

PROJECT STATUS REPORT (FINAL)

JULY 2017 - DECEMBER 2017

SECTION 1: PROJECT SUMMARY

PROJECT NAME: Serving rural communities of Surinam through microfranchising

Project Number: SU-M1018 - Project Num.: ATN/ME-13636-SU

Purpose:

The purpose of the project is to test and validate a microfranchising methodology for engine maintenance in communities of the three interior districts of Suriname.

Country Admin

SURINAME

Country Beneficiary

SURINAME

Executing Agency:

Fonds Ontwikkeling Binnenland

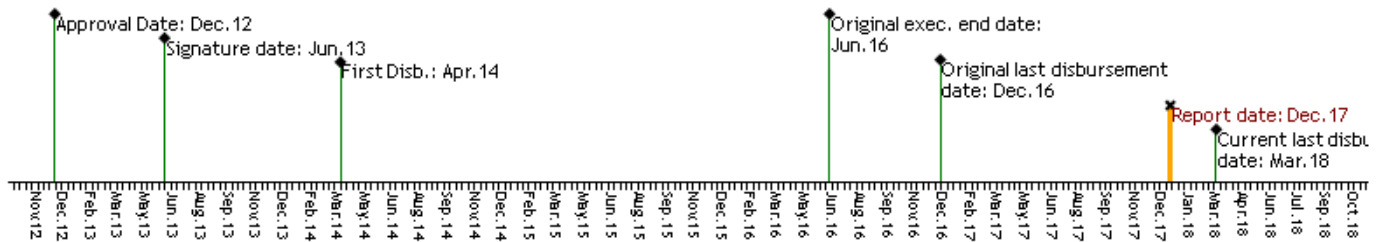
Design Team Leader:

CÉSAR BUENADICHA

Supervision Team Leader:

VASHTIE DOOKIESINGH

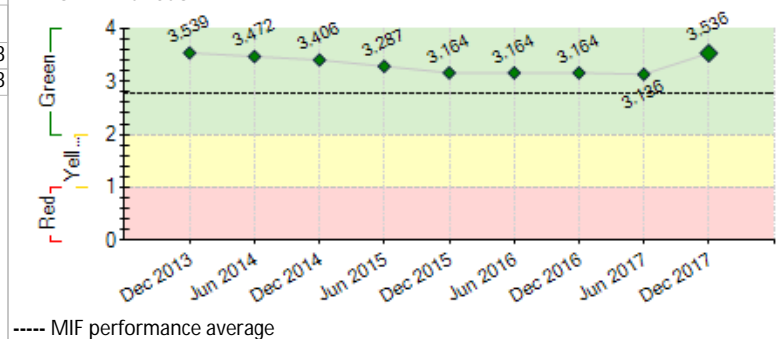
PROJECT CYCLE



FUNDS

	Approved	Cancelled	Disbursed
FOMIN	\$820,000.00	\$203,800.00	\$488,244.58
Counterpart	\$560,000.00	\$0.00	\$419,277.78

PERFORMANCE SCORE



SECTION 2: RESULTS AND ACHIEVEMENTS

Performance once project is completed

A total of 148 mechanics are trained to fully operate ASW Microfranchisees disaggregated in 80*1S, 6*2S, 17*3S and 32*Freelance Trainee; 13 are still under evaluation.

Approximately 15 communities have access to fully operating ASW's. The target was 30, but after the mid-term evaluation this was brought down to 25. In conclusion 60%. The collaboration between the 1S, 2S and 3S must be stressed thoroughly to get a higher success rate.

The targeted 15 female mechanics could not be achieved since the execution of this project. At first these trainings were centered in Paramaribo which made it challenging for females to travel to Paramaribo. But has been some progress in Marowijne with the training of females who manage smaller engines for small services. The status is "On Course".

There were no risks or obstacles mentioned.

To ensure project sustainability Datsun Suriname proposed that the consultancy Business and Administrative Training can be run simultaneously with their planned training schedule.

Comments from the Supervision Team Leader

To project has been successful in establishing a network of micro franchises, specifically repair shops authorized to service Yamaha engines. More attention to building capacity of the franchise holders for basic business management would have been useful, most training focused on technical repairs.

Final evaluation

Comments from the Supervision Team Leader

No final evaluation was conducted as the project was included in a separate case study series on micro franchising commissioned by MIF

[Final evaluation](#)

SECTION 3: INDICATORS

Indicators		Baseline	Planned	Achieved	Percentage
Purpose: 1 The purpose of the project is to test and validate a microfranchising methodology for engine maintenance in communities of the three interior districts of Suriname.	R.1 150 mechanics (sex-disaggregated) fully operating Authorized Service Workshop microfranchisees.	0	150	150	0 %
	R.2 Approximately 15,000 people from 30 communities of the interior have access to quality engine maintenance.	0	15000	15000	0 %
	R.3 Microfranchisor direct sales and service maintenance of engines in the interior of the country has increased by 50%.	0	50	50	0 %
	R.4 80% of population in communities with access to ASWs express satisfaction with services.	0	80	80	0 %
Classification: Satisfactory					
Component 5: Market analysis and ASW microfranchise model building Weight: 9% Classification: Satisfactory	C5.11 120 candidates (sex-disaggregated) have been selected for the expansion phase.	0	120	148	0 %
	C5.12 19 Communities have been evaluated for suitability as ASW locations	0	19	19	0 %
Component 6: Piloting ASW initiatives and refining the model. Weight: 33% Classification: Satisfactory	C6.11 5 ASW have been piloted	0	5	5	0 %
	C6.12 Refined ASW model is elaborated that adapts, facilitates and simplifies the creation of ASW.	0	1	1	0 %
	C6.13 A financing methodology for Datsun Suriname to facilitate working capital for the ASW model has been implemented.	0	1	0	0 %
	C6.14 At least 10 satellites operate expanding the services of the ASW to smaller communities.	0	10	10	0 %
	C6.15 30 workshops have access to credit through the implementation of a credit facility.	0	30	7	0 %
Component 7: Expansion of the refined ASW microfranchise model. Weight: 50% Classification: Satisfactory	C7.11 At least an additional 10 ASW are created (15 in total with the pilot)	5	15	15	0 %
	C7.12 20 additional ASW satellites are in operation	10	30	32	0 %
	C7.13 50 additional mechanics (sex-disaggregated) are trained.	0	50	120	0 %
	C7.14 80 additional mechanics (sex-disaggregated) are trained.	50	130	148	0 %
	C7.15 15 additional ASW are created (total of 30)	15	30	8	0 %
	C7.16 30 additional satellites are in operation .	20	30	86	0 %
	C7.17 50% of the ASW continue in full operations serving the communities.	0	50	15	0 %
Component 8: Knowledge creation, dissemination and expansion plan for other countries. Weight: 8% Classification: Unsatisfactory	C8.11 A communication strategy and work plan is defined.	0	1	1	0 %
	C8.12 Final evaluation capturing lessons learned and scaling potential shared with key stakeholders	0	1	0	0 %

Milestones	Planned	Due Date	Achieved	Date of achievement	Status
M0 Conditions Prior	1	Dec 2013	2	Sep 2013	Achieved
M1 [*] At least 19 potential communities have been evaluated for the implementation of an ASW	19	Dec 2014	19	Dec 2014	Achieved
M2 [*] 5 ASW pilots have been initiated	5	Jan 2015	5	Jan 2015	Achieved
M3 [*] At least an additional 5 ASW are created (10 in total) and 10 satellites are in operation	15	Jun 2016	35	Jun 2016	Achieved
M4 [*] Business plan for roll out of ASW model adapted to conditions in Suriname completed together with guidance materials for franchisees	1	Jul 2016	1	Mar 2016	Achieved
M5 [*] SHTTDF has developed a strategic framework to promote the sustainability and expansion of its activities.	1	Jul 2016	1	Nov 2015	Achieved

M6	[*] ASWs established and operational	15	Dec 2017	15	Dec 2017	Achieved
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[*] Indicate that the milestone has been reformulated

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE

- [X] Executing agency institutional capacity
- [X] Supplier/contractor performance
- [X] Borrower/executing agency commitments
- [X] Community/political opposition
- [X] Design of project/Components
- [X] Delays in fulfilling the contract terms

SECTION 4: RISKS**CRITICAL RISKS MANAGED DURING IMPLEMENTATION**

1. Deterioration of physical security conditions in the rural communities during the operation and expansion of the project.

Level: Low

Responsible: Project Guest

Status: In effect

Comments: When ASW mechanics are trained, this happens in their own communities which makes it more important that they can always go back to their cultural heritage eg. when a village is deceased, all training will be put on hold.

2. Inability to effectively pilot ASW initiative due to challenges of working and coordinating with 30 communities with very different cultures and characteristics (Indigenous populations and Maroons).

Level: Low

Responsible: Project Guest

Status: In effect

Comments: Every training is tailored to their needs and lifestyles.

3. Challenging cultural norms by promoting women in traditionally male-dominated enterprises could lead to increased incidences of domestic violence

Level: Low

Responsible: Project Guest

Status: In effect

Comments: The female and male role are very sharply defined and they will always try to keep the tradition. Female ASW mechanics will, in this case, not get any clients.

4. Insufficient interest of public and private sectors and civil society in the potential of microfranchising as a tool for working with low income populations.

Level: Low

Responsible: Project Guest

Status: In effect

Comments: Most people from the interior communities believe that owning an ASW is still just a hobby.

PROJECT RISK LEVEL: Low **TOTAL NUMBER OF RISKS:** 5 **IN EFFECT RISKS:** 4 **NOT IN EFFECT RISKS:** 1 **MITIGATED RISKS:** 0

SECTION 5: SUSTAINABILITY

Likelihood of project sustainability after project completion: P - Probable

The local Yamaha distributor will manage the micro franchise network beyond the period of MIF investment and has a strong commercial incentive for sustainability and growth of the intervention as the growth of franchised Yamaha workshops will translate into additional business for the local distributor and for Yamaha

CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY

[None reported in this period]

Actions related to sustainability which have been implemented:

1. SHTTDF (Stg. BTO) is founded by Datsun Suriname and give small grants to ASW mechanics.
2. The consultancy Fundacion Paraguaya will translate their Financial Software system modules for Datsun Suriname and will install this software here in Suriname on their own servers.
3. Focus of this project is not only on men but also on women and young people.

[Sustainability Plan](#)

SECTION 6: KNOWLEDGE**Lessons learned**

1. The project design did not take into account the significant cost for micro franchises to invest in purchase of tools, spare parts and facilities to facilitate certification for as a franchisee, this investment was a challenge for most participants exacerbated by the economic downturn Suriname experienced during the implementation period. For future design some source of affordable financing is critical
2. The execution structure required the executing agency, an NGO to perform a role that was largely administrative and for the local Yamaha distributor to play a significant technical role. Co-ordination of project activities between these two entities required a significant commitment of time by the local Country Office and MIF Supervision Team Leader. For future design technical capability and interest of the Executing Agency should be directly aligned to project objectives and activities.
3. Original goal of training a specific percentage of females could not be achieved as the structure and gender roles in traditional communities do not favour participation of women in business.
4. The original targets for number of trainees had to be revised to a smaller number as the existing market conditions were assessed in greater detail.
5. There is a high risk if SHTTDF doesn't involve the local communities within their board. There has

Relative to
Implementation

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Implementation

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Implementation

Dookiesingh, Vashtie [MIF]

Design

Dookiesingh, Vashtie [MIF]

Risk

Fonds Ontwikkeling Binnenland,

to be a representation of someone of those communities.

6. Because of SHTTDF, Fundacion Paraguaya and the focus on youth, this project will stay sustainable for a long period of time.

7. The ASW model is perfect but the customers are widely spread in the interior making it hard for ASW business to thrive.

Sustainability

Design

Stichting
Fonds Ontwikkeling Binnenland,
Stichting
Fonds Ontwikkeling Binnenland,
Stichting

Indicate which are the main products of the project, where they can be found, and how they could be “shared” with other entities or similar projects.

There are no easily shareable knowledge products

Main products of the project

[No related products to display]

SECTION 7: DOCUMENTS

04/DEC/2012 [Donors Memorandum](#)

[<http://www.fomin.org/file.aspx?DOCNUM=37313863>]

30/APR/2015 [Donors Memorandum](#)

[<http://www.fomin.org/file.aspx?DOCNUM=39608347>]

[Project profile](#)

<http://apps.fomin.org/public/psr/projectprofile.aspx?proj=SU-M1018&lg=EN>