



WORKERTECH

How technology
can improve emerging
jobs in Latin America
and the Caribbean



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1.

Introduction

To affirm that “work is no longer what it used to be” you just have to raise your head and look around. The traditional work modality, which emerged from the 20th century, in Latin America and the Caribbean, reflects a reality of a minority and decreasing proportion of people. Today, thinking only in terms of full-time salaried work and permanent contracts -what has been called the Fordist contract- ignores the millions of people who add sources of income and shape their lives through a wide variety of unconventional labor relationships, which have been consolidated in the XXI century.

These new work modalities include on-demand employment of workers in the gig economy, temporary employment, part-time work, the multiparty employment relationship and economically dependent self-employment; in all of them, technology may or may not have a role (Table 1). In fact, people are beginning to talk about analog gig and digital gig employment (Mastercard Foundation, 2020). These modalities blur the barriers between being employed with a salary and being self-employed, emphasizing flexibility, and highlighting the need to adapt regulations to provide protection to a growing number of people.



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Introduction

Platform accessed work and related challenges

Within this array of new modalities are platform workers, popularly known as gig workers, who with a click on an application accept jobs on demand, by the hour or by task in the most diverse economic sectors. This phenomenon is referred to as the “platformization” of labor relations; although recent, it is growing at an accelerated rate.

For businesses, digital work platforms can offer new economic opportunities, access to a broader workforce, the possibility of reducing costs and, especially relevant for small businesses, the possibility of digitizing services.

For workers, platforms can offer an additional source of income, flexible work arrangements, and an entry into the formal economy. In addition, platform work also offers access to new labor markets, skills development, as well as opportunities for groups with special difficulties in accessing the labor market, such as people with disabilities, people with responsibility for caring for relatives who stay at home or older adults who have been laid off from their lifelong jobs.

Furthermore, the emergence of these new labor models creates new challenges for workers, policymakers, employers and the institutions that are part of social security systems. In most countries, the design of social protection systems and tax systems are optimized for a scenario of working individuals with a single employer and long-term contracts. Many countries face the challenge of integrating

Table 1. Four emerging work modalities, how they contrast with traditional work, and examples with and without technology involved.

Modality	As opposed to...	Without technology/Analog gig	With technology/Digital gig
On demand	Open-ended contracts	Cleaners, housework workers, plumbers	Drivers & riders through applications and platforms
Temporary	Contract with indeterminate date	Day laborers. Construction and rural sectors	Workers that receive projects through platforms
Part time	Full time	Waiter in a restaurant who works less than 30 hours a week	Delivery man who works by blocks of paid hours through an application
Independent economically dependent	Registered formal employment	Journalist hired as an independent worker but in practice has a working relationship with his employer	Drivers and deliverers who access work by means of a platform

Source: adaptation based on ILO (2016 and 2019) and IDB (2019).

risk coverage options for temporary workers, self-employed workers and informal workers. Therefore, many LAC governments face the challenge of updating their protection schemes to reach all working individuals.

The controversial tendency of platforms to classify their workers as independent contractors negatively impacts the individual and collective rights of these workers, their ability to access social protection schemes and, potentially, state tax revenues. The

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Introduction

power imbalance between platforms and workers, an inherent element of most platforms (ILO, 2018a) further heightens concerns about the erosion of the social contract, workers' rights, and collective bargaining power.

Governments are therefore faced with a delicate balancing act: encouraging innovation while protecting the rights of workers, as well as the interests of businesses and consumers.

The impact of COVID-19

To this situation we must add the impact of COVID-19, that has accelerated pre-existing trends and added urgency to discussions that seemed intractable.

In terms of access to social protection, it has become even more evident during the lockdown how, in general terms, the new forms of work have been less or not at all protected. Governments have deployed emergency measures to protect these working individuals. This has accelerated the debate about the regulation and protection of telework and platform workers in various parliaments, think tanks and more informal forums.

Several platforms, such as Workana or Rappi, have seen an increase in the registration of new users in search of job opportunities. Delivery applications have become essential during the toughest phases of the lockdown for individuals. Companies have also experimented with hiring IT freelancers using platforms to organize their employees' remote work systems.



The impacts of the pandemic are described in more detail in section 4.

New modalities blur the barriers between salaried or self-employed and highlight the need to adapt the regulation to provide protection to a growing number of people.

2.

What is WorkerTech?

The emergence of WorkerTech

In this context of growth of atypical forms of work and broad challenges for independent workers, the concept of “WorkerTech” emerges, which we define as digital services that offer workers with flexible forms of employment benefits, services, access to systems of protection and/or defense of their rights. [INLINE](#)

Emerging work modalities imply that working individuals must rebuild the labor structure necessary to work. [Rebuilding the “Fordist package”](#), traditionally associated with traditional work, is not easy.

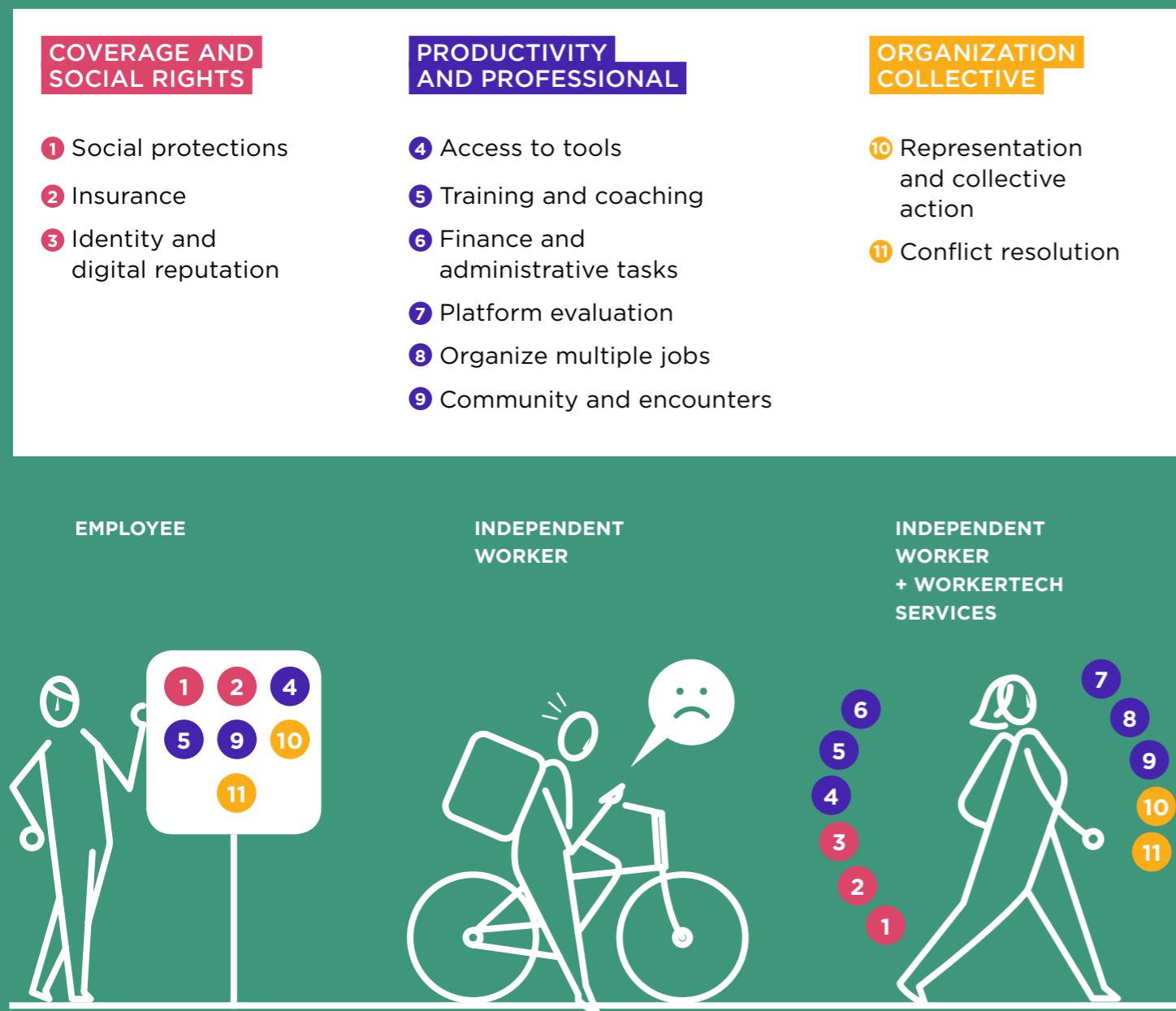
WorkerTech services can cover one or more functionalities, one or more benefits and services. The set of needs for workers in non-traditional work modalities are grouped into 3 main blocks:

- Access to coverage and basic labor rights such as health insurance, vacations, pensions, etc. with a multi-employer setting. In the digital environment, new rights must also be considered, such as the right to a sovereign digital identity, a portable reputation and the right to be forgotten.
- Productivity and professional development such as training, work tools, administrative management, financial services, access to clients, etc.
- Collective organization, both at trade union and professional level.

2.

What is WorkerTech?

Scheme 1. Access to benefits and protections based on work modality



At the moment, the areas where the greatest number of WorkerTech initiatives have emerged are:

- Representation and collective action. Application drivers have created initiatives such as [Independent Drivers Guild](#) (NYC and Chicago), [United Private Hire Drivers](#) (United Kingdom) or [Acua](#) (Chile). At the end of January 2020, representatives of drivers from 23 countries met in London to create the International Alliance of App based Transport Workers ([IAATW](#)) and thus take their [collective struggle to a global scale](#). For delivery app workers there are the Argentine [APP Sindical](#), the Spanish [RidersxDerechos](#), the British [IWW](#) or the French [CLAP](#) apps. Its global grouping is [The Transnational Assembly of Distributors](#).
- Financial services and administrative tasks. They are often projects from the fintech universe. Companies like [Earnin](#) (US) or [Instant Financial](#) (US) offer a percentage of earnings available immediately after a worker has finished their shift. In Spain, [Typs](#), [Loonfy](#) or [Devengo](#) are offering their [payroll advance](#) services to multinationals with high-turnover staff or to large temporary work entities such as Randstad, Adecco, and Manpower. [Qwil](#) offers capital and liquidity to freelancers. [Portify](#) (UK) uses real bank details and user behavior information to give a more complete picture of the credit worthiness of freelancers and gig workers. [SteadyPay](#) (U.S.) or [Aria](#) (France) help to stabilize fluctuating incomes. Neobanks such as [Qonto](#) (France, investment of 115 million euros in 2019) or [Nomo](#) (Spain, 1.8 million investment from Banco Sabadell) have specialized in serving independent workers. [Quipu](#) (Spain) handles freelancers accountancy tasks and presents taxes automatically, as [Hurdlr](#) (US) does for Uber drivers or Airbnb hosts.

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What is WorkerTech?

Sometimes the integration comes within the work platform itself. Platforms such as Lyft or Uber have made agreements with [HonestDollar](#) and [Betterment](#) respectively to automate pension plans for their drivers. [Uber](#) in Mexico has established a collaboration with SHCP and SAT to simplify the payment of taxes for drivers and delivery partners. [Malt](#), a platform for freelancers, in France has reached an agreement with the neobank [Qonto](#) and in Spain the agreement has been with [Nomo](#).

- Training of all kinds, taking advantage of EdTech development.
- Platforms for suppliers. In the case of Uber in Mexico, for example, they have organized training through [MindFlash](#) technological solutions, which allows them to train more than 4,000 drivers a week. Grab reached an agreement with [Axonify](#) for Southeast Asia. Lyft has made a similar agreement with [Udemy](#) to train its drivers.
- Some expert users decide to open a business by creating a training offer for other users who use the same platform. [Ridester](#) or [The RideShare Guy](#) are popular among drivers. For on-demand workers in general, the [GigWorker](#) portal collects the best training resources on how to be a freelancer and also more specific information on the most popular job platforms.
- Freelancers can train in all types of fields of knowledge at webpages such as [OpenClassRooms](#), [General Assembly](#), [Domestika](#) and even within platforms such as [Learn de Fiverr](#). There is also all the content available in MOOCs ([Edx](#), [Miriada](#), etc.) and in

a more informal way (YouTube, blogs, podcasts, etc.) on the Internet.

- Training to become an independent worker. SamaSchool is a social company dedicated to this. [Jungle Program](#) (France), [Switch Collective](#) (France), [Enrol Yourself](#) (United Kingdom), [Skills Agility Lab](#) (Mexico) or [Up Training Club](#) (Spain) using different methods seek to accompany and support people in the process of becoming independent workers.
- Training to transition from “gig worker” to other types of jobs. [LevelUP](#) is a project for digital training of gig workers with support from Google. [Guild Education](#) has an agreement with Lyft for drivers to access tuition discounts at accredited colleges and learning providers within the Guild network, and up to \$ 5,920 in federal financial aid.

For a more complete list of WorkerTech initiatives visit:
<http://bit.ly/COTECPlataformasWorkerTech>.

WorkerTech example for an Uber and Lyft driver in New York

José Domingo, 35, is a second-generation immigrant in New York. He has been working for years as a warehouse employee and shelf stocker in various supermarket chains. After his daughter was born, he decided to become a driver by means of full-time applications, since timetable flexibility is the most important thing to enable him to spend time with his family.

José has his own vehicle. His main work application is [Uber](#), since it is where there is more demand, [Lyft](#) is secondary and he has a good reputation in both. He really liked working with the Juno app because it offered better terms, but the company abruptly closed at the end of 2019.

When he wanted to become a driver, he used the tutorials on Harry Campbell's website ([The Ride Share Guy](#)), which he reached through an experienced acquaintance. This information helped him to learn how to use the apps, to obtain his TLC license and a criminal record certificate. Currently, he continues to subscribe to the weekly newsletter to learn about changes in apps conditions, see offers on products for

drivers, etc. He is also active on the [UberPeople](#) forums to ask questions to more experienced drivers.

From the first moment, advised by his cousin, he registered at "[The Black Car Fund](#)", a compensation and other benefits' fund for taxi, limousine and app drivers in New York State. He is also a member of the "[Independent Drivers Guild](#)" (IDG), a union that since 2015 collectively represents drivers to negotiate with applications. It was thanks to a campaign led by IDG with more than 16,000 signatures on the [ActionNetwork](#) platform that the New York Taxi and Limousine Commission (TLC) agreed to a minimum wage of \$ 17.22 an hour. This is equivalent to the minimum wage of \$ 15 per hour adjusted to which the vast majority of them have to pay payroll taxes on and do not have paid time off.

Your phone is full of apps that make your life easier. Use [Inshur](#) to have specific insurance for Uber and Lyft drivers. With [Hurdrl](#) you can automate all tax payments. The application receives the information of Uber and Lyft incomes and at the same time it applies the expenses of gasoline, maintenance and even the depreciation of the vehicle for the miles driven each day. Finally, the artificial intelligence of [SherpaShare](#) makes you a virtual co-pilot indicating the hottest areas of the city, better

Scheme 2. Access to benefits and protections in José Domingo's case

COVERAGE AND SOCIAL RIGHTS

Social protection



Insurance



Identity and reputation



PRODUCTIVITY AND PROFESSIONAL

Work tools



Training and coaching



Finance and administrative tasks



Employer and platform evaluation



Organize multiple jobs



Community and encounters



ORGANIZATION COLLECTIVE

Representation and collective action



Conflict resolution



paid routes and other data that allow you to earn more money working fewer hours. You have seen in the forums that there is talk of a new app, [Drivers Seat](#). This is a cooperative that uses [data to improve the lives of drivers and mobility in cities](#).

The proposal to sign up for [Betterment](#) and start saving automatically for retirement came from Uber. He has not decided on this yet.

José is thinking about working fewer hours as a driver and looking for other apps to earn money. He has been looking at the [AppJobs](#) comparator for New York for a few days and thinks that walking dogs with [Rover](#) or

[PetSitter](#) could be a good option.

The scenario set for José as an Uber and Lyft driver in New York is his own. If we review similarly the profile of Lucía (a freelance designer through Workana and resident in Barcelona) or Tasfin (a worker at Amazon Mechanical Turk in Bangladesh), they will use another set of different services due to their type of work and their geographical location.

2.

What is WorkerTech?



The objective is to leave behind the dichotomy inherited from the industrial era that differentiated between the highly protected salaried worker and the worker in an emerging modality practically entitled to nothing.

Contextualizing WorkerTech

WorkerTech services are individually oriented (mass customization) based on intensive use of technology and with real-time responses. Many WorkerTech services are even designed so that workers can access and benefit from certain benefits regardless of the number of companies, platforms and clients for which they work.

This type of solution currently originates from two different fronts. First, newly created startups that are committed to the development of products and services to support independent workers both individually and collectively. Second, traditional companies (insurance, finance, training, etc.) that have seen an opportunity and are beginning to adapt their service offerings to the emerging context.

The goal on the horizon is to combine the flexibility and freedom of independent work or self-employment with the protections and benefits traditionally associated with salaried or employed work. In other words, the goal is to leave behind and overcome the dichotomy inherited from the industrial age that differentiated between the highly protected wage earner and the worker in an emerging modality with practically no right to anything.

It is important to note that WorkerTech applications and services are independent from digital labor platforms, and from job providers in general. Therefore, they offer a way to provide the person with access to benefits and protections without creating a traditional employee-employer link with the platform,

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while maintaining their status as an independent worker.

When we speak of “tech” we can think of complex technologies, but this is not always the case. Within WorkerTech there is high technology (apps with artificial intelligence and sensors), intermediate technology (forums, blogs, WhatsApp groups, etc.) and low technology with a social component (a coworking space or a meetup group in a professional sector). Everything adds up and everything contributes to the independent worker rebuilding a work environment.

Another important detail is that, although WorkerTech originates in a context of platform gig workers, it is useful for workers as a whole:

- With or without digital platforms that mediate between workers and employers, WorkerTech proposals can provide valuable services to the entire group of workers. An example is the Starbucks or Walmart worker campaigns using Coworker as a coordination and dissemination platform.
- In countries with a high percentage of informal labor force, these services can also facilitate the formalization of labor relations and access to certain benefits. By digitizing processes and payments, financial and economic inclusion is favored while preventing users from living in an economy based only on cash.

Although WorkerTech arises in the context of the needs of platform gig workers, it is useful for all workers as a whole.

- Similarly, they can be useful even for salaried employees in areas such as training, certification or conflict resolution, among others..

We must also point out the problems and challenges of WorkerTech:

- Most of the projects are still in the early stages. In many cases, in addition, there are doubts about its economic viability. No matter how good these ideas are, will they be able to develop viable business models that allow them to sustain themselves by selling services or charging membership/subscription fees rather than relying on public grants and/or venture capital injections?
- In the case of projects aimed at workers in the most precarious conditions, the difficulty is twofold, since potential users do not have the money to pay for those support services that they so badly need to improve their situation.
- Since, in many cases, it is directed at digital services, WorkerTech can be a source of exclusion due to the digital gap. In the case of more digital WorkerTech services, the gap can be difficult to bridge. In the cases of less complex technologies (e.g.: a coworking space for the creative sector) this gap will not exist or will be less.

Does WorkerTech compete with the public sector?

A common question when learning about the WorkerTech service offer is whether it means a privatization of the system of social protection for workers. How does the regulation of the public sector and its role as regulator of the labor system fit with all these new technologies? The risk is that two parallel worlds will develop, further segregating labor markets.

From the outset, it should be noted that many of the WorkerTech solutions cover aspects such as the rental of work tools, specific insurance for the development of a professional activity, support for keeping accounts and paying taxes, the collective organization of groups of workers, etc., all of which are outside the scope of activity of the public sector.

For example, insurance for cessation of activity or temporary disability ([AXA Seguros](#)), schemes to have paid vacation days ([Alia](#)) or private pension schemes ([Betterment](#)), compete with public sector functions in many countries. It will be necessary to guarantee that all these options are a complement to what is established and offered from the public sector. At the same time, regardless of the use of these private WorkerTech services, independent workers must continue to contribute to national pension and unemployment schemes because of their global redistributive function, outside the framework of the WorkerTech platform or private service.

What can the public sector learn and benefit from WorkerTech services?



Another facet of the same question is what can the public sector learn from WorkerTech services, about the digitization and personalization of support services for workers, employees and even the unemployed? In many countries with limited resources to provide these services, digitization represents an opportunity for optimization with respect to current solutions, thought-up and designed for another work model.

The Swedish government, with its [JobTech](#) and [JobTechGig](#) initiatives, is one of the first to have advanced in this direction.

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What is WorkerTech?

WorkerTech, some cases in Latin America

During the period of preparation of this document, various WorkerTech initiatives have begun to operate in Latin America. Agreements between platforms and startups have also been announced. In this section we highlight some of them.

- The Savings for Retirement Laboratory of the IDB's Labor Markets and Social Security Division was a pioneer in the use of WorkerTech in the region. The laboratory has carried out several interventions that mix behavioral economics with the use of various technologies (SMS, banners, push messages, etc.) to encourage retirement savings in informal workers, independent workers and, in some cases, platform workers. The intervention in Peru stands out, where drivers affiliated with Cabify can access an automatic savings option through the platform itself.
- In Mexico, the startup Heru focuses on improving the quality of life of those who work independently.

The application provides access to tailor-made services and benefits. The project is led by two former Colombian Uber employees based in Mexico. They have received an investment of 1.7 million dollars from the prestigious incubator Y-Combinator.

- A similar case is Nippy, in Argentina. Its starting point has been the large group of Venezuelan immigrants who in many Latin American countries use delivery applications as a source of work. The Cordoba startup has made agreements with applications in Argentina, Chile, Uruguay and Paraguay. Solutions are added for platform workers in areas such as training, insurance, banking, legal, accounting and immigration advice, etc.
- Salvadoran startup Pulpo offers a tailor-made health insurance package for independent drivers, delivery people and entrepreneurs.
- BBVA México established an alliance with the Zolvers platform so that domestic employees can access banking services. About 25,000 domestic workers currently do



not have an account or means of payment for the deposit of their resources.

- On the trade union organization side, especially in the sector of driving and delivery platforms, associations exist in almost all countries (Riders Unidos Ya (Chile), Unión de Trabajadores de Plataforma (Colombia), APP Sindical (Argentina), Repartidorr (Mexico), etc.). The international strike of October 8, 2020 highlighted the coordination capacity of these services.

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Why is WorkerTech relevant for Latin America and the Caribbean?



WorkerTech services in Latin America and the Caribbean are highly relevant due to:

- The number of non-traditional workers (some using platforms, others without platforms) and the volume of the informal economy in the region, where WorkerTech can serve as a way to start generating incentives towards formality and financial inclusion.
- The ease or difficulties that these workers have in accessing the social protection and support systems.
- The level of digitization of the economy and public services related to employment, as well as the degree of digitization of citizens in general.
- The state of regulatory debates on platform work and new work modalities in general (e.g.: teleworking).
- To all this the multiple impacts of COVID-19 must be added as an accelerator of pre-existing trends.

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Why is WorkerTech relevant for Latin America and the Caribbean?

Magnitude and trends of new forms of work in Latin America and the Caribbean

As in [other regions of the world](#), in Latin America and the Caribbean traditional salaried employment is clearly in decline compared to other forms of work.

Informal employment

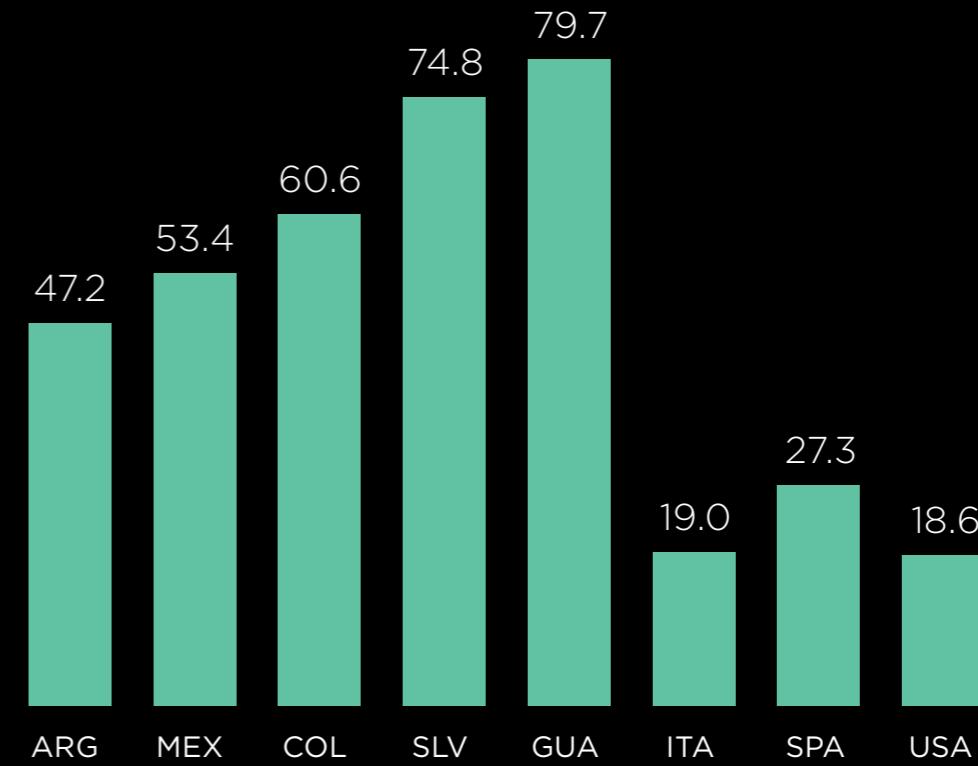
The COVID-19 pandemic has come at a time of economic weakness in the Latin American and Caribbean region where in recent years there has been a deterioration in GDP per capita, as well as an increase in labor informality, which is already reaching 56% of workers (IDB, 2020a). Some projections estimate that, due to the crisis generated by the coronavirus, more than 15 million jobs have been lost in the region in the twelve months between February 2020 and February 2021, according to the IDB's [COVID-19 labor observatory](#).

In Latin America and the Caribbean, out of a total of 292 million people employed, 158 million work in informal conditions, equivalent to a regional average rate of 58% (SIMS-IDB, 2020).

WorkerTech can be an ally in the formalization of part of this informal employment. For example, the Zolvers platform that connects domestic workers with clients, also facilitates the automation of salary payments and social security contributions.

Graph 1. Informal employment

Percentages (ILO, 2018b; for the data of El Salvador UNODC, 2020)



WorkerTech can be an ally in the formalization of part of the informal employment in Latin America and the Caribbean.

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Why is WorkerTech relevant for Latin America and the Caribbean?

Trends in job creation

According to ECLAC / ILO (2019) in the region, for the sixth consecutive year, salaried employment expanded less than self-employment. The expansion of self-employment contributed approximately 49% to the increase in the number of employed persons in the labor market, while the generation of salaried employment contributed only 37%. Other occupation categories contributed to the remaining 14% of new jobs.

Although in other indicators the performance of the different countries was relatively heterogeneous, the weakness of the creation of salaried employment was a fairly general phenomenon. Of the 14 countries with information, salaried employment only registered a higher growth rate than self-employment in 3 (Chile, Honduras and the Dominican Republic), while in Argentina, Brazil, Colombia, Costa Rica, Ecuador, Guatemala, Mexico, Panama, Paraguay, Peru and Uruguay the opposite happened.

Finally, in its 2019 report Occupational turnover and labor informality: The case of independent workers in Latin America, the International Labor Organization (ILO) characterizes independent employment as very relevant in this region, although its incidence differs according to the country. In Argentina and Brazil, independent employment accounts for between 26% and 28% of total urban employment; in Mexico, 33%, while in Ecuador and Paraguay it is around 45%,

closing with Peru at about 55%. This means that, except for Argentina and Brazil, in the rest of the countries, self-employment is more important than work in a formal dependency relationship.



For the sixth consecutive year in Latin America and the Caribbean, salaried employment expanded less than self-employment.

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Why is WorkerTech relevant for Latin America and the Caribbean?

Independent workers

Another indicator that governments and think tanks are paying more attention to is the growth of self-employment world-wide. The definitions of “freelance” (person who works for different clients at the same time), “independent worker” (or independent consultant who is hired for the provision of specific services) or “self-employed” (person who works on their own as a freelancer or owner of a business) between countries is not always directly comparable, but the review of the data makes it possible to obtain an initial picture of the situation.

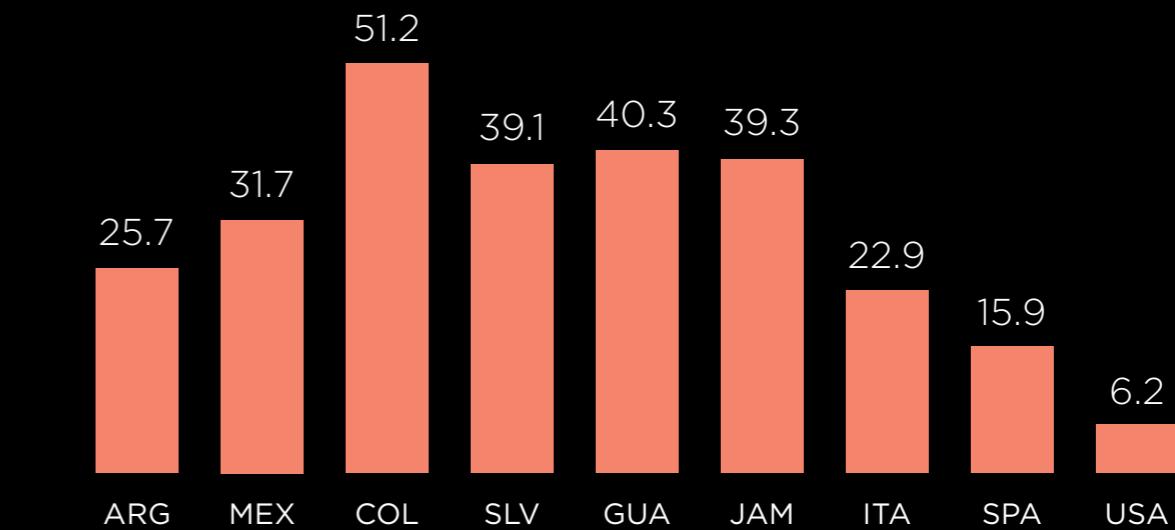
The [Workana Report](#) in 2020 highlights the following:

- Almost 65% of freelancers are between the ages of 21 and 40, and freelancers over 40 represent 30% of the sample.
- Within this labor model, participation between men and women is equitable, since the study showed that 50.3% of self-employed workers are men and 49.7% are women in Latin America.
- Approximately 57% of freelancers are full time freelancers and 43% are part time freelancers.

To evaluate the relevance of WorkerTech, it is good to have an idea of the level of protection offered to workers in emerging modalities by some countries in the region. Approximately half force non-salaried workers to contribute to social security systems; in some of them they are allowed to contribute voluntarily and in a minority of countries they are not

Graph 2. Independent work

According to the World Bank, 2019



even allowed to contribute (IDB, 2013). This voluntary nature of contributions makes the level of coverage for non-salaried workers tend to be low or null in some cases.

Due to all this, and in view of the increase in non-traditional work in the region, before COVID-19, in Chile, Colombia, Argentina or Peru, discussions had already begun about potential improvements in coverage of access to health services, accident insurance, pensions, etc. for platform workers.

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Why is WorkerTech relevant for Latin America and the Caribbean?

Work using digital platforms

The International Labor Organization (ILO) defines the growth of platform work as “one of the most important transformations in the world of work during the last decade”. While the number of people who find work through digital work platforms remains relatively marginal - between 1% and 3% of the global workforce (Schwellnus, C., Geva, A., Pak, M., et al., 2019)-, it is expected that these figures will increase significantly over the next years. There are approximately 40 million platform workers in the Global South alone and it is estimated that digital work platforms currently earn at least \$ 50 billion per year (Graham, M., Woodcock, J., Heeks, et al., 2019).

Accurately measuring work through platforms on a regional and country scale remains an elusive challenge. There are studies that partially address the phenomenon and often with different approaches, definitions and taxonomies of platform work, which makes it difficult to compare or add them.

In many documents, due to their public visibility, the phenomenon of on-demand work for drivers using platforms tends to be overrepresented or understudied (Uber, Cabify, Didi, 99, etc.) as it is also the case of delivery riders (Glovo, Rappi, PedidosYa, etc.). Within the economy of high demand work platforms there are other sectors such as care and cleaning (Zolvers, Hogaru, Alba, DogHero), home repairs (Iguanafix, HomeSolution) or all types of services (GetNinjas) that are practically not analyzed. Similarly, the use of microwork and survey platforms (Amazon Mechanical Turk, Appen, Hiving), for

There are close to 40 million platform workers in the Global South only.

freelancers (Workana, Freelancer, UpWork), online tutors (Preply, TheOne), specialists (BHive) and some more creative ones (Airbnb Experiences, EatWith, Etsy) have not been studied in-depth at the current time.

Some of the studies and reports published so far show the following data:

- What is it like to work for an app in Argentina?, carried out by CIPPEC, IDB Lab and the ILO in 2019, shows that the phenomenon is still incipient. The set of users-service providers using digital platforms (Airbnb, Cabify, Uber, MercadoLibre, Zolvers, etc.) represented 1% of total workers employed in Argentina in 2018. One third of the service providers are under 30 years of age and generally have a good level of education. In most cases this is additional income.

In recent discussions on the regulation of the activity it has been estimated that in Argentina there are 80,000 cyclists for delivery applications.

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- The IDB study [Who are the drivers who use transport platforms in Latin America?](#) conducted a survey of more than 5,000 Uber drivers in Brazil, Chile, Colombia and Mexico. Uber began operating in 2013, but between 2016 and 2019 it expanded its service to medium and large cities in almost all Latin American countries. The rapid expansion of the platform allowed the region to become the second most important for Uber in generating revenue.
 - [Mexico](#): currently has more than 250,000 partner drivers, with a presence in more than 40 cities in the country. The fourth world market in number of trips, only behind the United States, Brazil and India.
 - [Colombia](#): 88,000 partner drivers.
 - [Chile](#): 70,000 partner drivers.
 - [Peru](#): 38,000 partner drivers.
- Rappi has more than [200,000 delivery persons](#) in the 9 Latin American countries where it operates.
- [170,000 domestic workers](#) form the Zolvers community in Argentina, Mexico, Chile and Colombia.
- In Chile, DiDi has registered 120,000 driving partners in the express service.
- Workana has 2.5 million registered freelancers (2019) and almost doubled its number of subscribers annually since its founding in 2012. Around 1,600 new self-employed workers are added per day, according to company information.



Added to the dispersion of data are some additional challenges to measure the phenomenon of work by means of platforms.

- For most platform workers, these incomes are secondary (they have some other main source of income) and are not included in the official national employment statistics.
- Many service providers are registered and use more than one application at a time (so-called multihoming). They are likely to be counted more than once in the statistics.
- The reports and press releases of the platforms usually mention the number of registered users. This data hides the real data of active users and/or the final data of the total volume of hours and/or income obtained by the workers.

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Why is WorkerTech relevant for Latin America and the Caribbean?

How is platform economy being measured in other parts of the world?

The discussion about the implications of platform economy is not supported by sufficiently robust measurements and data. The methods used so far to measure the size of platform economy range from surveys to more ingenious techniques that exploit big data. Several of these methods and their limitations are presented in the Eurofound document [“Mapping the contours of the platform economy”](#) with a discussion of options to address the data gap.

At the level of the European Union, the most used reference is the work of the COLLEEM Survey and Eurostat Labor Force Statistics (LFS). In January 2020, [the data for the second wave was published](#). The comparison of platform work between 13 EU countries led by Professor Ursula Huws from the University of Hertfordshire is the other great reference. It is highlighted in both reports that, contrary to

general belief, the majority of platform workers work from home as freelancers or doing some type of micro-work.

The Online Labor Index (OLI), led by the University of Oxford, is the reference for “crowd work”. The OLI is built by tracking all the projects/tasks posted on the top five online job platforms, so it offers a good overall photo. According to these data, [most of the contracts for freelancers](#) originate in the northern hemisphere (North America and Europe mainly). In addition, [2 out of 3 freelancers](#) in the world live in Asia, with India, Bangladesh and Pakistan at the top.

In the United States, the Aspen Institute, in collaboration with Cornell University, maintains the [Gig Economy Data Hub](#). In cities like New York or San Francisco they have carried out studies on a local scale.

Also remarkable is the work of [AppJobs Institute](#). It is a private initiative of the AppJobs platform job aggregator. They have data from Mexico, Argentina, Colombia and Brazil.

Another alternative to consider would be to enter into agreements with financial entities that manage the payments of platform workers, as JP Morgan did in a study in 2016 and another in [2018](#).

It would be desirable, with the object of carrying out a more accurate analysis, to enter into an agreement with the platforms themselves. These arrangements can be complex because this data can be high-value business information, and also has value in regulatory processes.

The desirable situation to have more accurate analysis would be to agree with the platforms themselves.

3.

Why is WorkerTech relevant for Latin America and the Caribbean?

Level of digitization and discussions on new forms of work

The relevance and potential of WorkerTech also depends on the level of digitization in each country, as well as the level of awareness and discussion regarding platform work.



New regulation for platform workers in various countries

En la actualidad, la regulación del trabajo en plataformas y la protección social de los trabajadores de las plataformas (que no es uniforme ni estable) varía de país a país y depende principalmente de cómo se regulan y protegen las relaciones de empleo, autoempleo y otras formas de trabajo a nivel nacional. También depende, en medida menor, de la existencia y fuerza de las organizaciones sindicales en una economía tradicional.

In order to seek better protection for platform workers, some countries have developed new legislation, either trying to make it very difficult to classify them as independent or guaranteeing them more rights without actually creating a traditional employee bond. These are recent regulations with an impact yet to be evaluated.

The [AB5 law](#) came into force in the state of California (USA) on January 1, 2020. The solution intended for platform workers turned out to have side effects on other freelancers such as [journalists](#) or [artists](#). The law made platforms such as [Uber](#) modify some aspects of their applications to reduce the subordination of workers and with

it the indications of dependent labor relations. At the same time, the main platforms organized strong lobbying campaigns against the AB5 law that resulted in [the approval of Proposition 22](#). This [proposition](#) forces platforms to offer more benefits to workers while keeping them independent. In January 2021 [Prop 22 was appealed](#) in the California Supreme Court by platform workers.

In France, [the Loi d'Orientation des Mobilités \(LOM\)](#) was approved on December 24, 2019. Instead of classifying drivers as platform employees, the law confirms that Uber-type app drivers are autonomous but are guaranteed additional rights and benefits.

In France, the figure of the “[self entrepreneur](#)” also stands out, active since 2008.

The [Italian proposal](#) is very close to the French one. [Law 128](#), of November 2019, opts for a compromise solution under one of the emerging forms of work known as “hetero-organized collaborative relationships” (“etero-organizzato”) and explicitly indicates that it applies to any provision of work within the framework of digital platforms. Thus, the law does not begin by the direct recognition of employment but does establish a series of advanced labor protections and delegates the regulation of the wage relationship through sectoral collective agreements (with one year

3.

Why is WorkerTech relevant for Latin America and the Caribbean?

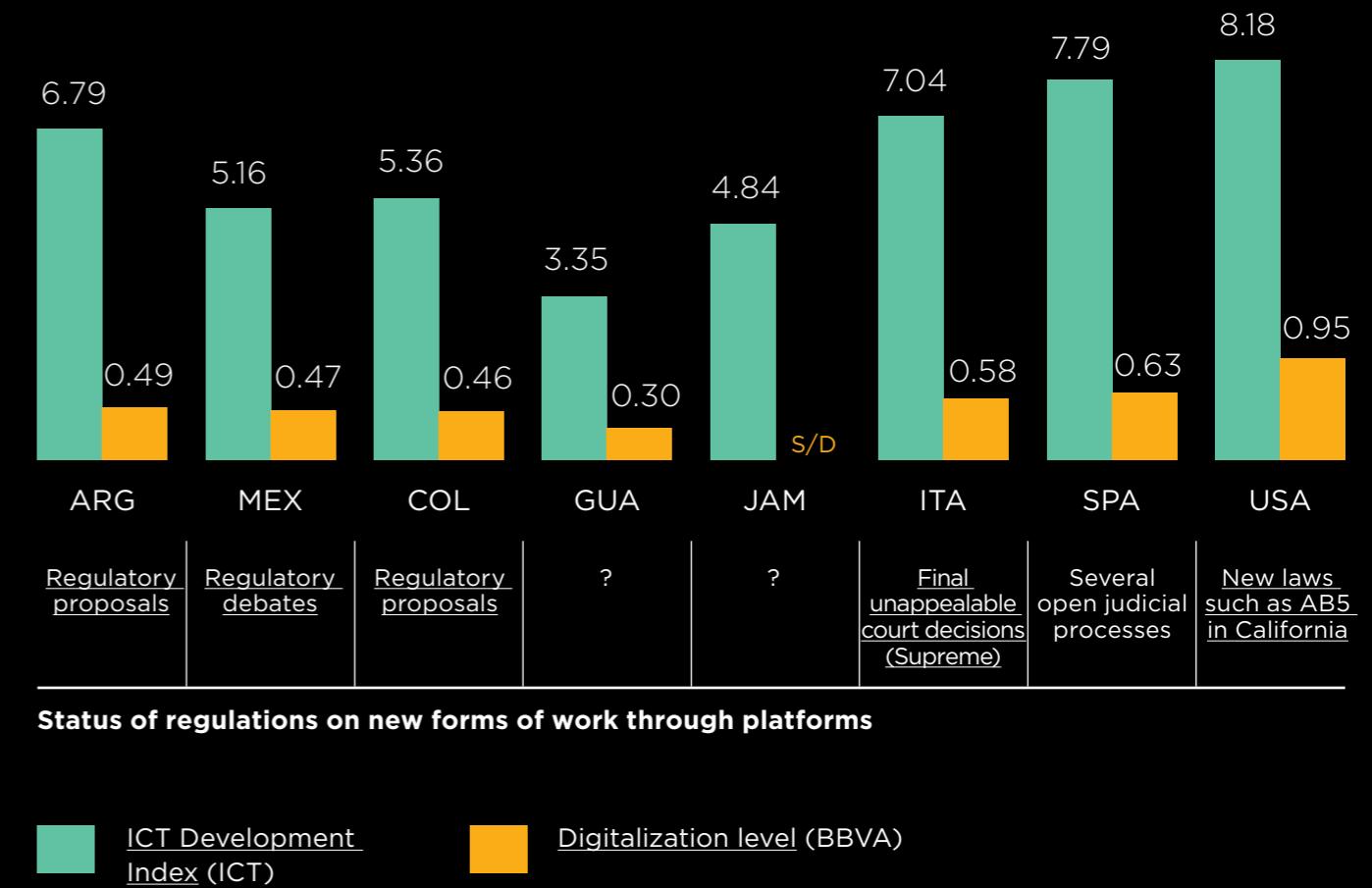
of margin for the agreement between platforms and unions).

In India, the national government modified the "2020 Social Security Code" at the end of 2020 to incorporate a special block for gig workers. Experts say that the Social Security Code in its current form creates more confusion than clarity regarding the employment of gig workers and unorganized workers.

In many other countries, including Argentina and Colombia, the discussion of new laws has been announced but so far they have not materialized.



Graph 3. Digital context and new forms of work



4.

COVID-19 as an accelerator of pre-existing trends



Crises are accelerators of pre-existing trends. What could take months or even years under normal circumstances happens in weeks. COVID-19, especially regarding lockdowns and social distancing measures, has impacted on many of the factors and trends mentioned above.

Some projections estimate that, due to the crisis generated by the coronavirus, at least 25 million jobs have been lost in the region between February and September 2020, IDB [COVID-19 labor observatory](#) (IDB, 2020). Of these, an estimated 3.5 million were formal jobs, representing 7.7% of total employment, and 21.5 million were jobs in the informal sector of the economy. It has also been possible to observe how part of this informal work is essential work for society.

This crisis is a propitious context for the growth of the use of digital labor platforms to find work and generate income. There are three main reasons:

1

Workers see platforms as an agile resource to find work. The number of registrations has grown significantly in the central months of 2020. At Chile, for example, the impact of COVID-19 triggered a severe labor crisis that [intensified migration to the digital world and to delivery and transport platforms](#). Rappi raised the number of active deliverers per day to 7,000 with 55,000 registered (previously there were 4,000 active deliverers over 40,000 registered) and PedidosYa increased 20% in May. Cabify increased drivers in its Easy Taxi category by 78% since March 2020. At DiDi currently 120,000 driver partners have signed up to the express service. Of these, more than

4.

COVID-19 as an accelerator of pre-existing trends

17,000 joined between March and June. Meanwhile, the DiDi Taxi service began operating at the end of February with 5,600 taxi drivers, a figure that has increased to more than 10,000 since March, which means that half of the “yellow roofs” in the capital are registered on the platform. [A recent analysis](#) carried out by Workana revealed that the activity of freelancers in Latin America grew by 42% as a result not only of a trend that has been on the rise in recent times, but above all because of the impact that the COVID-19 pandemic had on many companies and organizations. While the number of monthly registrations in the marketplace was 70,000, in April, more than 100,000 new freelancers were registered in Latin America. In the United States, Upwork says [it has seen a 50% increase in freelance registrations](#) since the pandemic began. Instacart hired an additional 300,000 workers in one month and said in late April that it planned to add 250,000 more.

2

In a context of high uncertainty, companies seek to hire external talent rather than adding workforce on a permanent basis. During the lockdown and forced telework, companies have resorted to platforms to hire IT experts to carry out the necessary installations (see [Pandemic-proof jobs? IT freelancers in high demand, other online workers facing cuts](#)). Freelancers are likely to be in more demand in the future, with 47% of hiring managers more likely to hire freelancers since the COVID-19 crisis, according to [research by Upwork](#).

The crisis generated by COVID-19 is a favorable context for the growth of the use of digital labor platforms.

3

Individual consumers have digitized much of their work and social interactions, as well as their consumption and online purchases. The latter has led to greater use of delivery systems using platforms. These platforms have also adjusted their operations to the new situation (IDB, 2020b). With the lifting of lockdown, users look for more private environments that give them confidence. P2P digital platforms have grown on the basis of trust and operational agility. For example, people who want to avoid public transport opt for a private car or for Uber/Cabify-type applications that are presented as safe and with anti-COVID protocols. In the home care sector, the increase in demand has been very high. ([Demand for home care start-ups doubles as a result of coronavirus](#)).

The slowdown in economic activity has shown how the social protection network does not adequately cover people with informal, independent and self-employed jobs. Some headlines, such as [Coronavirus Highlights Broken Safety Net for Millions of Workers](#) (Aspen Institute) or [Coronavirus highlights sick pay void for platform workers](#) (Eurofound), account for this.

In cases such as the United Kingdom or the United States, it has been possible to see the high level of lack of protection and the “holes” within the protection network. This has made it necessary to develop and fund emergency aid packages such as the CARES Act in the United States to increase the amount of unemployment benefits and expand eligibility to include gig workers and independent

4.

COVID-19 as an accelerator of pre-existing trends

workers. In other European countries such as Spain or France, where access to health services and unemployment funds is quite universal, some criteria have also had to be made more flexible so that more people could access these benefits.

In addition to deploying emergency measures to protect these workers, the evidence and urgency has accelerated discussions on the regulation and protection of workers through platforms, teleworking and work in emerging modalities as a whole.

Finally, WorkerTech has also proven its worth. The examples that follow would have been much more difficult or impossible without the use of technology by workers in emerging modalities.

The slowdown in economic activity during confinement shows that the social protection network does not cover emerging jobs.

- **Training** has been carried out in new protocols and security measures using online training for platform workers. Free online courses have been offered to workers and their families for upskilling or reskilling during periods without work. Information and resource points related to COVID-19 have also been created and/or how to access government aid has been explained.
- Numerous campaigns with public requests have been launched regarding situations related to COVID-19 on Coworker.org.
- Some of the neo-trade-unions have organized coordinated strikes in the delivery sector in several countries (Argentina, Brazil, Ecuador, Chile, Mexico, Costa Rica, etc.) through WhatsApp groups and social networks.
- Support funds for working individuals have been created, as in the case of the Domestic Workers Alliance or Freelancers Hub, among others.
- An application (WorkersFirst) has been created so that workers know their rights with the new regulations due to Proposition 22 in California.



5.

Future trends and new questions

Even though it is an incipient phenomenon, some future trends and new questions to take into consideration can already be pointed out.

Five trends worth considering

1

A greater role for independent groups

The “independent worker” tends to be viewed as an isolated worker and even competing with other independent workers. In general, working as a freelancer in isolation is unsatisfactory, greatly limits the possibilities of generating income and makes it difficult to resolve incidents that may occur.

As a trend for the future, a greater role for the “independent workers’ groups” can be anticipated. These groups may have a trade union purpose, mutualization of services and tools, group learning, access to the market with a trade union nature, etc.

To go into greater depth regarding this issue, you can read [If the future is freelance, where do we join-up?](#)



5.

Future trends and new questions

2

Deep Job Platforms: going beyond supply and demand meeting

For a digital labor platform, providing a place where supply and demand meet is the basic thing, but in a few years it will not be enough. Deep Job Platforms appear that take greater responsibility regarding details of the intermediation and the working life of the workers.

A first trend is to combine access to work and access to training on the same platform. This can be observed in cases such as the purchase of General Assembly by the temporary working group Adecco, or in the purchase of Adept by Degreed. The resulting mixes allow better trained talent to be available on the platform.

The other trend is the integration of WorkerTech services within the platform itself, to facilitate more parts of their work to independent workers and in turn increase their captivity with regards to a particular platform.

In the field of freelancers, Malt's offer with Sesame (platform, training, bootcamps, insurance, neobank) or the set of Fiverr services with Elevate (platform, training, project management, liquidity, etc.).

3

Platform cooperativism

The combination of cooperative principles with new technologies represents a good opportunity for business models socially committed to sustainable development and labor rights. The underlying intention is that platform workers are also the owners of the platform they use.

These initiatives are framed within the “platform cooperativism” and the most common cases, within the framework of labor platforms, have been in home delivery services that have a more local scope of action. Cooperatives of “riders” have emerged in Barcelona (Mensakas) or Madrid (La Pájara en Bici). In both cases they use the open source code of Coopcycle to mutualize the development of the web and the applications.

Other unknown cases of cooperative work platforms are Up&Go (cleaning services), Stocksy (photographers) or Eva (drivers).

4

Blockchain-based solutions

Blockchain, predictably, also offers interesting contributions to the world of work of the future. There are blockchain-based initiatives both on the side of labor platforms and on the side of WorkerTech services for freelancers. The value proposition of blockchain-based solutions focuses on the reduction of intermediation and infrastructure costs, payments with cryptocurrencies, traceability and the use of smart contracts. There are versions based on blockchain for all types of work platforms. The truth is

5.

Future trends and new questions

that few are in the operational phase, and those that are, are in alpha or beta versions. [Expand](#) (similar to Amazon Mechanical Turk), [Eva](#) (similar to Uber / Lyft), [WurkNow](#) (for blue-collar workers such as Jobtoday or Wonolo), [Ethlance](#) or [LaborX](#) (similar to UpWork or Fiverr).

There are also specialized blockchain services in WorkerTech areas such as reputation and credentials ([Tiiqu](#) or [Dock](#)) and dispute resolution (based on smart contracts with [Kleros](#)).

Although their development and actual use is very modest, they will have to continue to be watched closely as they can draw a quite different map of the labor market in a few years.-

5

New WorkerTech services

As it is an emerging sector, WorkerTech is still being defined. Technology at the service of the rights and needs of workers still has much to invent and contribute.

We can expect the appearance of new WorkerTech services such as: [insurance for digital reputation](#), [data portability between platforms](#), [data cooperatives of freelancers](#), [multi-presence on various platforms](#) and [filtering of project offers through AI](#), [digital avatar of the worker](#), etc.

Areas that generate new questions

All this exploration into new ways of working, the future of workers and WorkerTech opens up new scenarios and gives rise to new queries.

We highlight four specific areas on which the exploration of WorkerTech can generate new questions:

Do independent workers have the right of association?

On the one hand, the new forms of work tend to individualize the relationship of the worker with their employers and/or the intermediaries who organize the labor market. On the other hand, workers' struggles for improvement of their working conditions have always been collective.

As described above, the field of representation and collective action is one of the most active within WorkerTech, although, as the workers are not employees, they often cannot create a traditional union. This leads to misunderstanding and tensions with traditional actors, at the same time that it hinders or prevents their participation in the social negotiation tables together with these actors.

Another challenge arises from the competition laws, which have been designed to prevent cartel-like behavior by a group of independent companies in the same sector (e.g.: setting fuel prices). These laws, [interpreted with little flexibility](#), prevent independent workers from associating to work together and from mutualizing what they believe

5.

Future trends and new questions

is necessary. The EU Commission has issued [an initiative to allow self-employed workers to bargain collectively](#) without being hampered by competition law.

How to manage the data of workers and platforms?

Within the discussion on the future of work mediated by digital platforms, it is necessary to incorporate the discussion about [the rights of workers' data](#). In some countries there are already regulations in this regard, although they tend to be regulations interpreted from the point of view of individual civil law. For the labor sphere, this right should be approached from the point of view of collective rights and incorporated as part of collective bargaining.

The data can be direct data provided by users (name, photo, email, etc.), to data about users on the platform (such as reputation data or activity data on the platform) and also inferred data about the users by platforms (what the algorithms have learned about that user).

The entire [life cycle of this data](#) must be considered during discussion: acquisition, processing, storage and erasure of this data.

In addition to the personal and collective value of the data, there is also the public value of the data. Accessing data from platforms for employment statistics, ensuring compliance with minimum wages, overtime, payment of taxes, etc., can be very valuable for administrations.



Data has both a personal value and a collective and public value. Accessing them, for example, to build employment statistics, can be very important for administrations.

5.

Future trends and new questions

Are algorithms legally liable?

In Italy, the Deliveroo algorithm, known as Frank, has been condemned by a Bologna court for being discriminatory. The algorithm is not prepared to differentiate when a worker does not attend his shift due to justifiable causes by labor law (illness or strike) versus other non-justifiable causes.

In the United Kingdom, a group of Uber drivers have serious doubts about the operation of the algorithm that governs the on-demand transport platform.

The algorithm, which manages the fundamentals of the platform, could be deliberately hurting certain drivers instead of being neutral. Uber has been sued for “automated” layoffs before a court in Amsterdam, where it has its European headquarters.

In Spain, during the negotiation of the “Rider Law”, one of the proposals of the Ministry of Labor was to create a registry of algorithms to ensure that digital labor platforms did not employ false self-employed workers. In the end this proposal did not go ahead.

These cases force us to reflect on the legal responsibility of algorithms and the need for greater transparency both for workers and for administrations and regulators.

How to regulate the transnational work of platforms?

The reality is that a client company in France hires a person with Colombian nationality who resides in Bali during a period (Indonesia) through an American labor platform (e.g.: UpWork). How is this regulated? It is governed by the laws of which country? What is the minimum wage to take into account?

We have inherited labor and social protection systems based on nation states.

This thinking and regulation based on nation-states collides head-on with the changes brought about by the platformization of work. Either because it is a totally digital micro-worker environment, or because it is a more local workforce environment but facilitated by multinational companies, or because it is freelance or white-collar talent that offers services on global platforms, it can be expected that many support and protection services for workers will also take on a more transnational character.

The speed of deployment of work through digital platforms and WorkerTech is likely to be higher than the speed of adaptation of social protection and national and transnational labor regulations. During this period, the platforms and their users (consumers and workers) will use self-regulation (on each platform) and explore their own solutions to the aforementioned transnational scenarios.

6.

How can the IDB Group contribute to WorkerTech in Latin America and the Caribbean?



WorkerTech was already a relevant topic for Latin America and the Caribbean before the COVID-19 pandemic broke out. Now it is even more so. The slowdown in economic activity has shown how the social protection network does not adequately cover people with informal, independent and self-employed jobs. The system is out of date.

The IDB Group views WorkerTech as a set of innovative solutions designed and developed to improve the lives of people who work, both in the analog and digital economies, and with a special focus on individuals who work in more precarious conditions. WorkerTech services have the potential to offer rapid and large-scale formalization and protection of workers, as has been the case with financial services with respect to M-Pesa, in Kenya, which began by offering mobile telephony to the population without access to landlines, and ended up offering financial services to hundreds of thousands of customers underserved by traditional financial institutions. Similarly, WorkerTech can contribute to meeting the needs of millions of workers in the region who today lack decent working conditions.

6.

How can the IDB Group contribute to WorkerTech in Latin America and the Caribbean?

Work agenda and value proposition

The IDB Group proposes to promote the WorkerTech ecosystem in the region through IDB Lab, the institution's innovation laboratory. In this challenge, the focus will always be on working individuals (human-centric). Four profiles have been identified for IDB Lab WorkerTech agenda:

- Riders & drivers: They are one of the leading groups in the transport and delivery platform economy. The issue of contractual modality and benefits has already emerged as a challenge in many countries around the world, sometimes with legal discussions and lawsuits. Considering the growing importance, accentuated by the growth of digital commerce post COVID-19, and the number of people in this group, it will be one of the priority populations.
- Domestic Workers (mainly women): They offer housework such as cleaning or taking care of children and the elderly. Although they are an indispensable part of society, theirs are often informal jobs without sufficient protection or benefits. However, in some countries, initiatives have emerged to organize and formalize domestic workers, that eliminate discrimination in some labor and social security laws, and provide benefits and protection

- Freelancers: They apply their technical skills and are employed through individual task-specific contracts without belonging to any company. Considering that this segment has the possibility of providing knowledge-based services, a strategic sector for the region's productive matrix, it will be included as one of the priority populations. More and more companies have the services of freelancers, but this situation has not necessarily been accompanied by the corresponding protection and benefits.
- Creative Industry Workers (Orange Economy): They have creative abilities like graphic design, music, etc. and in many cases they work independently. Although they are part of the group of freelancers, it is worth seeing them as a separate group given their particular challenges, such as intellectual property issues and the requirement for large investments in equipment, among others..

At the solutions level, it is expected that the first innovations will come from the private sector, but we will collaborate closely with the public sector (national and state governments and municipalities of each country) to promote solutions and adjustments to the regulatory frameworks that promote the development of the objectives pursued by this initiative.

6.

How can the IDB Group contribute to WorkerTech in Latin America and the Caribbean?

The main lines of work will be:

- **Pilot cases with WorkerTech solutions:** test and co-create new solutions in three ways.
 - I. **Existing companies** (such as banks, insurance companies, pension funds and others) that seek to strengthen benefits for their clients, and expand their client base. In some cases, collaboration will be sought with platform companies for riders & drivers, freelancers, among others.
 - II. **Entrepreneurs (startups)** who are developing WorkerTech solutions. Through open innovation processes, solutions with the potential for inclusion both in the region and in other parts of the world will be identified.
 - III. **Public sector (government)** that tries to improve the working conditions of independent and informal workers. For example, it is possible to look for initiatives for domestic workers or maintenance workers. Solutions can be identified as a result of the sandbox mentioned below.
- **Contemporary Work Observatory:** create an observatory to address the challenges of different groups of independent and informal workers. It is important to clearly delineate the problems faced and the observatory will allow the generation of information and knowledge, especially for the relevant actors from the private, public and civil society sectors involved, projecting a regional scope in the short term and a global one in the long term.



Four profiles have been identified for the IDB Lab WorkerTech agenda: riders & drivers, domestic workers, freelancers and creative industry workers.

6.

How can the IDB Group contribute to WorkerTech in Latin America and the Caribbean?

- **Public-private coordination:** facilitate the design and implementation of public policies that support the development of the WorkerTech ecosystem and the expansion of protections and benefits for independent/informal workers, through the promotion of a public-private dialogue, the generation and management of knowledge and innovative political instruments such as sandboxes, among others

It is worth mentioning that these efforts will also be complemented by two cross-cutting issues: the digital identity of work and the regulatory framework for self-employment.

IDB Lab has identified four priority stakeholders to promote the WorkerTech agenda in Latin America and the Caribbean: startups, governments, multilateral organizations and groups of workers or neo-trade-unions. Each of them faces challenges in this nascent sector. For each of them, IDB Lab can provide solutions and value.

IDI Lab has identified four priority stakeholders to promote the WorkerTech agenda: startups, governments, multilateral organizations and worker groups.

- **Startups** need to thrive in an adverse environment, often governed by regulations that do not foresee the new reality, and they need to do so quickly, or else succumb in the attempt. A WorkerTech initiative promoted by IDB Lab can provide them with financing, mediation between actors and adjustment of relative speeds between the actors of the ecosystem.
- **Governments** are witnessing how labor relations are being reconfigured, and are no longer exclusively governed by the previous model, which emerged in the heat of the twentieth century. As a result, they are finding that more and more people are being left out of their protection systems.
- **Multilateral organizations**, including other areas of the IDB, can turn to IDB Lab to access the entrepreneurial ecosystem more directly. IDB Lab can provide them with an agility and experimentation capacity that larger organizations usually do not have.
- **Workers' collectives or neo-trade-unions** face a lack of legitimacy from other relevant actors in the ecosystem, such as governments and platforms. IDB Lab can act as an honest broker and help obtain the necessary recognition and validation for these emerging actors and in this way contribute to giving the non-traditional group of workers a greater voice.

6.

How can the IDB Group contribute to WorkerTech in Latin America and the Caribbean?

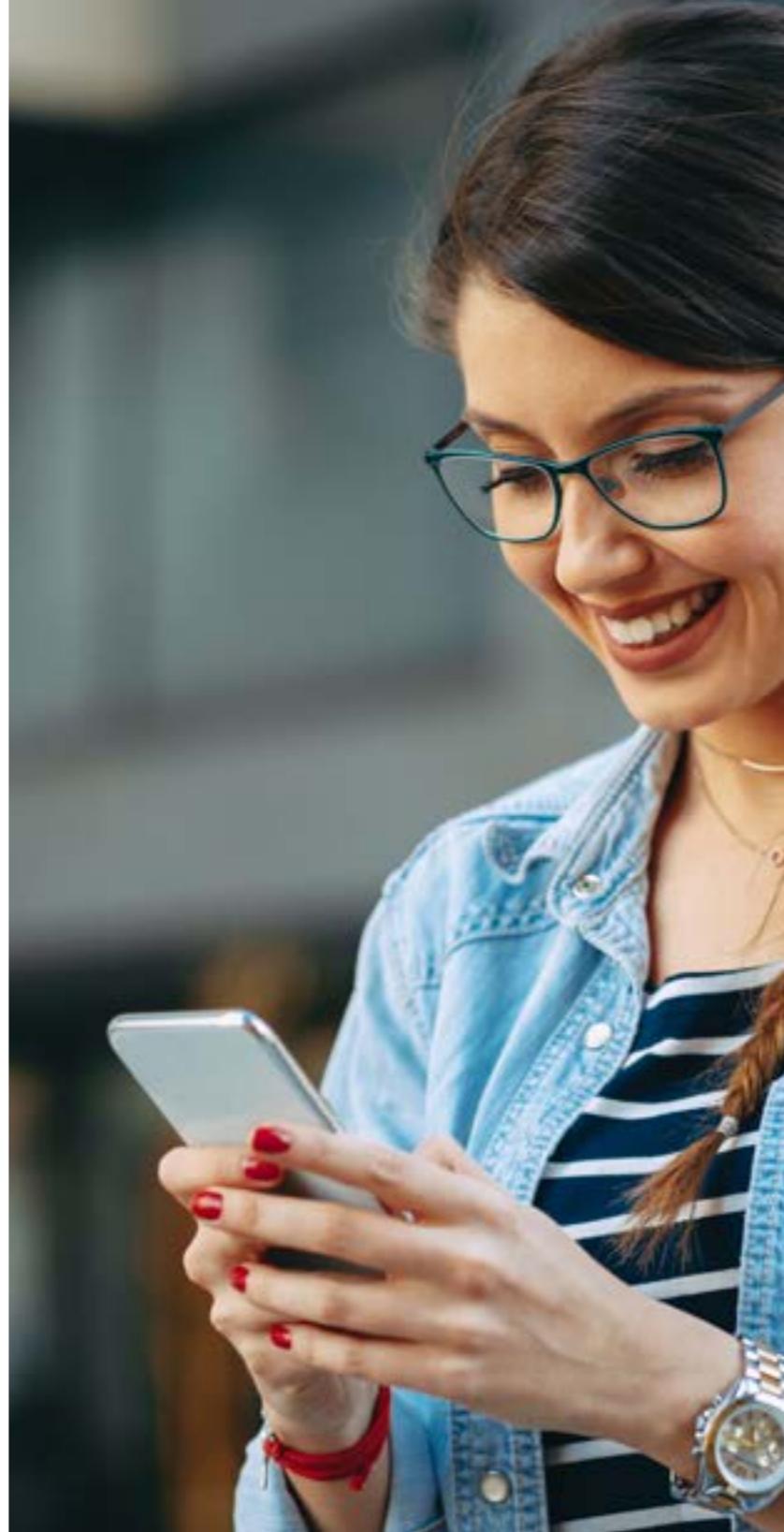
Ongoing initiatives

The IDB Group will work both to create and promote the WorkerTech services ecosystem and to achieve precise solutions.

One of the first experiments at the ecosystem level will be in Argentina. There, pilots that seek to expand the benefits and protections available to vulnerable workers will be supported, including financial services tailored to their needs, training for job upskilling and reskilling, productivity tools and spaces for collaboration and association, among others. These efforts to mobilize the private, existing and emerging sectors will be complemented with efforts to contribute to the advancement of public policies that support the development of the WorkerTech ecosystem and the expansion of the rights of vulnerable workers, through a public-private dialogue, the generation and management of knowledge and the support for innovative policy instruments.

Likewise, in El Salvador, work will be done to develop the WorkerTech ecosystem by collaborating with actors from both the private and public sectors, both local and international. The first contemporary work observatory will be launched to analyze the needs and challenges faced by gig and independent workers.

We will seek to identify innovative solutions promoted by traditional actors such as banks, or new proposals emerging from startups. On the other hand, it will work closely with the public sector to seek new solutions or policy reforms after a regulatory sandbox.



In parallel, the IDB Group, mainly through IDB Lab, will promote and invest in specific solutions in the WorkerTech area in the region. For example, in 2018, the institution approved a direct investment in Zolvers, a platform startup that connects domestic workers with clients, with an innovative use of technology to ensure transparency, efficiency, labor formalization and financial inclusion of workers. The company offers services such as automation of salary payments and social security contributions, bank account opening and personal credit line to domestic workers who are part of its platform. At the end of 2020, a contingent recovery operation was approved for Qüilo, a WorkerTech startup in Guatemala, which provides human resource management services and health insurance coverage, among other things, to independent workers and the informal sector. This project is an example of how to promote solutions via entrepreneurs.

Annex I

WorkerTech examples

A sample of the diversity that WorkerTech encompasses.

In Latin America and the Caribbean



Heru (México)

An online application of benefits for independent workers that helps them manage finances, file their monthly taxes, ensure their income, etc. Created by two former Uber workers.



Nippy (Argentina / Chile)

The startup offers support and solutions for platform workers in training, insurance, banking, legal, accounting, and immigration advice, access to work tools, etc. It focuses on the migrant population in their host communities.



CappLATAM (Regional)

The Latin American Community of Application Drivers, a digital platform with basic and updated information, focused on drivers and delivery workers' applications. It simplifies and centralizes the access to the data of interest to drivers/delivery workers.



AppSindical (Argentina)

One of the first union of platform workers.



AcuaChile (Chile)

Association of platform-based drivers that seeks to improve the working conditions of their members.



Zolvers pagos (Argentina)

A platform for simplification of work management for domestic workers and for their formalization.



Symplicia (Colombia)

Comprehensive administration and formalization of service employees, babysitters, drivers, etc. Integrated within the Hogaru platform.



Pulpo.life (El Salvador)

Medical packages designed for delivery drivers and freelancers

Annex I

WorkerTech examples

A sample of the diversity that WorkerTech encompasses.

In other parts of the world



Alia (United States)

Alia facilitates domestic workers to contribute to a personal benefits fund that provides substantial insurance for issues such as illness and disability.



Nomo (Spain)

A digital bank focused on digitizing business management and simplifying management for the self-employed and small companies.



Credly (United States)

Credly is one of the leading companies in the emerging digital accreditation space, which validates and certifies workers' skills through non-traditional sources, such as on-the-job training.



Organise (UK), WorkIt (United States) o Independent Workers of Great Britain (UK)

New generation unions that are bringing innovations in this traditional union space



Portify (UK)

Better prediction of creditworthiness. Portify uses actual banking data and user behavior information to give a complete picture of freelancers and gig workers' creditworthiness. These workers do not score well on the traditional credit rating systems used by most banks.



WeMind (France)

Insurance and assistance to rent apartments for people in non-traditional jobs who have difficulty renting an apartment.



Indépendants.co (France)

A new type of union for freelancers and independent workers in France.



Worker Info Exchange (UK)

A platform to support data rights for digital workers to improve working conditions.

To see a more comprehensive list of WorkerTech services, you can consult the second sheet of <http://bit.ly/COTECPlataformasWorkerTech>

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