

PROJECT STATUS REPORT

JANUARY 2018 - JUNE 2018

SECTION 1: PROJECT SUMMARY

PROJECT NAME: DEVELOPING AND FINANCING A CLIMATE-SMART AGRICULTURE BUSINESS MODEL

Project Number: RG-T2935 - Project Num.: ATN/ME-16289-RG

Purpose: The main objective of the project is to strengthen the viability of agri-business operators in the southern region of St. Lucia within the context of climate change.

Country Admin

TRINIDAD AND TOBAGO

Country Beneficiary

TRINIDAD AND TOBAGO

Executing Agency:

Laborie Co-operative Credit Union Ltd.

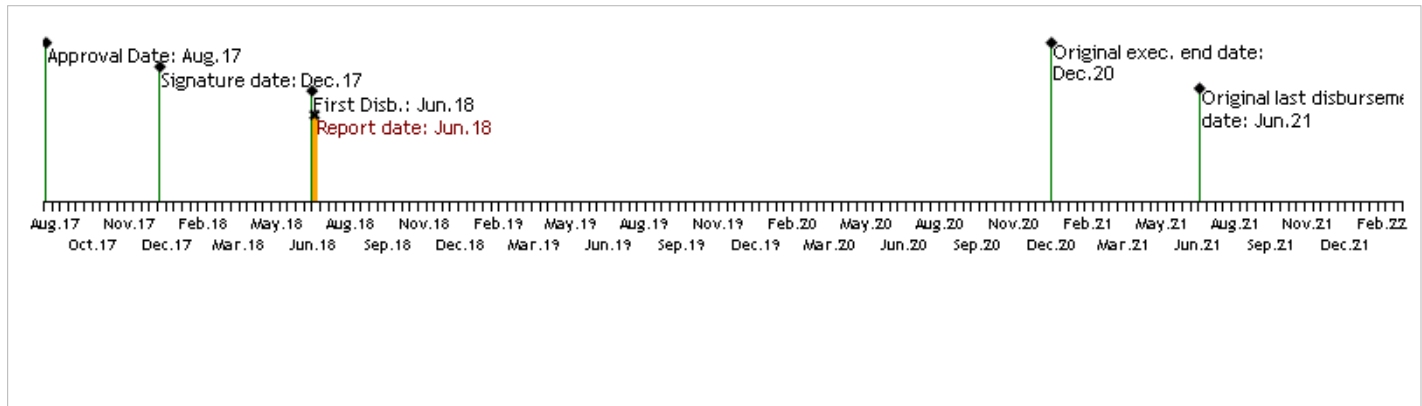
Design Team Leader:

VASHTIE DOOKIESINGH

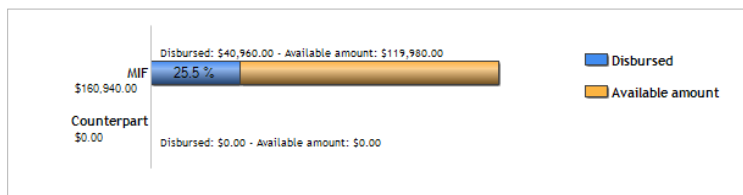
Supervision Team Leader:

VASHTIE DOOKIESINGH

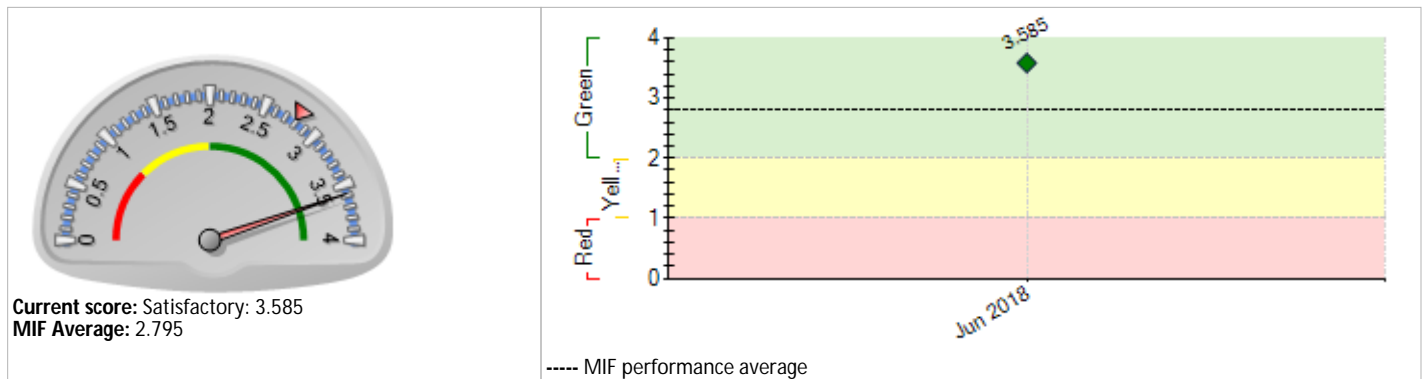
PROJECT CYCLE



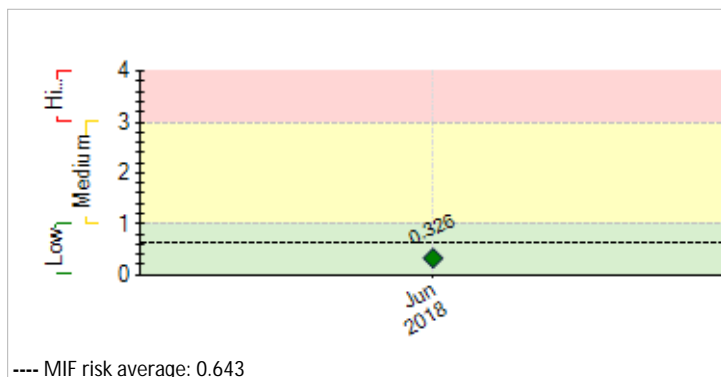
FUNDS



PERFORMANCE SCORE



EXTERNAL RISKS



INSTITUTIONAL CAPACITY

Risk

Financial Management:
Procurement:
Technical Capacity:

SECTION 2: PERFORMANCE

Summary of project performance in the last six months

January 30, 2018: Official launch of project

March 1, 2018: Component I, 1.9, Project Co-Ordinator hired and assigned to Black Bay Farmers & Consumers Co-operative Ltd.

April 1, 2018: Terms of Reference for Steering Committee Developed

June 27, 2018 : Grant funds received

June 30, 2018: Terms of Reference for Business Development, Climate Technologist and Production Consultants developed and advertised.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

SECTION 3: INDICATORS AND MILESTONES

Indicators	Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status
Goal: The main objective of the project is to strengthen the viability of agri-business operators in the southern region of St. Lucia within the context of climate change.	I.1	0	44 Dec 2018	105 Dec 2019	147 Dec 2020	0	
Purpose: The main objective of the project is to strengthen the viability of agri-business operators in the southern region of St. Lucia within the context of climate change.	R.1	0	35 Dec 2018	65 Dec 2019	85 Dec 2020	0	
	R.2	800000 Dec 2017	75 Dec 2018	11 Dec 2019	10 Nov 2020	1.7 Dec 2020	0
	R.3	0	15 Dec 2018	25 Dec 2019	30 Dec 2020	40 Nov 2021	0
Component 1: Strengthen Market Linkages and Production of producers in the Black Bay Small Farmers Cooperative Society (BBFC) and Laborie Fishers and Consumers Co-operative (LFCC) Weight: 33% Classification: Satisfactory	C1.1	37 Dec 2017	97 Dec 2018	142 Dec 2019	192 Dec 2020		On Course
	C1.12	37 Dec 2017	112 Dec 2018	157 Dec 2019	207 Dec 2020		
Component 2: Expanding Access to Climate Resilient Financing Weight: 33% Classification: Satisfactory	C2.1	0	78 Dec 2018	114 Dec 2019	154 Dec 2020		
Component 3: Building Institutional Capacity for Climate Resilience Weight: 34% Classification: Satisfactory	C3.1	0			1 Mar 2020		

Milestones	Planned	Due Date	Achieved	Date of achievement	Status
M1 Conditions Prior	11	Jun 2018	11	Jun 2018	Achieved
M1 Strategic and Business plan developed and approved by the steering committee	1	Dec 2018			
M2 Initiation of Marketing of Green Finance line by LCCU	1	Mar 2019			
M3 Climate and enterprise risk assessment for the LCU completed	1	Jun 2019			
M4 BBFC demonstrates ability to finance the project coordinator	1	Jun 2020			

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. Low appetite for loans from the producers.	Low	BBFC will lead the change with the producers by linking adaptation to climate change with access to higher value markets year round. To support this initiative, BBFC will access a loan to improve its own productive infrastructure (storage, processing and cooling room) and logistics capacity. This improvement is expected to have a trickledown effect on the supply chain, as members will in turn need to access loans to adopt the technology that will allow for climate resilient year-round production (green houses, irrigation and rainwater harvesting systems, solar water pumps and solar chillers).	Project Guest
2. The Eastern Caribbean Dollar (EC\$) has been stable in the last several decades, nonetheless, there's a minor risk that in case of any eventual adverse move in this currency it could undermine the ability of LCCU to repay the loan.	Low	The loan would be repayable in US\$ dollars; and the PPCR will absorb the potential losses related to exchange rate variations.	Project Guest
3. small producers face a market risk where a conglomerate owned by local and foreign investors imports produce into St Lucia to supply the local tourism market (hotels and restaurants), making fair competition difficult.	Low	BBFC is in the process of forging an alliance with this conglomerate so that BBFC can itself become a supplier; moreover, the alliance will include exploring the possibility of supplying produce to other Caribbean countries. In addition, the BBFC is already supplying to the largest supermarket and several tourism operators and this operation creates opportunities for further business expansion.	Project Guest
4. During the project execution, any natural disaster could occur given St. Lucia's geographic location and vulnerability.	Low	the project includes the dissemination and adoption of best practices to increase the resilience of agro producers and of the LCCU as Executing Agency and as a key financial institution in the southern region. Additionally, parametric agro insurance will be included in each climate resilient loan to support the borrowers in resuming business in case of any major climate event. Currently, LCCU already provides property and life insurance to its customers, and plans to bundle agro parametric insurance with these services to reduce the cost of the premiums to its borrowers and members while reducing their business risk. In addition, LCCU will be strengthened via the development of a Climate and Enterprise Risk Assessment and a Business Continuity plan that will allow it to continue operations in case of any disaster.	Project Guest

PROJECT RISK LEVEL: Low **TOTAL NUMBER OF RISKS:** 4 **IN EFFECT RISKS:** 4 **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:

Grant Funds were received on June 27, 2018. Consultants were hired thereafter. Training has been scheduled for January 2019.

SECTION 6: PRACTICAL LESSONS

[No lessons learned found]