

PROJECT STATUS REPORT

01/01/2020 - 06/30/2020

SECTION 1: PROJECT SUMMARY

Operation number: BR-T1337

Suboperation number: ATN/ME-15656-BR

Project Name: Beyond Extraction: Economic Opportunities in Mining Communities

Purpose: Maximizar o acesso ao mercado de trabalho, bens e serviços a partir de uma

Country admin

BRAZIL

Country beneficiary:

BRAZIL

Group:

A

SubGroup:

Executing Agency: Technoserve

Team Leader: FCRESCIULO

Project cycle:

Report Date: 2020 - 07 - 02

Approval Date: 2016 - 07 - 27

Signature Date: 2016 - 11 - 04

First disbursement date: 2017 - 05 - 22

Original Execution End Date: 2019 - 11 - 04

Current Execution End Date: 2019 - 11 - 04

Original Last Disbursement Date: 2020 - 05 - 04

Last Current Disbursement date: 2020 - 12 - 30

SECTION 2: PERFORMANCE

Project's performance summary since the beginning

Program Crescer continued to deliver important results in 2019 and 2020, despite the emergence of the COVID19 pandemic. The Program has benefitted 549 participants, 46% of which women, and surpassed the results of most of its indicators, like the 32% increase in income. In the youth component, beneficiaries reached important results with 211 participants or 70,6% of total youth graduates with improved or new jobs. In the value chain component, the tourism VC was recognized by the Ministry of Tourism and the National Tourism Council as the third-best tourism development project of Brazil for its effectiveness in creating and growing successful businesses and by extension, building flourishing local economies with an increase of 479% of local tourists between 2016 and 2019. The sustainability of impact has also been reinforced through sector roundtables and derived working groups for milk & cheese, horticulture, and tourism value chains, which continue to engage and coordinate the development of actions among key local and regional players and institutions in each sector.

Supervision Team Leader comments

Project's performance summary in the last 6 months

The last 6 months between January and June 2020, were marked by the surge of the public health emergency caused by the COVID19 pandemic. TechnoServe developed a contingency plan to ensure both health safety and continue to serve and deliver impact to beneficiaries. In the value chain and institutional strengthening components, Technoserve developed 6 training videos, virtual meetings with two-sector roundtables, and distance technical assistance and telesales support for more than 50 program smallholder farmers/SMEs. Some key results included eight new dairy farms registered with the sanitary authority IMA, the creation of the cooperative of family farmers of the Serro region, and access to new markets including Supermarket BH and supermarket VerdeMar in Belo Horizonte and Serro. Likewise, in the youth component, Technoserve adopted small open-air workshops with biosafety protocols for a group of 26 rural youth who graduated in June 2020, increasing total beneficiaries from 275 to 301. Likewise, it started the selection of 25 urban youth for online training which will be concluded in 2020-Q4. . We also made the effective connection of the cheese producers with great markets of the state of Minas Gerais such Supermarket BH, COOPERSERRO and supermarket VerdeMar. We are developing a 100 digital training module for the youth value chain.

Supervision Team Leader comments

SECTION 3: INDICATORS AND MILESTONES

C1 : Fortalecimento das organizações públicas e privadas Weight 35% Qualification ~not selected~

Indicators	Baseline	Planned	Achieved	Status
I1 Análise das principais cadeias de valor finalizada	0	4 (2020 - 03 - 04)	4 (2019 - 10 - 16)	Finished
I2 Planos estratégicos desenvolvidos, incluindo aspectos ambientais	0	4 (2020 - 03 - 04)	4 (2019 - 10 - 16)	Finished
I3 Número de mesas setoriais em funcionamento	0	3 (2020 - 03 - 04)	2 (2019 - 10 - 16)	Finished
I4 Dashboard com indicadores estabelecidos	0	1 (2020 - 03 - 04)	1 (2019 - 10 - 16)	Finished

C2 : Desenvolvimento de empreendimentos e melhoria no acesso ao mercado Weight 50% Qualification ~not selected~

Indicators	Baseline	Planned	Achieved	Status
I1 Número de pessoas capacitadas de empreendimentos de comércio e hotelaria	0	110 (2020 - 03 - 04)	47 (2019 - 10 - 16)	Finished
I2 Número de participantes capacitados (força de trabalho da zona rural)	0	180 (2020 - 03 - 04)	215 (2019 - 10 - 16)	Finished
I3 Número de participantes capacitados (empreendimentos agropecuários e de agro alimentos)	0	70 (2020 - 03 - 04)	71 (2019 - 10 - 16)	Finished

C3 : Gerenciamento de conhecimento e comunicação estratégica **Weight** 15% **Qualification** ~not selected~

Indicators	Baseline	Planned	Achieved	Status
I1 Número de instituições que recebem os produtos de conhecimento produzidos NO BRASIL	0	15 (2020 - 02 - 04)	22 (2019 - 10 - 16)	Finished
I2 Estudo de caso desenvolvidos NO BRASIL	0	1 (2020 - 02 - 04)	2 (2019 - 10 - 16)	Finished

Milestones	Planned Value	Achieved Value	Due Date	Achieved Date	Status
Condições prévias	9	9	2017 - 05 - 04	2019 - 10 - 15	Achieved
Plano estratégico da cadeia de leite/queijo elaborado e validado por Technoserve	1	1	2017 - 06 - 30	2020 - 02 - 14	Achieved
Plano estratégico da cadeia de horticultura, apicultura e turismo elaborado e va	1	1	2017 - 06 - 30	2020 - 03 - 31	Achieved
Plano estratégico de compras públicas locais elaborado e validado por Technoserv	1	1	2017 - 06 - 30	2019 - 10 - 15	Achieved
Relação de práticas de climate smart agriculture que dever ser incluídas nos pla	1	1	2017 - 08 - 25	2019 - 10 - 15	Achieved
Cadastro e identificação dos participantes a serem capacitados nas 4 cadeias e j	1	1	2017 - 08 - 25	2019 - 10 - 15	Achieved
Linhas bases elaboradas para ao menos 80% dos produtores cadastrados e identifi	1	1	2017 - 12 - 29	2019 - 10 - 15	Achieved
Ao menos 50% do número de produtores cadastrados e identificados capacitados ou	1	1	2018 - 06 - 29	2019 - 10 - 15	Achieved
Ao menos 50% do número de produtores cadastrados com aumento de vendas ou adoção	1	1	2018 - 10 - 26	2019 - 10 - 15	Achieved
2 manuais de boas práticas (estudos de caso) para fortalecimento produtivo e agr	2	2	2018 - 12 - 28	2019 - 10 - 15	Achieved
3 mesas setoriais em funcionamento	3	3	2018 - 12 - 28	2019 - 10 - 15	Achieved
5 instituições chave públicas ou privadas do ecossistema de apoio que aumentam a	5	12	2018 - 12 - 28	2019 - 10 - 15	Achieved
3 novos mercados (p.ex., diferentes geografias ou centros de venda) com comercia	3	20	2019 - 03 - 29	2019 - 10 - 15	Achieved
Guia de desenvolvimento local em áreas de extração elaborado e lançado	1	0	2019 - 08 - 28		Overdue
Análise das principais cadeias de valor	4	0	2020 - 06 - 30		Overdue

CRITICAL FACTS THAT HAVE AFFECTED PROJECT'S PERFORMANCE

Legislative Approvals

Bank efficiency (responde delays)

Others, Which?

COVID19 global pandemic and public health emergency

SECTION 4: RISKS

	Impact Area	Severity	Prob.	Date	Responsible	Mitigation action
Anglo American busca incluir outras atividades que não se alinham no escopo estr	Final Outcome	(3) Medium	Medium 60%	2020 - 02 - 14	Project Coordinator	Orientar o parceiro Anglo American sobre o escopo do Programa e buscar o alinhamento entre todos os parceiros durante as reuniões de governança (Comitê gerencial e consultivo/estratégico).
Anglo American não consegue a licença operacional para funcionar durante a Fase	Final Outcome	(5) Very High	Very Low 20%	2020 - 02 - 14	Project Coordinator	Negociar a continuação do parceiro Anglo American como financiador do programa e dar continuidade ao desenvolvimento das cadeias de valor.
Etapas de construção da Fase III da Anglo American causa uma nova disrupção na ec	Desenvolvimento de empreendimentos e melhoria no acesso ao mercado	(4) High	Medium 60%	2020 - 02 - 14	Project Coordinator	Atuar diretamente com as equipes da Anglo American para garantir o alinhamento das etapas de construção com as atividades de desenvolvimento das cadeias, especialmente a cadeia de turismo que está mais presente na área urbana.
Instituições públicas e privadas locais não possuem interesse ou apresentam resi	Fortalecimento das organizações públicas e privadas	(4) High	Medium 60%	2020 - 02 - 14	Project Coordinator	Promover a participação das instituições públicas e privadas nas mesas setoriais, abrindo a discussão dos problemas e soluções em conjunto com todos os atores locais.

Poder público local prioriza ações que não se alinham no escopo estratégico do P	Fortalecimento das organizações públicas e privadas	(3) Medium	Low 40%	2020 - 02 - 14	Project Coordinator	Buscar esclarecer ao setor público a importância do alinhamento estratégico com o Programa, reforçando as análises feitas durante a etapa de diagnóstico e plano de ação estratégico do Programa.
Risco de um desastre ambiental semelhante ao ocorrido recentemente em Mariana com o Technoserve não consegue escalar o impacto para outros produtores de cada cadeia	Final Outcome	(5) Very High	Very Low 20%	2020 - 02 - 14	Project Coordinator	Reforçar com a área ambiental a importância de seguir todas as normas de segurança nas barragens.
	Fortalecimento das organizações públicas e privadas	(3) Medium	Very Low 20%	2020 - 02 - 14	Project Coordinator	Alinhar com outras instituições locais de capacitação para alocar esforços em grupos de produtores ainda não atendidos diretamente pelo Programa seguindo as orientações estratégicas e técnicas do programa. Promover encontros abertos para todos os produtores, viabilizando a troca de conhecimento entre os participantes e não participantes do programa.
Pandemic and public health emergency	Final Outcome, Intermediary Outcome, Desenvolvimento de empreendimentos e melhoria no acesso ao mercado, Fortalecimento das organizações públicas e privadas, Gerenciamento de conhecimento e comunicação estratégica	(5) Very High	Very High 99%	2020 - 07 - 31	Executing Agency	* Biosecurity and sanitary measures to prevent contagion * Development of distance learning, training, and technical assistance measures, products, and technologies * Provide additional guidance with cost saving measures and access to finance

TOTAL RISKS QUANTITY: 8 IN EFFECT RISKS: 8 NOT IN EFFECT RISKS: 0 MITIGATED RISKS: 0

SECTION 5: SUSTAINABILITY

Indicate likelihood of project sustainability after project completion:

ASPECTS THAT PUT THE PROJECT SUSTAINABILITY AT RISK

[There were no aspects reported during this period]

Actions related to sustainability which have been implemented in the project:

SECTION 6: PRACTICAL LESSONS

	Relative to	Author	Date
Solid diagnostic based on data increases credibility with local stakeholders: this was a key aspect to persuade institutions to join the project strategy. The diagnostic has the objective to inform these stakeholders about the current status of each value chain and make them feel comfortable to join the project strategy.	Design	Monica Coutinho	2019 - 10 - 22
Individual mobilization for capacity building: in an ecosystem not used to have its stakeholders working in groups/associations, it was important to mobilize participants individually. It takes more time to mobilize individually, but it showed a more effective result/engagement from the participants. With the time, as they get used to work in groups and form a solid network, the mobilization can be made directly through these new formed groups.	Implementation	Monica Coutinho	2019 - 10 - 22
Leveraging the synergies: there are several synergies among the project components, for example, rural youth capacity building linked with the work in the rural value chains, or the work in the rural value chains linked with the public procurement capacity building. Also there are several synergies among the value chains, like linking tourism with the cheese value chain. In this scenario is very important to have a very integrated and connected team to identify and promote these synergies along the whole project.	Implementation	Monica Coutinho	2019 - 10 - 22
Right moment for sector roundtable start: the project waited for the right moment to start the roundtable when all the main stakeholders were already convinced of its importance. As the project highlighted the lack of articulation and information sharing among the stakeholders, they felt the need and the motivation to suggest a regular meeting to overcome this gap.	Sustainability	Monica Coutinho	2019 - 10 - 22
Clear communication of project scope: keep a clear communication to constantly reinforce the project scope to the local stakeholders. Due to the current wide scope of the project (four value chains, local government, rural youth and climate-smart agriculture), there is a tendency to think the project can cover other areas in the scope. This transparent and direct communication with the community is important to manage expectations from the local stakeholders.	Risk	Monica Coutinho	2019 - 10 - 22

Public local procurement performance: the frequent change in staff in the procurement department has led some municipalities to decrease its performance in 2018 in comparison with 2017. The Program is currently preparing a strategy to reinforce the trainings with the new staff and build a communication plan with the municipalities to increase the participation of local businesses in public bids.	Implementation	Monica Coutinho	2019 - 10 - 22
Access to market of school meals: the local governance through the sector roundtables proven to be an important tool to promote the access to market of school meals by local family farmers. There is a need to bring together local producers associations, several areas in the local government (e.g. education, agriculture, procurement, etc), technical assistance agencies, among other institutions that can enable the access of small farmers to school meals markets.	Implementation	Monica Coutinho	2019 - 10 - 22
Tourism sector still strongly linked to the mining sector: the data shows that the main type of tourism in Conceição do Mato Dentro is still the business tourism segment which is strongly linked with the mining sector. The Program Crescer has provided a strong coordinated effort to increase the ecotourism in the long term.	Design	Monica Coutinho	2019 - 10 - 22
Youth soft skills measurement over time: the EMEP test (Maturity Scale for Professional Choice) measures how mature is the person when choosing his/her professional path using five different social dimensions (i.e. determination, responsibility, independence, self-confidence, and knowledge of reality). The Program measured these dimensions in three different periods (april/17, july/17, and june/18) and the data showed a continuously increase in these skills over time, proving the sustainability of impact in the long term.	Sustainability	Monica Coutinho	2019 - 10 - 22
Co-funding from other partners: the sector roundtable has contributed to organize the sector, including even the formation of a new association of local producers. The roundtable is now elaborating a joint action plan, together with the new local association, to seek for external fundings from multiple available stakeholders. This will support impact sustainability after the end of the Program Crescer.	Sustainability	Monica Coutinho	2019 - 10 - 22
Climate impact perception: some producers still do not have the perception of the climate impact in their production, despite the evidence showed in the data analysed. This lack of perception can add an extra effort in convincing the implementation of some important practices to promote climate resilience and impact sustainability.	Sustainability	Monica Coutinho	2019 - 10 - 22
Lack of financial data: in general, registering basic financial data can be a challenging practice for small producers to implement upfront during baseline and results monitoring. The program should count with the fact that it may need some time until it has all participants adopting the practice of registering financial data.	Implementation	Monica Coutinho	2019 - 10 - 22
Results communication: in the mining context, some institutions can try to compete with other social projects for public audience/opinion. To avoid this competition, Program Crescer has actively engaged with communication departments from local institutions to support them in communicating their impact results.	Risk	Monica Coutinho	2019 - 10 - 22
Youth access to job markets: after the successful youth participation in the employability and entrepreneurship training, it is necessary to actively engage with local job markets to promote its connection with our graduated youth. In many cases when there is a large competition, soft skills can have a higher relevance when differentiating a candidate than technical skills.	Implementation	Monica Coutinho	2019 - 10 - 22
- Change in sector legislation: Program Crescer contributed with several other groups participating in the cheese value chain to promote an important change in Brazilian legislation. The new law number 13.680/18 from June 19, 2018 now allows producers to sell their products across federal states which was previously forbidden. The change in the legislation led to other changes in the roles of institutions related with the cheese certification. Six months after the legislation change, the new institutions roles remain undefined (like IMA and EMATER agencies) which has made it difficult to complete the certification process by the producers.	Risk	Monica Coutinho	2019 - 10 - 22
Producers cooperativity: the lack of associativity among small Producers in some economic sectors has hampered some opportunities to grow. for example, in the horticulture sector in Conceição do Mato Dentro, the Producers find it difficult and expensive to coordinate individually the transport of products to local markets. the development of cooperativity requires time and an intensive intervention with the Producers to show the benefits of working in group.	Sustainability	Monica Coutinho	2019 - 10 - 22
Facilitative approaches for youth: after successfully implementing the component of personal Effectiveness dealing with social and emotional skills for youth, program Crescer noticed the Importance to train the trainers on special Facilitative approaches. These approaches prepare the trainers to support the behavioral transformation on youth in a more effective way.	Implementation	Monica Coutinho	2019 - 10 - 22
Governance empowerment: the efforts to boost local sectors Governance has led to a more coordinated and cohesive development of the value chains. program Crescer has seen more inclusive actors assuming leadership roles which can strongly contribute to the sustainability of the impact in the long term.	Sustainability	Monica Coutinho	2019 - 10 - 22