

PROJECT STATUS REPORT

JANUARY 2015 - JUNE 2015

SECTION 1: PROJECT SUMMARY

PROJECT NAME: Linking MSEs to Anchor Companies in the Barbados Hotel Value Chain

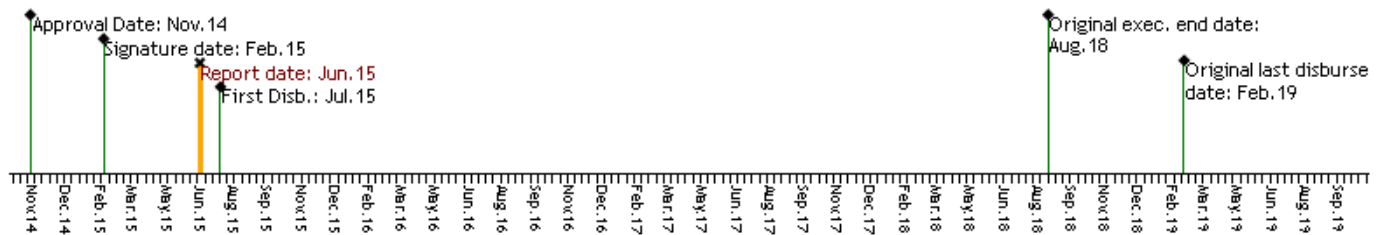
Project Number: BA-M1012 - Project Num.: ATN/ME-14739-BA

Purpose: To assist MSEs to establish consistent and reliable trade with anchor companies, by establishing a well-managed, sustainable inclusive business model - capable of reducing high transaction costs

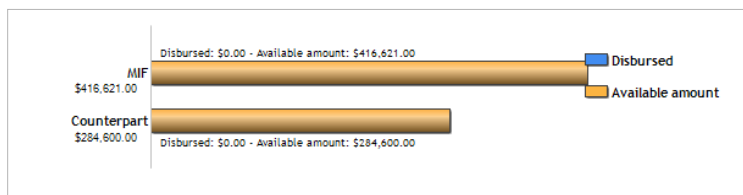
Country Admin	Country Beneficiary	Group	Subgroup
BARBADOS	BARBADOS	SME - Small and Medium Enterprise Development	BDEV - Business Development

Executing Agency: BARBADOS HOTEL AND TOURISM ASSOCIATION
Design Team Leader: VASHTIE DOOKIESINGH
Supervision Team Leader: VASHTIE DOOKIESINGH

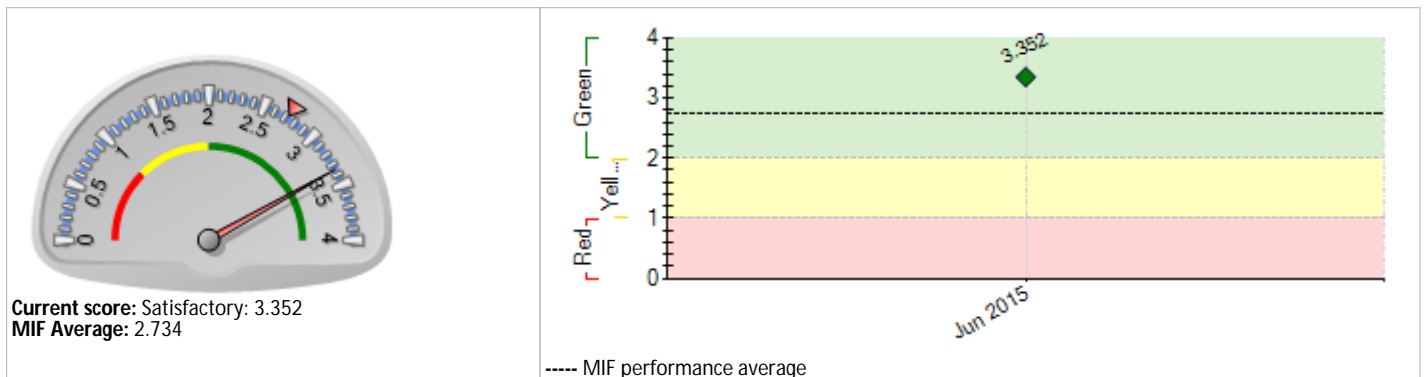
PROJECT CYCLE



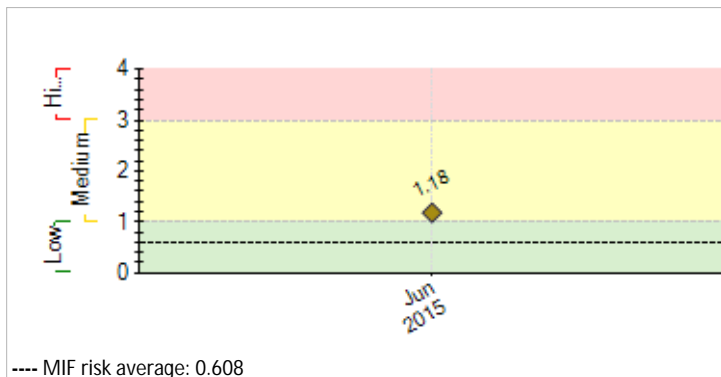
FUNDS



PERFORMANCE SCORE



EXTERNAL RISKS



INSTITUTIONAL CAPACITY

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

SECTION 2: PERFORMANCE

Summary of project performance in the last six months

no answer received

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

The Executing Agency signed the Technical Cooperation Agreement on 20 February 2015 and the Bank declared this operation eligible for disbursement on July 21 (IDBDOCS#39742680) as the executing agency cleared both technical and administrative requirements including contracting of a key consultant to commence baseline survey, stakeholder engagement and discussions with beneficiaries to effectively mobilize the project. PSR reporting by the Executing Agency will commence in the semester ended December 31 2015.

SECTION 3: INDICATORS AND MILESTONES

Indicators		Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status
Purpose: To assist MSEs to establish consistent and reliable trade with anchor companies, by establishing a well-managed, sustainable inclusive business model - capable of reducing high transaction costs	R.1	Number of firms or farms with links to strategic business partners (230200).	0	75		150	0	
			Feb 2015	Jan 2017		Aug 2018		
	R.2	Anchor companies (hotels and restaurants) participating in the project as buyers.	6	15	25	30	0	
			Feb 2015	Jan 2017	Aug 2017	Aug 2018		
Component 1: Linking Actors in the Value Chain Weight: 60% Classification:	C1.I1	Number of firms or farms that have adopted new technologies or practices (230100).	0	75		150		
			Feb 2015	Jan 2018		Aug 2018		
	C1.I2	Number of firms or farms receiving training or otherwise strengthened to provide new and/or augmented goods or services (130100).	0	50	75	150	200	
			Feb 2015	Jan 2018	Jan 2018	Jan 2019	Aug 2019	
Component 2: Business Exchange & Networking Weight: 30% Classification:	C1.I3	1 ICT Platform/Market Place - linking suppliers and anchor companies - developed and launched.	0			1		
			Feb 2015			Apr 2016		
	C2.I1	Number of MSEs/other local suppliers and anchor firms (actual and potential) participating in business exchange and networking events and activities.	0	50	150	250	300	
			Feb 2015	Jan 2016	Jan 2017	Jan 2018	Aug 2018	
Component 3: Development of a Financial Product Weight: 7% Classification:	C2.I2	Number of bilateral value-chain dialogue/events promoting business exchange and future needs of the sector.	0	2	4	6	8	
			Feb 2015	Jan 2016	Jan 2017	Jan 2018	Aug 2018	
	C3.I1	A financial solution that offers a factoring service and/or other facilities to reduce payment cycle for local MSEs supplying anchor firms is implemented.	0			1		
			Feb 2015			Jan 2017		
Component 4: Knowledge Management and Strategic Communication Weight: 3% Classification:	C4.I1	Number of institutions that access the case study including national tourism associations affiliated with the CHTA; as well as organizations/firms that are members of the BHTA.	0			50		
						Aug 2018		
	C4.I2	Number of people that access the infographics which illustrate specific solutions to barriers to value-chain integration of MSEs in the Barbados tourism sector.	0			100		
						Aug 2018		

Milestones	Planned	Due Date	Achieved	Date of achievement	Status
M1	Conditions Prior	9	Aug 2015		
M1	Initial Value Chain Analysis/Baseline Data completed protocol/process for monitoring and evaluation of results.	1	Nov 2015		
M2	Standards and Grading System required to implement quality assurance scheme are developed and accepted by participating anchor firms.	1	Feb 2016		
M3	ICT Platform Launched	1	Aug 2016		
M4	Development of Financial Solution for MSEs	1	Nov 2016		
M5	Commitment of Counterpart Financing for the MSE Consolidator	1	Feb 2017		
M6	MOUs signed with a cumulative total of 30 Anchor Firms	30	Aug 2017		
M7	Strategic and Business Plan for Sustainability developed and accepted by Advisory Committee	1	Feb 2018		
M8	Completion of detailed Case Study	1	Aug 2018		

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE

[X] Borrower/executing agency commitments

[X] Purchase difficulties

SECTION 4: RISKS

MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE

	Level	Mitigation action	Responsible
1. Reductions in transaction costs are not sufficiently realized to justify increased purchases from MSEs by anchor firms.	Medium	The project will undertake analysis to identify local goods and services that are in high demand and are likely to be supplied on a commercially sustainable and competitive manner by local MSEs.	Project Guest
2. Deterioration of macroeconomic environment and downward pressure on tourism sector	Medium	N/A	Project Guest
3. MSE suppliers and Anchor Companies may be unwilling to adapt current practices to meet defined quality standards	Medium	By emphasizing engagement and capacity building of MSE suppliers, and value chain dialogue of key stakeholders the project will allow for greater awareness and understanding of the rationale behind the industry's requisite quality standards MSEs are more likely to accept and implement new on-farm practices where there is an immediate potential for new market opportunities.	Project Guest
4. MSEs may be unwilling to pay fees or interest charges required to implement financial solution.	Medium	The project will develop the financial solution in close consultation with key partners (including MFIs/FIs and other donors), with a view to obtaining their commitment and buy-in therefore augmenting the opportunity for sustainability.	Project Guest
5. Some MSE suppliers may be unwilling to co-operate to achieve economies of scale.	Medium	The project is designed and phased in a manner that will allow buy-in from MSEs over the project phases by demonstrating the value of participation by showcasing the experience of early adopters	Project Guest

PROJECT RISK LEVEL: Medium TOTAL NUMBER OF RISKS: 8 IN EFFECT RISKS: 8 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 have been taken in the reporting period:

SECTION 6: PRACTICAL LESSONS

[No lessons learned found]