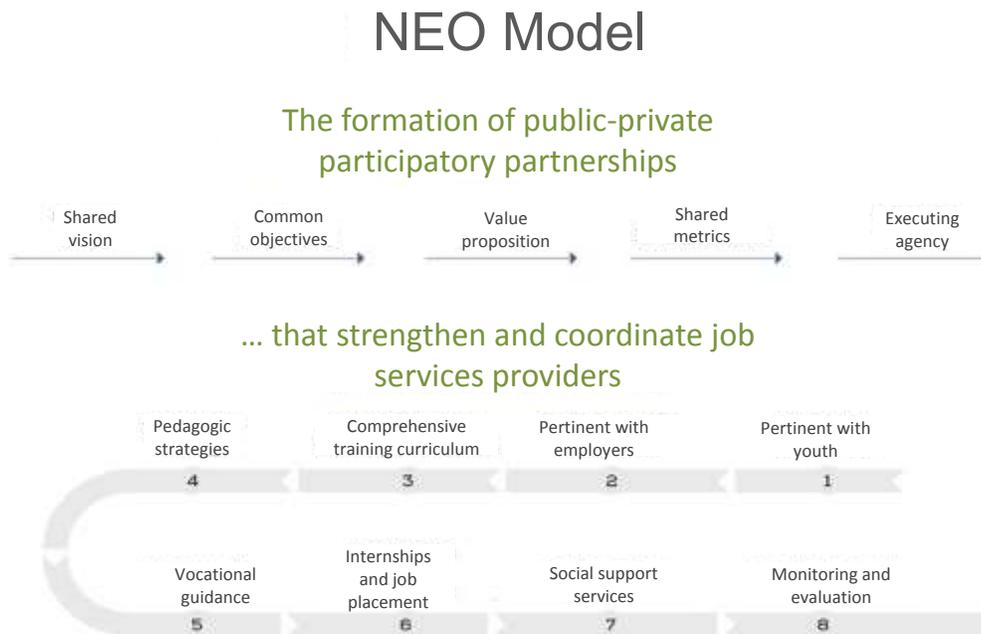
II. OBJECTIVES AND COMPONENTS

A. Objectives

- 2.1 The impact sought by the NEO Urabá initiative is to increase opportunities for poor and at-risk youth between the ages of 16 and 29 to enter the formal workforce. The expected outcome is an increase in the scope, quality, and effectiveness of youth training programs and employment systems in Urabá.

B. Description of the model/solution/intervention

- 2.2 The NEO regional initiative provides the framework for the intervention model to be introduced in each participating country. The model is based on the creation of public-private partnerships in which businesses, government, and civil society contribute resources, know-how, and capabilities for implementing effective and sustainable employment solutions for poor and at-risk youth. The partnerships also commit to adopting and implementing a comprehensive job training model and good practices developed by the MIF, IDB, and IYF (see figure below).



- 2.3 In the case of Urabá, the initiative is being implemented in a region with high poverty levels but a firm commitment to development backed by substantial investments in infrastructure and industrial development, while also striving to improve and modernize its systems of education and training for the job market. The NEO Urabá initiative seeks to make these investments and development

- plans more effective by implementing best practices for vocational orientation, training, and job placement in youth employability services, working with upper-secondary academic education and job training institutions and employment centers serving the low-income youth population and preparing them for work, along with private-sector companies and civil society organizations.
- 2.4 Another goal will be to strengthen the technical capacity of vocational training, guidance, and job placement service providers, one of the main goals of the NEO regional program, through the transfer and adaptation of good practices validated by the IYF/MIF *entra21* program,²⁰ as well as IDB-financed programs. These strengthening services will be provided directly by the IYF, as established in paragraph 3.19 of the NEO donors memorandum (document MIF/AT-1175). To this end, the IYF has developed two outputs under the regional NEO: (1) “Quality standards guide: a tool for evaluating youth job training and job placement processes.”²¹ It will include a website where entities can evaluate themselves along eight dimensions, and on that basis determine which aspects of their employability services they want to improve, and from there formulate their improvement and support plans; and (2) a package of services that includes training for instructors of life skills, job placement training for employment managers, training for vocational counsellors, and training for trainers in the above three areas in order to leave in-house capacity at the organizations.
- 2.5 Another innovative aspect of Urabá is the coordination of institutions and optimization of resources through public-private partnerships to address youth employability. An Urabá chapter of the University-Business-Government Committee is active in the region, integrating efforts and facilitating partnerships among these three groups in the areas of research, technological development, and innovation to contribute to the region’s competitiveness, productivity and, development. The committee was created in 2007 but did not begin regular activities until 2009, seeking to formally establish and consolidate a committee to coordinate research with productive and social processes in Urabá. The NEO Urabá initiative will strengthen this committee and nurture opportunities for developing public-private partnerships, and for aligning training and job placement entities with the production sector.

²⁰ The *entra21* program (ATN/MH-10303-RG) was created by the IYF and the MIF to improve the employability of disadvantaged youth in Latin America and the Caribbean. It was implemented successfully from 2001 to 2011, and benefitted more than 137,000 at-risk youth in 22 countries of the region through 50 civil society organizations. Some 75% of graduates found jobs or continued studying six months after leaving the program.

²¹ This tool evaluates eight areas of action: (i) relevance of curricular design to the needs of participating youth; (ii) relevance of curricular design to labor market needs; (iii) design of comprehensive training curricula for specific competencies; (iv) definition of teaching strategies to meet employability challenges; (v) vocational counselling that explores youth’s skills and interests; (vi) job placement services that facilitate participants’ entry into the labor market; (vii) supplementary support services that support retention and good performance; and (viii) monitoring and evaluation of employability services.

2.6 Lastly, the work in the area of job placement services will be innovative, including the development of models for the operation and management of employment centers with a special focus on youth, and a digital platform to provide youth with access to information on educational offerings, scholarships, job vacancies, job fairs, social programs, and other services. These employment centers and digital platform seek to facilitate ongoing dialogue among the public, private, and civil society entities that provide the different services and improve coordination among them, increase specialization, and foster wider use of their services by at-risk youth. This will help to create models and good practices that can be replicated at other family assistance funds and SENA centers under Decree 0722 of 2013 governing the delivery of public services for employment and job placement, and the network of public employment service operators. The decree made the family assistance funds part of the network of family support service operators. The NEO initiative seeks to strengthen the employment centers recently created at the COMFENALCO and COMFAMA family assistance funds and SENA in Urabá, in order to expand the job placement model to the employment centers to be created in the rest of Antioquia. The initiative also intends to work with the macroeconomics research group at the University of Antioquia to generate knowledge for the Urubá Labor Observatory project, so that it can be updated regularly to describe the professional profiles and career streams needed, and to adapt the information for youth using attractive and user-friendly designs.

C. Components

2.7 The NEO Urabá initiative has four components: (i) strengthening of Coordinated Secondary Academic Education (EMAA); (ii) strengthening of job training; (iii) strengthening of job placement services; and (iv) knowledge management, strategic communication, and strengthening of the NEO Urabá partnership.

Component I: Strengthening of Coordinated Secondary Academic Education (EMAA) (MIF: US\$18,810; AUS: US\$148,542; Counterpart: US\$1,481,603)

2.8 The objective of this component is to strengthen the employability training services for young people in tenth and eleventh grades (the last two years of secondary education) offered at 18 centers designated by the Antioquia Department of Education in the municipios of Apartadó, Arboletes, Carepa, Chigorodó, Necoclí, San Juan de Urabá, San Pedro de Urabá, and Turbo. Coordination of secondary education with the Education for Work and Human Development (ETDH) courses offered by SENA will also be strengthened. Specifically, it will strengthen vocational guidance services, and the teaching of technical skills needed in the labor market using teaching methods that include information and communication technologies, life skills, the basic skills of reading and writing, social/employment support, and job placement for these young people.

- 2.9 In addition to strengthening and guiding the efforts of secondary education centers and coordinating them with ETDH, technical training will be offered in 2014 in areas with previously identified potential:²² agriculture and livestock production; industrial public management; sports training; industrial machinery maintenance; irrigation, drainage, and management of agricultural soils; aquaculture; seamanship; occupational health; foodstuffs; and oceanography. To improve, expand, and update this information, a study will be done on short- and medium-term labor demand for such graduates. These activities will take place in coordination with the Urabá chapter of the University-Business-Government Committee and the Urabá Labor Observatory.
- 2.10 The activities of this component are: (i) to gather information on the short- and medium-term labor demand for EMAA graduates; (ii) to hold meetings among educational institutions, employers, and employment services to review supply and demand; (iii) to align educational curricula with the demands of the labor market; (iv) to enroll youth in ETDH training courses; (v) to train guidance counsellors in best practices of employment counselling; (vi) to train educators in teaching methods for mathematics, reading, and writing; (vii) to train educators in life skills; and (viii) to strengthen upper-secondary education institutions in accordance with NEO quality standards.
- 2.11 The outputs of this component are: (i) a study on the short- and medium-term labor demand for EMAA graduates; (ii) three meetings among educational institutions, employers, and employment services to review supply and demand; (iii) 10 curricula aligned with the demands of the labor market; (iv) 1,140 young people enrolled in ETDH training courses; (v) 18 guidance counsellors trained in employment counselling; (vi) 100 educators trained in teaching methods for mathematics, reading, and writing; (vii) 50 educators trained in life skills; and (viii) 18 upper-secondary education institutions strengthened in accordance with NEO quality standards.

Component II: Strengthening of job training (MIF: US\$16,517; AUS: US\$403,800; Counterpart: US\$2,006,879)

- 2.12 Like Component I, this component will strengthen job training agencies, the difference being that this component concentrates on the most vulnerable youth (neither in education nor in employment) who may not have finished secondary school. Its focus will be on short courses with reinforcement in life skills and the basic skills of reading, writing, and mathematics. In other words, the focus is on youth outside the educational systems and formal labor market who need a second chance.
- 2.13 The component will strengthen four SENA and COMFENALCO job training centers, located in the municipios of Vigía del Fuerte, Necoclí, Turbo, and

²² Source: SENA, University of Antioquia, and the “Jaime Isaza Cadavid” Colombian Polytechnic Institute, published in the Regional Comprehensive Project for the Development of Urabá 2012-2015.

- Apartadó, in the areas of youth services, vocational guidance, and teaching of technical skills aligned with labor market demand, including life skills, social/employment support, and job placement.
- 2.14 The strengthening of job training includes involvement in the “Jóvenes con Futuro” [Youth with a Future] program of the Antioquia Department of Education, which provides job and human development training in technical/workforce areas free of charge to young people between the ages of 16 and 29, and includes a technical education phase, a hands-on phase, and assistance to each student such as an insurance policy, school supply kit, meals, and a transportation subsidy. The training programs are approximately 900 hours in length for the technical and hands-on phases. The students receive a technical/workforce skills certification in their chosen program, if they complete and pass all hours of training in the two phases. The content and length of the training will be adjusted, to make it more relevant and cost-effective.
- 2.15 In addition to strengthening and guiding the efforts of the job training centers, technical training will be offered in 2014 in previously identified priority areas in the region, such as:²³ integrated solid waste management; natural rubber cultivation; integrated management of cacao cultivation; rubber plantation maintenance; farm administration; agricultural production; beach management; and ecotourism. To improve, expand, and update this information, a study will be done on short- and medium-term labor demand, in coordination with the Urabá chapter of the University-Business-Government Committee and the Urabá Labor Observatory.
- 2.16 The main activities of this component are: (i) to gather information on the short- and medium-term labor demand for graduates of job training courses; (ii) to hold meetings among educational institutions, employers, and employment services to review supply and demand; (iii) to align curricula with labor market demand; (iv) to enroll youth in short-term job training courses; (v) to train guidance counsellors in employment counselling; (vi) to train educators in best practices for teaching mathematics, reading, and writing; (vii) to train educators in life skills; (viii) to standardize the life skills curriculum for delivery through job training courses; (ix) to standardize the curricula on basic skills in mathematics, reading, and writing for delivery through job training courses; and (x) to strengthen job training institutions in accordance with NEO quality standards.
- 2.17 The outputs of this component are: (i) a study on short- and medium-term labor demand for EMAA graduates; (ii) three meetings among educational institutions, employers, and employment services to review supply and demand; (iii) five curricula aligned with labor market demand; (iv) 2,250 youth enrolled in short job training courses aligned with supply and demand; (v) seven guidance counsellors

²³ Source: SENA, Tecnológico de Antioquia – University Institute, and the “Jaime Isaza Cadavid” Colombian Polytechnic Institute, published in the Regional Comprehensive Project for the Development of Urabá 2012-2015.

trained in employment counselling; (vi) 20 educators trained in teaching methods for mathematics, reading, and writing; (vii) 10 educators trained in life skills; (viii) one standardized 80-hour curriculum on life skills to be delivered in the form of short-term job training courses; (ix) one standardized curriculum for the basic skills of mathematics, reading, and writing to be delivered through short-term job training courses; and (x) four short-term job training centers strengthened in accordance with NEO quality standards.

Component III: Strengthening of job placement services (MIF: US\$78,517; AUS: US\$147,600; Counterpart: US\$ 1,282,225)

- 2.18 The objective of this component is to narrow the information gap for at-risk youth on employability services through employment centers with specialized youth service windows and a user-friendly digital platform with comprehensive, coordinated information.
- 2.19 The employment centers with youth service windows and the employment portal will bring employability information for youth together in one location, both physically and virtually (the platform), on educational offerings, vocational training, job placement, scholarships, vocational guidance services, labor market information, job vacancies, social/employment support services, and other things. The youth service windows and the portal will thus meet one of the main objectives of the NEO Urabá partnership, which is to coordinate demand from the employer sector with educational offerings and with government and civil society programs.
- 2.20 A differentiated effort will be made to raise the awareness of employers, become familiar with their hiring practices, and engage them as mentors and volunteers in the work with young people. For example, the initiative intends to work with the macroeconomics research group at the University of Antioquia to generate an information system and reports for the Urubá Labor Observatory project that can be updated regularly to describe the professional profiles and career streams needed, and to adapt the information for youth using attractive and user-friendly designs. At the same time, the three employment centers recently opened by the COMFENALCO and COMFAMA family assistance funds and SENA under Decree 0722 of 2013 will be strengthened, creating models of good practices in job placement that can be used at future employment centers.
- 2.21 In addition, technical cooperation project CO-T1352 of the EDU/CDR team seeks to implement 11 educational parks in the region by 2015. Educational parks are public gathering places equipped with modern technological tools to facilitate access to knowledge and culture, promote learning, and generate knowledge related to quality public education, science, technology, entrepreneurship, innovation, and culture. NEO Urabá will tap into the installed capacity of six of these educational parks and supplement their services with six youth services windows administered by the Antioquia Department of Productivity and Competitiveness.

- 2.22 The activities of this component are: (i) to create coordinated employment information platforms for youth; (ii) to strengthen employment centers; (iii) to create youth services windows in the planned educational parks; (iv) to organize employment fairs in remote areas; (v) to provide business managers and labor analysts with job placement training; (vi) to conduct employer outreach and awareness activities; (vii) to organize events (regional working groups) in Urabá with the Observatory, the University-Business-Government Committee, chambers of commerce, training agencies, and businesses that provide inputs for the studies on labor market trends; and (viii) to assist youth at the employability centers, job fairs, and during visits to nonparticipating schools.
- 2.23 The outputs of this component are: (i) a coordinated employment information platform for youth; (ii) three employment centers strengthened; (iii) six youth services windows established in the planned educational parks by 2015; (iv) six employment fairs held in remote areas; (v) 25 business managers and labor analysts with job placement training; (vi) six employer outreach and awareness activities organized; and (vii) six events (working groups) held with the Observatory, University-Business-Government Committee, chambers of commerce, training agencies, and businesses that provide inputs for the studies on labor market trends; and (viii) 10,000 youth assisted at employability centers, employment fairs, and during visits to nonparticipating schools.

Component IV: Knowledge management, strategic communication, and strengthening of the NEO Urabá partnership (MIF: US\$255,200; AUS: US\$22,000; Counterpart: US\$145,348)

- 2.24 The objective of this component is to document and communicate the outcomes and learnings of the initiative. The aim is to reach audiences such as businesses wishing to more fully address the issue of youth employment and more skilled labor for their operations; the public system at the municipal, departmental and state level wishing to find solutions to youth unemployment and support poor and vulnerable youth; young people, to improve their labor market access and quality of life; the educational community, to improve the quality of their teaching practices; and civil society organizations with a strong interest in the project, to strengthen their services to youth and the general public. Implementation, continuity, replication, and scaling actions may be planned at other secondary education and job training centers in the country, in order to contribute to the development and sustainability of the NEO Urabá partnership, the initiative, and achievement of its systemic objectives in the country.
- 2.25 **Knowledge gap.** In terms of knowledge generation, NEO Urabá seeks to learn, among other things: (i) How does a public-private partnership to strengthen and coordinate youth employability service providers work? (ii) Is Coordinated Secondary Academic Education (EMAA) effective? (iii) How should the youth service windows operate, in order to be effective? (iv) How can replicable and scalable models be created for strengthening youth employability service providers? One of the objectives of NEO Urabá is to document certain tools and

- methodologies adapted to the institutions and context of Colombia, so that they can be replicated and scaled. The NEO Urabá knowledge products will also provide input and contribute to NEO's objectives as they will be used in comparative analyses of the different experiences in the countries, to obtain a regional reading of outcomes and findings.
- 2.26 The knowledge contributions described above will supplement the efforts of the NEO regional program (document MIF/AT-1175). The activities of this component are: (i) to carry out media campaigns; (ii) to develop employer award programs; (iii) to create events (regional working groups) to review, propose, and monitor the implementation of employability plans, programs, and policies; (iv) to carry out campaigns to promote the final outcomes of the NEO Urabá initiative; (v) to develop methodological manuals for EMAA and the youth services windows model; (vi) to carry out case studies on the business experience in Urabá; (vii) to conduct workshops and meetings to strengthen the NEO Urabá partnership; and (viii) to perform a thematic analysis of the experience of the NEO Urabá partnership.
- 2.27 The outputs of this component will be: (i) a media campaign; (ii) three programs to recognize employers; (iii) six events (regional working groups) to review, propose, and monitor the implementation of employability plans, programs, and policies; (iv) three campaigns to promote the final outcomes of the NEO Urabá initiative; (v) two methodological manuals developed on EMAA and on the youth services window model; (vi) a case study on the business experience in Urabá; (vii) six workshops and meetings with activities to strengthen the partnership, addressing participatory strategic planning, conflict of interests, dispute settlement, alignment of objectives, effective communication, and administrative management; and (viii) a thematic analysis of the experience of the NEO Urabá partnership.

D. Project governance and execution mechanism

- 2.28 The NEO Urabá partnership is made up of public, private and civil society agencies that are involved and have influence in programs and strategies to increase and improve the integration of young people into Urabá society, especially through youth, education, and employment policies.²⁴ The members of

²⁴ Its members are: Governorship of Antioquia – Urabá Regional Management Office, National Learning Service (SENA), Antioquia Department of Productivity and Competitiveness, Antioquia Department of Education, Antioquia Joven, Agencia de Cooperación e Inversión de Medellín y el Área Metropolitana [Cooperation and Investment Agency of Medellín and the Metropolitan Area] (ACI), Instituto Colombiano de Bienestar Familiar [Colombian Family Welfare Institute] (ICBF), Administrative Department for Social Prosperity (DPS), Corporación de Desarrollo y Paz de Urabá (Cordupaz), COMFENALCO, COMFAMA, Fundación Social Corbanacol, Fundación Social de C.I. Unibán S.A. (Fundauibán), Pastoral Social, Colombian Banana Growers Association (AUGURA), Urabá Chamber of Commerce, Microempresas de Colombia [Microenterprises of Colombia], the University of Antioquia, and Manpower.

- the NEO regional team (comprised of MIF, IDB, and IYF staff and consultants) may participate as observers in the meetings of the NEO Urabá partnership.
- 2.29 The NEO Urabá partnership will be established by means of a “governance agreement,” signed by the members of the NEO Urabá partnership and the executing agency. The agreement describes the intent of its members, the ground rules, the commitments, roles, and responsibilities, the relationship between the NEO Urabá partnership and the executing agency, the form of organization to implement and evaluate the project, and the operational budget of the NEO Urabá initiative. The governance agreement is aligned with the regional NEO and with the agreement to be signed by the executing agency and the MIF. Approval of the governance agreement is a condition precedent to the first disbursement.
- 2.30 The NEO Urabá partnership decided that Caja de Compensación Familiar COMFENALCO Antioquia (COMFENALCO) will take the lead in execution of the NEO Urabá initiative as the executing agency. COMFENALCO will be responsible for ensuring that the NEO Urabá objectives are executed and met, and will sign the legal agreement with the MIF. COMFENALCO will also be accountable to the NEO Urabá partnership for the performance of the initiative.
- 2.31 Under its governance agreement, the NEO Urabá partnership will be structured as follows: a board of directors, working committees, consultative council, and collaborators. The board of directors, made up of all the members of the partnership, is responsible for reviewing, approving, and ensuring compliance with the agreement of understanding and the work plans of the NEO Urabá initiative. It also mobilizes resources for the initiative’s sustainability and supervises the executing agency in charge of project implementation. There are “specific working committees” formed to improve the performance of the board of directors. These committees handle specific consultations and decisions in their area of competence, such as fundraising, marketing, sustainability, dispute settlement, and ethics. The structure also includes “collaborating members” that provide technical advice or strategic support to achieve NEO Urabá’s objectives. They may be invited to the meetings of the NEO Urabá partnership and of its board of directors, if necessary, and will have the right to speak, but not vote, in the NEO Urabá partnership’s decision-making. The main role of the consultative council is to advise the board of directors and the executing agency on priority topics of interest, regarding trends and needs related to youth, education, and youth employability. It will be comprised of leaders who represent well-regarded and credible professional entities known for their expertise in areas related to NEO issues and topics.
- 2.32 Lastly, the executing agency will lead project implementation and administer the funds under the direct supervision of the board of directors and the MIF, coordinating the actions of the NEO Urabá partnership and mobilizing its members. To ensure efficient and effective project implementation, the executing agency will be strengthened with a technical team consisting of a general coordinator of NEO Urabá, whose hiring will be a condition precedent to the first

disbursement, and four specialists in the areas of monitoring and evaluation, communications and fundraising, job training and placement, and administration and finance. This team will be an integral part of the executing agency's operational structure and will report to the board of directors of the NEO Urabá partnership.

E. Sustainability

2.33 **The partnership.** One of the key guarantees for the sustainability for the NEO Urabá initiative is the partnership itself. Drawing up the proposal in a participatory, open, and transparent manner, with each member institution contributing to the content and objectives of the initiative, led to consensus and the support of all members. This will contribute to strengthening, empowering, and actively integrating the partnership in all phases of the initiative.

2.34 **Installed capacity** at the institutions offering youth training, guidance, and job placement services, and in systematization and dissemination of the key tools, methodologies, and information systems developed. In most cases, improvements will be made in teaching methodologies and vocational guidance and job placement services, which will not require additional staffing costs but will result in better training of teachers, counsellors, and job placement specialists. If new personnel are hired, it is expected that they can be taken on by the employability service centers at the end of the program.

2.35 **Institutionalization of the partnership.** The NEO Urabá partnership will be institutionalized through the University-Business-Government Committee, to lend continuity to the work done and capacity installed in the region.

Transfer and scaling. Once the work model implemented at the 18 upper-secondary education centers, four ETDH and short-term job training centers, and three employment centers has been validated, a plan will be prepared for transferring it to other service providers in Colombia. There are 464 public upper-secondary educational institutions in the 117 municipios of Antioquia with the potential of being served, representing annual enrollment of 47,202 students. SENA potentially has 15 training centers in Antioquia serving more than 50,000 young people each year. The Youth with a Future program serves 2,550 young people per year, and the COMFENALCO and CONFAMA family assistance funds are providing job training for more than 1,300 young people.

2.36 In terms of financial sustainability, the NEO Urabá partnership intends to develop a new strategic plan when this operation comes to an end, and to identify new funds in the medium- and long-term for expanding the program to other regions in the Department of Antioquia. To this end, awareness of the work of the NEO Urabá partnership and initiative will be raised, to attract funds from other key institutions wishing to participate in an initiative of such magnitude and importance for the country. The resources of this technical cooperation operation will not be used for such purposes.

2.37 Over the course of this plan, **strengthening workshops** for the NEO Urabá partnership will be held with all members to identify and strengthen the measures necessary to ensure continuity of the partnership's actions once this project has been completed.

F. Lessons learned from the MIF or other institutions used in the project design

2.38 The MIF, LMK, and the IYF have implemented training, employment, and entrepreneurship programs in Colombia. Many of these experiences have evaluations and/or studies that contain important lessons.²⁵

2.39 Below is a summary of the main lessons that informed the design of this operation:

- *To achieve effective school-to-work transition, education must be linked to work.* This is especially important in technical education which prepares students for jobs so they can enter the labor market after graduation. In order to ensure an effective transition, courses must be relevant to demand and include ongoing feedback.
- *Young people need information and guidance regarding occupations and their benefits.* When the time comes to choose a course of studies, young people and their families lack information on the different courses available, work profiles, and likely wages. Having access to information and guidance on these basic issues will help improve decision-making and minimize over-supply in certain occupations.
- *Employers value life skills.* Life skills, including communication, teamwork, motivation, and responsibility, are key for strengthening youth employability and are highly valued by employers.
- *Workforce integration and guidance services* are the key link between training, the end of an internship, and entry into the labor market. If employers are to be persuaded to offer internships to young people, the value proposition must be clear to them, and formal agreements reached regarding expectations and responsibilities.
- *Job placement services* have some impact on reducing the time involved in seeking employment, and for those who find a job, these services help obtain a formal job with a higher monthly income and hourly pay.
- *A shared vision for success.* When civil society organizations work with public agencies to address youth unemployment and underemployment, trust and a

²⁵ The following studies were consulted: "Sector Framework Document – Labor;" "Evaluación de juventud y empleo" [Evaluation of youth and employment] by Laura Ripani et al.; MIF Youth Agenda for Action; "Los servicios de intermediación laboral: lecciones aprendidas de la evaluación del servicio nacional de empleo de México" [Job placement services: lessons learned from the evaluation of Mexico's National Employment Service] by Angélica López et al., and others.

shared vision of the core principles of the solutions and models being proposed are essential for a successful partnership.

- Recognizing and addressing the different needs, preferences, and circumstances of young men and women are key for creating relevant programs for both sexes.

G. The MIF's additionality

2.40 **Nonfinancial additionality.** The involvement of the MIF, LMK, IYF, and other regional NEO partners serves as a catalyst to attract and mobilize key public, private, and civil society actors who work to promote more and better vocational programs and jobs for poor and vulnerable youth. In this regard, the MIF plays a key role as “broker,” facilitating the negotiation process to design the operation with this broad network of partners, defining its components and outcome indicators, and transmitting the technical know-how and best practices accumulated not only by the MIF but also by IYF and the IDB, so that resources can be invested more efficiently in a way that generates a greater return, making public-private systems stronger and better-coordinated, and young people better equipped for employment. Because it is a regional partnership, it will promote the adoption of best practices, effective models, and tools by actors in the youth employment system, to create high-impact services that meet the needs of both employers and youth.

2.41 **Financial additionality.** The MIF's financial contribution is essential for encouraging the establishment of the partnership and for leveraging public and private resources. For each dollar provided by the MIF, at least three dollars in counterpart funding have been leveraged, and the MIF's involvement generates the trust needed to attract investment from the other members.

H. Project outcomes

2.42 The NEO Urabá initiative seeks to increase the quality, access, and effectiveness of EMAA programs, job training, and employability service providers. To this end, NEO quality standards will be implemented at the training, vocational guidance, and job placement centers in the region of Urabá through a network of 18 upper-secondary educational institutions, four ETDH and short-term job training centers, and three employment centers with youth service windows. Youth services windows will also be expanded to six of the 11 educational parks to be created. A total of 13,690 youth will gain access to training, vocational guidance, and information on educational, social, and job supply and demand. In addition, a multisector partnership between the public and private sectors will be created, and 100 employers are expected to offer internships and jobs to the youth involved in the initiative.

I. Project impact

2.43 The expected impact of this initiative is the increased employability of 13,690 youth, 50% (6,845) of whom will be young women. Of those who graduate from technical secondary education or short-term job training courses, 50% are

expected to enter the labor market, and at least 20% are expected to continue their studies and/or return to the formal educational system. Of the graduates who enter the labor market, 50% are expected to obtain formal jobs. In addition, youth employed at the outset of the program are expected to see a 20% increase in their incomes.

J. Systemic impact

- 2.44 NEO Urabá will contribute to systemic change by promoting: (i) the establishment of a public-private partnership that fosters the alignment of previously disconnected efforts and ensures scalability and sustainability; (ii) the strengthening of public upper-secondary educational institutions and job training centers; (iii) expansion of successful methodologies for technical and vocational training, life skills, vocational guidance, and job placement; (iv) youth access to better training that is more relevant to employer needs, as well as to relevant and timely information for their transition to a productive life as adults; and (v) development and validation of an effective employability model for low-income youth that can be replicated or transferred to other regions of the Department of Antioquia or the country.
- 2.45 In addition, once the NEO quality standards have been implemented by employability service providers and exported to other upper-secondary educational institutions and job training and job placement centers, there is potential to reach a larger number of young people per year. Transfer of this model can benefit some 464 public upper-secondary educational institutions, 15 SENA training centers, and the future job placement offices of the family assistance funds in Antioquia, potentially benefitting more than 100,000 students per year.
- 2.46 Strengthening job placement services at the COMFAMA and COMFENALCO family assistance funds in Antioquia can also strengthen the rest of the associated funds in the country. COMFENALCO Antioquia has an association agreement with the members of 27 family assistance funds through the “Cajas sin Fronteras”²⁶ network, and COMFAMA and COMFENALCO Antioquia both belong to “ASOCAJAS,”²⁷ which promotes solidarity and progress of the family assistance funds and its other members, with 43 affiliated funds.
- 2.47 All this supports and aligns perfectly with the MIF’s systemic impact indicators, encouraging improvements and changes in the behavior of youth employability service providers, scaling and replicating proven models, and giving rise to dialogue among different social actors for better public policy.

²⁶ <http://www.cajasinfronteras.com/>

²⁷ <http://www.asocajas.org.co/>

III. MONITORING AND EVALUATION STRATEGY

- 3.1 **Baseline.** The project includes development of a monitoring system that will make it possible to track young people along their educational and employment paths. To this end, a numbered enrollment or registration form will be completed for each participant for use as the project baseline.
- 3.2 **Monitoring.** In addition to following the young people's performance, the information system will also be used to compile project management indicators to facilitate decision-making by the NEO Urabá partnership. A person will be hired for the executing unit to monitor the system and exercise quality control of the data. The project will also be linked to the regional NEO's monitoring and evaluation system.
- 3.3 **Evaluation.** This project will have a midterm evaluation and a final evaluation to analyze the project's progress, examine the influence of the training and intervention on integrating young people into the workforce, and identify the lessons learned.
- 3.4 An effort will be made to measure the initiative's impact on the final beneficiaries' integration into the workforce and/or return to studies, differentiating between young men and women, the most vulnerable young people who attend short-term job training centers, and low-income youth enrolled in EMAA. Another area to be evaluated is the linkage achieved between the technical education and job training offerings and labor market demand, as well as the impact on the quality of courses offered by the training agencies and on the recruitment practices of businesses through the job placement services. Another question to be answered is whether the NEO Urabá partnership has managed to position, adopt, and continue replicating best practices and high-impact programs for vulnerable young people that include a gender component, and to strengthen cohesion and coordination among the employability programs offered in Urabá.

IV. COST AND FINANCING

- 4.1 The total cost of the project is US\$6,652,450. Of that amount, US\$840,098 (13%) will be a MIF nonreimbursable contribution, US\$837,942 (12%) will be provided by the Partnership Trust Fund for Poverty Reduction in Latin America (AUS) through its technical cooperation operation CO-T1374, and US\$4,947,410 (75%) will be the counterpart. COMFENALCO will be responsible for the counterpart and will ensure that the members of the NEO Urabá partnership contribute the corresponding resources.
- 4.2 Most of the MIF's contribution will be used to support Component II for strengthening of short-term job training and comprehensive services for young people neither in education nor in employment. The MIF resources will also be used for the executing agency, to contract the general coordinator and support staff who will manage the project, along with equipment, travel, and other

- expenditures, as well as for Component IV, “Knowledge management, strategic communication, and strengthening of the NEO Urabá partnership.” The MIF will finance activities under Components I, II, and III related to institutional strengthening of the centers that offer life skills, vocational guidance, and job placement services with support for preparing plans to improve their services, which will be provided directly by IYF (see paragraph 2.4).²⁸ In principle, no MIF resources have been identified specifically for the purchase of goods. Although the MIF contribution accounts for 25% of the total, these resources have been key for leveraging the contributions of the other partners, building confidence to create the NEO Urabá partnership, and achieving a ratio of at least 1 to 3 between MIF and counterpart funds. The contributions described will supplement the efforts of the NEO regional program, approved by the MIF Donors Committee on 12 April 2012 (document MIF/AT-1175).
- 4.3 Regarding the 75% in counterpart funding, the public and private entities of the NEO Urabá partnership will be contributing around US\$4.9 million. The largest public sector donors, contributing US\$4.1 million, are the governorship of Antioquia (US\$3.4 million) and the National Learning Service (SENA) (US\$625,150). Thus far, the largest private sector and civil society donors identified are the COMFENALCO and COMFAMA family assistance funds, which will contribute US\$336,955 and US\$312,024, respectively, and the Colombian Banana Growers Association (AUGURA), with US\$28,186.
- 4.4 The table in Annex IV shows the contributions of each entity, by component. The execution period will be 36 months, and the disbursement period 42 months.
- 4.5 The AUS resources will be used in the first year of project execution, and the MIF resources will be used in the subsequent years of operation.
- 4.6 **Retroactive recognition of counterpart resources.** To meet the proposed objectives of the NEO initiative and with the start of the school year in Colombia, which corresponds to the calendar year, several activities will commence on the first of January 2014. The total cost of the activities during January and February 2014 is US\$135,075, to be recognized retroactively against the counterpart, provided that they are governed by the Bank’s fiduciary procedures.
- 4.7 The activities to be recognized as part of this preinvestment will be: (i) gathering of information on labor demand for upper-secondary education profiles and young graduates of short-term job training courses; (ii) bimonthly cost of 16 ETDH courses for 720 young people; and (iii) bimonthly cost of 13 short-term job training courses for 600 young people.

²⁸ Resources of US\$198,056 to be executed through single-source selection of the IYF by the Bank in accordance with paragraph 3.19 of the NEO regional operation document MIF/AT-1175.

Project components	MIF (US\$)	Counterpart (US\$)	AUS (ME-T1374) (US\$)	Total (US\$)
Component 1. Strengthening of Coordinated Secondary Academic Education	18,810	1,481,603	148,542	1,648,955
Component 2. Strengthening of short-term job training	16,517	2,006,879	403,800	2,427,196
Component 3. Strengthening of job placement services	78,517	1,282,225	147,600	1,508,342
Component 4. Knowledge management, strategic communication, and strengthening of the partnership	255,200	145,348	22,000	422,548
Execution and supervision				-
Executing/administrative unit	336,770	25,530	-	362,300
Monitoring system and baseline	14,000	-	26,000	40,000
Midterm evaluation	-		20,000	20,000
Final evaluation	-		20,000	20,000
Ex post reviews	-		20,000	20,000
Audits	-		30,000	30,000
Contingencies	64,993	32,825		97,818
Subtotal	784,807	4,974,410	837,942	6,597,159
% of financing	13%	75%	12%	
Impact Evaluation Account (5%)	35,291			35,291
Agenda account	20,000			20,000
Grand total	840,098	4,974,410	851,942	6,652,450

V. EXECUTING AGENCY

A. Executing agency

5.1 The family assistance fund Caja de Compensación Familiar COMFENALCO Antioquia (COMFENALCO)²⁹ will be the executing agency of the NEO Urabá initiative and will sign the agreement with the Bank. COMFENALCO is an entity that comprehensively safeguards, nurtures, and seeks to enhance the welfare of workers and their families through a variety of programs in such areas as education, health, entrepreneurship, lending, recreation, and social tourism, as well as the “cuota monetaria” family subsidy and housing and unemployment allowances.

5.2 COMFENALCO is a nonprofit entity organized and operating under private law that provides services in Colombia’s social security sector. It belongs to the system of family assistance funds, which are solidarity-based economic redistribution institutions established by Decree-law 118 of 1957. Legally incorporated on 30 August 1957 as Caja de Compensación Familiar COMFENALCO Antioquia, and merged in 2012 with Comfamiliar Camacol, it is

²⁹ <http://www.comfenalcoantioquia.com/>.

- the oldest and most active family assistance fund in Urabá. It is also focused on employability, as one of the first family assistance funds in Antioquia to begin implementation of Decree 0722 of 2013, opening employment centers in Medellín, Rionegro, and Apartado in 2013 with another slated to open in Santa Rosa de Osos in 2014 (northern region).
- 5.3 COMFENALCO's mission is to create opportunities for the well-being and development of workers, their families, businesses, and the community through differentiated and comprehensive value services in the family assistance, social security and social protection systems, provided in a caring, friendly, and straightforward manner. Its vision is to be recognized as the best partner to support the implementation of people's life plans; family, business, and community development; and the design and implementation of social security and social protection policies.
 - 5.4 Since 2009 COMFENALCO has led some 15 projects, several dealing with youth, employability, entrepreneurship, and social inclusion, and many in the Urabá region. From February 2003 to February 2005, it was the executing agency for the *entra21* project in Medellín. It was also the executing agency for the scale-up of Youth with a Future program with the mayorship of that city from 2007 to 2010.
 - 5.5 COMFENALCO will establish an executing unit comprised of a general coordinator, an administrative/financial assistant, a monitoring and evaluation specialist, a communications and fundraising specialist, and a components coordinator to carry out activities and manage the resources of NEO Urabá. COMFENALCO will also submit status reports on the progress of the initiative.

VI. RISKS

- 6.1 **Risks associated with project sustainability.** Since public-private partnerships are an essential aspect of the initiative, there is a risk that members may lose interest and diminish their participation over time. As a mitigation measure, the NEO Urabá partnership has developed a governance agreement that describes members' responsibilities and ensures their participation. In addition, most of the members of the NEO Urabá partnership have already submitted letters of commitment, ensuring their engagement and permanence in the initiative. In addition, Component IV includes activities to strengthen the NEO Urabá partnership through specialized workshops on work in partnerships, dispute settlement, and standardization of processes to mitigate the risks of dissolution.
- 6.2 **Sector risks.** Another risk is that it may not be possible to get a substantial number of businesses to provide internships or jobs. As a mitigation measure, the NEO Urabá partnership, COMFENALCO, and the MIF intend to use their network of contacts to reach out to the businesses. Components II and III include business outreach activities for such purpose. The media campaign will also encourage businesses to participate in the initiative.

VII. ENVIRONMENTAL AND SOCIAL IMPACTS

- 7.1 The project will have no adverse environmental or social impacts. On the contrary, it will facilitate social integration of low-income young men and women through technical and life skills training that prepares them to enter formal work or continue their studies.
- 7.2 The Environmental and Social Review (ESR) classified this project as category “C.”

VIII. FULFILLMENT OF MILESTONES AND SPECIAL FIDUCIARY ARRANGEMENTS

- 8.1 **Results-based disbursements and fiduciary arrangements.** The executing agency will agree to the standard MIF arrangements concerning results-based disbursements, procurement, and financial management, as specified in Annex VII.

IX. ACCESS TO INFORMATION AND INTELLECTUAL PROPERTY

- 9.1 **Intellectual property.** The intellectual property of any work produced or outcomes obtained within the framework of NEO Urabá initiative will belong to the IDB. At its discretion, the Bank may grant a nonexclusive, free license for noncommercial purposes to disseminate, reproduce, and publish these works, which are the exclusive property of the Bank, in any media. The executing agency will ensure that all contracts entered into with consultants under this operation include express assignment to the Bank of all copyright, patent, and other intellectual property rights.