

PROJECT STATUS REPORT

JULY 2011 - DECEMBER 2011

SECTION 1: PROJECT SUMMARY

PROJECT NAME: Improving performance of SMEs through the application of ICT

Project Number: TT-M1009 - Operation Number: ATN/ME-12200-TT

Purpose: Increased awareness, use and leverage of ICT by 80 SMEs in the food and beverage and in the printing and packaging sectors in Trinidad and Tobago

Country Administrator
TRINIDAD AND TOBAGO

Beneficiary Country
TRINIDAD AND TOBAGO

Group
SME - Small and Medium Enterprise
Development

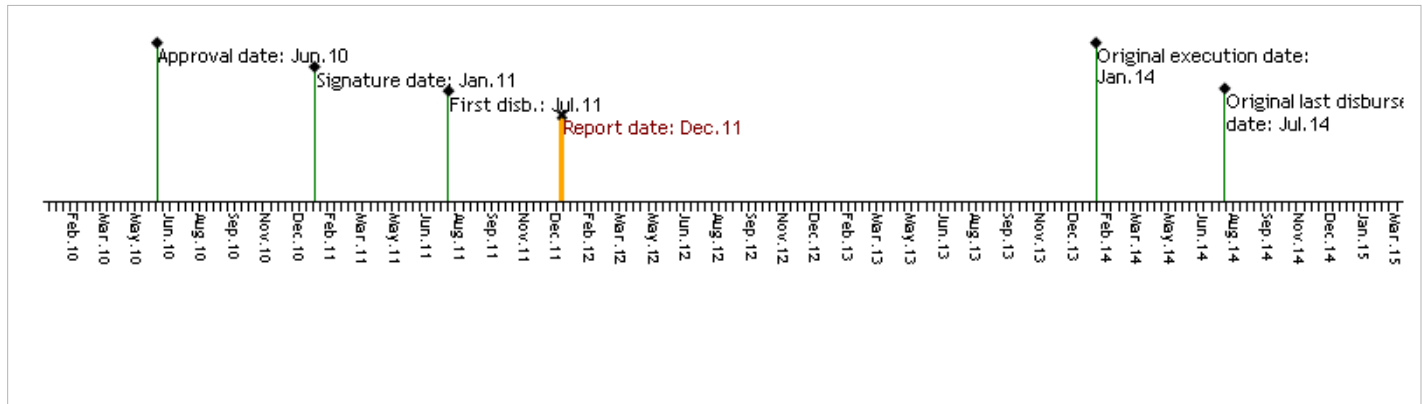
Subgroup
TECH - Technology for Business
Development

Executing Agency: Caribbean Industrial Research Institute

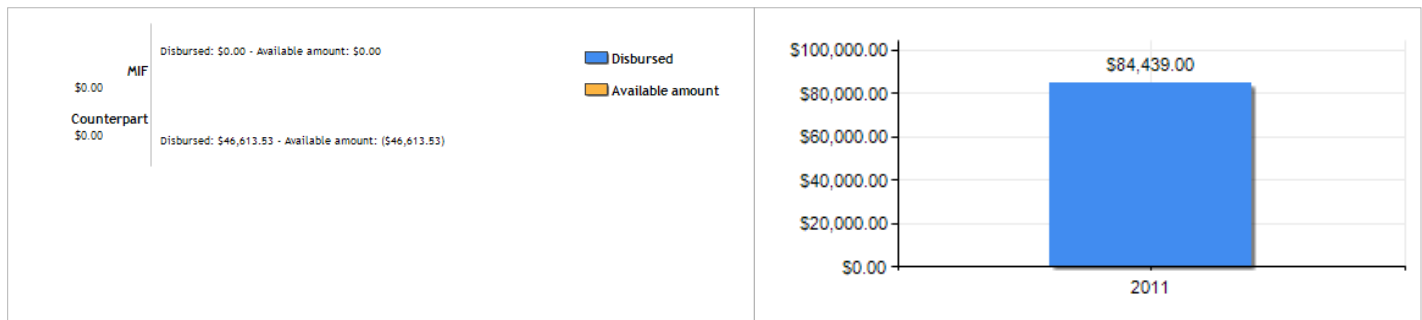
Design Team Leader: Dookiesingh, Vashtie

Supervision Team Leader: Dookiesingh, Vashtie

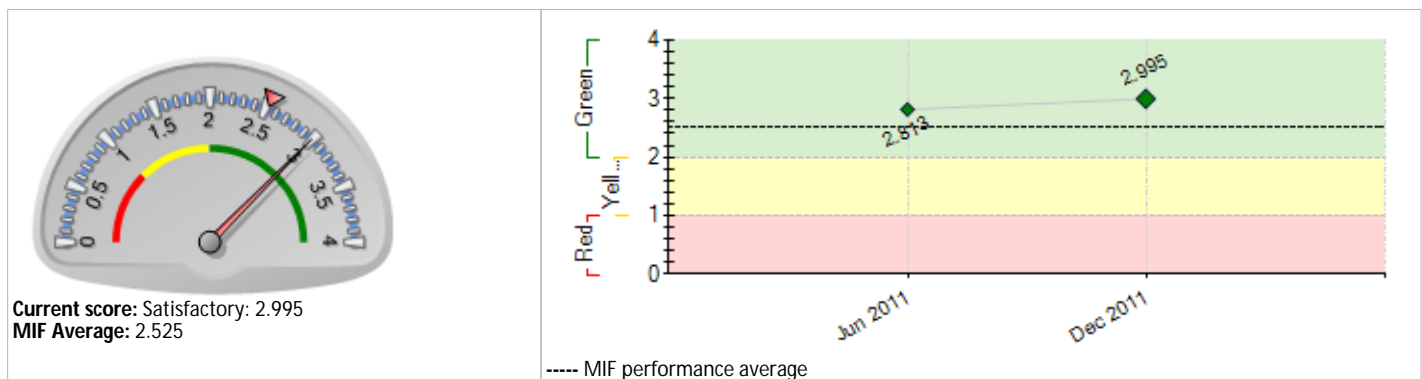
TIMELINE



FUNDS



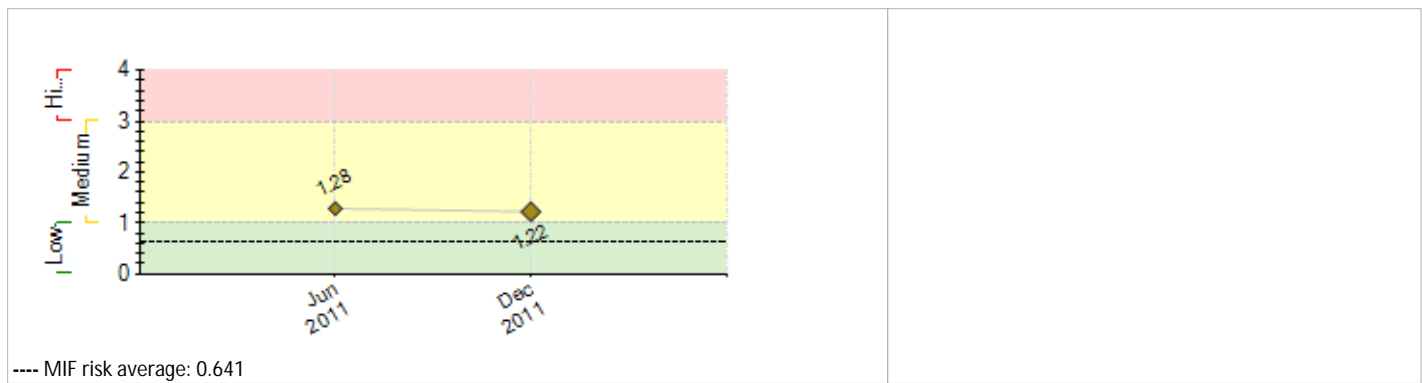
PERFORMANCE SCORE



EXTERNAL RISKS

INSTITUTIONAL CAPACITY

Risk
Financial Management: Low
Procurement: Low
Technical Capacity: Low



SECTION 2: PERFORMANCE

Summary of project performance since inception

Summary:

Cumulatively, the second semester of execution demonstrated more progress than the first. In the second semester, the project was fully mobilized, and by its end, Milestones 0 and 1 were achieved.

Aggregated Achievements:

- A) Set up of the Project Execution Unit to manage the daily activities which included a technical coordinator
- B) Establishment of a Small & Medium Enterprise database as well as development of web portal
- C) Sensitization of 54 SMEs, and of these, conducting diagnostics studies on 5 by external consultancy

Key Challenges:

- A) A sizeable number of target SMEs are 'hidden' and do not belong to associations or are not listed in directories.
- B) Availability and willingness of SME to undertake diagnostics at their business during work hours

Actions taken:

- A) Linkages established with key stakeholder organisations to mobilize their membership and promote project objectives and incorporate mass media coverage to target 'unlisted' SMEs about project objectives.
- C) Work with SME to establish a convenient time to conduct diagnostics.

Prospects:

The prospects of the project in terms of achieving its objective are highly optimistic. From the SMEs sensitised, 93% expressed an interest to participate in the diagnostic scoping studies

Moving forward:

A) Target SMEs throughout different regions of the country.

B) Accelerate diagnostics scoping studies by consultancy.

C) Improve management of external consultancy to ensure timely submission of diagnostics reports.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

Summary of project performance in the last six months**Summary:**

In the second semester of execution, the project was fully mobilized, which brought to bear the achievement of Milestone 1, Completion of First Awareness Forum.

Main Achievements:

B) Second Awareness Forum held at Kampo Chinese Restaurant. Sensitization of 33 SMEs of Central Trinidad.

A) First Awareness Forum held at the Arthur Lok Jack GSB. Sensitization of 21 Small & Medium Enterprises (SMEs) from the East-West Corridor of Trinidad.

C) Website developed for dissemination of information to stakeholders.

D) Diagnostic Scoping Studies conducted on 5 SMEs.

Key Accomplishments:

A cluster of 54 SMEs from the Food & Beverage, and Plastics, Printing & Packaging sectors are more aware of the business benefits and opportunities afforded by leveraging ICT.

Key Challenges:

Availability and willingness of SMEs to undertake diagnostics at their business during work hours.

Action taken:

CARIRI is working with the SMEs to establish a convenient time to conduct the diagnostics.

A) Aim to conduct further sensitisation throughout the country to increase the pool of SMEs that prequalify for and participate in the diagnostics studies. The ultimate goal will be to achieve Milestone 2, Completion of initial 20 Diagnostics studies in next semester.

6 Month Forecast:

B) Develop prequalification criteria, and shortlist SMEs that have participated in diagnostics to ensure they meet ICT Interventions criteria.

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: Increased awareness, use and leverage of ICT by 80 SMEs in the food and beverage and in the printing and packaging sectors in Trinidad and Tobago	P.1.1 80 SMEs realize 10% improvement in (a) sales revenues and volumes, (b) increase in sales to new markets (c) increased sales in existing export markets or (d) profit margins	0				80	0	
		Feb 2011				Aug 2015		
Component 1: Awareness Building Weight: 20% Classification: Satisfactory	C1.1.1 4 Awareness Forums convened	0	2	3		4	2	On Course
		Jan 2011	Feb 2013	Feb 2014		Dec 2014	Sep 2011	
	C1.1.2 SME representatives' opinion on the business potential of ICT investment	0	150	250		350	54	On Course
		Jan 2011	Dec 2012	Nov 2013		Dec 2014	Sep 2011	
	C1.1.3 Launch of an interlinked web portal to disseminate information and facilitate dialogue among SMEs operating in the targeted sectors	0				1	1	On Course
		Jan 2011				Jul 2012	Aug 2011	

Component 2: ICT Diagnostic Scoping Studies Weight: 30% Classification: Satisfactory	C2.11 Diagnostic scoping studies completed for 80 SMEs	0	25	65		80	5	Delayed
		Jan 2011	Dec 2012	Dec 2013		Dec 2014	Dec 2011	
Component 3: Implementation and Monitoring of ICT Interventions Weight: 30% Classification: Satisfactory	C3.11 Development and implementation of ICT solutions to improve business performance of 50 SMEs	0	10	40		50		
		Jan 2011	Dec 2013	Jul 2014		Dec 2014	Dec 2011	
Component 4: Dissemination of Results Weight: 20% Classification: Satisfactory	C4.11 Dissemination of information on project results in a special purpose SME forum	0				1		
						Jan 2015	Dec 2011	

Milestones		Planned	Due Date	Achieved	Date achieved	Status
M2	Contracting of a Technical Co-ordinator	1	Apr 2011	1	May 2011	Achieved late
M1	Conditions Prior	6	Jul 2011	6	Jul 2011	Achieved
M3	Completion of first ICT awareness forum	1	Jul 2011	1	Jul 2011	Achieved
M4	Completion of initial Diagnostic Scoping Studies for 20 SMEs	20	Jan 2012	0	Dec 2011	
M5	Completion of initial 10 ICT interventions	10	Jul 2012	0	Dec 2011	
M8	Completion of dissemination materials	1	Oct 2013	0	Dec 2011	
M6	Completion of final 60 Diagnostic Scoping Studies	60	Jan 2014	0	Dec 2011	
M7	Completion of final 40 ICT interventions	40	Jan 2014	0	Dec 2011	

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE

- [X] Design of project/Components
- [X] Others, which?: Original timelines were very ambitious given nature of proposed change intervention

SECTION 4: RISKS**MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE**

	Level	Mitigation action	Responsible
1. Lag times between the completion of sensitization, diagnostics and interventions could lead to loss of interest by the SMEs and potentially unwillingness to continue in the project.	Medium	Execute project components in repeating cycles specifically designed to reduce the lag time between delivery of project components to individual SMEs.	Project Coordinator
2. Changes in macroeconomic conditions negatively impact SME performance	Medium	Executing Agency must make business case for ICT investment explicit to sustain interest and commitment to investment by SMEs in the event of deterioration of macroeconomic conditions	Project Coordinator
3. Participating SMEs do not provide access to business data to facilitate measurement of results. This can undermine the Executing agency's ability to present locally based real world business cases and results on the business value of ICT investment	Medium	Include formal agreement between Executing Agency and beneficiary outlining need for and consent to sharing/access to business records to facilitate building of business case for ICT implementation and measurement of project results. Appropriate privacy and confidentiality clauses can be included here	Project Coordinator
4. SMEs are not willing to participate in diagnostic scoping studies or ICT intervention	Low	The awareness forums have been designed to use actual business results of local firms to encourage participation and increase buyin. Beneficiaries for componets 2 and 3 (diagnostics and ICT interventions are self selected to ensure participating firms are committed and engaged in the process of change	Project Coordinator
PROJECT RISK LEVEL: Medium TOTAL NUMBER OF RISKS: 4 IN EFFECT RISKS: 4 NOT IN EFFECT RISKS: 0 MITIGATED RISKS: 0			

SECTION 5: SUSTAINABILITY

Likelihood of project sustainability after project completion: HP - Highly Probable

CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY

[None reported in this period]

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

A) Sensitisation of SMEs on the critical importance of ICT and their need for competent services to assist them in establishing/ improving in-house ICT infrastructure in order to achieve increased competitiveness. B) Establishment and equipping of a competent Project Execution Unit with necessary tools to deliver the range of ICT services. C) Setup of Website to facilitate communication with key stakeholders to promote the project and the ICT services available. D) Development of database to facilitate access to key data required to deliver services.

SECTION 6: PRACTICAL LESSONS

<p>1. Diagnostics: - Process through which consultants are recruited is a lengthy one and adequate planning must be done to avoid/ minimize delays in implementation.</p> <p>2. Sensitisation: - Awareness building forums not to be held on Monday or Friday. - A sizeable number of SMEs do not belong to associations or are not listed in directories and promotion must include some mass media coverage. - Linkages should be established with key stakeholder organisations, viz. Chamber of Commerce, Business Associations to mobilize their membership and promote project objectives - In order to preserve SME interest and enthusiasm, diagnostic studies should follow immediately after awareness forum, or with minimal delay.</p>	Relative to	Author
	Implementation	Joseph, Jade
	Implementation	Joseph, Jade