

PROJECT STATUS REPORT

JANUARY 2011 - JUNE 2011

SECTION 1: PROJECT SUMMARY

PROJECT NAME: Promoting SME Competitiveness in the Caribbean through Technical Standards

Project Number: RG-M1022 - Operation Number: ATN/ME-8991-RG

Purpose: To strengthen the regional standardization model, in order to demonstrate to national governments, CARICOM and the private sector, its strategic importance for trade facilitation and thus ensure its sustainability through an increasing demand for standards development; and establishing the basis for trust and mutual recognition by the international community.

Country Administrator
BARBADOS

Beneficiary Country
BARBADOS, GUYANA, JAMAICA,
TRINIDAD AND TOBAGO

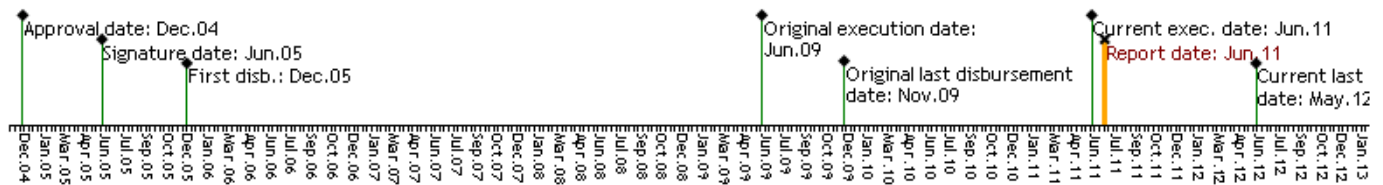
Group
SME - Small and Medium Enterprise
Development

Subgroup
TRIN - Trade and Investment

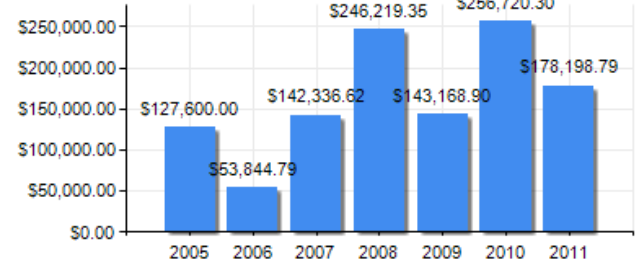
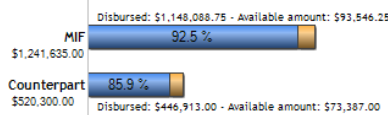
Executing Agency: REGIONAL ORGANISATION FOR STANDARDS AND
QUALITY

Design Team Leader: Soler, Santiago
Supervision Team Leader: Leslie, Winsome

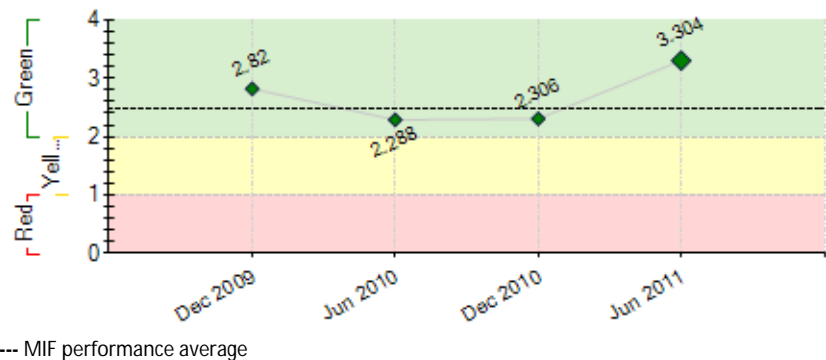
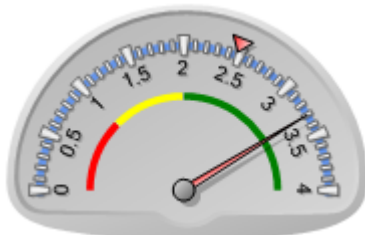
TIMELINE



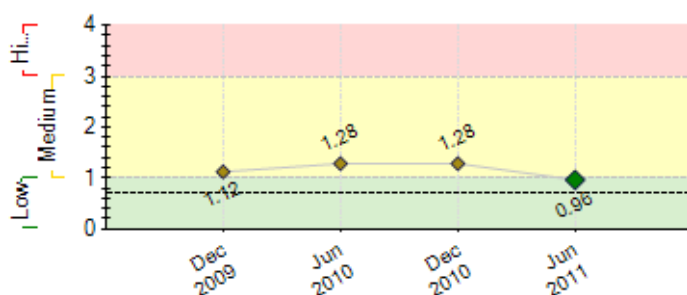
FUNDS



PERFORMANCE SCORE



EXTERNAL RISKS



INSTITUTIONAL CAPACITY

Risk

Financial Management: ---
Procurement: ---
Technical Capacity: ---

---- MIF risk average: 0.688

SECTION 2: PERFORMANCE

Summary of project performance since inception

The major output is the delivery of 32 normative documents approved by COTED. Several awareness-raising workshops were undertaken and progress has also been made in the delivery of the National and Regional Information System (NRIS). Coaching of pilot SMEs in 6 member states were undertaken. Workshops in Good Regulatory Practices (GRP) and training of Business Support Organisations (BSO) were conducted. A QMS reading club for SMEs was launched in Jamaica.

Overall, performance has been satisfactory:

- Project Monitoring Group impacted significantly on improving communication between the Project and stakeholders
- 75 SME Awareness workshops targeting approximately 1433 participants representing primarily SMEs. Good progress has been made in raising awareness of the benefits of technical standards and technical regulations. Workshops with Caribbean Export attracted 230 participants. 5 conferences targeted 531 participants
- 34 CARICOM Regional Standards have been completed and 32 approved by COTED.
- Training programs in GRPs benefiting 176 participants from the region
- Training in standards and conformity assessment for BSOs benefitting 180 participants
- Coaching program for pilot SMEs in the application of the normative documents benefiting 16 firms. 40 "coaches" have been trained
- QMS reading club benefiting 34 SMEs
- 23 standards have been translated into French and Dutch
- 5 certification schemes have been delivered
- Revision of Belize Standards Act
- The NRIS has been delivered

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

Summary of project performance in the last six months

The major development for the reporting period was the launch of the QMS Reading Club for SMEs, the delivery of 5 certification schemes and the completion of the pilot coaching program. National workshops in GRPs and TBT were conducted in 2 member states and workshops for BSOs conducted in 2 member states. One additional standard was approved by COTED and the delivery of translated standards commenced.

A summary of the main results viz-a-viz the log frame is as follows:

- 15 SME workshops were conducted in Suriname (2), Trinidad and Tobago (4), Jamaica (4), Guyana (1), Belize (1), Grenada (1), Barbados (2). These workshops targeted approximately 384 participants from the SME sector.
- Approval, by COTED, of 1 additional normative document.
- Training programs in Good Regulatory Practices benefiting 57 participants in 2 member states.
- Completion of coaching program for 15 pilot SMEs in 6 member states; 1 ongoing. 20 potential coaches have been trained in Belize and Suriname.
- Delivery of all components of the National and Regional Information System.
- Training for Business Support Organisations (BSOs) in 2 member states attracting 30 participants.
- Launch of the QMS Reading Club for SMEs to promote ISO 9001 and CRS 14 benefiting 34 SMEs.
- Delivers of 5 Certification Schemes.
- Assistance to Belize to develop a model Standards Act in compliance with WTO/TBT.
- Delivery of 23 standards translated into Dutch and French
- Draft sustainability workshop program to be executed in September.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

SECTION 3: INDICATORS AND MILESTONES

| Indicators | | Baseline | Intermediate 1 | Intermediate 2 | Intermediate 3 | Planned | Achieved | Status |
|---|--|----------|-------------------|-------------------|-------------------|----------|----------|----------|
| Purpose: To strengthen the regional standardization model, in order to demonstrate to national governments, CARICOM and the private sector, its strategic importance for trade facilitation and thus ensure its sustainability through an increasing demand for standards development; and establishing the basis for trust and mutual recognition by the international community. | P.11 The existing international standardization model remains the basis for the regional harmonization process and is implemented fully across the region by all CARICOM member states. | 0 | 0 | | | 1 | 1 | |
| | | Jun 2005 | Jun 2008 | | | Jun 2011 | Jun 2010 | |
| Component 1: Awareness-raising Weight: 24% | C1.11 The public and private sectors are aware of the benefits of normative documents and standardization programs | 0 | | | | 1 | 0 | Finished |
| | C1.12 250 SME owners per country (Trinidad and Tobago, Jamaica) and 100 per country (Barbados and Guyana) are sensitized | 0 | 350 | | | 700 | 0 | Finished |

| | | | | | | | | | |
|--|-------|---|----------|----------|--|--|----------|----------|-----------|
| Classification: Satisfactory | | to the importance of technical standards for exportable products. | Jun 2005 | Jun 2008 | | | Jun 2011 | Jun 2011 | Finished |
| | C1.13 | Public sector agency supporting SMEs in each country is sensitized to importance of technical standards for exportable products. | 0 | 1 | | | 4 | 0 | |
| | | | Jun 2005 | Jun 2007 | | | Jun 2011 | Jun 2011 | |
| Component 2: Development of Standards and Conformity Assessment Guidelines Weight: 63% Classification: Satisfactory | C2.11 | New normative documents approved for products that have experienced TBT obstacles in export markets; potentially exportable products, of SMEs | 0 | | | | 25 | 32 | Finished |
| | | | Jun 2005 | | | | Jun 2011 | Jun 2011 | |
| | C2.12 | Participation on a minimum of 2 international committees per year per country/ CROSO Secretariat (ISO/ COPANT and CODEX) | 0 | 16 | | | 32 | 0 | Finished |
| | | | Jun 2005 | Jun 2008 | | | Jun 2011 | Jun 2011 | |
| | C2.13 | Normative documents developed and published under the project up to 6 months before end of project. | 0 | | | | 70 | 32 | Delayed |
| | | | Jun 2005 | | | | Dec 2010 | May 2011 | |
| | C2.14 | Development of standards based on international best practice. | 0 | | | | 1 | 0 | On Course |
| | | | | | | | Jun 2011 | Jun 2011 | |
| Component 3: Training Weight: 4% Classification: Satisfactory | C3.11 | Regional training of specialists at support agencies for SMEs in application issues, technical requirements, conformity assessment and cross-sector issues such as social and environmental responsibility. Training of a minimum of 2 participants per country | 0 | 8 | | | 32 | 0 | Finished |
| | | | Jun 2005 | Jun 2008 | | | Jun 2011 | Jun 2011 | |
| | C3.12 | Coaching of 3 pilot SMEs per country in application of the relevant normative documents for specific exportable or potentially exportable products/services | 0 | 6 | | | 12 | 0 | Finished |
| | | | Jun 2005 | Jun 2008 | | | Jun 2011 | Jun 2011 | |
| Component 4: National and Regional Information System Weight: 9% Classification: Satisfactory | C4.11 | A regional standards development and information system is fully operational and used by the stakeholders. a) Virtual collaborative working environment for standards development being used by all NSBs. b) Standards information system used by the private and public sectors - 5% increase in number of hits per month to end of project. | 0 | | | | 1 | 0 | Finished |
| | | | Jun 2005 | | | | Jun 2011 | Jun 2011 | |
| | C4.12 | Website updated and meets the users' needs. | 0 | | | | 1 | 2 | Finished |
| | | | | | | | Jun 2011 | May 2011 | |

| Milestones | Planned | Due Date | Achieved | Date achieved | Status |
|------------------------|---------|----------|----------|---------------|----------|
| M0 Previous Conditions | 1 | Nov 2005 | 1 | Nov 2005 | Achieved |

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE*[None reported in this period]***SECTION 4: RISKS****MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE**

| | Level | Mitigation action | Responsible |
|---|--------|--|---------------------|
| 1. CROSO member states lack the will and or capacity to implement the changes that are required to increase SME involvement in the standardisation process. | Medium | CROSO Council to encourage its membership to give serious attention to incorporating CROSO activities and SMEs meaningfully in their day-to-day activities and planning. | CROSO and CEO |
| 2. Public and private sectors may not consider standardisation a priority. | Low | Sensitization and training of stakeholders involved in standards development work, | Project Coordinator |
| 3. The cost associated with the change in the way of doing business for the SME, as a result of standardization, may prohibit full acceptance of the process. | Low | Temporary financing the SME participation in the process to show them the benefits of their involvement. | Project Coordinator |

PROJECT RISK LEVEL: Medium **TOTAL NUMBER OF RISKS:** 3 **IN EFFECT RISKS:** 3 **NOT IN EFFECT RISKS:** 0 **MITIGATED RISKS:** 0**SECTION 5: SUSTAINABILITY****Likelihood of project sustainability after project completion:** LP - Low Probability**CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY**

| Issue | Comments |
|--|--|
| [X] Relevant actor's opposition or lack of interest to continue with the project's activities or services | Not sure if the sub-executing agencies will continue with the activities without further donor assistance. |

Actions related to sustainability which will be or have been implemented:

No specific actions by CROSO relating to sustainability have been undertaken during the reporting period. However, the Project focused on:

- involvement of stakeholder in project activities
- building awareness among project beneficiaries and the general public
- implementing quality control measures in standards development
- refining the standards development process map
- promoting quality management through a QMS reading club
- coaching of pilot SMEs to demonstrate the importance of standards

A sustainability workshop is planned at project conclusion in September 2011.

SECTION 6: PRACTICAL LESSONS

| | | |
|--|----------------------------|--------------------------------------|
| 1. Harmonised standards should only be developed to address TBTs or as inputs into harmonised technical regulations. | Relative to Sustainability | Author Seepersaud, Michael Melvyn |
| 2. Regional standards, which take 4 or more years to develop, are not being used. These standards should be offered to SMEs and BSOs at no cost. This model has worked well in South Africa. | Sustainability | Seepersaud, Michael Melvyn |
| 3. Trade Officials, who ultimately make the final decision on the approval of standards, need to be more involved in the standard development process. CROSO should find a way to ensure that this is done. Ideally, Trade officials should be involved at the Council level. | Sustainability | Seepersaud, Michael Melvyn |
| 4. The international standardisation model, while useful for the standards development process, may not be the best model for harmonisation of standards. Instead, other models, such as Southern Africa, Asia and Europe should be examined. Regional standards are hardly ever used. | Design | Seepersaud, Michael Melvyn |
| 5. Beneficiaries of project activities, for example firms to be coached, should be required to make some form of contribution to ensure participation and sustained interest in the activity. | Implementation | Seepersaud, Michael Melvyn |