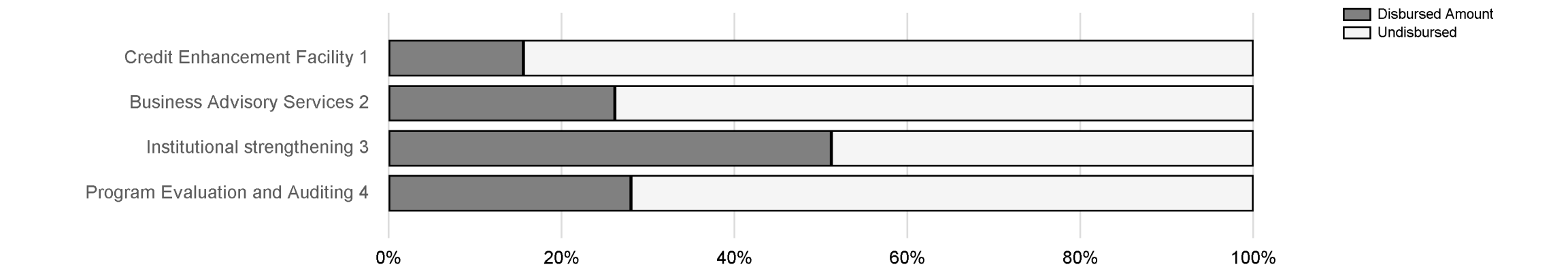


PMR Public Report

Operation Number	BH-L1046	Chief of Operations Validation Date	04/19/23
Year- PMR Cycle	Second period Jan-Dec 2022	Division Chief Validation Date	04/19/23
Last Update	04/17/23	Country Representative Validation Date	04/30/23
PMR Validation Stage	Validated by Representative		
Basic Data			
Operation Profile			
Operation Name	Credit Enhancement Program for Micro, Small and Medium Enterprises	Loan Number	4846/OC-BH
Executing Agency	SMALL BUSINESS DEVELOPMENT CENTER	Sector/Subsector	PRIVATE FIRMS AND SME DEVELOPMENT-SMALL AND MEDIUM ENTERPRISE
Team Leader	FONSECA, DANIEL FERNANDO	Overall Stage	Disbursing (From eligibility until all the Operations are closed)
Operation Type	Loan Operation	Country	Bahamas
Lending Instrument	Investment Loan	Convergence related Operation(s)	
Borrower	THE COMMONWEALTH OF THE BAHAMAS		
Environmental and Social Safeguards			
Impacts Category	B13	Was/Were the objective(s) of this operation reformulated?	NO
Safeguard Performance Rating		Date of approval	
Safeguard Performance Rating - Rationale			

Financial Data									
	Total Cost and Source					Available Funds (US\$)			
Operations	Original IDB	Current IDB	Local Counterpart	Co-Financing / Country	Total Original Cost	Current IDB	Disb. Amount to Date	% Disbursed	Undisbursed Amount
BH-L1046	25,000,000	25,000,000	0	0	25,000,000	25,000,000	6,988,406.33	27.95%	18,011,593.67
Aggregated	25,000,000	25,000,000	0	0	25,000,000	25,000,000	6,988,406.33	27.95%	18,011,593.67
Expense Categories by Loan Contract (cumulative values)									



Please note that inactive indicators and outputs are not displayed; totals in the actual cost table may not match the sum of the cost of the outputs displayed, due to the cost of inactive outputs.

RESULTS MATRIX

General Development Objectives

General Development Objectives Nbr. 1: IMPACT #1: IMPROVED ECONOMIC ACTIVITY OF THE BENEFICIARIES

Observation:

	Indicator	Unit of Measure	Baseline	Baseline Year	Expected Year of Achievement	EOP 2025	
1.0	Average percentage growth of revenue of project's beneficiaries vis-à-vis a control group.	%	0	2018	2025	P	2
						A	-
Details							

Means of Verification: SBDC information system

Observations: This indicator is measured as the difference between the average growth rate of revenue of project beneficiaries minus the average growth of revenue of firm that registered with SBDC but did not receive credit. The baseline equals zero because at the baseline there is no difference in growth between both groups. Note: According to data from the SBDC information system, the baseline value of sales, in US\$, is US\$130,312.

The General Development Objective indicator target is expected to be observed by the operation's "Fully Justified" date in Convergence (CO): No

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator					
Indicator				Unit of Measure	Baseline	Baseline Year	Expected Year of Achievement	EOP 2025	
1.2	Ease of Getting Credit Score			#	30	2019	2025	P	31
								A	-
Details									

Means of Verification: World Bank Doing Business Report

Observations: This indicator is a component of the Ease of Doing Business indicator. It aggregates measures of credit information sharing and legal rights of borrowers and lenders. It is expected that the program will contribute in the long run to this indicator. This indicator is measured every year by the World Bank.

The General Development Objective indicator target is expected to be observed by the operation's "Fully Justified" date in Convergence (CO): No

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator					
Indicator				Unit of Measure	Baseline	Baseline Year	Expected Year of Achievement	EOP 2025	
1.3	Three-year annual average change of total loans to MSME by banks			US\$ million	-20	2018	2025	P	(15)
								A	-
Details									

Means of Verification: SBDC information system

Observations: This indicator measures the three-year average annual change in disbursements of credit to MSME by banks in The Bahamas. The indicator is in US\$ and not in percentage change. Baseline is equivalent average annual change in total credit to MSME for the period 2015-2018. The target value will measure the average annual change for the years 2022, 2023 and 2024. Average program's annual disbursements plus the expected credit from repayments are added to the baseline to calculate the target value. Since the trend of credit issuance to the private sector has been negative in recent years, including the baseline year, it is expected that the program at the very least will collaborate to reduce the annual decline in financing.

The General Development Objective indicator target is expected to be observed by the operation's "Fully Justified" date in Convergence (CO): No

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator			

RESULTS MATRIX

Specific Development Objectives

Specific Development Objectives Nbr. 1: OUTCOME # 1: ACCESS TO FINANCE ENHANCED

Observation:

	Indicator	Unit of Measure	Baseline	Baseline Year		2025	EOP 2025
1.0	Average percentage growth of revenue of project's beneficiaries	%	2.2	2018	P	2.2	2.2
					A	-	-

Details

Means of Verification: SBDC information system

Observations: This indicator is measured as the average annual growth rate of revenue for the beneficiaries of credits guaranteed by project's funds. The baseline is equal to the baseline growth rate estimated in the Economic Analysis. Once the first cohorts of beneficiaries are know, the baseline will be adjusted accordingly. For the final evaluation, a before and after analysis of this indicator will be carried. Note: According to data from the SBDC information system, the baseline value of sales, in US\$, is US\$130,312.

Evaluation Methodology: -

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator	

	Indicator	Unit of Measure	Baseline	Baseline Year		2025	EOP 2025
1.1	Credit success rate of MSME assisted by SBDC	%	0	2019	P	10	10
					A	-	-

Details

Means of Verification: SBDC information system

Observations: This indicator is measured as the percentage of SBDC-assisted firms that received credit by Financial Intermediaries (banks), supported by the guarantee from the Credit Enhancement Facility (CEF). The baseline is zero because at the time of preparation the CEF is not issuing guarantees. The numerator consists of the expected number of MSME assisted and vetted by SBDC that will receive a loan. The denominator includes MSME that receive assistance for financial statements and/or business models (see product indicator). It should be noted that the value is less than 100 due to factors such as not all assisted MSME are expected to apply for a loan and the amount of CEF funds available is limited. The measurement of this indicator will be done for the first cohorts of project's beneficiaries so that enough time is left for the outcomes to materialize before the end of execution period.

Evaluation Methodology: -

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator	

	Indicator	Unit of Measure	Baseline	Baseline Year		2025	EOP 2025
1.2	Average Non-Performing Loans (NPL) rate for the portfolio of loans guaranteed by project's funds	%	8.5	2018	P	8.5	8.5
					A	-	-

Details

Means of Verification: SBDC information system

Observations: This indicator is measured as the ratio of total NPL to total loans of the portfolio generated by the guarantees issued by SBDC using project's funds. The baseline is an average of the NPL rate at the end of 2017 and 2018. It is expected that the project will improve this ratio to the target value of 6% for the beneficiaries.

Evaluation Methodology: -

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator	

	Indicator	Unit of Measure	Baseline	Baseline Year		2025	EOP 2025
1.3	Total Outstanding Loans supported by the Guarantee Scheme	\$M	2.7	2020	P	-	30
					A	-	-

Details

Means of Verification: SBDC information system

Observations: This is track the number of loans generated from the guarantee program as a result of the intervention.

Evaluation Methodology: -

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator	

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RESULTS MATRIX

OUTPUTS: ANNUAL PHYSICAL AND FINANCIAL PROGRESS

Component Nbr. 1 Component # 1: Credit Enhancement Facility (CEF)

				PHYSICAL PROGRESS		FINANCIAL PROGRESS	
	Output	Unit of Measure		2022	EOP 2025	2022	EOP 2025
1.01	Funds allocated to CEF	US\$ million	P	4.4	22	4,400,000	22,000,000
			P (a)	5.5	18.43	5,461,271.46	18,466,228.54
			A	1.93	3.33	1,927,500	3,366,228.54

Component Nbr. 2 Component # 2: Support to MSME in business advisory services and institutional strengthening of SBDC

				PHYSICAL PROGRESS		FINANCIAL PROGRESS	
	Output	Unit of Measure		2022	EOP 2025	2022	EOP 2025
2.01	Personnel hired to strengthen the institutional capacity of SBDC	#	P	-	3	135,250	800,000
			P (a)	-	3	154,978.38	771,764.12
			A	-	3	126,742.5	384,764.12
2.02	Number of MSME assisted by SBDC with business advisory services	#	P	493	3,115	467,000	2,140,000
			P (a)	500	3,256	467,000	1,846,582.5
			A	641	1,027	173,582.5	745,823.5

Other Cost				
	Program monitoring, auditing and evaluation	P	12,000	60,000
		P (a)	12,000	64,500
		A	16,500	33,684.48
Total Cost				
	Total Cost	P	5,014,250	25,000,000
		P (a)	6,095,249.84	21,149,075.16
		A	2,244,325	4,530,500.64

CHANGES TO THE MATRIX					
Section	Name	Type of Change	Sub type	Modified By	Entered in System
Output	Funds allocated to CEF	Modify Output	Modify Financial EOP P(a) value - caused by a change in the Financial P(a).	DANIELFO	4/17/2023
			Modify Physical EOP P(a) value - caused by a change in the Physical P(a).	DANIELFO	4/17/2023
	Number of MSME assisted by SBDC with business advisory services	Modify Output	Modify Financial EOP P(a) value - caused by a change in the Financial P(a).	DANIELFO	4/17/2023
			Modify Physical EOP P(a) value - caused by a change in the Physical P(a).	DANIELFO	4/17/2023
	Personnel hired to strengthen the institutional capacity of SBDC	Modify Output	Modify Financial EOP P(a) value - caused by a change in the Financial P(a).	DANIELFO	4/17/2023

RISKS AND PLANNED RESPONSES

Risk ID	Risk Status		Risk Taxonomy		
1	Active		Institutional Environment		
	Response Actions				
	1	Management Strategy		Status	

Risk ID	Risk Status		Risk Taxonomy		
2	Active		Institutional Environment		
	Response Actions				
	2	Management Strategy		Status	

Risk ID	Risk Status		Risk Taxonomy		
3	Inactive		Economic and Financial Environment		
	Response Actions				
	3	Management Strategy		Status	

Risk ID	Risk Status		Risk Taxonomy		
4	Active		Natural Environment		
	Response Actions				
	4	Management Strategy		Status	

Risk ID	Risk Status		Risk Taxonomy		
5	Inactive		Natural Environment		
	Response Actions				
	5	Management Strategy		Status	

Risk ID	Risk Status		Risk Taxonomy
6	Active		Economic and Financial Environment
	Response Actions		
	6	Management Strategy	Status

Risk ID	Risk Status		Risk Taxonomy
7	Inactive		Economic and Financial Environment
	Response Actions		
	7	Management Strategy	Status

IMPLEMENTATION STATUS AND LEARNING

Lesson Learned - Categories