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MULTILATERAL INVESTMENT FUND

GUYANA

DIGITAL SKILLS TRAINING FOR YOUTH IN GUYANA

(GY-T1163)

DONORS MEMORANDUM

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PROJECT SUMMARY

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The project will address the skills gap in Guyana at a critical point in the country's economic and social transformation. Guyana has been traditionally ranked as one of the poorest countries in Latin America and the Caribbean, and it is estimated that approximately 36% of citizens living in Guyana are poor.¹ Perceived lack of opportunity has resulted in an estimated 80% of its tertiary² educated citizens emigrating, and this has impacted the country's human capital base significantly. **Labour force participation³ is relatively low at 54.6% of the working-age population over the age of 15 and is characterized by a high level of concentration in the informal sector.⁴** The unemployment rate is 12%, but **the youth unemployment rate is 22.9% and the proportion of youth (15-24) not in education, employment or training (NEET) is 38.8% for men and 66.2% for women.⁵** The labor force profile poses a significant developmental challenge for this small economy, as over 50% of local firms surveyed⁶ identified the lack of a skilled workforce as a key barrier to growth and competitiveness. However, the socio-economic landscape of Guyana is poised for an unprecedented transition given the discovery of oil resources estimated at 5.5 billion barrels as of September 2019. The inflow of wealth from oil, estimated to commence in 2020, will create new opportunities for employment and entrepreneurship, but the current profile and skills gap of the labor force must change if the local onshore economy is to leverage these opportunities.

In response to the skills gap challenges in Guyana, the Avasant Foundation, in partnership with local firms, NGOs and training institutions, will pilot a digital skills training programme for unemployed or underemployed low-income youth living in and around Guyana's capital city of Georgetown. The innovative programme offered by Avasant Foundation is differentiated based on the following factors: (i) Training curriculum is anchored by needs of local companies seeking to expand or upskill their workforce; (ii) Content draws on the knowledge and skills base of Avasant Foundation's parent company Avasant LLC, a global leader in digital transformation; and (iii) Curriculum and training modalities are tailored to the local cultural and socio-economic context which results in low attrition levels and a high rate of absorption of graduates into the private sector. At the impact level, the project will expand the digital skills base and employability of at-risk youth in Guyana, by providing training and job transition opportunities for at least 150 unemployed or underemployed young persons from low-income communities. It is expected that over the course of the intervention, at least 125 participants will graduate and at least 100 of the

¹ Guyana Budget and Policy Unit Fact Sheet: Almost 4 in 10 Guyanese cannot afford basic costs of living, August 2017.

² Refers to persons completing undergraduate and graduate education.

³ Refers to working age population that are employed or in search of a job.

⁴ Guyana Bureau of Statistics: Labour Force Survey Data for Fourth Quarter 2017.

⁵ Guyana Bureau of Statistics: Labour Force Survey Data for Fourth Quarter 2017.

⁶ This survey was conducted to identify Country Development Challenges in preparation of the IDB Country Strategy with Guyana 2017-2021.

graduates will transition to employment or continued education with the support of the Avasant Foundation team and local private sector partners. The programme will pilot a model that is scalable and can assist in the training and upskilling of young persons, providing local private sector firms with a talent pool equipped with relevant and workplace-ready skills and competencies. Moreover, a strategy and business plan for scaling this model will be developed in partnership with key local stakeholders to support continuity and expansion beyond the period of IDB Lab financing.

The project is directly aligned with the IDB Lab's thematic focus on the Knowledge Economy and the Future of Work, as well as the IDB Group's Update to the Institutional Strategy, in particular, the imperative to support human capital development via "labor training, and life-long skills development, and labor intermediation services, specifically for inserting women, youth, and the unskilled into the workforce." The project is also aligned with the current IDB Country Strategy with Guyana 2017-2021, more specifically with the objective to facilitate human development or enhance human capital, as well as the cross-cutting theme of promoting gender equity. The country strategy also references the development of knowledge economy skills and competencies as a targeted area of intervention for IDB Lab.

ANNEXES

Annex I	Results Matrix
Annex II	Budget Summary
Annex III	iDelta

APPENDICES

Proposed resolution

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

Annex IV	Detailed Budget
Annex V	Diagnostic of Needs of the Executing Agency (DNA) [includes Integrity Due Diligence Analysis]
Annex VI	Reporting Requirements and Compliance with Milestones and Fiduciary Arrangements
Annex VII	Procurement and Contracting Plan

ACRONYMS AND ABBREVIATIONS

Avasant	Avasant LLC
CSP	Citizen Security Programme
DNA	Diagnostic of Executing Agency Needs
ICT	Information and Communications Technology
IDB	Inter-American Development Bank
IDB Invest	Inter-American Investment Corporation
IDB Lab	Innovation Lab of the IDB Group (formerly Multilateral Investment Fund (MIF))
IT	Information Technology
LAC	Latin America and the Caribbean
NEET	Not in Education, Employment or Training
NGO	Non-Governmental Organization
SDG	Sustainable Development Goal
TVET	Technical Vocational and Education Training

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PROJECT INFORMATION

Country and geographic location:	Guyana, communities within and in proximity to the capital city, Georgetown.		
Executing agency:	Avasant Foundation.		
Focus area:	Knowledge Economy.		
Coordination with other donors/Bank operations:	GY-L1042 Citizen Security Strengthening Programme.		
Project beneficiaries:	150 direct beneficiaries will receive digital skills training and support for job placement, target beneficiaries will be between the ages of 18-32 drawn from low income/high-risk communities in and around the capital city of Georgetown in Guyana. At least 50% of these project beneficiaries will be female.		
Financing:	Technical cooperation:	US\$350,000	49%
	Equity:	US\$000,000	
	Loan:	US\$000,000	
	Other (explain):	US\$000,000	
	Total IDB Lab funding:	US\$350,000	49%
	Counterpart:	US\$355,000	51%
	Total project budget:	US\$705,000	100%
Execution and disbursement period:	Execution period: 36 months Disbursement period: 42 months		
Special contractual conditions:	Special conditions precedent to the first disbursement will be (i) Selection of the training programme coordinator (ii) Approval of programme operating regulations by IDB Lab, (iii) Confirmation of training location (s) by Avasant Foundation, and (iv) establishment of the Project Advisory Committee.		
Environmental and social impact review:	This operation was screened and classified as required by the IDB's safeguard policy (OP-703) on September 17, 2019. Given the limited impacts and risks, the proposed category for the project is C.		
Unit responsible for disbursements:	Guyana Country office (CCB/CGY).		

I. THE PROBLEM

A. Problem description

- 1.1 The project will address the current skills gap in Guyana's labour market, which is characterized by low levels of education, high unemployment in the youth demographic and relatively low levels of labour force participation.
- 1.2 Guyana has experienced a decade of uninterrupted growth, but growth has not been inclusive. Per capita income remains the lowest in the English-speaking Caribbean and the debt burden, though low by Caribbean standards, remains elevated. Guyana remains one of the poorest countries in the Western Hemisphere, currently ranking fifth, above only Haiti, Honduras, Nicaragua, and Bolivia. It is estimated that at a national level, approximately 36% of the population live in poverty.⁷
- 1.3 Economic activity in Guyana has been traditionally focused on agriculture and mining. However, given recent oil discoveries offshore estimated at 5.5 billion barrels of oil equivalent as of September 2019, the economy and the country are poised to undergo a significant transformation, and Guyana is at a landmark point in its development, with its economy becoming increasingly attractive for investments. The inflow of wealth from oil will fundamentally change the level of sophistication demanded of the country's private sector and will create new opportunities for employment and entrepreneurship.
- 1.4 Recognizing this opportunity and the imperative to change, locally based businesses will need to upgrade their service and product offerings and by extension, improve the skills of the workforce. Data from a labour force survey in 2017 reveals the challenges required for transformation. The survey found that Guyana's population is young and ethnically diverse with 47.1% of the population under 25. However, more than half of the country's working force (48.3%) has only primary education with 9.9% of the working population reporting no formal schooling. Approximately 25% of the working-age population has completed secondary education but only 2.8% have tertiary qualifications.⁸ According to the Fourth Quarter Labour Force Survey, **labour force participation is relatively low at 54.6% of the working-age population over the age of 15 and is characterized by a high level of concentration in the informal sector.** The unemployment rate is 12%, but **the youth unemployment rate is 22.9% and the proportion of youth (15-24) not in education, employment or training (NEET) is 38.8% for men and 66.2% for women.**⁹ This profile supports estimates that approximately 33.7% of young adults between the ages of 16-25 in Guyana live in poverty.¹⁰

⁷ Guyana Budget and Policy Unit, Fact Sheet: Almost 4 in 10 Guyanese cannot afford basic costs of living, August 2017.

⁸ Results of the First Quarter Labour Force Survey Bulletin 2017 reported by Kaieteur News March 16, 2018 link to [news article](#).

⁹ Guyana Bureau of Statistics: Labour Force Survey Data for Fourth Quarter 2017.

¹⁰ Guyana Budget and Policy Unit, Fact Sheet: Almost 4 in 10 Guyanese cannot afford basic costs of living, August 2017. The age bracket for youth poverty estimates (16-25) is slightly different from the age bracket used to analyze labour force data for youth (15-24)

- 1.5 A key contributing factor to the current profile of the local labour force is that Guyana's per capita emigration rate is currently among the highest in the world, with over 55% of its citizens residing abroad. **More than 80% of Guyanese nationals with tertiary level educations have emigrated**, depriving the economy of skilled workers.
- 1.6 **Guyana recognizes the role of Information Communication Technologies (ICTs) in the development of human capital**, the nation in general, and the opportunities it offers to truly transform Guyana. For this reason, the Ministry of Public Telecommunications was established in January of 2016 to drive this critical agenda. One of its goals is **to build the capacity of Guyanese citizens, especially young people**, to create a society in which information is equitably distributed, readily available and easily accessible to all. The objective of the vision is the creation of an information-based society, one that utilizes ICT's for the development of the economy. It is also about making information readily available to serve as the catalyst for the creation of local businesses and spur the growth of a business culture that attracts the much-needed foreign investment into the country. **While the future ideally relies heavily on digitalization, there is concern over a potential disconnect between Guyana's labor force and the targeted rate of technological progress.**
- 1.7 The skills gap in Guyana is an impediment to private sector development and is pervasive, as over 50% of firms surveyed during preparation of the current IDB Country Strategy with Guyana reported that access to skills is a key constraint to growth and competitiveness,¹¹ indicating a need for skills upgrading. In this context, digital skills development is a good fit as such skills are transferable across a range of industries.
- 1.8 To address the skills gap challenge in Guyana, Avasant Foundation will work in close collaboration with local private sector firms in the design and pilot delivery of practical digital and life skills training opportunities and will connect graduates with employment opportunities within local private sector companies. In the delivery of this project, the Avasant Foundation will work with local stakeholders to adapt and roll out a highly successful model delivered in Jamaica, which resulted in a job placement rate in excess of 80% for young people completing the digital skills training programme.
- 1.9 **The project seeks to address skills gaps and unemployment/underemployment of youth in Guyana. In this regard the primary project beneficiaries will be low-income young persons aged 18-32 residing in and in close proximity to the capital city.** The 150 young persons enrolled in this pilot programme will have attended secondary school and will have attained partial certification, including at least a basic level passing grade in Mathematics and English Language.¹² At least 80% of persons enrolled in the programme are expected to be characterized as low income urban youth that are

¹¹ The IDB Group Country Development Challenges 2016.

¹² Full secondary school certification is recognized as attainment of passing grades in five subjects offered by the Caribbean Examinations Council (CXC) on completion of five years secondary school education. The project will target young persons that have attained partial certification, i.e. a passing grade in two or three CXC subjects inclusive of English and Mathematics.

unemployed, underemployed or not employed nor engaged in education or training (NEET). Gender equity is a foundational value of the Avasant Foundation's mission to provide relevant skills for employment and empowerment of low-income at-risk youth, and in this respect, the project will target at least **50% female participation** in the training programme. To achieve this target Avasant Foundation will work closely with local stakeholders to ensure that programme outreach, enrollment criteria, timing, structure and content are developed to respond to the socio economic and cultural context of the targeted beneficiary group and will afford inclusive access and facilitate achievement of gender balance.

II. THE INNOVATION PROPOSAL

A. Project description

- 2.1 The project objective is to create a digital talent pool in Guyana and demonstrate a digital skills training model that supports narrowing of the labour skills gap, which is particularly important given the economic and social transition that the country is experiencing. In this regard, Avasant Foundation will engage 150 trainees aged 18-32 from low-income communities in and around Guyana's capital city Georgetown, in digital skills training and job placement within local private sector firms.
- 2.2 The Avasant Foundation's experience in the design and delivery of digital skills training in the Caribbean which has been ongoing since 2015, has enabled the organization to develop a comprehensive understanding of the local ecosystem and digital skill requirements of the respective countries in which programmes have been delivered. Armed with these insights on the importance of adaptation to local business needs and the country's social and cultural context, Avasant Foundation seeks to tailor curriculum and training to fit the needs of each country in meeting its digital transformation objectives. For Guyana, Avasant Foundation will be adapting and contextualizing a highly successful digital skills programme previously delivered in Jamaica which supported training and employment of at-risk, low-income youth. In Guyana, Avasant Foundation, in consultation with key local stakeholders (training institutes, NGOs supporting at-risk youth and private sector firms), will design a curriculum in relevant digital and life skills, featuring a mix of cognitive, social, and technical skills needed for the jobs of today, and moreover, to succeed in the increasingly digital and knowledge-based economy of tomorrow. This intervention has been designed not only to develop the digital skills of 150 low-income young job seekers within Guyana, but to also support job placement within local private companies seeking to expand and upgrade their workforce, and most significantly, the demonstration of a scalable model for digital skills development and employment of marginalized youth.
- 2.3 Avasant Foundation's training in digital and life skills will be delivered over a period of six months using classroom training activities and a virtual learning platform. The direct beneficiaries of this initiative will include low-income unemployed or underemployed Guyanese youths between the ages of 18 to 32 with an aptitude to learn digital skills, as well as partner private sector firms that will employ graduates. Local private firms will be engaged primarily through business associations, and participants for the training programme will be recruited via traditional and social

media outreach efforts in partnership with local Non-Governmental Organizations (NGOs) and other civil society organizations engaged with at-risk youth.

- 2.4 Additionally, given high poverty levels and the unemployment rate that disproportionately affects female labour force participants as identified in Guyana's 2017 Labour Force Survey, particular emphasis will be placed in tailoring outreach and engagement of female participants in the programme, with a target of at least 50% female participation.¹³
- 2.5 **Innovation.** The programme offered by Avasant Foundation is differentiated from many other skills training programmes offered to low-income youth in Guyana and the wider region based on the following factors: (i) Training curriculum is anchored by needs of local organizations seeking to expand or upskill their workforce, these partners are involved in curriculum design and also support training of participants through mentoring, site visits to their companies and guest lectures on the reality and norms of life in the workplace; (ii) The Avasant Foundation draws on the knowledge and skills base of its parent company Avasant LLC which is a global leader in digital transformation; and (iii) Curriculum and training modalities are also tailored to the cultural and socio-economic context and realities of each location, combining transversal and technical skills tailored to participating company needs, which results in a high rate of absorption of participants seeking work. To facilitate piloting of Avasant Foundation's innovative model in Guyana, the project is structured with three core components as follows:
- 2.6 **Component I: Mobilization and Outreach US\$88,550 (IDB Lab US\$50,150, Counterpart Financing US\$38,400).** This component will focus on partner and project mobilization, with specific emphasis on outreach, recruitment, and content development to meet the local needs of both targeted employers and trainees. In this regard, the Avasant Foundation has already conducted a site visit to Guyana to engage private sector firms, scout and assess viable training facilities and identify partners to support outreach and recruitment.
- 2.7 Under this component, the Avasant Foundation team will work with local civil society organizations, chambers of commerce, educational institutes as well as the executing agency of the IDB financed Citizen Security operation (GY-L1042), to recruit participants for the digital skills training programme. The programme will be promoted via traditional and social media channels, as well as participation in key youth forums and events that target at-risk young persons in and around the capital city. Outreach efforts will specifically target at-risk youth and young women seeking to enter the workforce, and their inclusion will be prioritized. Potential trainees will be required to apply via email to register their interest in the programme. Given the level of investment per student, applicants will undergo a robust screening process to assess their commitment to the training programme in order to mitigate attrition levels. The screening process will consist of an initial interview, conducted by the Avasant Foundation team and other key stakeholder representatives, to gauge their commitment, interest and understanding of the programme. Applicants will also complete a written assessment to determine their

¹³ Given that this is a new market for Avasant Foundation and feedback from local training providers on female participation, an initial target of 40% female participation agreed.

reasoning abilities and current knowledge of the subject matter. Avasant Foundation's prior experience indicates that this process can significantly reduce attrition, which is typically high for at-risk youth training interventions.

- 2.8 Once successful applicants are informed of their acceptance, they will participate in an initial orientation session, outlining requirements of students, expectations, availability of logistical support and timing of their entry into the programme. Participants will be provided with a laptop which will be returned upon completion of the course. This will facilitate familiarization with a digital environment as well as students' ability to access and download content from the programme learning platform on their laptops for use outside of the classroom.¹⁴ Training will be conducted in partnership with a local training provider and will be led by local instructors selected and trained by Avasant Foundation.
- 2.9 **Component II: Delivery of Digital Skills Training US\$412,100 (IDB Lab US\$267,600, Counterpart US\$144,500).** The objective of this component is to deliver relevant and transversal skills training for 150 programme participants, of which at least 125 are expected to graduate and of these, at least 100 are expected to transition into employment or continuing education programmes. The curriculum of the digital skills training programme encompasses a combination of soft (transversal) and technical skills which are transferable to a broad range of industries including Business Process Outsourcing, Financial Services Tourism and Hospitality, Logistics, Distribution and Retail. The curriculum will include, but is not limited to, the following technical topics: Office 365, web design and development, data analytics, process mapping, cybersecurity, social media, design thinking, ideation, business management skills, digital entrepreneurship and introduction to advanced technologies. A total of 11 technical modules and complementary life skills will be taught per cohort over a six-month period, with the option to run both day and evening training programmes for a maximum of 25 participants per class, three days per week. Recognizing the economic realities of the target beneficiary group, the option of day or evening classes for three days per week will allow trainees to be able to continue in some form of income-generating activities as needed.
- 2.10 The skills training programme will utilize a modular approach and delivery of the training will include classroom lectures, group discussions, simulations (role-playing, case studies, etc.), as well as one-on-one coaching. Training will be supplemented by site visits to companies; this will expose students to workplace norms, culture and ethics and provides an opportunity for potential employers to informally observe and assess the students.
- 2.11 Once the technical training is completed, trainees are prepared to transition into employment. Typically, companies that agree to participate in the programme as potential employers are asked to provide a commitment to interview students once they have successfully completed their training. Avasant Foundation works with the students to prepare/modify their resumes and applications. The executive director of the Avasant Foundation submits the resumes directly to partner companies in response to identified job opportunities. Trainees participate in the same interview

¹⁴ This is highly relevant as access to broadband in Guyana is costly for low-income groups.

process as other applicants with no preferential treatment provided and are awarded the potential jobs based solely on their own merit and interview performance. In preparation for their interviews, trainees participate in mock sessions which are conducted by the Avasant Foundation team, as well as volunteer members of the business community. Trainees are given feedback and coaching on several areas of interview performance including dress, greetings, eye contact etiquette and other aspects of their delivery and presentation.

- 2.12 **Component III: Programme Management and Scaling US\$35,000 (IDB Lab US\$15,000, Counterpart US\$20,000).** The objective of this component is to monitor and manage the achievement of targeted project outcomes and to engage partners to sustain and scale the programme. In this regard, the component will finance continuous monitoring and evaluation of activities to facilitate adjustments that may be required, tracking of results and the dissemination of the model and results at the national and wider regional level, through focused showcase events in Guyana and participation in relevant youth and future of work knowledge events in the wider region.
- 2.13 The Avasant Foundation will use both formal and informal methods to monitor graduates' success. Tracer studies will be conducted six months after graduation to track participants' progress, and each cohort will have access to a messaging platform during training and up to six months after graduation, which facilitates live tracking of feedback, as well as the identification of challenges that may arise which can be addressed in a timely manner. Additionally, Avasant Foundation maintains regular contact with hiring and executive managers of participating local companies to obtain feedback and to monitor the progress and performance of programme graduates. All monitoring and tracking channels are analyzed to identify and action any changes that are required to strengthen programme relevance and results in real time.
- 2.14 In the third year of the programme, Avasant Foundation, working with local and regional stakeholders will develop a scaling strategy and business plan to sustain and extend the pilot training programme beyond the period of IDB Lab's funding.

B. Project results, measurement, monitoring and evaluation

- 2.15 At the impact level, the project will expand the digital skills base and employability of at-risk youth in Guyana, by providing training and job transition opportunities for at least 150 unemployed or underemployed young persons from low-income communities in and around the capital city of Georgetown. Given the higher levels of poverty and unemployment recorded for women in Guyana, the project is targeting a female participation rate of at least 50%. It is expected that over the course of the intervention, at least 125 (approximately 83%) participants will graduate and 100 (approximately 80%) of the graduates will transition to employment or continued education. The programme will pilot a scalable model that can assist in the training and upskilling of young persons, providing local private sector firms with a talent pool equipped with relevant and workplace-ready skills and competencies at a point of significant economic transition in Guyana. In this regard, the project is targeting an employer satisfaction rate of 75%.
- 2.16 The project will also contribute to the IDB's Corporate Results Framework 2015–2019 Country Development Indicator #1 students benefitted by educational

programmes. Additionally, the project will contribute to the IDB Lab's Knowledge Economy Strategic Approach indicators (i) number of people trained for knowledge economy jobs, and (ii) percentage of people trained that are inserted into the knowledge economy workforce.

- 2.17 In terms of alignment with broader development targets, the project demonstrates alignment with the following Sustainable Development Goals: #4 Quality Education, particularly target 4.4 substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship; and #8 Decent Work and Economic Growth, specifically target 8.6 reduce the proportion of youth not in employment, education or training (NEET).
- 2.18 In accordance with IDB Lab's requirements, the Avasant Foundation utilizing the mechanisms outlined under Component III (student enrollment and assessment records, tracer studies, real-time messaging boards, consultations with employers), will track and collate data on progress against the specific results as outlined in the project's results matrix, and will report on project results every six months via the IDB Lab's Project Status Reporting (PSR) system. Avasant Foundation will also complete a final Project Status Report on conclusion of the project.
- 2.19 The project will be subject to a final evaluation financed by IDB Lab which will be conducted by an independent consultant, on conclusion of the project execution period. The objectives of this evaluation will be to (i) assess the efficacy of the training model and curriculum in positioning and transitioning poor and vulnerable populations into knowledge economy-related jobs, (ii) evaluate the impact of the intervention, and (iii) provide value-added input for Avasant Foundation's strategy and plan to strengthen, sustain and scale the model in Guyana and in the wider region. The evaluation will contribute to IDB Lab's knowledge on the Future of Work, specifically, lessons learned and models that contribute to a highly demanded workforce which is better prepared for the knowledge economy, and in particular, models targeting Latin America and the Caribbean (LAC)'s marginalized youths.

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

A. Alignment with the IDB Group

- 3.1 The project addresses key gaps in the skills of Guyana's labour force and contributes to the objectives of IDB Lab's Knowledge Economy focal area the Future of Work, in contributing to knowledge economy skills development and job placement for marginalized youth of LAC. On a broader level, given poverty rates in Guyana and the focus of the programme in skills development of low income, at-risk youth, the project supports the IDB Lab's mandate to support inclusive development, particularly for last-mile populations. Additionally, the project is a direct fit with the commitments of IDB Lab in supporting Small and Island Countries within the LAC region, which includes Guyana.
- 3.2 Furthermore, the project directly supports the commitment of IDB Lab in its 2019-2021 Business Plan to support relevant areas of the IDB Group's Update to the Institutional Strategy, in particular, the imperative to support human capital development via "labor training, and life-long skills development, and labor

intermediation services, specifically for inserting women, youth, and the unskilled into the workforce.”

- 3.3 The Country Development Challenges for Guyana developed to support preparation of the Country Strategy 2017-2021 identifies education levels and quality of educational outcomes as a key constraint to growth, with over 50% of local firms reporting access to a workforce with relevant skills as a key barrier to growth and competitiveness. Additionally, the current IDB Country Strategy with Guyana (2017-2021) includes a specific focus on supporting private sector development, with reference to development of knowledge economy skills and competencies as a targeted area of intervention for IDB Lab.
- 3.4 Participants for Avasant Foundation's initial intake of students for the digital skills training programme can be mobilized in partnership with the Executing Agency for the IDB funded Citizen Security Programme (CSP) (GY-L1042) which delivers basic training support for at-risk youth, to provide them with new skills and opportunities. Consultations with the local CSP team indicate that the Avasant Foundation project can deliver value-added opportunities to at-risk young people that have benefitted from some of the CSP's foundational training and development programmes.
- 3.5 The proposed programme can also support the Caribbean region's nascent technology sector by providing digital skills training that includes technology entrepreneurship as one module. In this regard, the project has some synergies with the following IDB Lab projects in the region: Nexus Hub Tech Solutions (GY-T1159), which focuses on tech innovation; Tech Factory (GY-T1162) which will deliver advanced digital skills such as coding; and with the TEN project in Barbados (BA-T1047), which provides business incubation and technical skills development for entrepreneurs in the digital space. Avasant Foundation will also seek to leverage knowledge and synergies with other IDB Lab digital skills programmes which target marginalized youth in the wider LAC region.

B. Scalability

- 3.6 The programme, given the wide skills deficit identified in Guyana's 2017 Labour Force Survey, can serve as an important demonstration model in equipping marginalized youth with digital skills and job placement opportunities. It is expected that in Guyana, the programme can be mainstreamed and scaled by local training institutes.
- 3.7 The main local technical training institute, the Guyana Technical Vocational and Educational Training institute (TVET), currently offers more traditional and longer-term technical and vocational options for young people. These programmes may not be aligned with technology-based skills demanded by the private sector, and may not be accessible to low income, at-risk groups due to academic entry requirements and tuition costs. In this regard, the Avasant Foundation model which focuses delivery of transversal and digital skills that are aligned with evolving business needs, is a good complement to current technical and vocational programmes currently offered by institutions such as TVET. Partnership with a local training partner such as TVET will facilitate the expansion of digital skills training nationally, as TVET has the infrastructure and geographic reach to achieve sustainability and scaling beyond the period of IDB Lab's support. Avasant

Foundation will, therefore, partner with TVET and other local technical training institutes to (i) identify candidates for the pilot digital skills programme, drawing on applicants to these institutions that may not have been admitted due to entry requirements and cost factors, (ii) share insights, results and knowledge of the model, and (iii) involve these institutions in development of the scaling strategy and business plan to be developed under Component III of the project.

- 3.8 Scaling the model in Guyana may require support from central government authorities who are working to reduce poverty and improve the skills of young persons in particular. In this regard, Avasant Foundation's partnership with the Citizen Security Programme (GY-L1042) in the identification of potential participants, as well as knowledge sharing, can provide an important channel to sensitize stakeholder public sector agencies seeking to support at-risk youth on the efficacy, relevance and impact of Avasant Foundation's digital skills training model.
- 3.9 Additionally, Avasant Foundation's engagement and continuous dialogue with local private sector employers who recognize the value of this training programme can drive demand and potential investment for horizontal scaling in Guyana beyond the period of IDB Lab's financing.
- 3.10 To facilitate the showcasing of Avasant Foundation's disruptive model for digital skills training and job placement for at-risk low-income youth, the project budget includes resources for participation in a number of local knowledge-sharing events and representation in at least two relevant regional forums.

C. Project and institutional risks

- 3.11 **Project external risks:** Key risks that may impact the project and the corresponding mitigation strategies identified are as follows: (i) **Low levels of job placement.** This risk is mitigated by the Avasant Foundation's proactive engagement of local companies interested in expanding their skills base and also by supporting workplace readiness of candidates from the initial stages of training. The engagement of private sector partners as financial and technical contributors in programme delivery has in the past, been a key contributing factor to the Avasant Foundation's ability to achieve a high level of graduate job placements and employer satisfaction in other Caribbean countries.¹⁵ In all of its interventions, Avasant Foundation partners at an early stage with local training providers and private companies to tailor its programmes to the needs and realities of the local context, in order to ensure relevance and achievement of targeted training outcomes. In addition, the upsurge in economic activity catalyzed by inflows from Guyana's energy resources commencing in 2020, will drive business expansion and private sector development locally, stimulating an increase in demand for an expanded skilled workforce, and will also create new employment opportunities in the local private sector. (ii) **Underperformance of participants** in training programmes is a key risk that is mitigated through the Avasant Foundation's continual monitoring and assessment of performance that will provide early warning signals and inform required adjustments in course material and training approach. (iii) **Low recruitment numbers.** This risk will be mitigated via Avasant Foundation's engagement with the IDB financed Citizen Security loan operation

¹⁵ Specifically, Jamaica, Haiti and Trinidad and Tobago.

(GY-L1042) in identifying potential trainees, and also by working closely with Guyana's IDB Country Office civil society team in programme outreach and promotion amongst key stakeholders. Additionally, outreach campaigns and the timing and structure of training activities will be developed to target female participation in particular, including potential reservation of at least 50% of student placements for female applicants.

- 3.12 **Institutional risks:** The Avasant Foundation is scored as Low Risk in all four dimensions of the IDB Lab's Diagnostic of Executing Agency Needs (DNA) which assesses Executing Agency capacity and experience, as well as associated risk, in the following areas: Procurement, Accounting and Financial Management, Technical and Monitoring Capability and Knowledge Management Capacity.

IV. INSTRUMENT AND BUDGET PROPOSAL

- 4.1 The project has a total cost of US\$705,900 of which US\$350,000 (49%) will be provided by IDB Lab and US\$355,900 (51%) in counterpart resources.
- 4.2 The instrument to be used is a non-reimbursable technical co-operation as the project is intended to contextualize and demonstrate the application of this skills delivery and job placement model for high risk, low-income youth in a new and underdeveloped market.
- 4.3 **Retroactive recognition of counterpart funds.** Retroactive recognition of counterpart resources of up to US\$8,000 under Component I, nine months in advance of project approval is proposed, as Avasant Foundation has already conducted country visits to engage local stakeholders.

Project components	IDB Lab	Counterpart	Total
Component I: Mobilization and outreach	50,150	38,400	88,550
Component II: Skills training	267,600	144,500	412,100
Component III: Scaling	15,000	20,000	35,000
Project administration (executing unit costs)		153,000	153,000
Final evaluation	8,000		8,000
Ex post reviews	2,000		2,000
Contingencies	7,250		7,250
Grand total	350,000	355,900	705,900
% of financing	49%	51%	100%

V. EXECUTING AGENCY (EA) AND IMPLEMENTATION STRUCTURE

A. Executing agency(s) description

- 5.1 The Avasant Foundation will be the Executing Agency for this project and will sign the agreement with the IDB.

- 5.2 The Avasant Foundation (www.avasantfoundation.org) is a 501(C)(3) not-for-profit organization focused on digital skills development as a driver of opportunities for marginalized youth. Avasant Foundation is registered and headquartered in California, USA, and was established under the aegis of Avasant LLC (Avasant), a global consultancy firm focused on provision of strategic advisory services for the digital economy. **The Avasant Foundation works to improve lives and communities by empowering high potential, deserving youth in developing countries through education, employment, and entrepreneurship initiatives in the new digital economy.** Avasant Foundation leverages best practices and the knowledge of its parent organization Avasant, to empower economically disadvantaged communities and utilizes Avasant consultants' expertise in the development of training, use of technology and design of innovative delivery methods. To date, Avasant Foundation has enabled the creation of 25,000 sustainable jobs for youth through digital youth employment training, focusing on the technological needs of local and emerging job markets. In this regard, some of the notable initiatives undertaken by Avasant Foundation include: Avasant Digital Youth Employment Initiative in Jamaica, Expanding Digital Youth Employment Training in South Africa and Haiti, piloting Technopreneur Training in Uganda, joining the SDG Philanthropy Platform for India, and launching Digital Works, a social enterprise in Trinidad and Tobago as a demonstration project in Impact Sourcing. In all its programmes and operations, the Avasant Foundation is committed to supporting gender balance and specifically, equitable participation of women in training, employment and entrepreneurship opportunities. The impact of Avasant Foundation's work has been recognized globally; in 2015 and 2016 the organization was recognized by the Clinton Global Initiative for the high impact of its programmes throughout Asia, Africa and the Caribbean, and in 2018, the Avasant Foundation received the Global Impact Sourcing Award from the International Labour Organization, as an Impact Sourcing Influencer.¹⁶
- 5.3 Avasant LLC (Avasant), headquartered in Los Angeles, USA, is a global management consulting firm focused on translating the power of technology into realizable business strategies for the world's largest corporations. Specializing in digital and Information Technology (IT) transformation, sourcing advisory, global strategy, and governance services, Avasant prides itself on delivering high-value engagements through industry-focused innovation and flexible client-based solutions. This global technology firm has conducted more than 1,000 engagements in over 40 countries. Avasant's engagement in the global technology economy has inspired a strong commitment to community and the firm seeks to extend opportunities for value-added participation in a digital world through the work of the Avasant Foundation.
- 5.4 In Guyana specifically, to assess local digital skill requirements and incorporate these in training curricula and delivery methods, Avasant Foundation will leverage the expertise of Avasant LLC via its regional office in neighboring Trinidad and Tobago. In addition, engagement of key companies and conglomerates operating in Guyana, including Emerge BPO and the Massy Group (a regional conglomerate), will also inform curriculum design and content. In training delivery,

¹⁶ [About Avasant Foundation.](#)

Avasant Foundation will partner with local training institutes such as TVET and Texilia American University, Guyana, to leverage local knowledge and facilities, and to build sustainability of the intervention from the starting point.

B. Implementation structure and mechanism

- 5.5 Avasant Foundation will establish an executing unit and the necessary structure to execute project activities and manage project resources effectively and efficiently. Avasant Foundation will also be responsible for providing progress reports on project implementation. Details on the structure of the execution unit and reporting requirements are outlined in Annex V.
- 5.6 The Avasant Foundation will contract a full-time local programme coordinator for the project as well as a project assistant. The programme coordinator, in collaboration with the Executive Director of the Avasant Foundation, will be responsible for the organization, roll out and management of key activities. The Avasant Foundation and Avasant LLC will provide technical oversight and quality assurance and will be directly responsible for the establishment and management of key partnerships.
- 5.7 The Avasant Foundation will also establish a project advisory committee which will be composed of stakeholders from TVET, education partners and members of the business community. The project advisory committee will meet at least twice a year, at the end of each cohort, to evaluate the programme and provide strategic advice to improve programme content, delivery and employment opportunities for future cohorts.
- 5.8 Avasant Foundation will also work closely with the civil society liaison for the IDB's Guyana Country Office, in order to understand the cultural nuances of working with youth in Guyana, and how to engage with other local civil society organizations.

VI. COMPLIANCE WITH MILESTONES AND SPECIAL FIDUCIARY ARRANGEMENTS

- 6.1 **Disbursement by results, fiduciary arrangements.** The Executing Agency will adhere to the standard IDB Lab disbursement by results, IDB procurement policy¹⁷ and financial management¹⁸ arrangements as specified in Annexes V and VI. Project accounting and procurement records will be subject to an ex post review on an annual basis, by an independent firm financed from a pool account managed by IDB Lab. Any issues or recommendations arising during the course of these reviews will be documented and communicated to the Avasant Foundation, and a plan will be developed and agreed to implement required changes. All actions to implement recommended changes will be monitored by the IDB's Country Office team and the IDB Lab team leader.

¹⁷ Link to the Policy: [Procurement of Works and Goods Policy](#).

¹⁸ Link to the document [Operational Guidelines for Management of Milestones and Financial Supervision for IDB Lab and SEP Technical Cooperation Projects](#).

VII. INFORMATION DISCLOSURE AND INTELLECTUAL PROPERTY**

- 7.1 **Information disclosure.** Project information is not considered confidential under the IDB Access to Information Policy. This document is therefore public in accordance with said policy.¹⁹
- 7.2 **Intellectual property.** The Executing Agency shall own the intellectual property rights to all works produced or results obtained under the Project and will grant the IDB Group an irrevocable, worldwide, perpetual, royalty-free, and non-exclusive license to use, copy, distribute, reproduce, publicly display and perform any and all Executing Agency intellectual property derived from execution of the Project, as well as to create derivative works.

¹⁹ Link to the [Access to Information Policy](#).