Fondo Multilateral de Inversiones
Miembro del Grupo BID

REPORTE DE ESTADO DEL PROYECTO

JULIO 2015 - DICIEMBRE 2015

SECCIÓN 1: SÍNTESIS DEL PROYECTO

NOMBRE DEL PROYECTO: Sistema Biobolsa

Nro. Proyecto: RG-M1260 - Proyecto No.: ATN/ME-14422-RG

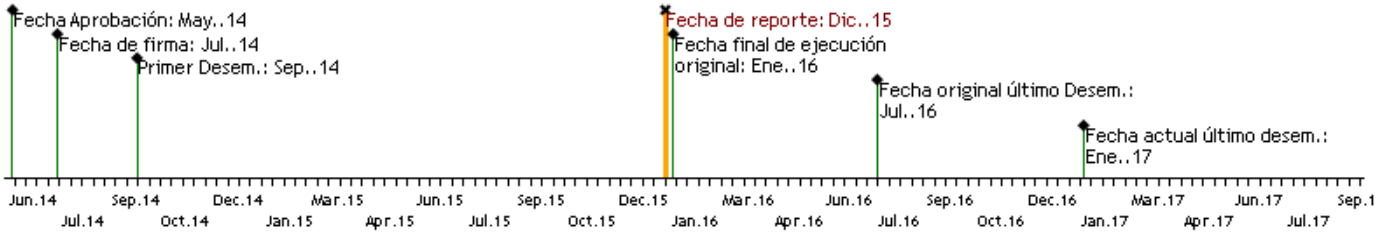
Propósito: Strengthen the fabrication and sales capacity of BMC to expand small holder farmers´ access to the Biobolsa System in Mexico, Honduras and Nicaragua

País Administrador	País Beneficiario
MÉXICO	HONDURAS, NICARAGUA

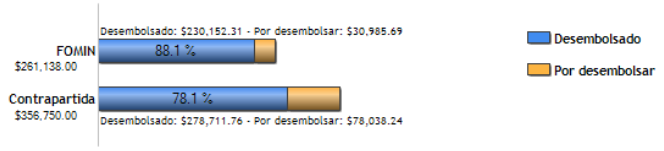
Agencia Ejecutora: Buen Manejo del Campo, S.A. de C.V.

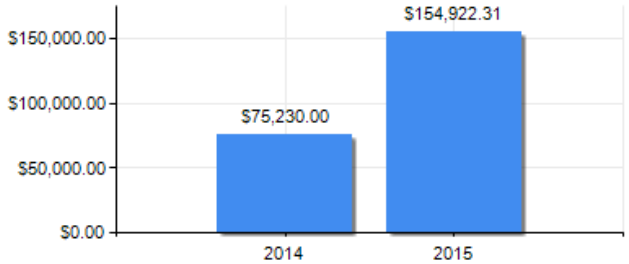
Líder equipo de diseño: DAVID BLOOMGARDEN
Líder equipo de supervisión: ALBERTO BUCARDO

CICLO DEL PROYECTO

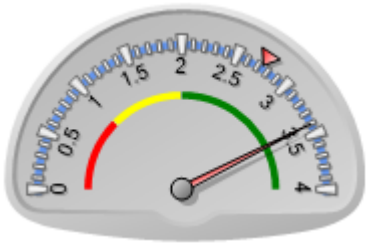


RECURSOS

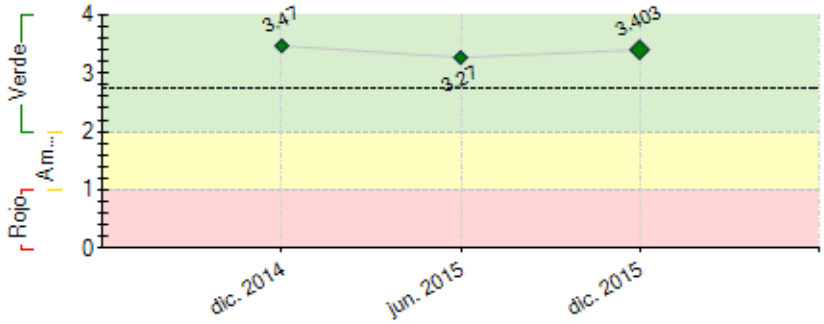




PUNTAJE DE DESEMPEÑO



Puntaje actual: Satisfactorio: 3.403
Promedio FOMIN: 2.743

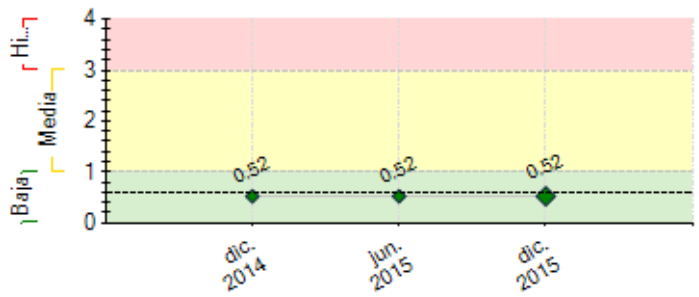


----- Promedio desempeño FOMIN

RIESGOS EXTERNOS

CAPACIDAD INSTITUCIONAL

	Riesgo
Administración Financiera:	Alto
Adquisiciones:	Alto
Capacidad Técnica:	Baja



---- Promedio de riesgo FOMIN: 0.606

SECCIÓN 2: DESEMPEÑO

Resumen del desempeño del proyecto desde el inicio

1. Main achievements

- Diversification of marketing and communication channels

- Development of promotional material, financial, legal and commercial strategy for expansion to new regions

- Reinforcement of internal legal structure in Mexico and improved readiness to start operations in Nicaragua and Honduras

- Creation of a replicable company-wide data management capacity

2. Difficulties or delays

After moving our factory to a more modern site, we found a Mexican manufacturer of our main raw material, which we used to import from the USA. Changing to this supplier would not only improve the quality of our final product, but also lead to more cost-effective raw materials supply chain. This important potential change has led to delays in the execution of component 3, on which we will focus this semester in order to test and improve the new material as well as work on enhancing the current production processes, executing the budget and projects of the third component.

3. Risks

- Timing needs to be very well managed in terms of planning, sourcing, centralizing information and execution of the different projects inside the components. This requires a challenging but very beneficial need for coordination and structure and process to the project.

4. Likelihood of achieving the final objectives: The 6 months extension for the project has been submitted and approved in time, which allows us to have high confidence in achieving our final objectives on time.

Comentarios del líder de Equipo de Supervisión

De acuerdo con los comentarios de la Agencia Ejecutora
El proyecto viene avanzando en las actividades planeadas en Mexico. Sin embargo, se considera que existe atraso en la implantacion del sistema en centroamerica, por lo que se pondra especial enfasis en este tema´para el siguiente semestre.

Resumen del desempeño del proyecto en los últimos seis meses

1. Main achievements

Component 1:

- Focused market analysis through improved visibility in traditional and social media (78 pieces)

- Brand registration in Nicaragua

- Additional communication and marketing tools (10 videos and 10 collections of photographic material)

- Launch of new website integrated with Salesforce and our social media channels

- Consolidation of financial strategy, improved readiness for expansion and growth by closing two external investments

Component 2:

- Finalization of salesforce cloud-based CRM data management tool

- Enhanced internet research and social media strategy through innovative programming and technical elements

- Official certification of our impact monitoring

2. see above

3. Critical actions for the next semester

Component 1:

- Strategic reorganization and consolidation of microfinance unit

- Development of scale and replication strategy and model in new markets, focusing on Nicaragua

- Legal constitution of a subsidiary in Nicaragua

- Consolidation of strategic partnerships and sales agreement with local organizations in Nicaragua and Honduras

Component 2:

- Development of an end-user interface through a mobile app

- Improvement of CRM and mobile app for data collection

Component 3:

- Analysis and evaluation of welding equipment for new raw materials and plastified structural material for organic fertilizer containment

- Process flow for fabrication of system components

- Industrial Design and Prototype of Infrastructure equipment

Comentarios del líder de Equipo de Supervisión

De acuerdo con los comentarios de la Agencia Ejecutora
Se ha contratado ya la consultoria que permitira al ejecutor desarrollar un sistema de financiamiento a sus usuarios, lo cual redundara en mayores ventas.

SECCIÓN 3: INDICADORES E HITOS

		Indicadores	Línea de base	Intermedio 1	Intermedio 2	Intermedio 3	Planificado	Logrado	Estado
Propósito: Strengthen the fabrication and sales capacity of BMC to expand small holder farmers´ access to the Biobolsa System in Mexico, Honduras and Nicaragua	R.1	Potential number of Biobolsa digesters fabricated per year	1000	2000			5000	2080	
			Jul. 2014	Jul. 2015			Ene. 2016	Jun. 2015	
	R.2	Number of firms or farms that have adopted new technologies or practices – CRF 230100	0	1000			2500	3312	
			Jul. 2014	Abr. 2015			Ene. 2016	Dic. 2015	
Componente 1: Consolidation of Regional Growth Strategy **Peso:** 80% **Clasificación:** Satisfactorio	**C1.I1**	Complete distribution/marketing package for independent sales team	0				1	1	Finalizado
			Jul. 2014				Ene. 2016	Dic. 2015	
	C1.I2	Number of trained sales representatives reaching targeted regions (sex disaggregated, 19 women baseline, 35 target))	36				70		
			Jul. 2014				Ene. 2016		
	C1.I3	Number of people trained in improved business skills (e.g. accounting, business practices, products/technologies) – CRF 110100	200	300			800	910	Finalizado
			Jul. 2014	Jul. 2015			Ene. 2016	Dic. 2015	
	C1.I4	Number of farms receiving training or otherwise strengthened - CRF 130100 (per year)	650	1000			2500	2650	Finalizado
			Jul. 2014	Jul. 2015			Ene. 2016	Dic. 2015	
	C1.I5	Number of stakeholders at awareness events in new regions	0	50			200	205	Finalizado
			Jul. 2014	Jul. 2015			Ene. 2016	Dic. 2015	
	C1.I6	Number of attendees present at awareness events/forums in new regions	0	500			1500	580	En curso
			Jul. 2014	Jul. 2015			Ene. 2016	Jun. 2015	
Componente 2: Strengthening of the company´s data management and M&E capacity **Peso:** 8% **Clasificación:** Satisfactorio	**C2.I1**	Online Platforms Developed	0				1	1	Finalizado
			Jul. 2014				Jul. 2015	Jun. 2015	
	C2.I2	Percentage of targeted new regions covered by M&E data collection	0	40			90	40	En curso
			Jul. 2014	Jul. 2015			Ene. 2016	Jun. 2015	
Componente 3: Redesign of the Sistema Biobolsa production process **Peso:** 12% **Clasificación:** Satisfactorio	**C3.I1**	Number of Fabrication Plans Developed	0				1	1	Finalizado
			Jul. 2014				Jul. 2015	Jun. 2015	
Componente 4: Knowledge management and strategic communication **Peso:** 0% **Clasificación:** Satisfactorio									
Componente 4: Knowledge management and strategic communications **Peso:** 0% **Clasificación:** Satisfactorio	**C4.I1**	Knowledge Products	0				1		Finalizado
			Jul. 2014				Jul. 2015		

	Hitos	Planificado	Fecha Vencimiento	Logrado	Fecha en que se logró	Estado
H1	Contract signed with marketing consultant	1	Dic. 2014	1	Ago. 2014	Logrado
H1	Conditions Prior	6	Ene. 2015	6	Ago. 2014	Logrado
H2	demonstration systems installed	50	Jun. 2015	247	Jun. 2015	Logrado
H3	Completed New Fabrication Plan	1	Dic. 2015	1	Jun. 2015	Logrado

FACTORES CRÍTICOS QUE HAN AFECTADO EL DESEMPEÑO

[No se reportaron factores para este período]

SECCIÓN 4: RIESGOS

RIESGOS MÁS RELEVANTES QUE PUEDEN AFECTAR EL DESEMPEÑO FUTURO

	Nivel	Acción de mitigación	Responsable
1. Other risks: External risks include a very dynamic political and social climate in Mexico, Honduras and Nicaragua that can have direct impacts on the company's ability to effectively promote and sell Sistema Biobolsa.	Baja	In order to mitigate this risk, the expansion into multiple markets will help insulate the company from acute social or political issues that may impact sales in one region or country.	Project Coordinator
2. Sector risk: Any factor that undermines the ability of the target market to pay, or makes the product less appealing—such as subsidies for competing chemical fertilizers or fossil fuels—poses an external risk for BMC. However, subsidies to the farmers are not expected to increase.	Baja	To mitigate this risk, marketing is directed to farmers that seek higher levels of self-sufficiency, want to serve organic market demand, and for whom the combination of energy and fertilizer production continue to provide an important return on investment regardless of competing subsidies.	Project Coordinator
3. Financial risk: The Company's current solvency is combination of credit from crowd	Baja	To mitigate this risk, BMC secured short term financial instruments that can insulate against short term cash flow issues, reduced fixed	Project Coordinator

funding sources, external investors, and its own revenue. As Sistema Biobolsa continues to make investments in growth and scaling, a significant reduction in these three funding sources combined with slow market conditions could provide a cash-flow problem in the long-run.		overhead costs and identified market niches that allow for a consistent sales profile across the course of the year. In addition, BMC ended 2014 with a positive net income and created an important cash reserve, which will allow it to keep the company cash positive throughout 2015.	
4. Financial risk: The Company's current solvency is combination of credit from crowd funding sources, external investors, and its own revenue. As Sistema Biobolsa continues to make investments in growth and scaling, a significant reduction in these three funding sources combined with slow market conditions could provide a cash-flow problem in the long-run.	Baja	To mitigate this risk, BMC secured short term financial instruments that can insulate against short term cash flow issues, reduced fixed overhead costs and identified market niches that allow for a consistent sales profile across the course of the year. In addition, BMC ended 2014 with a positive net income and created an important cash reserve, which will allow it to keep the company cash positive throughout 2015.	Project Coordinator

NIVEL DE RIESGO DEL PROYECTO: Baja **NÚMERO TOTAL DE RIESGOS:** 4 **RIESGOS VIGENTES:** 4 **RIESGOS NO VIGENTES:** 0 **RIESGOS MITIGADOS:** 0

SECCIÓN 5: SOSTENIBILIDAD

Probabilidad de que exista sostenibilidad después de terminado el proyecto: P - Probable

FACTORES CRÍTICOS QUE PUEDEN AFECTAR LA SOSTENIBILIDAD DEL PROYECTO

[No se reportaron factores para este período]

Acciones realizadas o a ser implementadas relativas a la sostenibilidad:

Sustainability is at the heart of the Biobolsa project, and is a key factor we take into account at each decision-making level such as the sourcing of our raw materials and promotion material for example. In order to reflect our actions related to sustainability in a standardized and internationally recognized way, and to be able to communicate them to internal and external stakeholders, we have entered the global community of B Corporation and have been certified by them. We have exceeded the required score to achieve the certification by 25% due to our strong social and environmental impact in terms of product, its benefits to end users, as well as internal human resources policies.

SECCIÓN 6: LECCIONES PRÁCTICAS

	Relativo a	Autor
1. In the framework of the Sistema Biobolsa project, we decided to shift to an online data management platform that was integrated with the website we were building at the same time. This required important coordination efforts between the project and two providers located in different countries and time zones, creating slight delays in the execution due to additional communication layers. In the case of such important organizational and process changes, we found it to be extremely important to enable and create direct communication channels between the different suppliers to ensure a smooth and lean execution of both projects in parallel.	Implementation	Altorfer, Esther