

PROJECT STATUS REPORT

JULY 2017 - DECEMBER 2017

SECTION 1: PROJECT SUMMARY

PROJECT NAME: Facilitating the integration of Haitian artisans into high-value supply chains

Project Number: HA-M1046 - Project Num.: ATN/ME-13545-HA

Purpose: Stakeholders in the value chain participating in the project are strengthened to meet unmet demand of export quality Haitian artisan products.

Country Admin

HAITI

Country Beneficiary

HAITI

Group

SME - Small and Medium Enterprise Development

Subgroup

BDEV - Business Development

Executing Agency:

INTER-AMERICAN DEVELOPMENT BANK

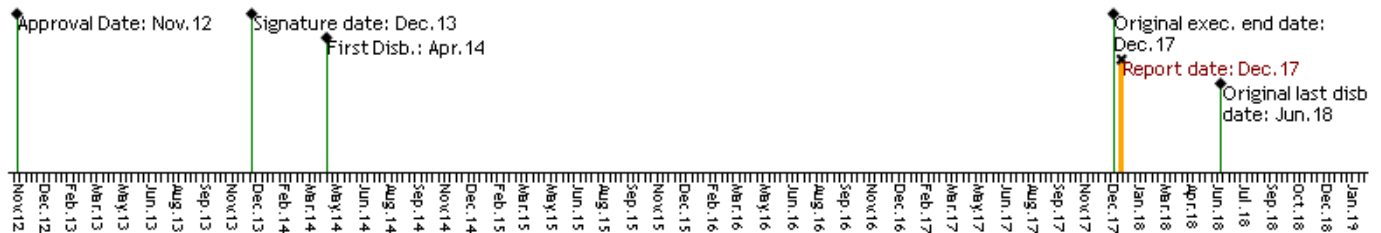
Design Team Leader:

ESTRELLA PEINADO-VARA

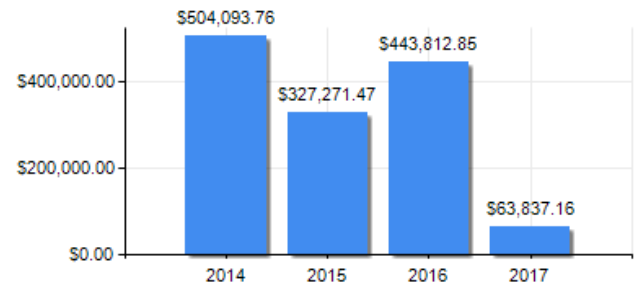
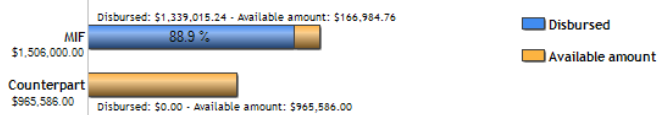
Supervision Team Leader:

RALPH DENIZÉ

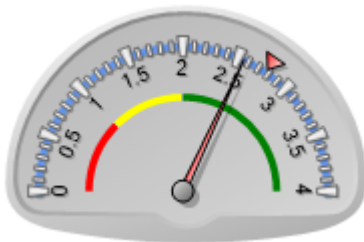
PROJECT CYCLE



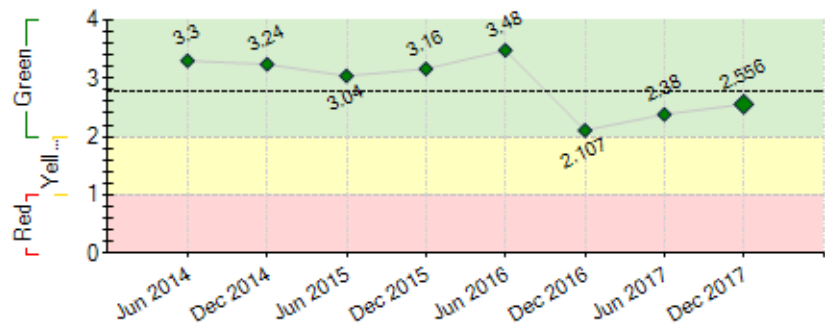
FUNDS



PERFORMANCE SCORE



Current score: Satisfactory: 2.556
MIF Average: 2.777



EXTERNAL RISKS

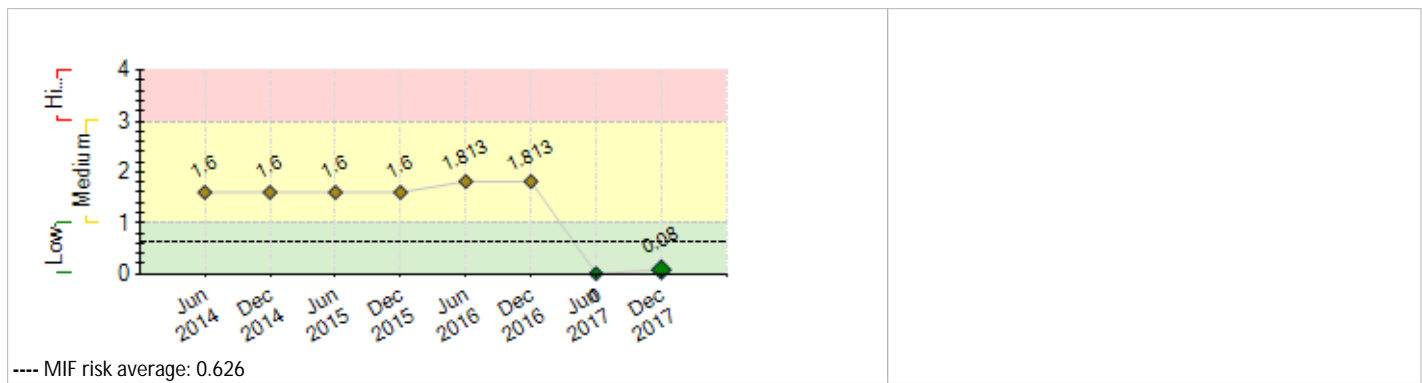
INSTITUTIONAL CAPACITY

Risk

Financial Management: Medium

Procurement: Medium

Technical Capacity: Low



SECTION 2: PERFORMANCE

Summary of project performance since inception

ABN est en difficulté dans ses objectifs de développement durable. Le plan stratégique conçu est entré en application. Des mesures sont prises notamment au niveau des ressources humaines pour renforcer l'administration de l'organisation mais il reste encore des obstacles à surmonter. A date le poste de direction exécutive attend encore de trouver preneur.

Organisationnel :

- Renforcement des capacités : Traiter les problèmes de logistique, rendre effectif les ateliers pratiques sur les questions d'emballage et de planification. Enfin réduire les délais dans le rapportage au niveau de l'administration.

- Professionnaliser les procédures et les routines :

O Standardisation des documents

O Mise à jour continu dans l'utilisation de logiciels comptables.

O Marque interne et externe : utilisation du logo ABN sur toutes les communications

Financier :

- Staff réduit.

- Rapportage sur chaque événement de vente en termes de retour sur investissement, et mise à l'écart de toute opportunité de vente où la rentabilité n'est pas envisageable.

- Renforcer les ventes en consignation.

- Fermeture effective du point de vente de Marriott et relocalisation du showroom sur la route de l'aéroport.

Comments from the Supervision Team Leader

Partially Agree with the Executing Agency comments

The MIF partially agrees with the Cumulative performance of the project. This report as-is reflects the situation of ABN on December 31, 2017. It lacks insights on what the project has achieved to date and how the sustainability aspect of the institution is being addressed.

However, the two aspects reported are critically important to the survival of ABN. From this report, one may deduct the urgency of an action plan to save ABN should its mission remains relevant. The traditional PSR visit will be a good time to reflect on the sustainability plan and see what recommendation should go along at the closure of this project.

Summary of project performance in the last six months

Le ralentissement des activités s'est poursuivi pendant le deuxième semestre de l'année 2017. Dans une approche de gestion plus efficiente et aussi pour répondre à un choix stratégique tourné vers l'avenir, nous avons déménagé de notre local à Pacot, pour le complexe Batimat sur la route de l'aéroport.

Les problèmes de livraison et d'emballage ont été adressés et sont en parti résolus. Notre participation au "New York Now Show" août 2017, est globalement une réussite. Nous avons pu ramener quelques commandes à nos artisans. Les ventes ont toutefois déclinées pendant ce semestre, car nous avons dû fermer notre store à Marriott. Notre nouvelle localisation correspond certes mieux à une stratégie d'exportation, mais les clients hésitent encore à nous rejoindre là-bas évoquant le passé dangereux de la zone. Enfin les foires locales ne tiennent plus leurs promesses d'antan.

La réduction du personnel s'est poursuivie, comme ce fut le cas en début d'année, mais avec l'aide du logiciel comptable QuickBooks, nous avons pu renforcer, parallèlement, notre système de gestion et de contrôle.

Comments from the Supervision Team Leader

Partially Agree with the Executing Agency comments

The semester performance lacks "metrics" and relevant data to measure ABN's progress in regards to the "Facilitating the integration of Haitian artisans into high-value supply chains." The project is as its final stage. Yet, there was no report on the Delayed indicators.

SECTION 3: INDICATORS AND MILESTONES

Indicators		Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status
Purpose: Stakeholders in the value chain participating in the project are strengthened to meet unmet demand of export quality Haitian artisan products.	R.1 At least 1500 artisans increase the value of their sales by 100% on average	0				1500 Dec 2017	378 Dec 2016	
	R.2 At least 22 small businesses increase the value of their sales by 100% on average	0				22 Dec 2017	9 Dec 2016	
	R.3 At least 40 new clients for ABN members	0	20 Jun 2015			60 Dec 2017	71 Sep 2016	
	R.4 At least 500 artisans with improved work spaces and working conditions	0				15 Dec 2017	152 Jun 2016	
	R.5 At least 90% of orders delivered on time	0	85 Jun 2015			90 Jun 2016	97 Dec 2016	
	R.6 At least 70% of ABNs cost recovery	0				70 Jun 2016	40 Dec 2016	
	R.7 15 small businesses with improved work spaces and working conditions	0				15 Dec 2017	7 Jun 2016	
	R.8 60% of clients place repeat orders within 12 months from their previous order	0	50 Jun 2016			60 Dec 2017	50 Dec 2015	
	R.9 100% of orders shipped complete	0	75 Jun 2016			100 Dec 2017	97 Dec 2016	
Component 1: Strengthening artisans and enterprises access to more affordable raw materials and appropriate financial tools. Weight: 10% Classification: Satisfactory	C1.11 At least 40 artisans trained in sourcing inputs (purchasing and inventory management techniques, import requirements and market research on how to identify viable input suppliers, negotiation skills)	0				40 Dec 2015	65 May 2015	Finished
	C1.12 At least 500 artisans are trained in financial education	0				500 Dec 2015	500 Jul 2016	Finished
	C1.13 At least 20 small businesses entities are trained in financial education	0				20 Dec 2017	15 Jul 2015	Finished
	C1.14 The ratio of input cost to total cost has decreased by at least 25%	0				25 Dec 2017	15 Jun 2017	Delayed
	C1.15 At least 22 small firms trained in sourcing inputs (purchasing and inventory management techniques, import requirements and market research on how to identify viable input suppliers, negotiation skills)	0				22 Dec 2017	22 Nov 2015	Finished
	C1.16 22 small businesses open bank accounts at financial institutions	0				20 Dec 2015	5 Jun 2017	Delayed
Component 2: Improving business management and production skills for artisans and small businesses to meet market requirements Weight: 20%	C2.11 At least 15 artisans participate in site-visits (in-country and internationally)	0				15 Dec 2015	18 Aug 2015	Finished
	C2.12 At least 6 small business entities participate in site-visits (in-country and internationally)	0				6 Dec 2015	6 Dec 2015	Finished
	C2.13 At least 22 small businesses receive mentorship	0	10 Dec 2015			22 Dec 2017	34 Nov 2016	Finished

Classification: High Satisfactory	C2.14 At least 22 small businesses are trained in business management, health and safety and export management	0	10			22	30	Finished
	C2.15 At least 22 workshops workspace improved by month 48	0	Dec 2015			Dec 2017	Dec 2015	Delayed
	C2.16 5 ABN staff trained in how to address and improve working conditions and gender issues for artisans and small businesses	0				Dec 2017	Jun 2017	Finished
Component 3: Expanding the product range of Haitian artisan products Weight: 30% Classification: Satisfactory	C3.11 32 (cumulative) new product lines are developed and ready to sell	0	16			32	32	Finished
	C3.12 22 small businesses trained on market trends identification	0	15			Dec 2017	Dec 2015	Finished
	C3.13 22 small businesses trained on new finishes and production techniques	0	15			Dec 2017	Jun 2016	Delayed
Component 4: Facilitating artisans and small businesses access to markets Weight: 30% Classification: High Satisfactory	C4.11 At least 22 small businesses participate in gift and home décor markets/fairs	0	9			22	40	Finished
	C4.12 At least 22 businesses participating in the trainings have identified new markets or new channels in existing markets	0	9			Dec 2017	Dec 2016	Finished
	C4.13 At least 40 (cumulative) purchase orders by new buyers received	0	20			Dec 2017	Apr 2016	Finished
	C4.14 40 artisans participating in the trainings have identified new markets or new channels in existing markets	0	10			Dec 2017	Dec 2016	Finished
Component 5: Knowledge Management, Communications and Outreach Weight: 10% Classification: High Satisfactory	C5.11 At least 30 of project main audiences (segmented by types) reached and sensitized	0				30	25	Delayed
	C5.12 300% increase in website viewers (3,000 monthly hits, based on a baseline of approx. 1,000)	0				Dec 2017	Jun 2017	Delayed
	C5.13 5 press and media events organized	0				Dec 2017	Dec 2015	On Course

Milestones		Planned	Due Date	Achieved	Date of achievement	Status
M1	Conditions Prior	1	Jun 2014	7	Apr 2014	Achieved
M1	Conditions Prior	1	Jun 2014	7	Apr 2014	Achieved
M4	Training (roundtables) on market trends for product development organized	1	Dec 2014	1	Oct 2014	Achieved
M5	Training workshops on new finishes and production techniques organized	6	Dec 2014	7	Oct 2014	Achieved
M6	ABN Show room reopened	1	Dec 2014	1	Dec 2014	Achieved
M1	Training in business management, health and safety (including small equipment) and export management adapted	1	Jan 2015	3	Aug 2014	Achieved
M2	Design board created	1	Jan 2015	1	Aug 2014	Achieved
M3	ABN Website running	1	Jan 2015	1	Jan 2015	Achieved
M7	Artisans trained in sourcing inputs (purchasing and inventory management techniques, import requirements and market research on how to identify viable input suppliers, negotiation skills).	40	Dec 2015	40	Jul 2015	Achieved
M8	New product lines are developed and ready to sell	16	Dec 2015	53	Dec 2015	Achieved
M9	Purchase orders by new buyers received	20	Dec 2015	38	Dec 2015	Achieved
M10	New clients for ABN members	20	Dec 2016	20	Jun 2015	Achieved
M11	70% of ABNs cost recovery	70	Dec 2016	68	Jun 2017	Not Achieved
M12	Training workshops on new finishes and production techniques organized	24	Dec 2016	26	Aug 2016	Achieved
M13	New clients for ABN members	40	Dec 2017	41	Dec 2015	Achieved
M14	Artisans with improved work spaces and working conditions	500	Dec 2017	336	Dec 2017	Not Achieved
M15	Purchase orders by new buyers received	40	Dec 2017	43	Jun 2016	Achieved

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE*[None reported in this period]***SECTION 4: RISKS****MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE**

	Level	Mitigation action	Responsible
1. ABN est en difficulté depuis un an et son fonctionnement est lié au financement de ses bailleurs. Maintenir la taille du réseau, contenir les artisans.	Low	Des mesures de réductions des dépenses drastiques, telles: Réduction du personnel, réduction de coût des loyers, etc., sont prises. ABN se redéfinit à travers un nouveau plan d'affaire pour se relancer. Dans cette période de transition, les risques liés à la motivation du personnel, à la capacité de pouvoir continuer à bien négocier les engagements pris par le passé sont autant de défis auquel on doit faire face. La mise en place de la feuille de route qu'imposera le nouveau plan d'affaire, est tributaire de nos résultats dans cette période de transition.	Project Coordinator
2. ABN has only been one year in operation and is still highly dependent on donors funding. If the flow of resources is interrupted, ABN will not be able to keep up with the activities	Low	The executing agency together with the project's partners will design and implement a sustainability strategy. ABN could generate income by charging a fee to exporters, intermediaries and artisans for any service provided.	Project Coordinator
3. ABN is able to maintain and extend its services to current and new members of the network	Low	A strengthening plan for ABN will be designed, including an analysis on its executing capacity (financial, procurement and monitoring systems).	Project Coordinator
PROJECT RISK LEVEL: Low TOTAL NUMBER OF RISKS: 4 IN EFFECT RISKS: 3 NOT IN EFFECT RISKS: 0 MITIGATED RISKS: 1			

SECTION 5: SUSTAINABILITY

Likelihood of project sustainability after project completion: LP - Low Probability

CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY

[None reported in this period]

Actions related to sustainability which have been taken in the reporting period:

L'analyse de la pérennité de ABN, établi dans le rapport précédent, est juste. Les mesures d'urgence prônées sont appliquées: qu'il s'agisse de la réduction du personnel et des activités ou de la décision de déménager dans des installations moins coûteuses. Au delà de l'assainissement administratif en cours, ABN planifie sa relance économique à travers un plan d'affaire pour l'année 2018. Une analyse approfondie des difficultés pourra permettre de proposer des actions et de mettre en place les mécanismes de relance. Ce nouveau plan d'affaire, tiendra compte aussi bien de la restructuration du réseau et de la collecte des cotisations, que des programmes de participation au succès des artisans dans leur aventure internationale.

SECTION 6: PRACTICAL LESSONS

	Relative to Sustainability	Author
1. L'utilisation et l'implémentation du système de gestion QuickBooks fait progresser le système de rapportage (sous format numérique ou sur papier). Les rapports d'audit renseignent efficacement sur les mesures à prendre, que ce soit pour le programme ou l'organisation. Il implique toutefois de les recevoir dans un délai plus raisonnable de sorte à opérer au plus vite les recommandations. Plus vite l'organisation s'adapte aux nouvelles directives, mieux il se portera d'un point de vue technique, administratif ou financier.		Michel, FitzGérald