

PROJECT STATUS REPORT

JANUARY 2015 - JUNE 2015

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.

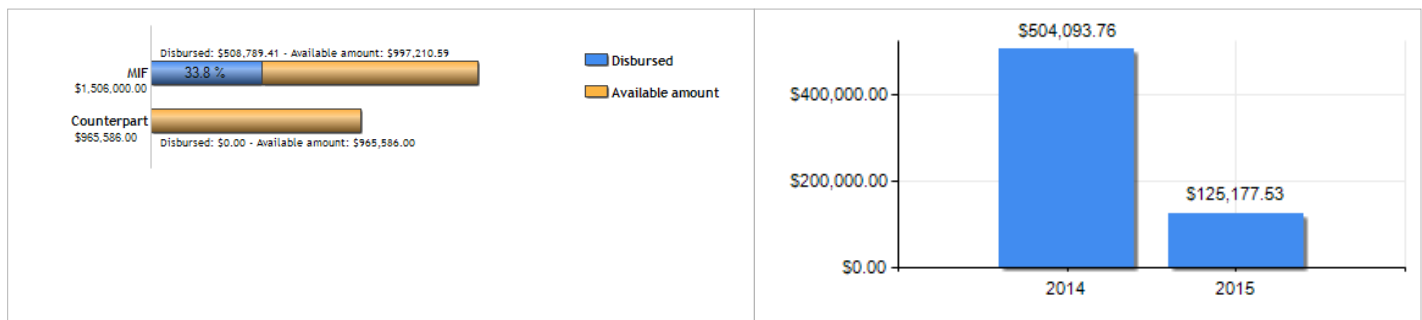
Country Admin	Country Beneficiary	Group	Subgroup
HAITI	HAITI	SME - Small and Medium Enterprise Development	BDEV - Business Development

Executing Agency:	FONDATION RÉSEAU D'ENTREPRISE DES ARTISANS	Design Team Leader:	ESTRELLA PEINADO-VARA
		Supervision Team Leader:	FREDNEL ISMA

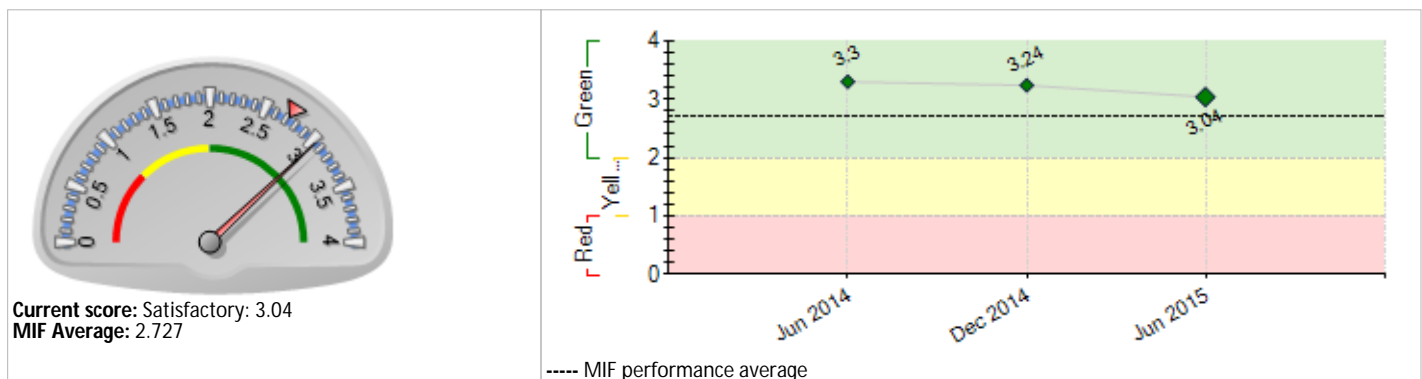
PROJECT CYCLE



FUNDS



PERFORMANCE SCORE

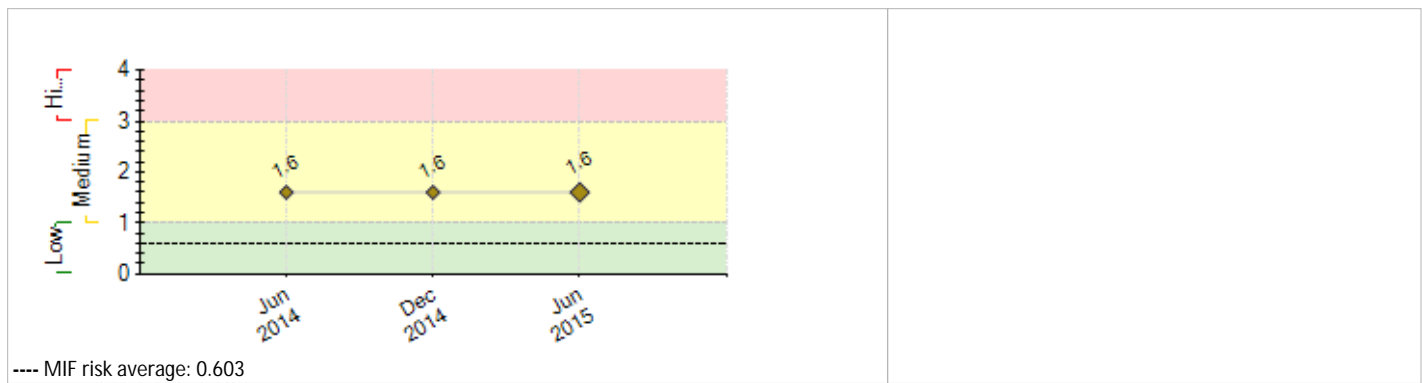


EXTERNAL RISKS

INSTITUTIONAL CAPACITY

Risk

Financial Management:
Procurement:
Technical Capacity:



SECTION 2: PERFORMANCE

Summary of project performance since inception

We wrapped up the 18th month of the project.

We made good progress on training artisans in various areas such as bus mgt, product dev, sourcing, financial mgt, export mgt, IT, social media & market trends.

Through our collaboration with intl & local designers, ABN created over 16 product lines that combined traditional skills with modern esthetics. Artisans learned new finishes & production techniques that are suited for our target market. Our participation in intl fairs (NY NOW & Martinique) and local events gave us the visibility needed to increase sales and acquire more customers. Several clients placed repeated orders.

Buyers are quite excited to visit Haiti and meet the artisans. We have arranged 3 buyers trips so far with 2 more in the pipeline by Dec.

We recently participated in the NY NOW Gift Show where we had the opportunity to share space with Caribbean Craft in the Global Handmade section. It increased our visibility & brought more foot traffic to our booth in the Artisan Resource where we displayed our newest collections.

We're confident we will achieve the final objectives. We are all motivated to meet objectives & improve the lives of our artisan communities. We have a good team in place with competent consultants dedicated to the success of the project. We are concerned about a possible political upheaval that may disrupt the flow of exporting to the US.

Our focus is to increase sales & visibility of ABN to revive the artisan sector in Haiti.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

Overall, the project is on track in achieving its objectives. From the cumulative performance, one can see that ABN has a greater focus on Components 3 and 4: Expanding the product range of Haitian artisan products and Facilitating artisans & small bus. access to markets. ABN still need to report on the Cost recovery for its operations. 18 months after the project, the MIF is interested in knowing the status of repeat orders. If they did not happen, what are the challenges and how the project team can work together to find valuable solutions to overcome these challenges.

Summary of project performance in the last six months

This semester, ABN really focused on providing various training to the artisan members.

The main achievements were:

Component I - Training and directory on sourcing input (1.1 & 1.2)

Facilitating the link between members & financial institutions, training in financial education (1.3 & 1.4)

Component II - Improving Bus Mgt & production skills (2.1 -2.3)

Component III - Expanding the product range of Haitian artisan products (3.1 - 3.3)

Component IV - Facilitating artisans & small bus. access to markets (4.1 - 4.7)

Delays in Assessing Gender Issues (2.5) - Still searching for consultant

ABN does not have a vehicle which makes planning trainings outside of PAP a bit difficult. Next semester we will focus on increasing sales, getting new clients and targeting some key donors for our fundraising campaign.

Comments from the Supervision Team Leader

Partially Agree with the Executing Agency comments

This performance section shows the status of the project as of now. However, it does not answer the concerns raised by the lateness in achieving some of the indicators. In terms of training in financial education, an important aspect of the project, ABN has achieved 10/500 for individuals (C1.I2) projected for December 2015 and 4/20 for businesses (C1.I3) projected for December 2017. Moreover, there are No bank accounts opened. These delayed completing those activities may hamper the success of the project. Since the inception of the project and as a general observation in the Artisan Sector, the lack of financial education has been always a foe to greater economic impact for the artisans.

We hope that the mid-term evaluation coming up will bring this idea and other mixed results of the project to discussions for improvement.

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	125 Jun 2015	
	R.2 At least 22 small businesses increase the value of their sales by 100% on average	0				22 Dec 2017	3 Jun 2015	
	R.3 At least 40 new clients for ABN members	0	20 Jun 2015			60 Dec 2017	0	
	R.4 At least 500 artisans with improved work spaces and working conditions	0				15 Dec 2017	100 Jun 2015	
	R.5 At least 90% of orders delivered on time	0	85 Jun 2015			90 Jun 2016	0	
	R.6 At least 70% of ABNs cost recovery	0				70 Jun 2016	0	
	R.7 15 small businesses with improved work spaces and working conditions	0				15 Dec 2017	3 Jul 2015	
	R.8 60% of clients place repeat orders within 12 months from their previous order	0	50 Jun 2016			60 Dec 2017	0	
	R.9 100% of orders shipped complete	0	75 Jun 2016			100 Dec 2017	90 Jun 2015	
Component 1: Strengthening artisans and enterprises access to more affordable raw materials and appropriate financial tools. Weight: 10% Classification:	C1.I1 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.I2 At least 500 artisans are trained in financial education	0				500 Dec 2015	10 Oct 2014	On Course
	C1.I3 At least 20 small businesses entities are trained in financial education	0				20 Dec 2017	4 Oct 2014	Finished
	C1.I4 The ratio of input cost to total cost has decreased by at least 25%	0				25 Dec 2017		On Course
	C1.I5 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	17 May 2015	On Course
	C1.I6 22 small businesses open bank accounts at financial institutions	0				20 Dec 2015		On Course
Component 2: Improving business management and production skills for artisans and small businesses to meet market requirements Weight: 20% Classification:	C2.I1 At least 15 artisans participate in site-visits (in-country and internationally)	0				15 Dec 2015	6 May 2015	On Course
	C2.I2 At least 6 small business entities participate in site-visits (in-country and internationally)	0				6 Dec 2015		
	C2.I3 At least 22 small businesses receive mentorship	0	10 Dec 2015			22 Dec 2017	15 May 2015	On Course
	C2.I4 At least 22 small businesses are trained in business management, health and safety and export management	0	10 Dec 2015			22 Dec 2017	17 Apr 2015	On Course
	C2.I5 At least 22 workshops workspace improved by month 48	0				22 Dec 2017		On Course

Component 3: Expanding the product range of Haitian artisan products Weight: 30% Classification:	C2.16	5 ABN staff trained in how to address and improve working conditions and gender issues for artisans and small businesses	0				5 Dec 2015	4 May 2015	Finished
	C3.11	32 (cumulative) new product lines are developed and ready to sell	0	16 Dec 2015			32 Dec 2017	16 Jun 2015	On Course
	C3.12	22 small businesses trained on market trends identification	0	15 Dec 2015			1522 Dec 2017	17 Apr 2015	On Course
	C3.13	22 small businesses trained on new finishes and production techniques	0	15 Dec 2015			22 Dec 2017	10 Jun 2015	On Course
Component 4: Facilitating artisans and small businesses access to markets Weight: 30% Classification:	C4.11	At least 22 small businesses participate in gift and home décor markets/fairs	0	9 Dec 2015			22 Dec 2017	7 Jun 2015	On Course
	C4.12	At least 22 businesses participating in the trainings have identified new markets or new channels in existing markets	0	9 Dec 2015			22 Dec 2017	10 Jun 2015	On Course
	C4.13	At least 40 (cumulative) purchase orders by new buyers received	0	20 Dec 2015			40 Dec 2017	20 Jun 2015	On Course
	C4.14	40 artisans participating in the trainings have identified new markets or new channels in existing markets	0	10 Dec 2015			40 Dec 2017	200 Jun 2015	Finished
Component 5: Knowledge Management, Communications and Outreach Weight: 10% Classification:	C5.11	At least 30 of project main audiences (segmented by types) reached and sensitized	0				30 Dec 2017	15 Apr 2015	On Course
	C5.12	300% increase in website viewers (3,000 monthly hits, based on a baseline of approx. 1,000)	0				300 Dec 2017		
	C5.13	5 press and media events organized	0				5 Dec 2017	3 Mar 2015	On Course

Milestones	Planned	Due Date	Achieved	Date of achievement	Status
M1 Conditions Prior	7	Jun 2014	7	Apr 2014	Achieved
M1 Conditions Prior	7	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	17	Apr 2015	
M8 New product lines are developed and ready to sell	16	Dec 2015	8	Jun 2015	
M9 Purchase orders by new buyers received	20	Dec 2015			
M10 New clients for ABN members	20	Dec 2016	20	Jun 2015	Achieved
M11 70% of ABNs cost recovery	70	Dec 2016			
M12 Training workshops on new finishes and production techniques organized	24	Dec 2016	4	Dec 2014	
M13 New clients for ABN members	40	Dec 2017	5	Aug 2014	
M14 Artisans with improved work spaces and working conditions	500	Dec 2017	1	May 2013	
M15 Purchase orders by new buyers received	40	Dec 2017	10	Feb 2015	

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 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	High	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 Guest
2. Entrance of new players in the market, which could have a negative effect on prices and demand for Haitian Handicraft.	Medium	The project will maintain systems of market intelligence that keep the local sector up to date with market trends, and other suppliers.	Project Guest
3. ABN is able to maintain and extend its services to current and new members of the network	Medium	A strengthening plan for ABN will be designed, including an analysis on its executing capacity (financial, procurement and monitoring systems).	Project Guest
PROJECT RISK LEVEL: Medium TOTAL NUMBER OF RISKS: 3 IN EFFECT RISKS: 3 NOT IN EFFECT RISKS: 0 MITIGATED RISKS: 0			

SECTION 5: SUSTAINABILITY**Likelihood of project sustainability after project completion:** HP - Highly 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:

We hired a member services consultant to help recruit additional artisan members into our network. Those new members paid a fee based on their status (additional income for ABN)

We formed partnerships with local businesses like the Marriott Hotel, V Designs, Montana Hotel. Those partners buy products from us (to resell) or they refer their guests to our store (increased local sales).

We also re-evaluated our pricing structure with the assistance of ByHand Consulting. We established an FOB and a Landed Price price sheet.

ABN found a new logistics partner - Manutech. Their price is much more competitive and the service provided is better for ABN and its clients.

ABN continues to nurture relationships with existing buyers to encourage repeat sales. We participate in local and international fairs to expand our customer base.

SECTION 6: PRACTICAL LESSONS

[No lessons learned found]