

SUMMARY OF THE PROJECT IN DESIGN * (*)

Accelerating innovation for Haitian MSMEs

PITCH ELIGIBILITY DATE		COUNTRY(IES)
10/19/2021		Haiti
PARTNER(S)		
Développement International Desjardins		
PRELIMINARY CLASSIFICATION ENVIRONMENTAL AND SOCIAL IMPACT		
C (**)		
TOTAL BUDGET	IDB Lab	LOCAL COUNTERPART AND COFINANCING
US 2,000,000	US 1,000,000	US 1,000,000
DESCRIPTION		

The problem :

1. A critical deficiency in the Haitian ecosystem is that there is less support when entrepreneurs are in the riskiest part of their entrepreneurial journey (the launch) and the early stages of development/establishment.
2. Entrepreneurs who fail to learn how to prototype/experiment may be unable to innovate adequately once they enter the operational side of their business.
3. During the prototyping/experimentation and launch phases, the level of support depends on where the entrepreneur is located.

The solution:

The project aims at filling the gaps in the Haitian ecosystem while connecting and strengthening the Service providers and supporting 2,000 MSMEs. The MSMEs accelerator program differs from a conventional accelerator in that :

1. It is based on **interactive digital platform** that promotes sharing and scaling
2. The service providers will be **rewarded on the impact of support services** for the adoption of innovations by businesses and not just the delivery of services;
3. The program leads to the **certification of service providers** based on their ability to adapt their intervention methodologies on an ongoing basis, and to measure the impact on entrepreneurs.

The beneficiaries:

2,000 MSMEs will have resumed their economic activities and increased their contribution to local wealth creation, and 200 established MSMEs which have invested mainly in production and processing and have reached a prototyping and/or launch stage will be supported to implement an innovation plan. Moreover, 10 Service providers will be strengthened and connected to offer a full package of services to local MSMEs.

The partner:

HEC Montréal (HEC) will support the definition and implementation of the capacity building program for the service providers, including sharing its experience in this area. Développement international Desjardins (DID), which has been a strong and experienced executing agency of the IDB Lab, will act as the executing agency for this project. Its role will be to bring together all technical, financial and implementation partners to develop the project and ensure its sustainability.

*The information mentioned in this document is indicative and may be altered throughout the project cycle prior to approval. This document does not guarantee approval of the project.

**The IDB categorizes all projects into one of four E/S impact categories. Category A projects are those with the most significant and mostly permanent E/S impacts, category B those that cause mostly local and short-term impacts, and category C those with minimal or no negative impacts. A fourth category, B13, is a catch-all category not related to severity of impacts; it covers non-investment lending and flexible lending instruments for which ex-ante impact classification may not be feasible, such as Financial Intermediary operations or Policy Based Loans.

The IDB Lab's contribution:

The total amount of the project will be US\$ 2,000,000. IDB Lab will finance US\$ 1,000,000 and DID will mobilize US\$ 1,000,000. This amount will serve to support the evaluation and capacity building of the Service providers, and the Capacity building of the MSMEs through the pay for results mechanism.

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