EN

of the Commission Implementing Decision on financing of the multiannual action plan in favour of El Salvador for 2022 and 2023 part I

Action Document for "LAMARR - Digital skills and services for youth, informal and independent workers"

MULTIANNUAL PLAN
This document constitutes the multiannual work programme, part one, in the sense of Article 110(2) of the Financial Regulation, and action plans in the sense of Article 23 of NDICI-Global Europe Regulation.

1 SYNOPSIS

1.1 Action Summary Table

1. Title **CRIS/OPSYS** **business reference** **Basic Act**	LAMARR - Digital skills and services for youth, informal and independent workers. OPSYS number: ACT-61402 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
2. Team Europe Initiative	Yes The initiative will contribute to the Team Europe Initiative for El Salvador on Digital Jobs.
3. Zone benefiting from the action	The action shall be carried out in El Salvador
4. Programming document	Multi-Annual Indicative Programme for El Salvador 2021-2027
5. Link with relevant MIP(s) objectives / expected results	The proposed Action intends to contribute to priority 1 of the MIP 2021-2027: **Digital Transformation,** and the following Specific Objectives and Expected Results: **Specific objective 1.** The Digital Agenda is executed in a participatory and inclusive manner together with the private sector, civil society, academia and other relevant stakeholders **Specific objective 3**. Young women and men, including forcibly displaced people and migrants, benefit equally from e-services, access to entrepreneurship opportunities and skilled jobs offered by the digital economy. **Expected result 1.** Institutional, regulatory and operational capacity is built, to ensure the participatory and inclusive implementation of the Digital Agenda 2030. **Expected result 4.** Young women and men, including forcibly displaced people and migrants, acquire through vocational training the digital skills and competencies that allow them to participate fully and equally in the digital economy.
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	Priority area: Digital Transformation 112 Secondary Education

	220 Communications
7.Sustainable Development Goals (SDGs)	Main SDG (1 only): SDG 8: Create Decent Work and Economic Growth (8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services; 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value; 8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training; 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment). Other significant SDGs (up to 9) and where appropriate, targets: SDG 1: End poverty in all its forms everywhere (1.2 By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions; 1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance). SDG 4: Quality Education (4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship) SDG 5: Enforce Gender Equality (5.4 Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate; 5.B Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women. SDG 9: Increase Industry, innovation and Infrastructure (9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending)
8 a) DAC code(s)	Information and communication technology (ICT) DAC 22040 – 60% Vocational Training DAC 11330 – 40%
8 b) Main Delivery Channel	Donor government Multilateral partners
9. Involvement of multilateral partners	Yes IDB - 46012
10. Targets	☐ Migration ☐ Climate ☒ Social inclusion and Human Development ☒ Gender ☐ Biodiversity ☒ Education ☐ Human Rights, Democracy and Governance

11. Markers (from DAC form)	General policy objective @	Not targeted	Significant objective	Principal objective
	Participation development/good governance	☒	☐	☐
	Aid to environment @	☒	☐	☐
	Gender equality and women's and girl's empowerment	☐	☒	☐
	Trade development	☒	☐	☐
	Reproductive, maternal, new-born and child health	☒	☐	☐
	Disaster Risk Reduction @	☒	☐	☐
	Inclusion of persons with Disabilities @	☒	☐	☐
	Nutrition @	☒	☐	☐
	RIO Convention markers	**Not targeted**	**Significant objective**	**Principal objective**
	Biological diversity @	☒	☐	☐
	Combat desertification @	☒	☐	☐
	Climate change mitigation @	☒	☐	☐
	Climate change adaptation @	☒	☐	☐
12. Internal markers and Tags	**Policy objectives**	**Not targeted**	**Significant objective**	**Principal objective**
	Digitalisation @	☐	☐	☒
	digital connectivity		☐	☐
	digital governance		☒	☐
	digital entrepreneurship		☒	☐
	digital skills/literacy		☐	☒
	digital services		☐	☒
	Connectivity @	☒	☐	☐
	transport		☐	☐
	people2people		☐	☐
	energy		☐	☐
	digital connectivity		☐	☐
	Migration @ (methodology for tagging under development)	☒	☐	☐
	Reduction of Inequalities (methodology for marker and tagging under development)	☐	☐	☒
	COVID-19	☒	☐	☐

BUDGET INFORMATION	
13. Amounts concerned	Budget line(s) (article, item): 14.020140
	Total estimated cost: EUR 9 500 000
	Total amount of EU budget contribution EUR 6 500 000
MANAGEMENT AND IMPLEMENTATION	
14. Type of financing[1]	**Indirect management** with
	Expertise France
	Inter-American Development Bank (IDB)

1.2 Summary of the Action

El Salvador faces challenges in terms of providing opportunities for large parts of the population, in particular young men and women; this puts pressure on migration and the risk of youth joining gangs.

El Salvador´s government has prioritised digital transformation in its Digital Agenda 2020-2030 to exploit the opportunities offered by digitalisation and revitalize the economy in a sustainable development path with equal opportunities for all. This includes promoting innovation, entrepreneurship, digital skills and improved access to public services. Through the development of the digital skills of young Salvadoran men and women it also aims at reducing the gender gaps in terms of providing young women with access to digital technologies, training and employment opportunities and access to information.

Aligned with these objectives, this action aims to contribute to improve equity and socioeconomic integration of disadvantaged young people, informal and independent workers, in particular women, through two components:

1. "Strengthen the professionalization and integration of disadvantaged young men and women from marginalised neighbourhoods in the labour market, taking advantage of the opportunities provided by the digital transformation", to be implemented by Expertise France. This component will support the development of a vocational training system aimed at providing digital skills and to facilitate access to decent work for young people and ensure the building of life skills required to lead a healthy and productive life. It will furthermore contribute to the creation of quality, inclusive and sustainable jobs through the certification process on the "fair programming" label.

2. "Provide personalized benefits and greater access to social protection and rights through digital solutions that target informal and independent workers (domestic services, freelancers and creatives, drivers and riders)" ("WorkerTech"), to be implemented by the Inter-American Development Bank (IDB). This innovative project, which has been launched recently, focuses on informal and independent workers in El Salvador through the development of digital and innovative solutions to offer them access to basic social protection services provided by private sector firms, and labour rights, capacity and productive development. It will furthermore support the development of a policy and regulatory framework that promotes the rights of the workers of the digital economy. Finally, the project will support the collection of reliable data on informal and freelance work in El Salvador, an area that still lacks data to clearly identify gaps and needs. The action will directly contribute to El Salvador´s digital transformation, foreseen in the MIP 2021-2027 for El Salvador, and important synergies will be generated with Priority Area 2 on female entrepreneurships and with Priority Area 3 on Human Development. The programme will directly contribute to SDG 8 on creating Decent Work and Economic Growth.

---

[1] Art. 27 NDICI

2 RATIONALE

2.1 Context

The COVID-19 pandemic has had a significant negative impact on people's lives and families' incomes, in a country where nearly 75% of the workforce works informally. In 2021, growth showed signs of recovery, supported by remittance-fuelled consumption and exports. El Salvador's economy is expected to grow 4 % in 2022, but this could be hindered by the impact of the Russian-Ukrainian crisis, which is pushing inflation up. At the same time, fiscal sustainability issues remain a challenge, as public debt has been growing and the prospect of reaching an agreement with the IMF to obtain a USD 1.3 billion extended fund facility (EFF) credit arrangement, which would cover budget shortfalls over the coming years, appears increasingly unlikely.

Politically, the recent state of exception –already extended three times-, and the associated massive detention campaign targeted against gangs' members, have deepened concerns about the President's democratic commitment. However, at the same time, and due to the significant drop of gang-related violence, this measure has increased government's support. These recent developments, together with uncertain macroeconomic perspectives and lack of advances on Public Financial Management reforms and fiscal transparency, have hampered the Delegation's options to continue engaging with the Government through Budget Support, which was the preferred modality employed during the previous budgetary period. However, policy dialogue through ESCO (Government Cooperation Agency) and with the line Ministries has continued, in particular in terms of implementation of the government's Digital Agenda.

The Salvadoran government continues to prioritize economic growth and the creation of jobs in its Social Policy and the Policy for Commerce and Investment. The country maintains potential to boost its economic growth due to the country's strategic location, with access to many markets, a growing and reliable labour force, a digital-oriented young public leadership and a solid industrial base.

The MIP strategic priority is fostering the green economic recovery, creating jobs and tackling inequalities, in particular the digital divide. Digital transformation is also one of the government´s main strategic priorities.

2.2 Problem Analysis

The country is undergoing a demographic transition, where the current demographic bonus of young people is expected to continue to 2040. In 2019, 75.2 % of El Salvador's population were of an economically active age but, at the same time, only 61.4 % were active in the labour market. The labour market is marked by a high degree of informality, estimated to be up to 70% of the labour force, who thus lack access to basic protection. 27% of youths between 15 and 29 years of age neither study nor work. These youths are both more prone to be pushed towards migration or internal displacement and more vulnerable to be recruited by the gangs that control large parts of the territory. There are over 70 000 internally displaced persons in El Salvador. Children and youth in El Salvador face well-documented threats at the hands of gangs; from extortion to forced recruitment or becoming "girlfriends" of gang members.

One of the problems facing El Salvador is overcoming the "digital gaps"; that is, the gap in access between those who are connected and those who are not (first-level digital divide) and the knowledge gap within the group of people who are connected (second-level digital divide). According to the 2021 Global Innovation Index (IGG), El Salvador ranks 106th out of 132 countries in terms of human capital and research and 124th in terms of knowledge and technology outputs; the country ranks 131st in terms of knowledge creation, and 126th in terms of knowledge linkages. The WEF Global Competitiveness Index only assigns 3.2 points out of 7 in terms of digital skills of the active population, ranking the country 131st of 141 countries. Additionally, the Global Gender Gap Index quantifies El Salvador's gender parity at 0.706 out of 1, which places it in 80th position out of 153, with low indicators in the area of education, health and skills. This affects its competitiveness and economic and social development. The digital divide also exists between women and men. Men are more likely than women to engage in digital tasks and digital literacy and the use of the internet is higher for men than for women.

Salvadoran small and medium-sized enterprises (SMEs) have expressed that the main barrier to their digital transformation is the lack of skills of staff and prohibitive prices for services charged for support services. In addition, large companies, public institutions and IT companies dedicated to service outsourcing (call centres, IT outsourcing) monopolise the majority of the already limited qualified workforce. According to a study by the Salvadoran Vocational Training Institute (INSAFORP), there is a high demand for digital skills, including the

development of digital marketing and social media, as well as the management of the security of technological risks, website design, etc. The lack of skills is only compounded by the limited development of the digital economy, due to low access to ICTs and the scarce use of solutions on digital infrastructure, where the 2021 IGG ranks the country as 93rd in the world, in terms of ICT infrastructure.

On the other hand, digital platforms expanded significantly during the COVID-19, when lockdowns provided many workers with new opportunities as independent, self-employed, temporary, platform or gig workers, contractors, and freelancers. Although there is limited reliable data about the extent of work related to digital platforms, it is estimated that there are more than 8 000[2] individuals working through driver or delivery platforms. A proxy for the Salvadoran population working as freelancers is the total number of people (DIGESTYC, 2019)[3] with temporary contracts (12.8%) who work for themselves with no office space (38.6%), which totals approximately 1.1 million individuals; an estimated 58.6% of them are men. Additionally, these workers include the more "traditional" categories of informal workers such as domestic and care workers, who make up 10% of the female economically active population. The reality is that 91 % of them receive no benefits, a salary that is 45% lower and only 4% contribute to the social security. In other words, most of them work in unstable and insecure conditions. 91.4 % of these workers are women.

The common denominator for these categories of workers is that they do not have a traditional work relationship as wage workers, but rather flexible labour relations that include having many employers, fluctuating hours of work, unpredictable pay, lack of professional development opportunities, lack of sick leave, and most importantly no place in the social protection network designed with the formal dependent worker in mind. They lack access to information on their rights, on professional opportunities and on essential living skills limiting their ability to break through the cycle of poverty.

The increased penetration of the digital economy in El Salvador, as in the rest of Latin America and the Caribbean, represents an opportunity for workers to take advantage of digital tools to access jobs and markets, as well as new services and protections. Independent and informal workers have the chance to take advantage of these new digital tools and services to: (i) guarantee access to coverage and basic labour rights, (ii) optimize productivity and professional development, (iii) facilitate collective organization and (iv) facilitate information on life skills. These solutions are called "WorkerTech", defined as digital service offerings that harness the power and convenience of technology to provide independent and flexible workers with personalized benefits and greater access to protections, rights and information.

This action aims in each of its components at contributing to address the following issues in El Salvador:

- The lack of supply of a skilled digital workforce.
- The lack of social and labour protection services for freelance and independent workers, including workers working in the informal sector (with a specific aim at domestic workers, in their vast majority women).

The action complements the government's National Digital Agenda 2020-2030, which is the government strategy to mainstream innovation and digitalization in the country.

Two different partners will implement each component of the action: (1) Expertise France will manage the initiative supporting the development of a vocational training scheme in the digital field and promotion of "Fair programming"[4] label; (2) the IDB will implement the "WorkerTech" component through its innovation laboratory, IDB Lab (BID-Lab). IDB Lab is promoting the WorkerTech concept in Argentina, Uruguay and Guatemala, and has an extensive expertise in piloting the use of technology and innovation for entrepreneurship and social equity through the LAC region.

The main partner in both components of the action will be the Salvadoran Chamber of Information and Communication Technologies (CASATIC), a non-profit business association that brings together private sector actors in the technology and innovation sector. CASATIC is the largest private organisation promoting technology and innovation in the private sector in El Salvador, and has signed a cooperation agreement for the period 2020-2025 with the government's Innovation Secretariat, which will itself be a partner of the Action.

---

[2]   IDB Lab in house estimate based on information published in secondary sources.
[3]   Multipurpose Household Survey (EHPM), 2019. MINEC/DIGESTYC.
[4]   "Fair Programming" is an initiative that promotes a fair relationship between actors in the digital economy and new technologies.

The Innovation Secretariat is attached to CAPRES (Casa Presidencial) and its mission is to coordinate the implementation of the Digital Agenda advancing the digital transformation and facilitating innovation, collaboration, entrepreneurship, generation of equal opportunities and the inclusive access to e-services and the benefits of the knowledge society.

The main public stakeholders under component 1 of the action are the national institutions responsible for vocational training, development of the digital transformation and promotion of decent work (duty-bearers): the Secretariat of Innovation and the Ministry of Education, Science and Technology, as well as the Ministry of Labour and Social Planning. The Salvadoran Institute of Vocational Training (INSAFORP) is also a key player as manager of specific training operations for professionals or marginalised populations.

Under component 2 of the project, the Ministry of Economy (MINEC) is already involved in the project steering committee, alongside the Innovation Secretariat, which monitors implementation. Through CASATIC, the Steering Committee also includes private sector, and as the project starts implementation it is expected that the Ministry of Labour and Social Planning and/or civil society organizations will be included.

Civil society organisations (representing the rights of the rights-holders) including youth organizations, involved in issues related to the marginalisation of young people will also be partners, in particular under component 1 of the action, working alongside local authorities in the communities in the most vulnerable situations. Finally, Universities and higher learning institutions will be involved in the action. For example, ESEN, a higher education institution where the most important business groups in the country converge and promote the training of human talent for the future, will sign and MOU to support a series of studies with Fair Work to understand the phenomenon of platform workers and give solid inputs to develop the initiative.

3 DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

The Overall Objective (Impact) of this action is to improve equity and socioeconomic integration of disadvantaged young people, informal and independent workers, in particular women.

The Specific Objectives (Outcomes) of this action are:

1. To strengthen the professionalization and integration of disadvantaged young men and women from marginalised neighbourhoods in the labour market, taking advantage of the opportunities provided by the digital transformation.

2. Greater use of digital solutions for social protection and rights by informal and independent workers (domestic services, freelancers and creatives, drivers and riders).

The Outputs to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are:

Contributing to Outcome 1 (or Specific Objective 1):

1.1. Enhanced access to learning, induction and recruitment pathways in the digital sector taking into consideration psychosocial/emotional needs and gender issues and fair recruitment.

1.2 Learning and socio-professional integration for young people are developed and implemented in partnership with the professional world.

1.3 The capacity[5] of central and local training institutions in the digital sector is strengthened.

1.4. Strengthened coordination and networking mechanisms for private sector and training stakeholders.
1.5 Mechanisms for information exchange and collaboration between private sector and training stakeholders are implemented.

1.6 Fair programming label established in the digital sector.

Contributing to Outcome 2 (or Specific Objective 2):

---

[5] Capacity of the staff from public institutions and training institutions in practices and pedagogical engineering.

2.1. Pilot digital solutions for independent, digital, and informal workers (WorkerTech) are developed and implemented.

2.2 Policies regulating working conditions of the independent, digital and informal workers are developed/and better implemented, taking into consideration gender equity perspective.

2.3 Enhanced capacity of civil society, public and private sector actors in WorkTech solutions.

2.4 Data and knowledge for public, private and civil society stakeholders involved in addressing the challenges of new digital forms of work is generated.

3.2   Indicative Activities

Activities related to Output 1.1

1.1.1 In-depth diagnosis of the socio-economic, psychological and emotional constraints of the target audiences, of their needs in terms of life skills as well as gender barriers and issues.

1.1.2 Capitalisation of good practices and development of dedicated action plans.

1.1.3 Implementation of action plans (support measures for beneficiaries and capacity building for training actors)

Activities related to Output 1.2

1.2.1. Selection of partners for implementing learning schemes.

1.2.2 Consolidation of existing training pathways and development of complementary pathways linked to the professional world (reference frameworks).

1.2.3 Implementation of training and support for professional integration.

Activities related to Output 1.3

1.3.1 Physical capacity building (equipment, resources).

1.3.2 Capacity building (training), including development of capacity building plan.

Activities related to Output 1.4:

1.4.1 Capitalise on the experience of the "*Puente Para El Empleo*" project.

1.4.2 Facilitating the participation of enterprises in the activities of pedagogical design, implementation, monitoring and evaluation of training courses, and professional integration.

1.4.3 Modelling the costs of training schemes and company participation processes.

Activities related to Output 1.5:

1.5.1 Capitalisation on existing good practice in training-to-employment transition is carried out and shared with sector actors

1.5.2 Development of a joint work plan by professional and training stakeholders to produce a charter of good practices

1.5.3 Conduct a feasibility study on the development of a label promoting ethical practices in the digital workplace

1.5.4 Design of a mechanism to generate/transmit relevant information to the WorkerTech/Talento 4.0 Observatory

Activities related to Output 1.6:

1.6.1 Carry out and share the capitalisation on lessons learnt with different actors.

1.6.2 Promote fairer recruitment in the digital sector.

1.6.3 Professional and training actors with the label "Fair Programing" committed to social and environmental level provide decent work in the digital sector.

Activities related to Output 2.1

2.1.1 Prepare and launch call for proposals aimed at digital solutions for beneficiaries.

2.1.2 In depth needs analysis with potential beneficiaries.

2.1.3 Development of pilot digital applications aimed at providing credit, healthcare, savings, insurance, pension, etc., to increase and stabilise household disposable income throughout the life cycle.

2.1.4 Implement lessons learned and evidence of the digital solutions.

Activities related to Output 2.2:

2.2.1 International benchmarking of WorkerTech regulatory framework.

2.2.2 Promotion of public policies that facilitate the implementation of digital solutions and labour rights through a strengthened regulatory framework.

2.2.3 Capacity building of public sector actors on WorkerTech solutions.

2.2.4 Capacity building of civil society and private sector actors that includes gender equity and human rights perspectives in particular.

Activities related to Output 2.3

2.3.1 Promote spaces for dialogue and exchanges of experiences on using digital tools to improve the working conditions of informal, digital, and independent workers in El Salvador.

2.3.2 Execute a work plan to articulate and coordinate key action to improve the working conditions of informal and independent workers with a particular focus on women.

2.3.3 Analyse possible proposal to develop the regulatory framework to improve the working conditions of informal and independent workers.

Activities related to Output 2.4

2.4.1 Map and diagnose the state of art of observatories of contemporary work at a national and international level.

2.4.2 Define the key disaggregated indicators, sustainable model of, and observatory of contemporary work.

2.4.3 Implementation of an observatory of contemporary work, that looks specifically at the needs and challenges of digital workers as well as of work mediated through digital platforms.

2.4.4 Collect and analyse information on gender disparities among the target groups and the particular situation of women independent and informal workers

3.3   Mainstreaming

Environmental Protection & Climate Change

Outcomes of the SEA screening (relevant for budget support and strategic-level interventions)

The Strategic Environmental Assessment (SEA) screening concluded that no further action was required.

Outcomes of the EIA (Environmental Impact Assessment) screening (relevant for projects and/or specific interventions within a project)

The EIA (Environment Impact Assessment) screening classified the action as Category C (no need for further assessment).

Outcome of the CRA (Climate Risk Assessment) screening (relevant for projects and/or specific interventions within a project)

The Climate Risk Assessment (CRA) screening concluded that this action is no or low risk (no need for further assessment)

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1.

Both components of the action contain a gender perspective. Their results are focused on gender equity and equality, women's empowerment and inclusion.

In the framework of the implementation of the Gender Action Plan III, the EUD has elaborated the Country Local Implementation Plan (CLIP) for El Salvador for the 2021-2025 period, in close coordination with EU member states and in consultation with national institutions, civil society and international partners. El Salvador's Gender Inequality Index has improved, from a value of 0.521 in 2000 to 0.383 in 2019. However, women and girls continue to experience serious barriers affecting their possibilities to develop personally and professionally and translate into equality gaps. Financial autonomy remains a challenge for Salvadoran women to make autonomous decisions, develop personally and professionally.

In accordance with the above, these actions have a strong focus on guaranteeing gender equality in areas such as education, income generation and productive development.

Human Rights

According to the Human Rights and Democracy Country Strategy 2021-2024, the EU, together with MS represented in El Salvador, have agreed on the following strategic priorities: Advocating for non-discrimination, gender equality and women's rights. Non-discrimination and equality are key values to strengthen human rights. One of the objectives of the strategy is to promote the participation of women's organisations and networks in health and education sectors. This action contributes to the strategic priorities of the strategy. Overall, the action will apply the working principles of the human rights based approach (HRBA): applying all human rights for all, meaningful and inclusive participation and access to decision-making, non-discrimination and equality, accountability and rule of law for all, and transparency and access to information supported by disaggregated data.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0. This implies that Disability is not targeted in the principal objective / significant objective.

Actions under the civil society component may contribute to the promotion of the rights of people with disabilities. Both actions may consider people with disabilities as potential beneficiaries.

Democracy

The strengthening of democratic institutions, participation and the division of powers remain a crosscutting objective of all EU interventions in El Salvador.

During the last three years, increasing concerns have been expressed about democracy in El Salvador: IDEA reported concerning developments on civil liberties, social rights, equality, personal integrity, and security, while the score of Freedom House´s Index has decreased from 70/100 in 2018 to 63/100 in 2021, with El Salvador moving from "Free" to "Partly Free". The Economist Intelligence Unit´s Democracy Index 2020 downgraded El Salvador from "Flawed Democracy" to "Hybrid Regime" following the concentration of power in the executive.

All this underlines the necessity for the EU to strengthen democratic institutions. This action will strengthen the role of civil society, primarily creating spaces for dialogue under component 2 (WorkerTech), where a wide range of stakeholders will discuss policy frameworks that contribute to the provision of labour rights.

Conflict sensitivity, peace and resilience

In September 2021, HQ launched a Conflict Analysis for El Salvador. Recommendations taken in account from the draft report for this Action are: i) Promoting economic growth through trade and livelihood diversification; ii) Promoting the development of innovative sectors for the youth; iii) Encouraging support towards developing social policies and frameworks, particularly on youth, gender, LGBTIQ persons and disabled peoples issues and addressing drivers of poverty.

Disaster Risk Reduction

The Action does not have significant environmental impacts and is not significantly dependent of environmental constraints; both components are classified as low disaster risk because the occurrence of the hazard event does not affect in the achievement of outcomes.

Migration and forced displacement

Given the large numbers of internally displaced persons (IDPs) in El Salvador (over 70 000 according to UNHCR), IDPs will also be able to benefit from the action.

Other considerations if relevant

The programme is expected to have a positive impact on human development indicators through the following pathways: Income pathway: a reduction of income poverty of vulnerable groups leads to improved access to health and education services and healthy and balanced diets. Information pathway: improved access to information through ICT facilitates decision-making in areas relating to health and nutrition. Gender pathway: targeting women which are most affected by malnutrition and are powerful actors of change in areas relating to food and nutrition will lead to improved nutrition and health at household level.

In both components there are elements of capacity building in terms of digital skills. Efforts will be made to ensure that partners integrate or build on EU DG CNECT models and the EU e-Competence Framework in order to build on EU experiences.

The Action is contributing to the implementation of the LAC Continental TEI Digital Alliance. In particular to its priority area 1: Regulatory and policy cooperation, 1c) <u>Provision of digital skills.</u> Together with the Actions "Social Digital Connectivity" and "Strengthening the Digital Civil Register", also components of the AAP 2022, it makes up the EU response to some of the most important challenges facing El Salvador; a response that is fully aligned with the TEI Digital Alliance under the framework of the Global Gateway.

3.4   Risks and Lessons Learnt

Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
The security situation does not allow access to certain areas of the country limiting the viability of implementation in some of the most marginalised areas.	L	M	• Activities mobilising actors who are already present, experienced in dealing with security issues and accountable. • Establishment of a monitoring and evaluation framework that is sensitive to changes in the context.
Economic downturn limit the opportunities for new decent job creation and entrepreneurship.	H	H	• Work closely with private sector and authorities for placement of workers according to labour demand • Support creation of creating opportunities for work and entrepreneurship in innovative digital sectors, available to broader digital market. • Promoting sustainable livelihoods and its insertion in the digital sector. • Close monitoring of the economic conditions that could adversely affect implementation and take measures as they arise.
Health crises stop the participation of stakeholders and beneficiaries in the process.	M	L	• Capitalising on the experience of the COVID-19 crisis.

			• Hybrid and distance learning modalities will be systematically included in all plans.
Limited stakeholder dialogue and participation limit the possibility for promoting appropriate policy frameworks and consider the beneficiaries.	**L**	**H**	• As part of the methodology of both partners, the accompaniment of the different actors in their initiatives and proposals supports the consolidation and viability of the dialogue and ensures their participation in the process. • Both project have the support and active participation of authorities and private sector at strategic level.
Gender equality and rights of women and girls are not recognized and adequately integrated in actions, particularly women with less education and limited access to the web are further marginalised	**L**	**H**	• Gender inequality analyses conducted at the beginning of the action and closely monitored throughout implementation, including closely consider possible risks to gender equality of the action • Capacity building of stakeholders on gender mainstreaming by a dedicated operator. • Strengthening the participation of women's civil society organisations in all components of the intervention, including consultation at strategic level.

Lessons Learnt:

Both partners have already implemented or are implementing similar projects/pilot projects:

• Young people at risk face a diversity of economic, psychological and emotional constraints. In order to limit dropouts and enable smooth socio-professional integration, these various difficulties must be analysed and dealt with by local actors.

• There is a need to deploy an integrated gender approach in order to strengthen the participation of women but also to contribute to the transformation of a set of inequitable dynamics in the field of technology and vocational training.

• While digital platforms can generate opportunities for a more efficient use of resources and access of information, the platforms do not always generate stable income opportunities nor do they contribute to the accumulation of skills and competencies for workers.

3.5 The Intervention Logic

The Action will contribute to the achievement of the MIP overall objective, which is fostering the green economic recovery, creating jobs and tackling inequalities, in particular the digital divide.

The intervention logic for this action is based on the claim that decent employment in El Salvador can be promoted by improving the capacities of the most marginalised parts of the population (in particular women and youth in the most marginalized neighbourhoods), as well providing personal benefits through digital solutions to strengthening labour rights and social protection ("Workertech"), both for the large part of workers using digital platforms to get work and for domestic workers (mainly female), who generally have less access to social services.

Regarding outcome 1, the action assumes that if relevant capacity options are provided for disadvantaged youth and women in the most disadvantaged neighbourhoods, this will open opportunities for decent employment, contributing to reducing migration and recruitment options for gangs. The logic goes as follows: If the (1) relevant and well-adapted learning arrangements are implemented, taking into account psycho-socio-emotional needs of young people as well as gender issues; if (2) learning and socio-professional integration for young people are developed and implemented in partnership with the professional world of the digital sector; and if (3) the capacities of central and local training institutions are strengthened in the digital sector, then the Action will have put in place an effective, inclusive and local training and professional insertion system for marginalised young people into the digital sector.

This assumes that the psycho-socio-emotional constraints of young people and limited access to information (including on health) are central to their success and that the quality of training currently suffers from the still limited effectiveness of the collaboration between the training and professional world, and from certain weaknesses among the training operators.

Furthermore, if (4) the stakeholders develop practical lines of collaboration in the development of this training scheme and (5) if these mechanisms are implemented for information exchange and collaboration between private sector and training stakeholders, this will lead to the construction of virtuous employment practices and the promotion of decent work in the digital sector. Finally, if (6) a fair programming label is established in the digital sector, this will lead to companies having an incentive to provide better forms of employment to skilled workers.

Regarding outcome 2, the action assumes that there is an important potential in digital tools to provide solutions for decent employment and labour rights. Specific digital platforms can be developed that can provide both job opportunities but also better employment security and benefits for informal and independent workers,. Moreover, a better regulatory framework for digital labour can contribute to improving employment conditions. It is nevertheless a new sector with limited information on the extent of work related to digital platforms and their potential to provide fair and decent employment'; therefore it is necessary to strengthen information gathering to appropriately target beneficiaries and develop the regulatory framework.

Regarding the outputs linked to outcome 2: If (1) Pilot initiatives that develop and implement digital solutions for independent, digital, and informal workers (WorkerTech) are supported, this will lead to innovative digital solutions being created by private developers that are tailored to specific beneficiary needs among independent and informal workers; if (2) a regulatory framework is promoted through a transparent dialogue between all stakeholders (public, private, civil society and the informal and independents workers) it will lead to a better regulatory framework that promotes decent employment, not only limited to workers using digital platforms, but also available to informal workers that can make use of "WorkerTech" solutions; if (3) a capacity development programme on opportunities and challenges of WorkerTech is implemented, it will promote a better and broader understanding and dialogue that takes into consideration all viewpoints on promoting the digital economy and solutions. Finally, if (4) data and knowledge for public, private and civil society stakeholders involved in addressing the challenges of new digital forms of work are generated, it will lead to better potential for solutions that are clearly targeted at the needs and opportunities of independent and informal workers.

The central assumption under component 2 is that digital solutions have a great potential for generating decent work and access to social services.

In line of the Global Gateway strategy, both initiatives will support quality education, including digital education, paying particular attention to the inclusion of girls and women and other vulnerable groups and create opportunities for the private sector to invest and remain competitive having access to qualified human resources, whilst promoting the enforcement of labour standards and corporate social responsibility.

3.6   Logical Framework Matrix

At action level, the indicative logframe should have a maximum of 10 expected results (Impact/Outcome(s)/Output(s)).

It constitutes the basis for the monitoring, reporting and evaluation of the intervention.

On the basis of this logframe matrix, a more detailed logframe (or several) may be developed at contracting stage. In case baselines and targets are not available for the action, they should be informed for each indicator at signature of the contract(s) linked to this AD, or in the first progress report at the latest. New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

-    At inception, the first progress report should include the complete logframe (e.g. including baselines/targets).
-    Progress reports should provide an updated logframe with current values for each indicator.
-    The final report should enclose the logframe with baseline and final values for each indicator.

The indicative logical framework matrix may evolve during the lifetime of the action depending on the different implementation modalities of this action.

The activities, the expected Outputs and related indicators, targets and baselines included in the logframe matrix may be updated during the implementation of the action, no amendment being required to the Financing Decision.

PROJECT MODALITY (3 levels of results / indicators / Source of Data / Assumptions - no activities)

Key comments:
1.   Please see comments on the results chain in the section 3.1
2.   Indicators, baselines and targets
    - Corporate indicators from GERF and programming document must be included where possible. GERF indicators should be identified in brackets and indicators coming from the relevant MIP marked with *. Please check that none is missing in the LFM below. For the updated list of the GERF indicators please see: https://europa.eu/capacity4dev/eu-rfi.
      For further inspiration on results chains and thematic indicators, you can check https://europa.eu/capacity4dev/results-and-indicators.
    - Please measure long-term impact at the impact level rather than effects/change in behaviour.
    - Please use proposed standardized formulation for training indicators and related sources of data.
    - Please clearly specify training beneficiaries and training areas in the training related indicators.
    - Please make sure that output indicators measure results under direct control of the intervention rather than change in behaviour that is better suited for the outcome level.
    - Please avoid defining target direction in the indicator statements and rather define a clear measurement unit.
    - Please define baselines and targets (and related years) wherever possible. If for some indicators, the data are not available please define when it will be collected. For example: TDB in the inception phase.
3.   Sources of data
    - Please specify a source of data for each indicator and number accordingly. Please consider using standardized statements for data sources where/if relevant: Progress reports for the EU-funded intervention; Baseline and endline surveys conducted and budgeted by the EU-funded

intervention; Database of beneficiaries/participants; Pre- and post-training test reports; Curriculum/training material; Text of laws and regulations; Text of strategies and policy documents

4. Assumptions
   - Please define assumptions at the outcome and output level.

Results	Results chain (@): Main expected results (maximum 10)	Indicators (@): (at least one indicator per expected result)	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	To improve equity and socioeconomic integration of disadvantaged young people, informal and independent workers, in particular women.	1. Employment rate of youth (15-29 years old), disaggregated by sex.	1. TBD	1. TBD	1. National Household Survey (EHPM).	Not applicable
		2. Number of jobs in digital sector.	2. TBD	2. TBD	2. Annual report Innovation Secretariat; CASATIC Observatory.	
		3. Digital skills of the active population.	3. (out of 7) (2019)	3. TBD	3. WEF Global Competitiveness Index	
		4. Economist Intelligence Unit Inclusive Internet Index – Readiness*	4. 106 (2021)	4. 60	4. Economist Intelligence Unit	
Outcome 1	1. To strengthen the professionalization and integration of disadvantaged young men and women from marginalised neighbourhoods in the labour market, taking advantage of the opportunities provided by the digital transformation.	1.1 Number of people who have benefited from institution or workplace-based VET/skills development interventions for digitalisation supported by the EU (b) only VET/skills development for digitalisation, disaggregated by sex, age, forcibly displaced and migrant condition (GERF 2.14).	1.1 TBD	1.1 TBD	1.2 Baseline and endline surveys conducted and budgeted by the EU-funded intervention.	No security, health or environmental crisis paralyses traffic and communication capacities, and the economic and monetary situation remains sufficiently stable to allow companies to pay attention to the partnership with training centre
		1.2 Number of trainees in decent employment at up to six months after the end of the training programme (disaggregated by sex, age and geographical origin).	1.2 TBD	1.2 TBD	1.2 Baseline and endline surveys conducted and budgeted by the EU-funded intervention	

		1.3 Number of companies who implement the "Fair programming".	1.3 TBD	1.3 TBD	1.3 Baseline and endline surveys conducted and budgeted by the EU-funded intervention.	
		1.4 Level of satisfaction of participants with the training scheme (disaggregated by sex, age and geographical origin).	1.4 TBD	1.4 TBD	1.4 Baseline and endline surveys conducted and budgeted by the EU-funded intervention.	
Outcome 2	2. Greater use of digital solutions for social protection and rights by informal and independent workers (domestic services, freelancers and creatives, drivers and riders).	2.1 Number of workers who have improved their income through access to innovative benefits and services (disaggregated by sex, age and geographical origin).	2.1 No data.	2.1 1 000 workers have improved their income.	2.1 Baseline and endline surveys conducted and budgeted by the EU-funded intervention.	Digital solutions provided are relevant and adapted to the needs of stakeholders
		2.2 Percentage of independent and informal workers stating that they are satisfied with their access to digital solutions system (disaggregated by sex, age and geographical origin).	2.2 TBD	2.2 60% of works stating satisfaction.	2.2 Baseline and endline surveys conducted and budgeted by the EU-funded intervention.	
Output 1 related to Outcome 1	1.1 Enhanced access to learning, induction and recruitment pathways in the digital sector taking into consideration psychosocial/emotional needs and gender issues and fair recruitment.	1.1.1 Number of needs' assessments produced with support of the EU-funded intervention in cooperation with sector stakeholders.	1.1.1 TBD	1.1.1 TBD	1.1.1 Finalized needs' assessments.	Training actors and companies agree to invest in taking into account vulnerability and gender issues
		1.1.2 Number of staff trained by the EU-funded intervention with increased knowledge and/or skills in psychosocial care of young people and gender mainstreaming (disaggregated by sex, age, migration status, geographical origin).	1.1.2 TBD	1.1.2 TBD	1.1.2 Pre and post-training test reports, list of participants, training module.	
		1.1.3 Number of institutions with a dedicated care plan and a gender plan developed with	1.1.3 TBD	1.1.3 TBD	1.1.3 Validated plans; progress reports for the EU-funded intervention.	

		support of the EU-funded intervention			
Output 2 **related to Outcome 1**	1.2 Learning and socio-professional integration for young people are developed and implemented in partnership with the professional world in the digital sector.	1.2.1 Number of people trained by the EU-funded intervention with increased knowledge and/or skills in the digital sector (disaggregated by sector, gender, age, migration status, geographical origin).	1.2.1 0 GERF 2.14 (2022).	1.2.1 TBD (2025).	1.2.1 Database of beneficiaries/participants; progress reports for EU/funded interventions; pre and post-training test reports.	Professional actors identify the social and economic added value of their participation in the training effort
		1.2.2 Number of EU-funded projects selected in partnership with the business community (% of women-led projects).	1.2.2 0	1.2.2 TBD	1.2.2 Baseline and endline surveys conducted and budgeted by the EU-funded intervention, Database of beneficiaries/participants.	
		1.2.3 % of young people supported by the project who are placed in work experience/work-linked training with support of the EU-funded intervention according to jointly defined consensual arrangements	1.2.3 TBD	1.2.3 TBD	1.2.3 Baseline and endline surveys conducted and budgeted by the EU-funded intervention. Database of beneficiaries/participants.	
Output 3 **related to Outcome 1**	1.3 The capacity of central and local training institutions is strengthened in the digital sector.	1.3.1 Number of training rooms equipped with support of the EU-funded intervention.	1.3.1 0	1.3.1 TBD	1.3.1 Field visits; progress reports for the EU-funded intervention.	The training actors and the regulatory bodies of the sector carry out a transparent and objective analysis of their capacities in the framework of the project
		1.3.2 Number of staff trained by the EU-funded intervention with increased knowledge and/or skills in practices and pedagogical engineering (disaggregated by sex, age, migration status, geographical origin).	1.3.2 0	1.3.2 TBD	1.3.2 Pre- and post-training test reports; progress report for the EU/funded intervention; database of beneficiaries/participants in the intervention.	

		1.3.3 Number of training institutions with access to new learning resources/platforms with support of the EU-funded intervention.	1.3.3 0	1.3.3 TBD	1.3.3 Field visit; progress reports for the EU-funded intervention.	
		1.3.4 Number of complete reference systems developed and consolidated with support of the EU-funded intervention in partnership with the project stakeholders.	1.3.4 0	1.3.4 TBD	1.3.4 Curriculum/training material.	
Output 4 **related to Outcome 1**	1.4 Strengthened coordination and networking mechanisms for private sector and training stakeholders.	1.4.1 Number of private sector stakeholders included in the network with support of the EU-funded intervention.	1.4.1 0	1.4.1 TBD	1.4.1 Baseline and endline surveys conducted and budgeted by the EU-funded intervention, Progress reports for the EU-funded intervention.	Business actors identify the social and economic added value of their social and environmental responsibility.
		1.4.2 Number of enterprises using new collaboration mechanisms with training institutions.	1.4.2 0	1.4.2 TBD	1.4.2 Baseline and endline surveys conducted and budgeted by the EU-funded intervention, Database of beneficiaries/participants.	
		1.4.3 Number of collaborations between centres and professional world supporting their financial balance established with support of the EU-funded intervention	1.4.3 0	1.4.3 TBD	1.4.3 Baseline and endline surveys conducted and budgeted by the EU-funded intervention, Progress reports for the EU-funded intervention	
Output 5 **related to Outcome 1**	1.5 Mechanism for information exchange and collaboration between private sector and training stakeholders are implemented.	1.5.1 Number of stakeholders who use platforms to generate knowledge and promote the development of the digital sector.	1.5.1 0	1.5.1 TBD	1.5.1 Database of stakeholders/participants in the intervention using the platform.	
		1.5.2 Number of mechanisms for information exchange between private sector and training sectors developed with support of the EU-funded intervention.	1.5.2 0	1.5.2 TBD	1.5.2 Information reports; progress report for the EU/funded intervention.	

Output 6 **related to Outcome 1**	1.6 Fair programming label established in the digital sector.	1.6.1 Number of systems for labelling companies that apply "fair programming" criteria designed with support of the EU-funded intervention.	1.6.1 TBD	1.6.1 TBD	1.6.1 Label created and validated; information reports; progress report for the EU/funded intervention.	
		1.6.2 Number of systems for labelling companies that apply "fair programming" criteria disseminated in the digital sector with support of the EU-funded intervention.	1.6.2 TBD	1.6.2 TBD	1.6.2 Information reports; progress report for the EU/funded intervention.	
Output 1 **related to Outcome 2**	2.1 Pilot initiatives that develop and implement digital solutions for independent, digital, and informal workers (WorkerTech) supported.	2.1.1 Number of companies contracted through the calls launched to address the necessities of informal and independent workers with support of the EU-funded intervention.	2.1.1 No data	2.1.1 6	2.1.1 Contracts signed and reports of execution including impact.	Private operators provide solutions that are relevant for stakeholders and within the scope of the calls for proposal.
		2.1.2 Number of workers who participate in the initiatives supported by the EU-funded intervention (disaggregated by sex, age, migration status and geographical origin).	2.1.2 0	2.1.2 15 000	2.1.2 Reports of monitor and evaluation system of the project and the WorkerTech observatory.	
		2.1.3 Number of female independent workers who access new WorkerTech services with support of the EU-funded intervention (disaggregated by theme, age, migration status and geographical origin).	2.1.3 0	2.1.3 6 000	2.1.3 Reports of monitor and evaluation system of the project and the WorkerTech observatory	
Output 2 **related to Outcome 2**	2.2 Policies regulating working conditions of the independent, digital and informal workers are developed/and better implemented, taking into consideration gender equity perspective.	2.2.1 Discussion forum/space created to encourage a public/private dialogue on the WorkerTech industry with support of the EU-funded intervention.	2.2.1 NA	2.2.1 3 forums/ spaces created.	2.2.1 Pre and post-forum/space reports.	

		2.2.2 Number of stakeholders (academia, private and public sector, and independent workers) participating in the discussion and dialogues of the development of WorkerTech industry with support of the EU-funded intervention, disaggregated by sex if applicable.	2.2.2 0	2.2.2 50 stake-holders.	2.2.2 Pre and post-dialogue sessions reports.	
		2.2.3 Number of proposals for reform/adjustment and/or new policies/regulations presented in public decision-making forums with support of the EU-funded intervention.	2.2.3 0	2.2.3 2 proposals presented.	2.2.3 Reports of proposal discussed.	
Output 3 **related to Outcome 2**	2.3 Enhanced capacity of civil society, public and private sector actors in WorkTech solutions.	2.3.1 Number of public officials and private actors trained by the EU-funded intervention in new regulations and international best practices for independent and digital workers, disaggregated by sex.	2.3.1 0	2.3.1 60 officials and private actors trained,	2.3.1 Pre- and post-training test reports.	Public officials and private actors (including civil society) are interested in participating in trainings and exchanges on Workertech.
Output 4 **related to Outcome 2**	2.4 Data and knowledge for public, private and civil society stakeholders involved in addressing the challenges of new digital forms of work is generated.	2.4.1 % to which EU-funded intervention contributed to WorkerTech Observatory creation and generation of periodic information on the industry in El Salvador.	2.4.1 No data.	2.4.1 50% of contribution for the observatory created.	2.4.1 Portal or website of the Observatory created and operating.	Stakeholders are interested and committed to providing data and information.
		2.4.2 Number of quality indicators to measure the sector performance developed with support of the EU-funded intervention.	2.4..2 0	2.4.2 15	2.4.2 Reports or publications of the Observatory.	
		2.4.3 Number of actors involved in the observatory (academia, private and public sector, and independent workers) with support of the	2.4.3 0	2.4.3 6	2.4.3 Collaboration agreements of letter signed.	

		EU-funded intervention, disaggregated by sector and sex, if applicable.				

4 IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with the partner country

4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date of adoption by the Commission of this Financing Decision.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3 Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures[6].

4.3.1 Indirect Management with a pillar assessed entity

A part of this action may be implemented in indirect management with Expertise France. The implementation by this entity entails the implementation of component 1 of the action with the specific objective of "Provide personalized benefits and greater access to social protection and rights through digital solutions that target informal and independent workers (domestic services, freelancers and creatives, drivers and riders)."

The envisaged entity has been selected using the following criteria: 1) Specific sector and thematic expertise in implementing programmes with a gender approach for disadvantages people in the area of digital skills. 2) Adequate management capacities and experience in implementing relevant and sizeable projects funded by the European Commission as well as in the region.

Expertise France has been selected as the implementing partner as it fulfils the above criteria and as detailed below:

It has implemented some 30 projects in the last five years and has therefore a strong expertise in those areas through its Human Capital and Social Development Department.

Expertise France has been working in collaboration with DEVCO and now INTPA since its creation in 2015, and has a proven track record in managing cooperation projects (in 2020, 65% of EF's funding came from the European Union). The European Commission has granted Expertise France the renewal of its accreditation for the delegated management of European Union funds (2021). This accreditation grants Expertise France a position as a privileged implementation operator (including OTC funds).

In case the envisaged entity would need to be replaced, the Commission's services may select a replacement entity using the same criteria. The decision will be duly justified.

4.3.2 Indirect Management with an international organisation

A part of this action may be implemented in indirect management with the Inter-American Development Bank (IDB). This implementation entails the implementation of component 2 of the action ("Worketerch") with the specific objective of "Providing personalized benefits and greater access to social protection and

---

6 www.sanctionsmap.eu. Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

rights through digital solutions that target informal and independent workers (domestic services, freelancers and creatives, drivers and riders)."

The envisaged entity has been selected using the following criteria: 1) Specific sector and thematic expertise in sustainable and inclusive economic development programmes, preferably involving the use of ICT, in the region and or El Salvador specifically 2) The entity has proven logistical and/or management capacities to execute the action.

IDB has been selected as the implementing partner as it fulfils the above criteria and as detailed below:

The envisaged entity has been selected using the following criteria: Expertise in the topic and implementation of similar relevant and sizeable projects. The Inter-American Development Bank (IDB) has a long trajectory in supporting Latin American countries in general, and El Salvador specifically, in areas related to economic development and job creation. In particular, the IDB has been actively engaged in the region in terms of digital transformation, and has already initiated support to implementing El Salvador's social digital connectivity programme, as outlined in the government's Agenda Digital, and also in line with the EUs MIP Priority Area 1 of Digital Transformation. In this regard, IDB represents a crucial partner of the EU, where we can complement each other and achieve greater added value in partnership with the government. As regards WorkerTech specifically, the IDB's Innovation laboratory "BID-Lab", has already been piloting innovative initiatives with the private sector and civil society in Latin America, which take into consideration the opportunities and challenges of technology for jobs and economic growth. Given the challenges El Salvador is facing, partnering with the new WorkerTech initiative for El Salvador represents an opportunity for the EU.

The IDB has been pillar assessed by the EU and fulfils all criteria relating to operational capacity and transparency.

In case the envisaged entity would need to be replaced, the Commission's services may select a replacement entity using the same criteria. The decision will be duly justified.

4.3.3 Changes from indirect to direct management mode (and vice versa) due to exceptional circumstances (one alternative second option)

If negotiations with the Member State organisation or the international organisation fail, the action described in section 4.3.1 and 4.3.2 above could be implemented under direct management through procurement

4.4 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.5 Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)	Third-party contribution, in currency identified
"Strengthen the professionalization and integration of disadvantaged young men and women from marginalised neighbourhoods in the labour market, taking advantage of the opportunities provided by the digital transformation" Composed of component 1 of the action		
Indirect management with Expertise France	5 000 000	N.A.

"Provide personalized benefits and greater access to social protection and rights through digital solutions that target informal and independent workers (domestic services, freelancers and creatives, drivers and riders)" composed of component 2 of the Action ("WorkerTech")		
Indirect management with Inter-American Development Bank	1 500 000	USD 3 000 000
Evaluation – cf. section 5.2 **Audit** – cf. section 5.3	0	N.A.
Contingencies	0	N.A.
Totals	6 500 000	USD 3 000 000

4.6   Organisational Set-up and Responsibilities

A Steering Committee for the Action shall be established and shall meet twice a year. The Steering Committee will coordinate complementarities between the two components of the Action and strategic monitor of implementation. This Steering Committee will complement the governance that will be set up for each component by the implementing partners. It ensures coordination and synergy between both interventions, as well as the formulation and follow-up of recommendations.

The Committee will be composed of CASATIC (which will act as coordinator as the main partner in both components), Expertise France, the IDB represented through IDB-Lab and the Delegation of the European Union.

In addition to that, each component will set up its own governance structures where the EUD will participate alongside the respective implementing partners and relevant stakeholders. These structures will include committees that will monitor every-day implementation.

5   PERFORMANCE MEASUREMENT

5.1   Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this Action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the Action and elaborate regular progress reports, at least biannual, and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support).

All monitoring and reporting shall assess how the action is taking into account the human rights based approach and gender equality.

The Commission may undertake additional project monitoring visits, both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

The Action´s Steering Committee (see above) will be responsible for monitoring implementation of the Action as a whole, while each component of the Action will develop its own monitoring arrangements based on the Contribution Agreement (CA) that will be signed with the respective implementing partners: Expertise France and IDB. These monitoring arrangements will be based on the detailed logframes that will be designed for each Contribution Agreement. Monitoring, data collection and reporting will be the responsibility of each implementing partners, who will budget for it in the respective CAs, including the development of baseline and endline data. Reporting arrangements will also be specified in each CA, and will be adapted to the reporting arrangements of the implementing partners, under consideration of the EUDs reporting needs.

The EUD will participate in all monitoring committees and will have access to all data and reporting on each of the components.

5.2 Evaluation

Having regard to nature of the action, a mid-term and final evaluation(s) may be carried out for this action or its components via an implementing partner.

A mid term evaluation of Component 2 will be carried out for problem solving and learning purposes, in particular with respect to learning lessons on the implementation of the impact of pilot digital solutions and their adoption by the target groups, as well as the advances on developing appropriate policy framework. Inputs from the mid-term evaluation will provide for any adjustments that need to be made to the action.

A final evaluation of component 2 of the action will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that the "WorkerTech" component is an innovative pilot action, that can provide important insights into the possibilities of digital solutions to promote social integration, decent jobs and economic growth.

All evaluations shall assess to what extent the action is considering the human rights based approach, as well as how it contributes to gender equality and women's empowerment. Expertise on human rights and gender equality will be ensured in the evaluation teams.

The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination[7]. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, apply the necessary adjustments.

The financing of the evaluations will be appropriately budgeted in each Contribution Agreement by Expertise France and IDB respectively.

Evaluation services may be contracted under a framework contract

5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, based on a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

It will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

---

[7] See best practice of evaluation dissemination

Appendix 1 REPORTING IN OPSYS

An Intervention[8] (also generally called project/programme) is the operational entity associated to a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Interventions are the most effective (hence optimal) entities for the operational follow-up by the Commission of its external development operations. As such, Interventions constitute the base unit for managing operational implementations, assessing performance, monitoring, evaluation, internal and external communication, reporting and aggregation.

Primary Interventions are those contracts or groups of contracts bearing reportable results and respecting the following business rule: 'a given contract can only contribute to one primary intervention and not more than one'. An individual contract that does not produce direct reportable results and cannot be logically grouped with other result reportable contracts is considered a 'support entities'. The addition of all primary interventions and support entities is equivalent to the full development portfolio of the Institution.

The present Action identifies as

Action level		
☐	Single action	Present action: all contracts in the present action
Group of actions level		
☐	Group of actions	Actions reference (CRIS#/OPSYS#):
Contract level		
☒	Single Contract 1	Contribution Agreement with Expertise for SO 1: Strengthen the professionalisation and integration of disadvantaged young men and women from marginalised neighbourhoods in the labour market, taking advantage of the opportunities provided by the digital transformation.
☒	Single Contract 2	Contribution Agreement with IDB for SO 2: Provide personalized benefits and greater access to social protection and rights through digital solutions that target informal and independent workers (domestic services, freelancers and creatives, drivers and riders).
	(…)	
☐	Group of contracts 1	

---

[8] Ares(2021)4450449 - For the purpose of consistency between terms in OPSYS, DG INTPA, DG NEAR and FPI have harmonised 5 key terms, including 'action' and 'Intervention' where an 'action' is the content (or part of the content) of a Commission Financing Decision and 'Intervention' is a coherent set of activities and results which constitutes an effective level for the operational follow-up by the EC of its operations on the ground. See more on the concept of intervention.