

# EL SALVADOR - Digital Jobs

#GLOBALGATEWAY

#TEAMEUROPE

## TEAM EUROPE PROPOSAL



**Strengthening the Institutional framework and supporting improvement of public administration capacities (EU, IT - AECID):**

- Design
- Budgeting implementation
- Monitoring and evaluation of digital transformation public policy Strategic planning

**Supporting investments in connectivity of social digital infrastructure (EFSD+ and EIB)**

**Fostering digital skills of youth through vocational training and education (creative and artistic areas), EU MIP 2014 – 2020**

**Private sector growth (Innovation and Digitalization), DE:**

- Conducive to young entrepreneurs and decent employment
- Support to creative entrepreneurship (orange economy) that promotes arts and culture

**Supporting better access to finance, for Micro Small and Medium Enterprises (MSMEs) (EU, EIB, KfW):**

- Fintech tools and green economy
- Innovative e-commerce and fintech for entrepreneurship
- Technical support to principally young entrepreneurs in digital innovation and creative industries
- Support to female entrepreneurship (LU, AICS)

**Special focus on young women, reducing the gender digital gap will have significant impact on gender balance in the creation of jobs**

## MODALITIES/TOOLS

Technical assistance

Blending and guarantees

Technical Assistance and Information Exchange Instrument (TAIEX) and TWINNING

Contribution Agreements

Service Contracts

Calls for Proposals

EFSD+ Technical Assistance

## TRANSFORMATIONAL POTENTIAL

**Increase sustainable economic growth and create innovative jobs for youth:**

- Strengthening the digital public institutional set up
- Fostering digital skills
- Supporting the creation of new business models
- Fostering investment in connectivity

## KEY DELIVERABLES

### Digital connectivity

1. Provision broadband connectivity to 170 schools and 30 healthcare facilities in underserved areas across El Salvador.
2. Development of digital and innovative solutions that provide access to social protection coverage and basic labour rights, capacity and productive development focused on informal and independent workers.

### TVET

3. Implementation of a vocational training system with the private sector in at least 10 vocational training facilities tackling vulnerable youth as well as 1,000 independent or informal workers who benefit from digital social protection solutions.

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### NATIONAL CONTEXT

#### 28.3% of the population are youth under 30:

- 14.4% unemployment rate for youth at employment age (more than twice the country's average)
- 24.8% neither studies nor works
- 79.9% of these are young women

#### Approx. 68 000 formal jobs could be lost due to COVID-19 (ILO, 2020):

- One third corresponds to young people (15 to 29 years)

#### Limited coverage of social digital infrastructure:

- One of the lowest mobile broadband penetrations (43%) in Latin America (65%)
- More than half of the population continues to be disconnected
- More than 90% of those connected are with prepaid plans (limited access)

#### Low level of digital skills and gender gap:

- 92<sup>nd</sup> out of 129 countries - Global Innovation Index (GII)
- 131<sup>st</sup> out of 141 countries on active population's digital skills - (WEF\* Global Competitiveness Index)
- 80<sup>th</sup> out of 153 positions on gender parity, with low education and skills indicators (Global Gender Gap Index)

#### Limited institutional capacity to increase digitalization:

132<sup>nd</sup> of 141 countries in institutional weakness (WEF)

124<sup>th</sup> place on adaptability of legal framework to digital business models (WEF)

Low level of human capital in digital solutions and infrastructure - 107 out of 129 countries (GII)

Deficient Health Index of creative companies (Inter-American Development Bank, 2018)  
National Digital Agenda 2020-2030

### GEOPOLITICAL CONTEXT AND RELEVANT SDGs

8 DECENT WORK AND ECONOMIC GROWTH



4 QUALITY EDUCATION



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Agenda 2030 for Sustainable Development

COVID-19 pandemic

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



5 GENDER EQUALITY



\*\*SDGs included based on a new JRC electronic text mining tool, which identifies SDGs (targets)