

PROJECT STATUS REPORT

JANUARY 2012 - JUNE 2012

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

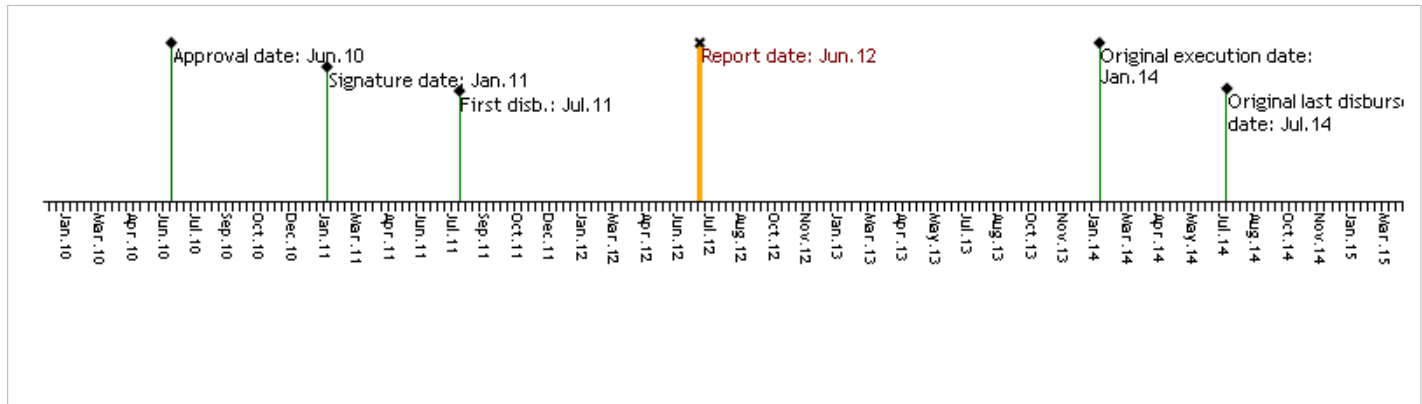
Subgroup
TECH - Technology for Business
Development

Executing Agency: Caribbean Industrial Research Institute

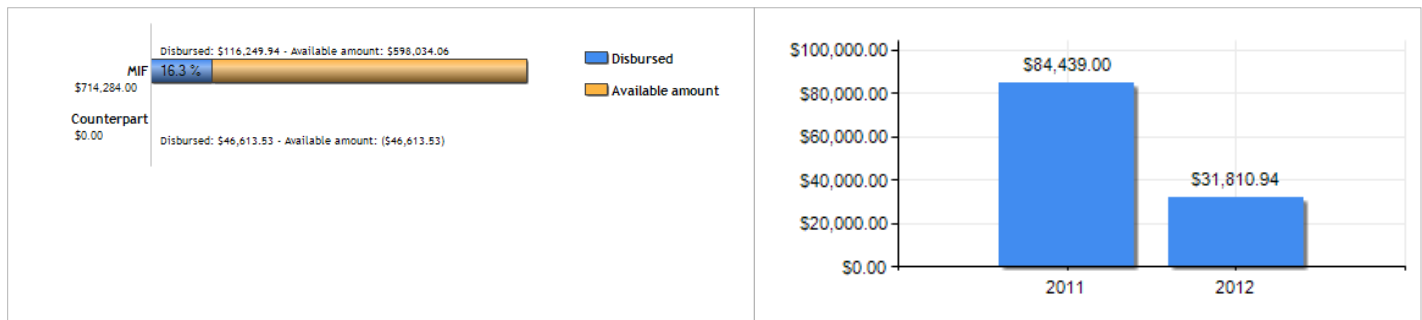
Design Team Leader: Dookiesingh, Vashtie

Supervision Team Leader: Dookiesingh, Vashtie

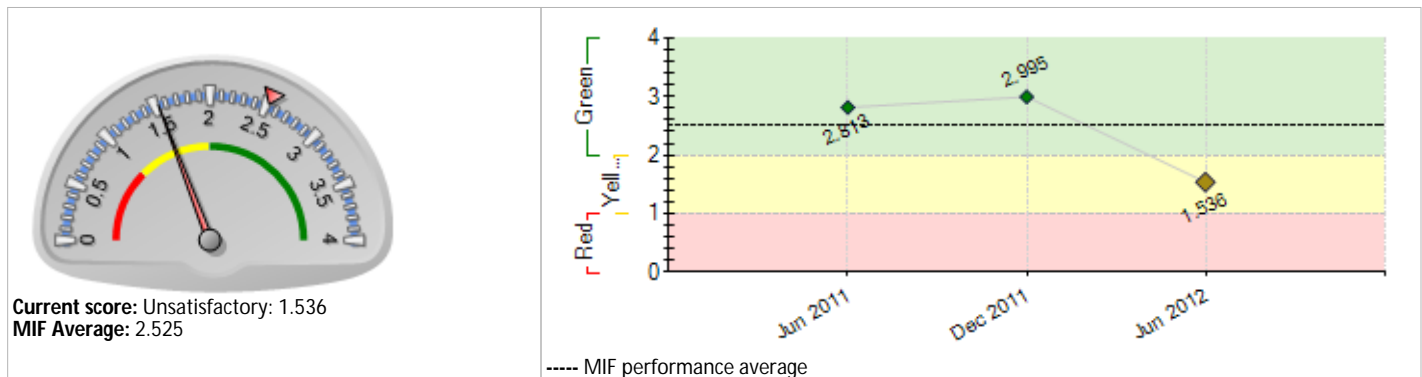
TIMELINE



FUNDS



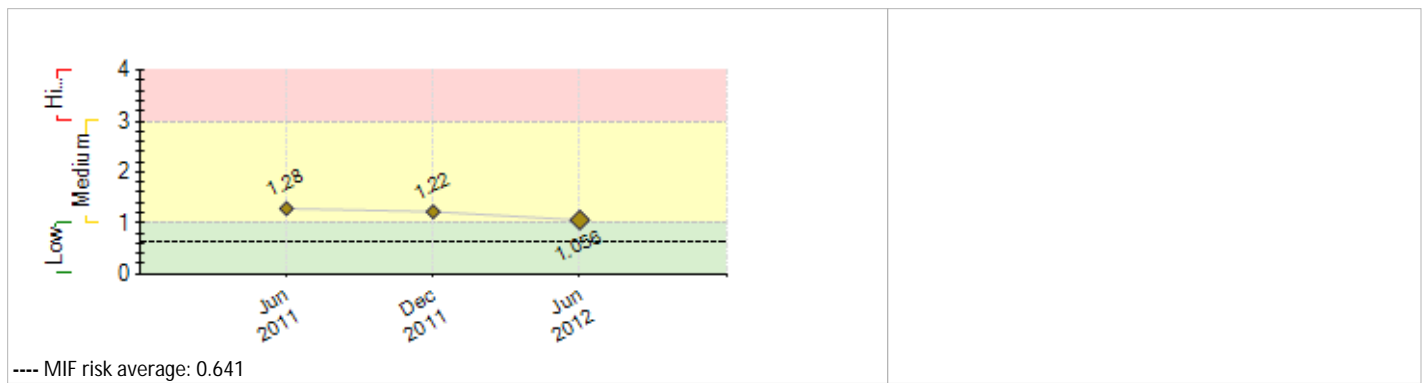
PERFORMANCE SCORE



EXTERNAL RISKS

INSTITUTIONAL CAPACITY

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



SECTION 2: PERFORMANCE

Summary of project performance since inception

Summary:

Building a database of companies from across Trinidad that provide a pool available for participation in the 80 planned diagnostics

Aggregated Achievements:

- A] Set up of the PEU to manage the project activities
- B] Continuously updating SME database and website
- C] Sensitization of 105 companies via 3 forums
- D] Consultants hired, diagnostic methodology designed
- E] 5 diagnostics completed, 10 in progress

Key Challenges:

- A] A number of SMEs in the target sectors do not belong to associations or are not listed in directories
- B] Availability of SME to undertake diagnostics at their business during work hours

- C] Managing and preserving interest of the large group of SMEs
- D] Entering into MoU with SMEs

- E] Optimally managing the services of external diagnostic consultants

Actions taken:

- A] Linkages established with key stakeholder organisations to mobilize their membership
- B] Work with each SME to establish a convenient time to facilitate diagnostics
- C] Closer interaction with the consultant to maintain project timelines

Prospect:

A high likelihood of project achieving its objectives. Cumulatively, of the 105 SMEs sensitized, over 90% have expressed interest in moving forward

Moving forward:

A] Accelerate diagnostic scoping studies and implementations

B] Bring to completion all external diagnostic consultancies

C] Determine a methodology to be used by the PEU in carrying out diagnostic studies, building on approaches used by external consultants

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

The Executing Agency based on a review of results achieved to date and timelines as well as the challenges faced has submitted a proposal to the Supervision team leader for a revision of milestones and extension to the project which will facilitate achievement of project objectives and targets while reflecting a more realistic pace of implementation based on experience gained to date

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

In the third semester of execution, there was a notable improvement in the number of companies that were sensitized, and those that had participated in diagnostic studies.

Main Achievements:

A] Third Awareness Forum held at the Paria Suites Hotel & Conference Centre. Sensitization of 51 SMEs from South Trinidad.

B] Contract awarded to second consulting firm to prescribe and execute a diagnostic methodology for 10 companies within the target sectors.

Key Accomplishments:

Building a sizable pool of SMEs which are eligible for diagnostic scoping studies.

Key Challenges:

A] Logistics of managing the large group of SMEs in the system and entering into MoUs with those selected to move forward. Diagnostic studies conducted with minimal delay after sensitization forum.

B] Managing the services of the external ICT consultant undertaking the diagnostic studies and ensuring timely report submission

Action taken:

A] Conduct diagnostic studies in batches, while maintaining contact with companies that are in queue.

B] Clearly define the scope of works for the consultancy and continuously revisit the project timelines in discussions with consultant

6 Month Forecast:

A] Concentrate on increasing the numbers of diagnostic studies and implementations.

B] Complete the final batch of diagnostic studies allotted to external consultancy.

C] Determine a methodology to be used by the PEU in carrying out diagnostic studies, building on approaches used by external consultants

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.11 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 Feb 2011				80 Aug 2015	0	
Component 1: Awareness Building Weight: 20% Classification: Satisfactory	C1.11 4 Awareness Forums convened	0 Jan 2011	2 Feb 2013	3 Feb 2014		4 Dec 2014	1 Mar 2012	On Course
	C1.12 SME representatives mation on the business potential of ICT investment	0 Jan 2011	150 Dec 2012	250 Nov 2013		350 Dec 2014	51 Mar 2012	On Course
	C1.13 Launch of an interlinked web portal to disseminate information and facilitate dialogue among SMEs operating in the targeted sectors	0 Jan 2011				1 Jul 2012	1 Aug 2011	Finished
Component 2: ICT Diagnostic Scoping Studies Weight: 30% Classification: Satisfactory	C2.11 Diagnostic scoping studies completed for 80 SMEs	0 Jan 2011	25 Dec 2012	65 Dec 2013		80 Dec 2014	0 Jun 2012	Delayed
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 Jan 2011	10 Dec 2013	40 Jul 2014		50 Dec 2014		
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		
							Jun 2012	

Milestones	Planned	Due Date	Achieved	Date achieved	Status
M0 Contracting of a Technical Co-ordinator	1	Apr 2011	1	May 2011	Achieved late
M1 Conditions Prior	6	Jul 2011	6	Jul 2011	Achieved
M2 Completion of first ICT awareness forum	1	Jul 2011	1	Jul 2011	Achieved
M3 Completion of initial Diagnostic Scoping Studies for 20 SMEs	20	Jan 2012	0	Jun 2012	Not Achieved
M4 Completion of second batch of 20 diagnostics of SMEs	20	May 2013	0	Jun 2012	
M5 Sensitization of 150 SMEs on the business benefits of ICT adoption	150	May 2013	0	Jun 2012	
M6 [*] Completion of initial 10 ICT interventions	10	Jul 2013	0	Jun 2012	
M7 [*] Completion of final 40 Diagnostic Scoping Studies	40	Dec 2013	0	Jun 2012	
M8 Sensitization of an additional 200 SMEs on the business benefits of ICT interventions	200	Dec 2013	0	Jun 2012	
M9 Completion of an additional 20 ICT interventions (cumulative total 30)	20	Dec 2013	0	Jun 2012	
M10 [*] Completion of final 20 ICT interventions	20	May 2014	0	Jun 2012	
M11 [*] Completion of dissemination materials	1	Jul 2014	0	Jun 2012	

[*] Indicate that the milestone has been reformulated

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE

[X] Purchase difficulties

[X] Others, which?: Engagement of SMEs in initial stages required a longer timeframe than contemplated in the design

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 components 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
5. A diagnostic study report which identifies very few, or no areas in which the absence of ICT represents an impediment to existing operational efficiency or projected growth.	Low	Conduct a pre-diagnostic screening to ensure that companies moving to diagnostics have ICT needs that the project can address.	Project Coordinator
PROJECT RISK LEVEL: Medium TOTAL NUMBER OF RISKS: 5 IN EFFECT RISKS: 5 NOT IN EFFECT RISKS: 0 MITIGATED RISKS: 0			

SECTION 5: SUSTAINABILITY

Likelihood of project sustainability after project completion: P - 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) Sensitization 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) Articles published to promote both the use of ICT by SMEs and the project. C) Transfer of technical skills and methodologies from the consultant to Project Executing Unit staff which will help to build institutional capacity in promoting and providing ICT support services.

SECTION 6: PRACTICAL LESSONS

	Relative to	Author
1. Maintain communication with companies in queue awaiting diagnostics so as to minimize loss of interest.	Implementación	Joseph, Jade
2. Conduct a pre-diagnostic screening to filter SMEs that do not have needs that can be addressed through the Project.	Implementación	Joseph, Jade
3. A greater emphasis to be placed on SME testimonials at the sensitization forums as these prove to be an effective method of stimulating the interest of entrepreneurs in participating.	Implementación	Joseph, Jade