

PROJECT STATUS REPORT

JANUARY 2013 - JUNE 2013

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

Result: 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

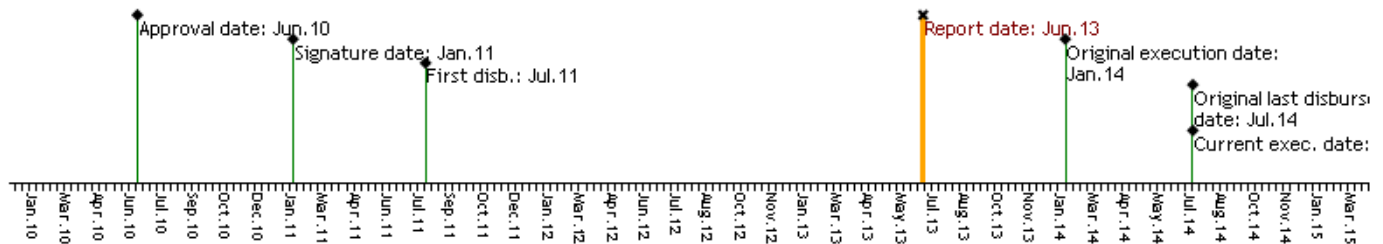
Subgroup
TECH - Technology for Business
Development

Executing Agency: Caribbean Industrial Research Institute

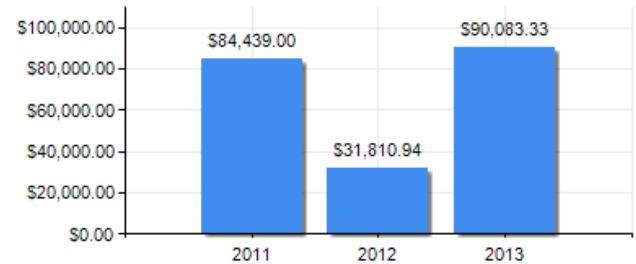
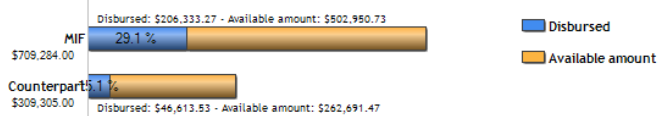
Design Team Leader: Dookiesingh, Vashtie

Supervision Team Leader: Dookiesingh, Vashtie

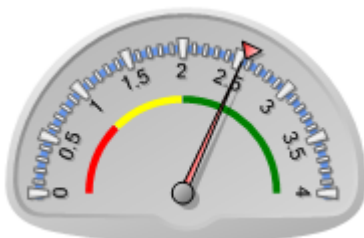
TIMELINE



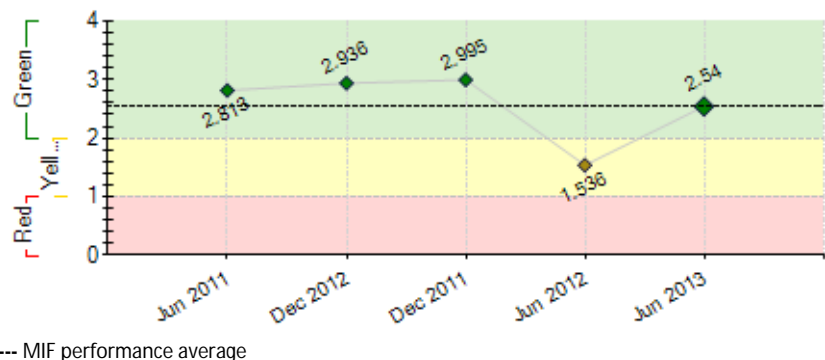
FUNDS



PERFORMANCE SCORE



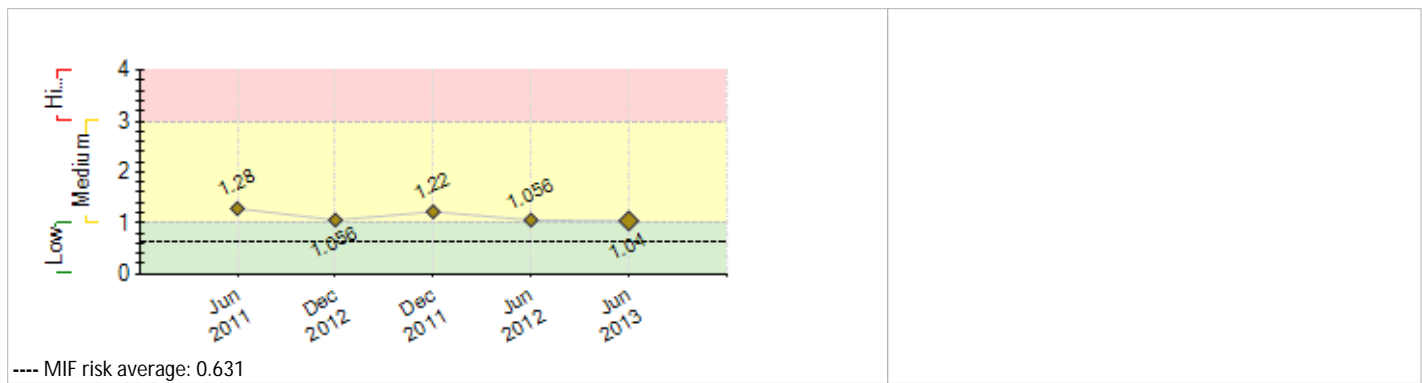
Current score: Satisfactory: 2.54
MIF Average: 2.561



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 over 150 sensitized companies with over 40 diagnostics completed.

Aggregated Achievements:

- A] Set up of the PEU to manage project activities
- B] Development and updating of website and SME database
- C] Sensitization of 154 companies via 7 forums
- D] Hiring of 2 consulting firms, diagnostic methodologies designed
- E] 40 diagnostics completed, 10 initiated
- F] 10 implementations in progress

Key Challenges:

- A] Some SMEs in the 2 sectors do not belong to associations and are not listed in directories
- B] Difficulty in arranging meetings with SMEs and maintaining interest levels
- C] Ensuring timely report submission to the SMEs
- D] Commitment of the SME to complete implementations

Actions taken:

- A] Linkages established with key stakeholder organisations to mobilize membership
- B] Work with each SME to establish a convenient time to facilitate diagnostics
- D] Streamline of diagnostics reporting template
- C] Closer interaction with the SME to elicit inputs within stipulated time frames

Prospect: A high likelihood of project achieving its objectives.

- A] For a sizable number of companies, there were needs identified through diagnostics that could potentially lead to interventions
- B] Minimization of time slippage through direct implementation by the PEU

Moving forward:

- A] Accelerate implementation of ICT interventions
- B] Streamline the diagnostics reporting template
- C] PEU to work closely with external consultant and hone skills during ICT implementations

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

The Executing Agency has faced 2 key challenges, specifically engagement of SMEs and secondly rapid deployment of technical experts to assist with firm specific ICT interventions. These challenges have resulted in some delays but the Executing Agency continues to make steady progress towards the project objectives and results.

Summary of project performance in the last six months

Summary:

The fifth semester of execution saw the completion of 3 project milestones and the incorporation of SMEs from the sister island, Tobago.

Main Achievements:

- A] Completion of all diagnostic scoping studies allotted to external consultancy.
- B] Milestone achievement: "Completion of initial 20 diagnostic scoping studies".
- C] Milestone achievement: "Completion of second batch of 20 diagnostic scoping studies".

D] Milestone achievement: "Sensitization of initial 150 SMEs from target sectors".

Key Accomplishments:

- A] Full skills transfer of diagnostics methodology from external consultant to Project Execution Unit (PEU).
 B] Completion of over 40 SME diagnostic scoping studies, including 22 from Tobago, from a pool of over 150 sensitized SMEs.
 C] Creating linkages with key sector associations.

Key Challenges:

- A] Ensuring timely report submission to the entrepreneur.
 B] Minimizing the time lag for follow up discussions with entrepreneur after report has been submitted.

Action taken:

- A] Streamlining the diagnostic scoping study reporting by tapping into the pool of previously developed ICT solutions.
 B] Planning meetings with entrepreneur ahead of time, with sufficient notice and reminders.

6 Month Forecast:

- A] Conduct 40 diagnostics to complete the diagnostic scoping study element of the Project.
 B] Accelerate ICT intervention to complete a batch of 30 by Dec 2013.
 C] Completion of sensitization element of Project.
 D] Begin compiling final project report.

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
Result: 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				80	0	
		Feb 2011				Aug 2015		
Component 1: Awareness Building Weight: 20% Classification: Satisfactory	C1.11 4 Awareness Forums convened	0	2	3		4	1	
		Jan 2011	Feb 2013	Feb 2014		Dec 2014	Mar 2012	
	C1.12 SME representatives' opinion on the business potential of ICT investment	0	150	250		350	51	
		Jan 2011	Dec 2012	Nov 2013		Dec 2014	Mar 2012	
	C1.13 Launch of an interlinked web portal to disseminate information and facilitate dialogue among SMEs operating in the targeted sectors	0				1	1	Finished
		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	40	
		Jan 2011	Dec 2012	Dec 2013		Dec 2014	May 2013	
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	2	
		Jan 2011	Dec 2013	Jul 2014		Dec 2014	Oct 2012	
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 2013	

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	20	Jan 2013	Achieved late
M4 Completion of second batch of 20 diagnostics of SMEs	20	May 2013	20	May 2013	Achieved
M5 Sensitization of 150 SMEs on the business benefits of ICT adoption	150	May 2013	154	Apr 2013	Achieved
M6 [*] Completion of initial 10 ICT interventions	10	Jul 2013	0	Jun 2013	
M7 [*] Completion of final 40 Diagnostic Scoping Studies	40	Dec 2013	0	Jun 2013	

M8	Sensitization of an additional 200 SMEs on the business benefits of ICT interventions	200	Dec 2013	0	Jun 2013	
M9	Completion of an additional 20 ICT interventions (cumulative total 30)	20	Dec 2013	0	Jun 2013	
M10	[*] Completion of final 20 ICT interventions	20	May 2014	0	Jun 2013	
M11	[*] Completion of dissemination materials	1	Jul 2014	0	Jun 2013	

[*] Indicate that the milestone has been reformulated

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE

[X] Others, which?: Securing participation of SMEs and timeliness of assigning consultants

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. Commitment of the entrepreneur to complete implementations	Medium	Work closely with the SME to elicit inputs. Establish firm timeframes for completion. If timeframes cannot be met, PEU to make decision to discontinue intervention.	Project Coordinator
4. 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
5. 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 component 2, diagnostic scoping studies, 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:** 6 **IN EFFECT RISKS:** 6 **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**

Issue	Comments
[X] Relevant actor's opposition or lack of interest to continue with the project's activities or services	The Executing Agency continues to engage SMEs but securing commitment over a protracted period of time required to identify and resource a firm specific intervention has been challenging

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

A) Transfer of technical skills and methodologies from the consultant to Project Executing Unit staff is building institutional capacity in promoting and providing ICT support services.

B) By working with clusters of similar companies, there are synergies leading to more efficient implementations and also positive pressure driving uptake of ICT solutions by other cluster members.

SECTION 6: PRACTICAL LESSONS

	Relative to Design	Author
1. Securing interest and participation of beneficiary SMEs takes significant time and requires building of trust. In this regard project design should include timeframes and budget specific to a longer process of communication and relationship building with targeted beneficiary groups particularly in the private sector		DOOKIESINGH, VASHTIE [MIF]
2. Private sector beneficiaries expectation of the time for delivery of ICT services are shorter than time required for Executing Agency to navigate IDB/MIF procurement processes. In future Executing Agencies may consider retainer contracts to have access to external expertise on demand	Implementation	DOOKIESINGH, VASHTIE [MIF]
3. Creation of a pool of information related to ICT solutions which can be reused where similar needs exist.	Implementation	Joseph, Jade
4. Development of templates to facilitate the capture of key information and the efficient completion of reports.	Implementation	Joseph, Jade

5. Need for more effective management of the consultancy resource	Implementation	Joseph, Jade
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