



A FUND FOR THE TRANSFORMATION OF TECHNICAL AND VOCATIONAL EDUCATION AND TRAINING IN LATIN AMERICA AND THE CARIBBEAN

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GLOBAL TRENDS

Today's world is changing faster than ever. **Four global trends are shaping the future of work and education**



FOURTH INDUSTRIAL REVOLUTION

New technologies are reshaping jobs, sectors, and ways of learning. Falling behind means losing competitiveness.



AGING

Populations across the globe are aging, increasing the demand for longer working lives and more professionals in health and care.



CLIMATE CHANGE

Climate shocks are impacting every region, but they also are opening up new opportunities for green jobs and skills to support a sustainable future.



UNEQUAL OPPORTUNITIES FOR VULNERABLE POPULATIONS

Expanding access to skills for women, people with disabilities, Indigenous peoples, Afro-descendants, and other underserved populations is essential for building more resilient societies.

REGIONAL CONTEXT



In a world shaped by rapid global shifts, the Inter-American Development Bank (IDB) established three mutually reinforcing objectives: **reducing poverty and inequality, addressing climate change, and bolstering sustainable growth**, as set in [IDBStrategy+](#). In this context, addressing the mismatch between workforce skills and labor market demand is crucial. This mismatch is reflected in the fact that:

60%
of those who
complete high-school
lack the foundational
skills expected ¹

75%
young people
reported having
difficulties finding
jobs ²

52%
of workers
are informally
employed ³

40%
of employed adults
are underqualified
for their current
jobs ¹

75%
of companies report
difficulties in finding
workers with the
right skills ⁴

1. IDB's elaboration based on data available for 4 countries from CIMA and the Survey of Adult Skills (PIAAC - 2012, 2015, 2018).

2. Manpower, 2022 | 3. IDB Observatory, 2025 | 4. Manpower, 2024.

ABOUT THE TVET FUND

In 2019 the IDB established the TVET Fund to support the transformation of Technical and Vocational Education and Training.

The Fund reached a total of:

USD 13.13
million

Thanks to the support of:



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

**Swiss Agency for Development
and Cooperation SDC**



**Federal Ministry
for Economic Cooperation
and Development**

The Fund creates modern **private sector-driven training ecosystems** that endow people with the **necessary skills** to develop **successful lifelong learning** labor trajectories and boost the region's economic development.

THE FUND SUPPORTS PROJECTS THAT ARE:



Private-sector driven: Engaging companies in the design of training programs, the identification of in-demand skills, and the co-financing of implementation.



Innovative: Embracing new models such as mobile classrooms, digital bootcamps, AI-powered job matching, blended learning, and other cutting-edge approaches.



Scalable: Each pilot is designed to be replicable — influencing national policies and inspiring new IDB operations.

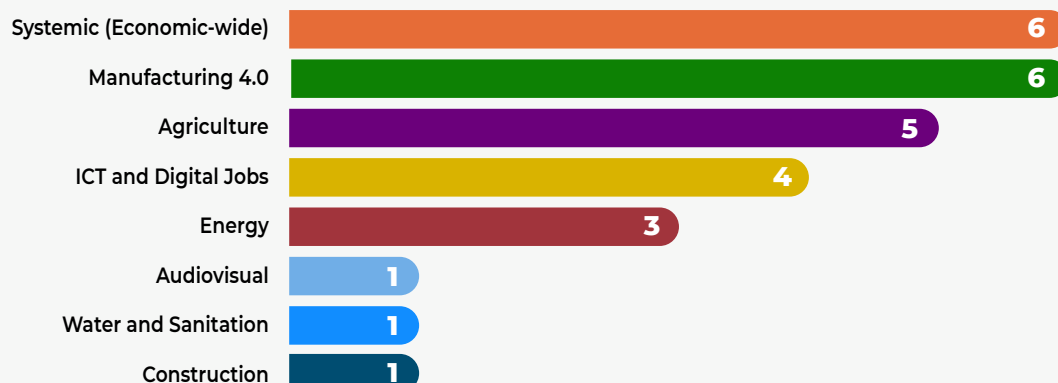
THE FUND'S PROJECTS IN THE REGION

So far, **the Fund has supported:**



GET TO KNOW
MORE ABOUT
THE PROJECTS'

HERE

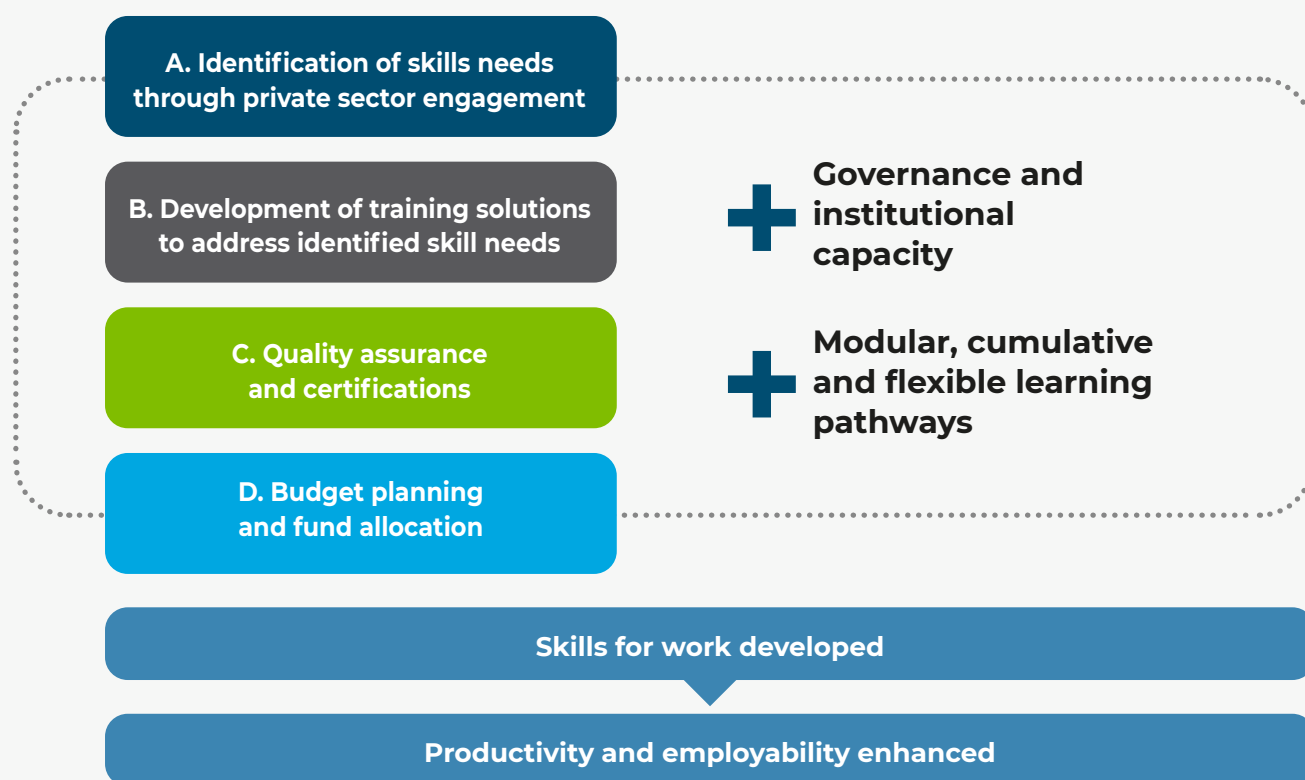


This map does not include the regional technical cooperations Support to the Implementation of Information Technologies in Labor Training and Intermediation Institutions (RG-T376) and Skills for Work and Employment: Consolidating Knowledge and Lessons Learned for the Region (RG-T4210), nor the three projects recently approved in Argentina, Brazil, and Mexico, which bring the total to 29 technical cooperations.

THE FUND'S APPROACH

The Fund designs projects around these **essential building blocks**—just as the most successful countries do when creating TVET ecosystems—in order to **close the gap between skills and labor market needs**.

BUILDING BLOCKS¹



1. Adapted from Amaral et al. (2017) and Anauati et al. (2025).

THE FUND'S EFFECTIVENESS - PROJECTS' RESULTS

The Fund is demonstrating its effectiveness through **impact evaluations, cost-benefit analyses, and monitoring data from a diverse range of projects**. This evidence is key to scaling solutions and can be summarized across the following categories:



Relevant skills development and **improved educational outcomes**



Improved learning and **employment pathways**



Better labor outcomes, including the expansion of employment opportunities, higher labor productivity, and better job quality



Evidence of **cost-effectiveness**

[→ EXPLORE SOME OF THE RESULTS](#)

For more details, click on [the different categories](#).

THE FUND'S EFFECTIVENESS - PROJECTS' RESULTS

→ PROJECTS' RESULTS



Relevant skills development and improved educational outcomes

The programs provide young people with the foundational, socio-emotional, and technical skills needed to succeed in today's economy. Early results include:

→ Foundational skills

0.3 s.d. increase in Math & English in National test scores for students participating in the *Palmipilos* program. In partnership with local universities and the sugar industry, this program, in Palmira, Colombia, delivered technical training and work-based learning for public secondary students through extended school hours, English Language reinforcement and high-quality technical content aligned with local market needs.

→ Socio-emotional skills

3%-8% increase in self-efficacy¹ in young people who completed the E-Lancing training. 350 Salvadorans (aged 21–30) took part of this hands-on training and tutoring program to build digital and entrepreneurial skills for remote freelance work.



+ KNOWLEDGE & EVIDENCE

Article published in the Journal of Development Economics about the effects of E-Lancing ([Available in English](#)).

4% increase in intrinsic motivation² & 2% increase in self-efficacy¹ in vulnerable youth after a training. 1,500 young Colombians from remote, poor, and conflict-affected regions participated in Sandbox-Audiovisual. This initiative—which combined different formats—helped participants build essential socioemotional skills, even in highly vulnerable environments.

→ Technical skills

35% more small farmers were able to identify electricity rates, and 17% more could calculate energy costs, following a pilot training program in Chile. The Efficient Water Management Pilot equipped farmers with practical skills to optimize irrigation, improve water and energy efficiency, and better manage farm costs. Delivered with local partners, the program combined technical workshops, hands-on training, and cost-benefit analysis.

1. It was interpreted as “a measure of one's belief in his/her capabilities to produce expected results and to cope with adversity, following Schwarzer and Jerusalem's scale (1995) (Fazio et.al, 2025).| 2. Intrinsic motivation understood as “the willingness to act regardless of whether there is a reward”, while self-efficacy refers to “participants' beliefs about their abilities to self-regulate strategies aimed at preparing for study” (Delgado et al., 2018).”

THE FUND'S EFFECTIVENESS - PROJECTS' RESULTS

→ PROJECTS' RESULTS



Improved learning and employment **pathways**

The Fund supports smoother transitions for young people from education to employment or further study by strengthening the connections between training programs, the private sector, and higher education institutions. For example:

→ **Transition to higher education**

72% of students transitioned to higher education after graduation—compared to just 44% nationally. The Palmipilos program connected public high-school students in Palmira, Colombia with local universities and technical institutes. It offered classes taught by professors and streamlined credit transfers. It also aligned technical training with the needs of the local sugar industry to match labor market demand.

→ **Further training and job opportunities**

77% of students got a job or continued studying after completing an agricultural training program. The Strengthening Technological Capabilities in the Agricultural Sector program provided virtual courses, mentoring, and digital simulations in new food technologies for students and recent graduates from technical agricultural schools in Argentina. It connected them with innovation ecosystems and real-world challenges in the agro-industry.

→ **Increased expectations**

12.4-12.8 p.p. increase in expectations of pursuing further studies, securing better jobs, and working in the audiovisual sector. The Sandbox-Audiovisual program in Colombia, an initiative developed with private sector partners like Netflix, fostered positive attitudes toward learning and work by delivering training for the creative industries combining online and hands-on learning, internships, and mentorships for young people from high-poverty and conflict-affected areas.

1. According to graduates' statements about the program

THE FUND'S EFFECTIVENESS - PROJECTS' RESULTS

→ PROJECTS' RESULTS



Better labor outcomes

These projects are enhancing employment opportunities, job quality, and productivity. Many participants, including vulnerable populations, are more likely to be employed, earn higher wages, and secure more stable jobs after completing training aligned with industry needs.

→ Likelihood of receiving a job offer

17.7 p.p. increase in the likelihood of receiving a job offer among young people. The E-Lancing program, a 12-week virtual bootcamp, built digital and entrepreneurial skills for online freelance work. Students were supported by tutors who guided them in creating online profiles, navigating digital platforms, and connecting with clients worldwide.

→ Likelihood of being employed

Teenage mothers were 1.79 times more likely to be employed after completing the Modelo 360° program. The program supported Colombian young women (aged 16–19) by providing training, psychosocial support, and job placement services for high-demand fields. It demonstrated that holistic interventions can create real pathways to quality employment and higher earnings for vulnerable young women.

→ Income raise

Teenage mothers in *Modelo 360°* doubled their income within one year. The model trained more than 292 teenage mothers aged 16 to 19 in 21st-century technical and soft skills, offering them four training programs: software development (111), commercial advisory (96), administrative assistant in health (62), and assistance in human resources and labor risks (23).

→ Absenteeism

Graduates from the Empleatura program had 1.3 times less absenteeism than other employees with similar characteristics who did not participate in the program (only 0.4 absent days per week, compared to 1.5 days per week). The program was co-designed with the private sector to build relevant skills and open career pathways for vulnerable youth in the port city of Buenaventura, Colombia.

→ Productivity

Empleatura graduates' productivity perception increased by 61% compared to non-graduates and 16.5% compared to other individuals with similar training.

In Chile, Relink users achieved a 72% productivity increase through career guidance and reskilling pathways. Gains were even higher for women (79%), youth (81%), and experienced workers (84%).

THE FUND'S EFFECTIVENESS - PROJECTS' RESULTS

→ PROJECTS' RESULTS



Evidence of **cost-effectiveness**

Cost-benefit analyses confirmed that the initiatives sponsored by the Fund generate strong returns on investment, multiplying social benefits per dollar spent.

→ **1.6 times more return on investment** in the **Modelo 360** program

This holistic program in Colombia for vulnerable young women delivered a social return on investment that quickly surpassed costs. It also generated direct savings for companies by lowering recruitment expenses and reducing employee turnover.



+ KNOWLEDGE & EVIDENCE

Publication released with Universidad de los Andes on the social return on investment of the Modelo 360° program ([available in Spanish](#)).

→ **2.86 times more social benefits per dollar invested and a net benefit of USD 1.6 million** in a program that offered creative industry training for vulnerable youth

Sandbox-Audiovisual, a training initiative in Colombia, proved cost-effectiveness and profitability. For every dollar invested, social benefits reached nearly three dollars. The program also delivered a 32.7% internal rate of return (IRR), meaning an expected return of 32.7 cents per dollar invested, proving that well-designed public-private partnerships can be both impactful and sustainable.

THE FUND'S EFFECTIVENESS - KEY ACHIEVEMENTS

The Fund advanced progress in key areas, including **private sector engagement, improved alignment between training programs and employers' skill needs, and the generation of cutting-edge knowledge.**

1 PRIVATE SECTOR ENGAGEMENT FOR SKILLS DEVELOPMENT

452

public-private
collaboration
agreements

228

job profiles
co-created with
employers

45

productivity
development plans
implemented

USD
\$3.5M

mobilized
through private
co-financing

2 BETTER ALIGNMENT BETWEEN SKILLS DEMAND AND SUPPLY

+34K

people trained with
industry-aligned
curricula

+17K

people trained from
vulnerable groups

+170

future occupations
mapped

+700

skill-based training
modules developed

3 CUTTING EDGE KNOWLEDGE GENERATION

74

knowledge
and dialogue
products

+15

Evaluations
*Impact &
Results*



Productivity Plan for Electromobility in Uruguay

A technical roundtable was set up with government agencies and industry stakeholders, including the Ministry of Industry, Energy and Mining, National Institute of Employment and Professional Training (INEFOP), the Uruguayan- German Chamber of Commerce, and the IDB.

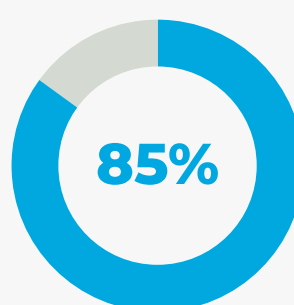
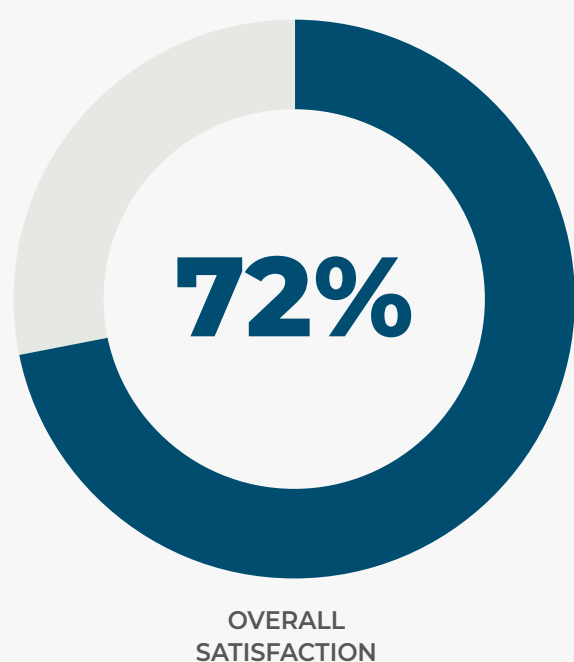
This collaboration resulted in the development of 9 job profiles, 24 training modules, and 47 key competencies for the sector. To share key learnings and guide TVET policy adaptation in the region the experience was later featured in a technical note and in one IDB blog.

[Read more HERE](#)

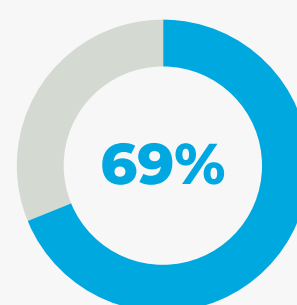
THE FUND'S BENEFICIARIES' EXPERIENCES - SATISFACTION

These are the results of the **first tool designed to evaluate stakeholder satisfaction with TVET in Latin America and the Caribbean.**

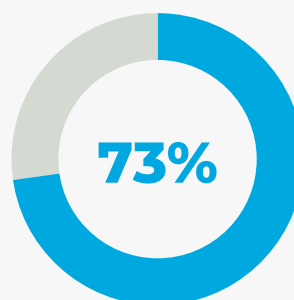
The tool was launched across **10 projects and over 500 participants**, as part of a significant effort to standardize satisfaction measurement across diverse contexts.



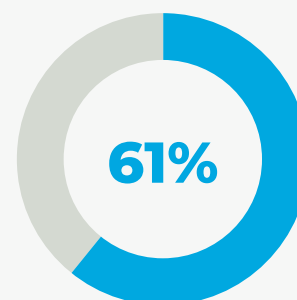
Institutions



Productive Sector

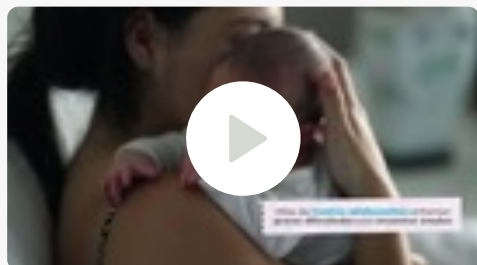


Training Providers



Students

THE FUND'S BENEFICIARIES' EXPERIENCES - STORIES



See more [HERE](#)

Modelo 360° | Colombia

“Even the way I speak is different now”

Andrea, beneficiary from the Modelo 360 program, Cartagena

Young women developed technical, soft, and socio-emotional skills, while also gaining access to psychosocial support and job placement services. The program enabled participants to enter the labor market, pursue further education, and enhance their overall well-being.



See more [HERE](#)

Technological Capabilities in the Agricultural Sector | Argentina

“I learned so many things I hadn't seen before at school”

Milagros, student, EESA 1 Agro-Technical School, Tandil (Buenos Aires)

Students gained practical, innovative knowledge learning about new food technologies through virtual courses, mentoring, and digital simulations. This helped them learn relevant skills by tackling real-world challenges in Argentina's agro-industry.



See more [HERE](#)

Palmipilos | Colombia

“Beyond knowledge and skills, it gave us a new way to face the world ahead”

María Isabela, student, Institución Educativa Nuestra Señora del Palmar, Palmira

Students combined technical courses, basic skills support, and structured internships in local companies. By working on real projects with industry partners and receiving socioemotional training, the participants were prepared for opportunities and challenges beyond school.

[Read more about these projects](#)

RESOURCES TO LEARN HOW TO WORK ON TVET PROJECTS

A Skills needs identification from private sector

Instruments for measuring workforce Skills [Access HERE](#)

Guide for conducting employer and skills surveys

- Measuring jobs and skills for the green economy [Access HERE](#)
- Developing an employer skills survey [Access HERE](#)
- Methods to anticipate skills demand [Access HERE](#)

Sectoral Councils (SSCs) to align supply and demand

- Methodological guide to develop SSCs [Access HERE](#)

Using Job Vacancy Information

- What can we learn from online job portals? [Access HERE](#)
- LinkedIn data for the green economy [Access HERE](#)
- Data science for skills demand identification and anticipation [Access HERE](#)
- Labor Observatory [Access HERE](#)
- Skills demand survey for millennials [Access HERE](#)

B Training solutions to develop identified skills

- Examples of a variety of solutions from the TVET Fund [Access HERE](#)
- What is a Career Pathway Framework? [Access HERE](#)

C Quality assurance and certifications

- Regional call for industry proposals to develop skills strategies [Access HERE](#)

D Budget planning and fund allocation

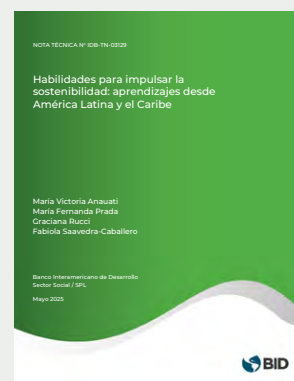
- Competitive funds as a promising option for public financing of skills for work [Access HERE](#)

EXPLORE OUR NEW TVET FUND KNOWLEDGE PRODUCTS



Skills for Work in Latin America and the Caribbean. Second edition (English Version) 2025

[Access HERE](#)



Skills to Advance Sustainability: Lessons Learned from Latin America and the Caribbean (English Version) 2025

[Access HERE](#)

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