

PROJECT STATUS REPORT

JANUARY 2011 - JUNE 2011

SECTION 1: PROJECT SUMMARY

PROJECT NAME: Development of Tourism Micro Projects in Barbados (Joint Venture w/MOT & BSBA)

Project Number: BA-M1004 - Operation Number: ATN/ME-12041-BA

Purpose: The purpose of the project is to (i) improve the quality of products offered to tourists by MSME's in three clusters (Agro-processing, wood-based Arts and Crafts, Small Accommodation); (ii) improve the packaging, marketing and distribution of indigenous products and services offered to tourists by micro and small businesses in the three selected clusters

Country Administrator
BARBADOS

Beneficiary Country
BARBADOS

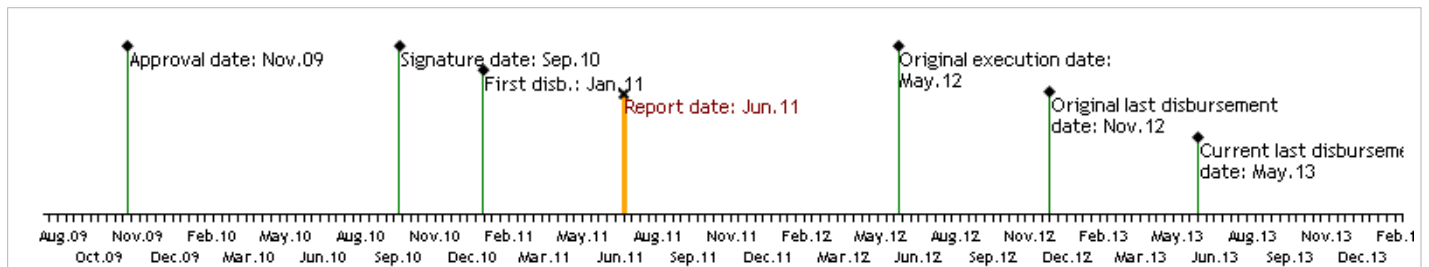
Group
ENV - Environment

Subgroup
TOUR - Sustainable Tourism

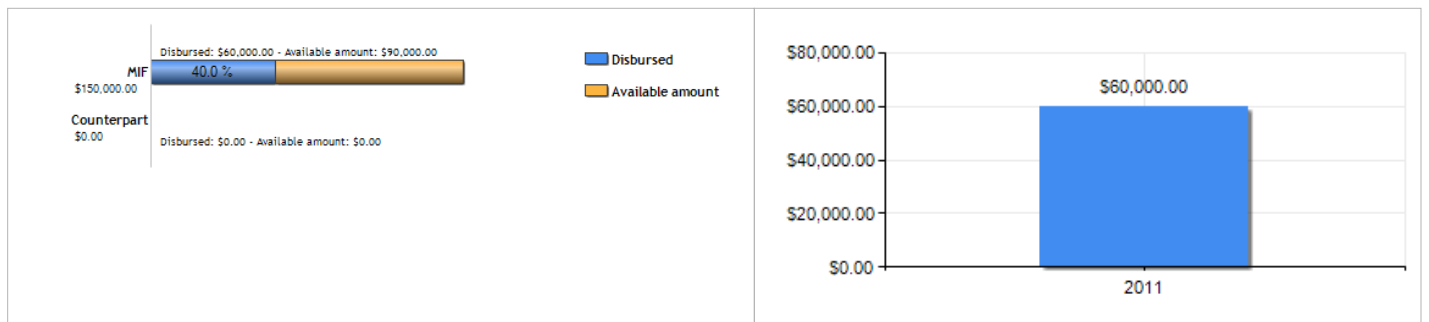
Executing Agency: BARBADOS SMALL BUSINESS ASSOCIATION

Design Team Leader: Saavedra, Jose J.
Supervision Team Leader: Dookiesingh, Vashtie

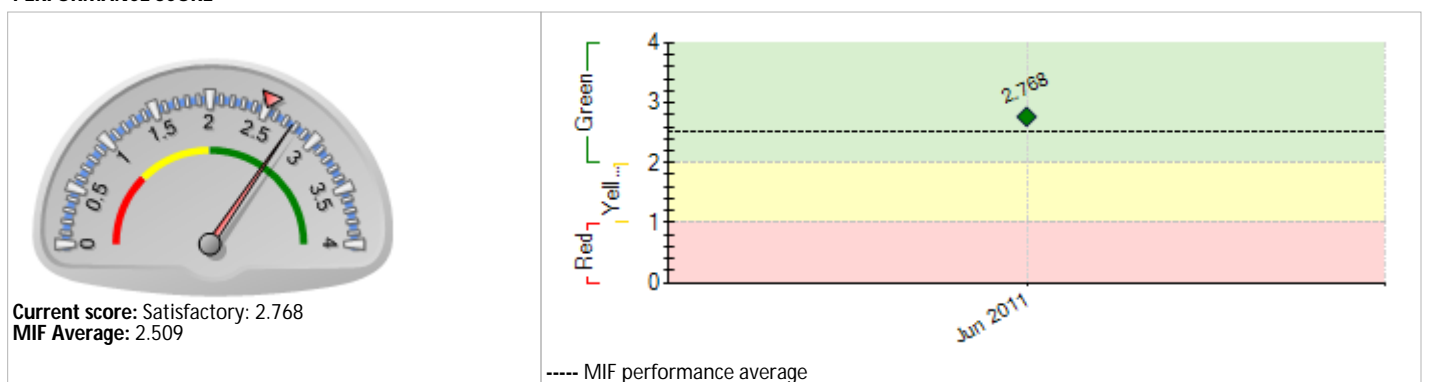
TIMELINE



FUNDS



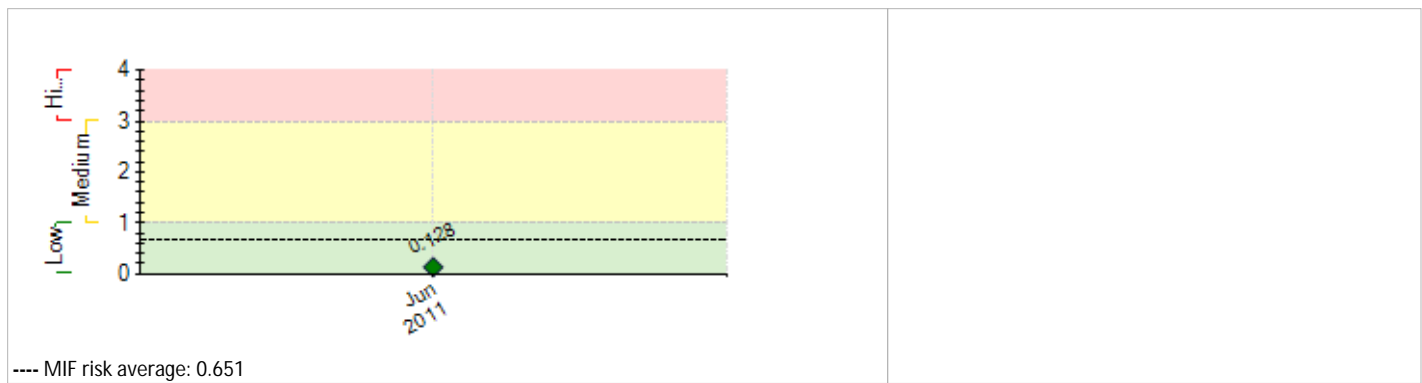
PERFORMANCE SCORE



EXTERNAL RISKS

INSTITUTIONAL CAPACITY

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



SECTION 2: PERFORMANCE

Summary of project performance in the last six months

Results of the 1st semester are as follows:

Consultants were engaged to conduct component 1.1 - cluster mapping, diagnostics and develop an action plan for the agro-processing cluster.

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Reluctance to share information from some agro-processors was encountered, associated risks were mediated by the provision of introductions to participating agro-processors.

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Discussions with representatives of the Small Accommodations Hotels cluster revealed that subsequent to the design of the project but prior to its implementation a portal had been developed and introduced. A request for no objection to satisfy current ICT needs, which comprise of search engine optimisation and search engine marketing, regional and international digital screen advertising and online advertising in articles, e-books etc was received.

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The project has been delayed due to various circumstances, ranging from the death of the island's Prime Minister to changes required to the format of documents to meet IDB policy requirements. It is anticipated that intensifying efforts to ensure that the diagnostic consultancies of all three components will mitigate concerns arising from the delays experienced.

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The likelihood of the project achieving its final objectives is highly optimistic. After initial reluctance by some actors, businesses in the targeted clusters have expressed satisfaction that assistance is being offered to their area of economic activity.

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Comments from the Supervision Team Leader

Partially Agree with the Executing Agency comments

The project has experienced several delays due to institutional weaknesses, staffing changes and reluctance of agated SMEs to participate. The BSBA has efocused its efforts in the last 2 months and is expected to report improved results in the next semenster. At this juncture the sustainability and positive impact of this

project beyond the period of MIF investment are questionable

SECTION 3: INDICATORS AND MILESTONES

Indicators		Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status
Purpose: The purpose of the project is to (i) improve the quality of products offered to tourists by MSME's in three clusters (Agro-processing, wood-based Arts and Crafts, Small Accommodation); (ii) improve the packaging, marketing and distribution of indigenous products and services offered to tourists by micro and small businesses in the three selected clusters	P.I.1	100 Entrepreneurs and small businesses have been trained	0			100 May 2012	0	
	P.I.2	Perceived improvements in the quality of production and final product of each cluster				May 2012	No	
	P.I.3	10% increase in the volume of products accessing points of sale	0			10 May 2012	0	
Component 1: Agro-Processing Cluster Support Weight: 38% Classification: Unsatisfactory	C1.I1	Cluster mapping, diagnostic and action plan completed				Jul 2011		
	C1.I2	Training programs are structured, consultants hired and sessions running				Jul 2011		
	C1.I3	Training Programs have been completed in food technology and food safety, sanitation and standards				May 2012		
	C1.I4	Improved quality of products				May 2012		
	C1.I5	Improved packaging and labeling for products completed				May 2012		
	C1.I6	4. Increased distribution channels and outlets for products				May 2012		
Component 2: Arts and Crafts Cluster Weight: 32% Classification: Unsatisfactory	C2.I1	Cluster mapping, diagnostic and action plan is completed				Jul 2011		
	C2.I2	Training programs are structured, consultants hired and sessions running				Jul 2011		
	C2.I3	Training Programs have been completed in product design, finish and work procedures				May 2012		
	C2.I4	Improved quality of products				May 2012		
	C2.I5	Increased distribution channels and outlets for products				May 2012		
Component 3: Small Accommodation Hotels and Hostels Support Weight: 26% Classification: Unsatisfactory	C3.I1	Cluster diagnostic and marketing strategy completed				Jul 2011		
	C3.I2	Server running				Jul 2011		
	C3.I3	ICT portal, software consultancy commissioned				Jul 2011		
	C3.I4	Marketing strategy developed and implemented				May 2012		
	C3.I5	ICT Portal in use				May 2012		
Component 4: Showcase and lessons learned Weight: 4% Classification: Unsatisfactory	C4.I1	1. Demonstrate the project benefits beyond the targeted sector to the global MSME community in Barbados through more than targeted cluster presence, and to the general public				May 2012		

Milestones		Planned	Due Date	Achieved	Date achieved	Status
M0	Project Mobilization/ Satisfaction of Conditions Prior to First Disbursement	7	Mar 2011	7	Dec 2010	Achieved
M1	All diagnostic work has been completed and approved for three clusters	30	Jul 2011			
M2	Training programmes are structured for Agro-processing and Arts and Crafts clusters	20	Dec 2011			
M3	Impact Evaluation Report	10	May 2012			

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE

- [X] Executing agency institutional capacity
- [X] Supplier/contractor performance
- [X] Design of project/Components
- [X] Lack of a tracking and evaluation System

SECTION 4: RISKS

MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE

	Level	Mitigation action	Responsible
1. Lack of availability of consultant service providers in specialized areas. Given that the	Low	This risk will be mitigated by board dissemination of call for proposals, and by allocating resources to allow competition within Barbados,	Project Coordinator

program involves specialized consulting services such as in wood-based arts and crafts, one of the risks is the local availability and participation of a sufficient number of providers to ensure competition.

regionally and internationally.

2. Companies that receive hands-on knowledge transfer and/or tailored assistance, such as implementation of better packaging and promotion, cannot access funding to implement the marketing and promotion strategies provided.

Low

This risk will be mitigated by effort on the part of BSBA to partner with BDC to leverage additional technical and financial assistance in order to fully implement the action plans and roll-out packaging prototypes and marketing strategies beyond those financed by the project

Project Coordinator

3. Companies will not remain sufficiently committed to carry out recommendations identified in the cluster diagnostics and action plans.

Low

This risk will be mitigated by a comprehensive technical assistance program based on action plans, which include field visits, in-situ workshops and hands on knowledge transfer to fully involve companies, over a medium term phased 18 month schedule, which will ensure integration and operationalization of knowledge into their business practices.

Project Coordinator

PROJECT RISK LEVEL: Low **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: LP - Low Probability

CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY

Issue

[X] Lack of **commitment** from the executing agency to continue or expand the project's services and/or activities

Comments

The BSBA has not been tracking results and progress is significantly delayed

[X] Relevant actor's **opposition or lack of interest** to continue with the project's activities or services

BSBA has reported reluctance on the part of beneficiaries to participate in project activities

Actions related to sustainability which will be or have been implemented:

Maintaining the momentum created by this project will be critical to the sustainability of expected outcomes upon completion of the project, to this end communications were exchanged and a meeting convened with the Barbados Vocational Training Board (a training institution focused on technical and vocational education and training).

SECTION 6: PRACTICAL LESSONS

1. Delays in the implementation of a project of this nature can severely affect individual components e.g. a portal is no longer needed for the small accommodation hotels cluster

Relative to
Implementation

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