

# PROJECT STATUS REPORT

JANUARY 2018 - JUNE 2018

## SECTION 1: PROJECT SUMMARY

**PROJECT NAME:** REGIONAL PROGRAM ON GREEN MICROFINANCE THE "ECOMICRO" PROGRAM

Project Number: RG-M1205 - Project Num.: ATN/ME-12961-RG

**Purpose:** The purpose of the Program is to train MFIs (Financial institutions include organizations providing financial services for the poor, regulated and unregulated, including commercial banks willing to downscale as well as savings banks, cooperatives, NGOs, or credit unions) to provide new green finance instruments in order to capitalize on new opportunities in clean energy financing, adjusting their risk management models to climate change risk, and incorporating climate impact into their internal policies and operations.

### Country Admin

BARBADOS

### Country Beneficiary

ARGENTINA, BARBADOS, BAHAMAS,  
BELIZE, BOLIVIA, BRAZIL, CHILE,  
COLOMBIA, COSTA RICA, DOMINICAN  
REPUBLIC, ECUADOR, EL SALVADOR,  
GUATEMALA, GUYANA, HAITI,  
HONDURAS, JAMAICA, MEXICO,  
NICARAGUA, PERU, PANAMA,  
PARAGUAY, SURINAME, TRINIDAD AND  
TOBAGO, URUGUAY, VENEZUELA

### Executing Agency:

INTER-AMERICAN DEVELOPMENT BANK

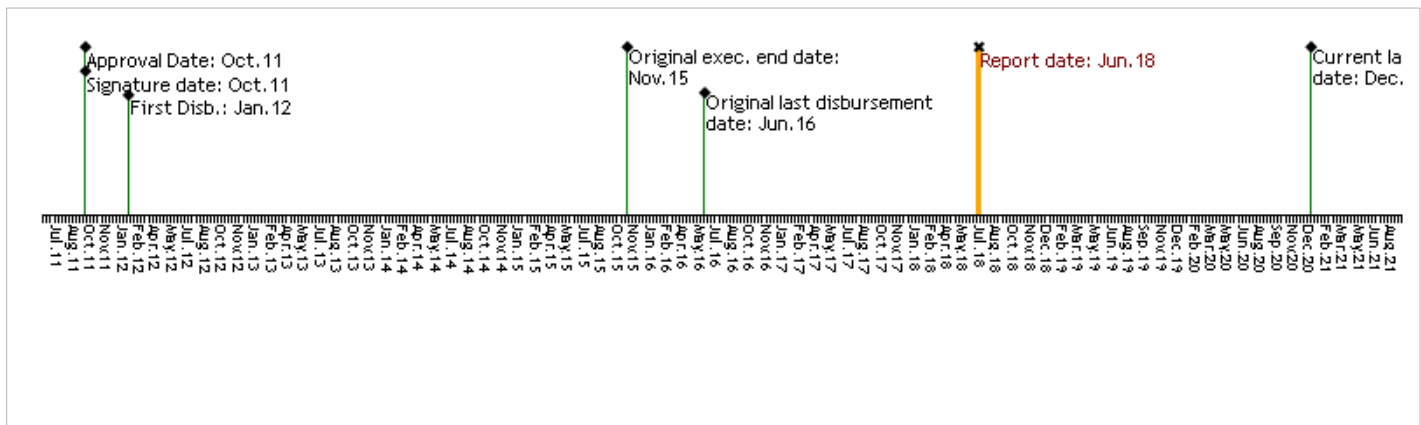
### Design Team Leader:

GREGORY WATSON

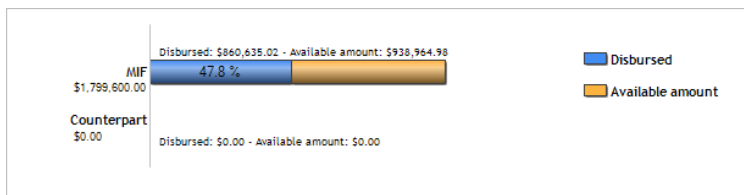
### Supervision Team Leader:

GREGORY WATSON

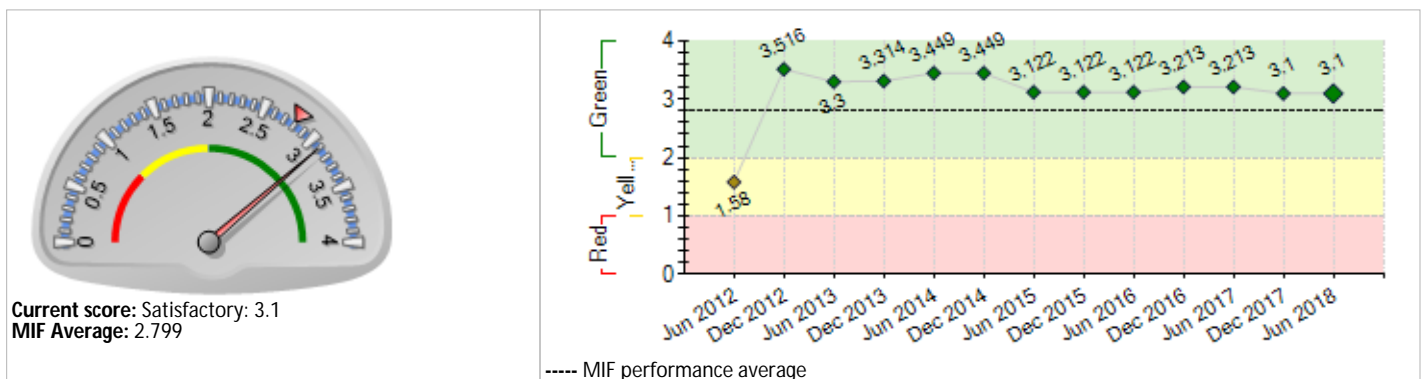
### PROJECT CYCLE



### FUNDS



### PERFORMANCE SCORE



### EXTERNAL RISKS

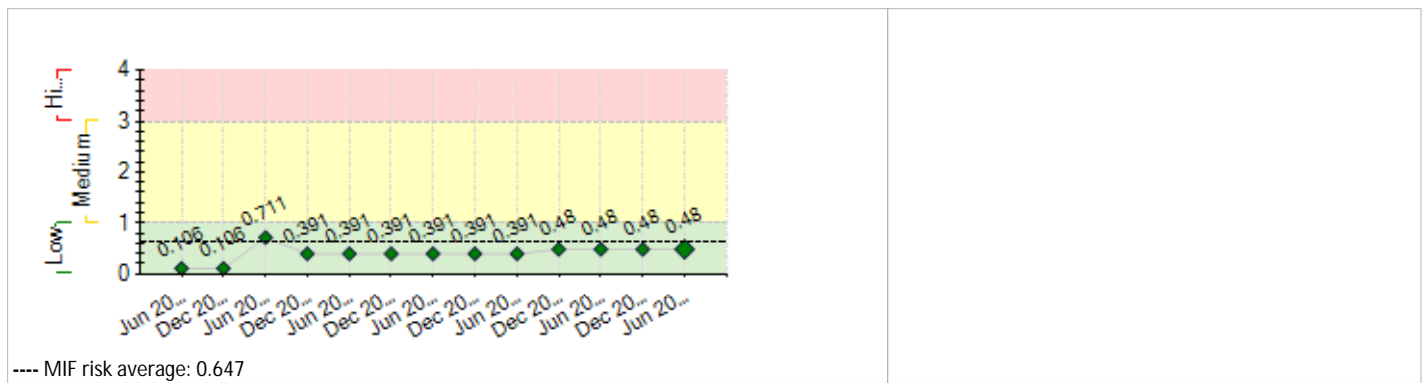
### INSTITUTIONAL CAPACITY

**Risk**

Financial Management: Low

Procurement: Low

Technical Capacity: Low



## SECTION 2: PERFORMANCE

### Summary of project performance since inception

As at the end of June 2018, the EcoMicro Program has a geographically-diverse portfolio of 15 projects across 13 countries: Argentina, Belize, Bolivia, Colombia, Dominican Republic, Ecuador, El Salvador, Honduras, Jamaica, Mexico, Nicaragua, Paraguay and Peru. Of the initial 12 projects prepared under EcoMicro I, 8 are closed and 4 are executing. One (1) new project was approved under EcoMicro II in March 2018 in Honduras and is presently disbursing. This brings the total number of approved projects under EcoMicro II to 3. The portfolio is thematically distributed as follows with 7 projects in adaptation and 8 in mitigation. One financial institution is piloting adaptation finance specifically for the livestock sector, one adaptation finance through an agriculture anchor company, and the remaining thirteen continue to pilot adaptation or mitigation finance products through their broader portfolio.

### Comments from the Supervision Team Leader

Agree with the Executing Agency comments

### Summary of project performance in the last six months

#### Latin America:

The Technical Cooperation Agreement for the new EcoMicro project in Honduras *HO-T1308 Expanding Finance for Adaptation to Climate Change in Honduras* was signed on March 17<sup>th</sup>, 2018.

One EcoMicro project in Colombia (CO-M1099) closed during the period on February 11<sup>th</sup>, 2018.

Two projects in Nicaragua were pitched to MIF Management:

- o Pro-Mujer NI-T1263 (Mitigation Finance) US\$600,000.00, under the Nordic Development Fund
- o Credifactor NI-T1267 (Micro-leasing) US\$400,000.00, under MIF

However, both projects have since been affected by the current situation in the country. These projects have been postponed for design and remain in the 2018 pipeline, pending further developments.

#### Caribbean:

Design missions were held for the first 4 projects under Phase 1 of the Caribbean EcoMicro Program as follows: RG-T3255 (Grenada), GY-T1150 (Guyana), BL-T1112 (Belize), and JA-T1159 (Jamaica).

#### Knowledge:

EcoMicro, together with IDB Invest, co-sponsored [Cracking the Nut '18](#), a two-day learning event and technology fair focused on encouraging the uptake of new technologies for agriculture and access to finance for climate resilience. EcoMicro supported the participation of 13 representatives (9 participants and 4 panelists) from our LAC-wide adaptation projects to participate.



**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. Web page is dysfunctional	Medium	Work with MIF IT to solve the problems. If the web does not work we can always use word questionnaires and an evaluation matrix in excel to make the process manually.	Project Coordinator
2. Conflict of interest between the consulting firms and the MFIs they advise	Low	Mitigation action: competitive selection process to select consulting firms so that there is no conflict of interest. During implementation, if conflict of interest arises, according to the TORs of the Program Coordinator can re-open the screening process of consulting firms at any given time to replace a consulting firm that proves unable to deliver the quality of services required for the successful execution of a project. The inability of the consulting firm will be determined by the MFI, in coordination with the Consultant. The MFI will be required to provide written proof of the consulting firm's deficiencies and make a request for the consulting firm to be replaced.	Project Coordinator
3. Knowledge is only shared between the MFIs and consulting firms, and not collected holistically for the project	Low	Mitigation action: a fourth component has been added to the Projects to ensure knowledge capturing and dissemination. It will be required that the EA submits a full report and compilation of all documents during project implementation which includes a case study and major deliverables of the project. Additionally, a webinar will be organized (1Q 2015) with all participant MFIs so information is shared among MFIs and EcoMicro team at headquarters	Project Coordinator
4. Lessons learned are not applicable to different institutions	Low	Mitigation action	Project Coordinator
5. Lessons learned are not applicable in other geographical regions	Low	Mitigation action	Project Coordinator

**PROJECT RISK LEVEL:** Low **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:**
**CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY**

*[None reported in this period]*

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

The review of data on funds leveraged for scale on selected projects from Phase I (those which have reported data to the MIF) remains ongoing through Final Reports and direct communications with FIs/firms. The following 7 projects reportedly leveraged US\$12.3 million for scale one year post-pilot. New projects reporting scale for the period include Caja Arequipa Peru US\$1.5 million (private) and Fundacion Sur Futuro Dominica Republic US\$85,000. As previously reported in the PSR June-December 2017, Diaconia scaled up US\$7 million (PPCR, MIF and Private funds), Te Creemos scaled up US\$3 million (private), Fundacion Paraguaya US\$113,248 (own resources + US\$10,000 from KIVA private), Apoyo Integral El Salvador US\$151,700 (own resources), and FDL Nicaragua US\$453,188 (own resources). Additional scale funds are expected as this is only the result of 7 projects from the current portfolio of 15 projects in execution. This is the equivalent of double the MIF/GAC and NDF contribution to the EcoMicro Program (Phase I and II)

**SECTION 6: PRACTICAL LESSONS**

	Relative to Implementation	Author
1. Consistent and comprehensive reporting at the project level by FIs/firms (and supervised by COFs) is fundamental to ensure that reporting at the programmatic level remains accurate.		Houliston, Ruth <i>[MIF]</i>