

CAPACITAÇÃO SOLIDARIA: TRAINING OF AT-RISK YOUTH

(TC-98-09-31-2)

EXECUTIVE SUMMARY

REQUESTER: Associação de Apoio ao Programa Comunidade Solidária (AAPCS)

EXECUTING AGENCY: Associação de Apoio ao Programa Comunidade Solidária (AAPCS)

AMOUNT AND SOURCE:

IDB (FSO local currency):	US\$ 10 million
Local counterpart funding:	US\$ 1 million
Total:	US\$ 11 million

TERMS:

Execution period:	18 months
Disbursement period:	24 months

OBJECTIVES: The proposed operation would seek to strengthen the social content of the *Capacitação Solidária* Program which provides vocational as well as life skills training for Brazil's marginalized urban youth between the ages of 14 and 21.

DESCRIPTION: The Program would include two components: (i) Youth Training Services and Institutional Capacity Building, and (ii) Consolidating Program Instruments. **Youth Training Services and Institutional Capacity Building** (US\$9.9 million). Based on the unmet and growing demand for this type of training, this component would finance training courses for disadvantaged youth as well as support institutional strengthening activities of private training organizations (PTOs) through the Program's Orientation Seminars and course monitoring.

Consolidating Program Instruments (US\$280 thousand). Aimed at facilitating Program replicability, this component would help to document and systematize the innovative instruments and methodologies developed under the *Capacitação Solidária* Program since its inception. Such instruments include the procedures for training course selection, course monitoring and evaluation, as well as the Orientation Seminars for the PTOs. Furthermore, this component would develop and implement a module on social risk factors to be introduced in the PTO orientation. Resources would also be used to enhance poverty targeting mechanisms through an evaluation of the monthly stipends offered to course beneficiaries.

ENVIRONMENTAL AND SOCIAL REVIEW: As part of the project selection process, issues related to gender and ethnicity are routinely analyzed. Indeed, the Technical Review Committee is comprised of several of the country's leading gender and ethnic specialists. To date, half of the Program beneficiaries have been women -- in part, as a result of special efforts by the Committee to ensure a

balanced participation by both sexes in each of the training courses. For example, young women have been trained as construction workers and electricians while young men attended courses on floral arranging, bread making and ethnic hair styling. Also, the Program has financed specific courses aimed at promoting greater understanding of, and appreciation for the multi-ethnic character of Brazilian society and the legacy of Afro-Brazilian and Indian cultures. As there are no civil works, nor equipment or materials being financed under this operation, no negative environmental effects are expected. Moreover, there are specific courses which serve to benefit the natural environment such as ecologically-sound garden maintenance as well as forming environmental monitors.

Although PTI classification does not apply to technical cooperation operations, this Program could be considered poverty targeted by both the sector automatic (at-risk adolescents) as well as head count classifications: at least 76% of beneficiaries fall below the Bank's poverty line for Brazil.

**BENEFITS AND
BENEFICIARIES:**

The Program expects to reach 9,000 at-risk urban youth from low-income families, providing vocational as well as life skills training while strengthening the institutional capacity of approximately 300 PTOs. Moreover, the Program would help to consolidate, and thereby institutionalize, the various innovative instruments used in the Program which could facilitate its replicability by other private or public agencies.

RISKS:

In the advent of the recent economic crisis, unemployment is expected to continue to rise, reaching anywhere between 7.5% and 12% in 1999. As over half of Brazil's total annual unemployment rate is comprised of persons 24 years old or younger, it is expected that the demand for the Program's services will increase significantly, far exceeding the scope of this operation. At the same time, this crisis may jeopardize AAPCS' ability in the short run to secure large volumes of private resources in order to respond to the increased demand. As a result, Program sustainability could be threatened in the medium term.

To minimize this risk, this operation would draw on the MIF-supported activities to strengthen fundraising and partnership formation at the local level by individual PTOs. Moreover, both operations would provide them with valuable technical assistance to not only enhance the services they offer, but also their project management and networking capacity -- all of which serve to make them more relevant and more competitive in the training services market.

**RELATIONSHIP TO
BANK'S COUNTRY
SECTOR AND**

This Program is consistent with the Bank's country strategy inasmuch as it seeks to improve the income generating potential of Brazil's urban youth living in conditions of poverty.

**SPECIAL
CONTRACTUAL
CONDITIONS:**

Presentation of the Operating Regulations prior to first disbursement (see paragraph 3.3).

**EXCEPTIONS TO
BANK POLICY:**

N/A