

PROJECT STATUS REPORT

JULY 2011 - DECEMBER 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

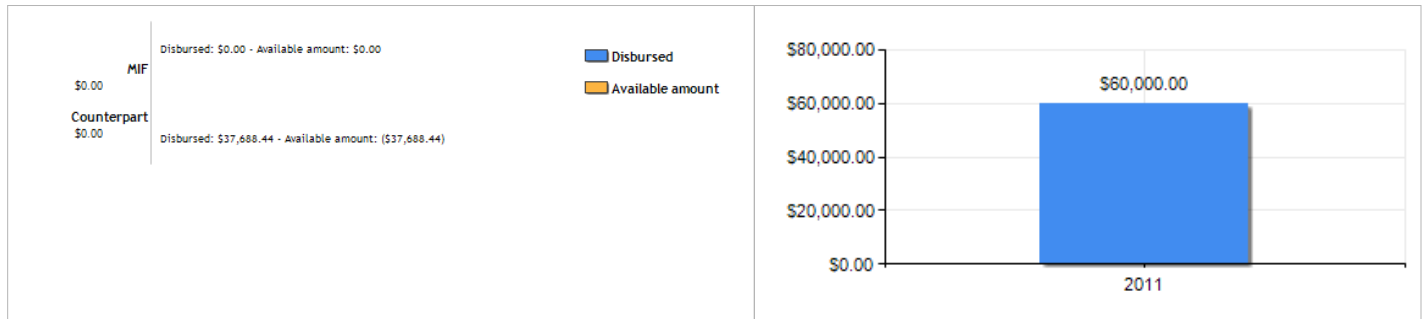
Country Administrator BARBADOS	Beneficiary Country BARBADOS	Group ENV - Environment	Subgroup TOUR - Sustainable Tourism
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Executing Agency:	BARBADOS SMALL BUSINESS ASSOCIATION	Design Team Leader:	Saavedra, Jose J.
		Supervision Team Leader:	Dookiesingh, Vashit

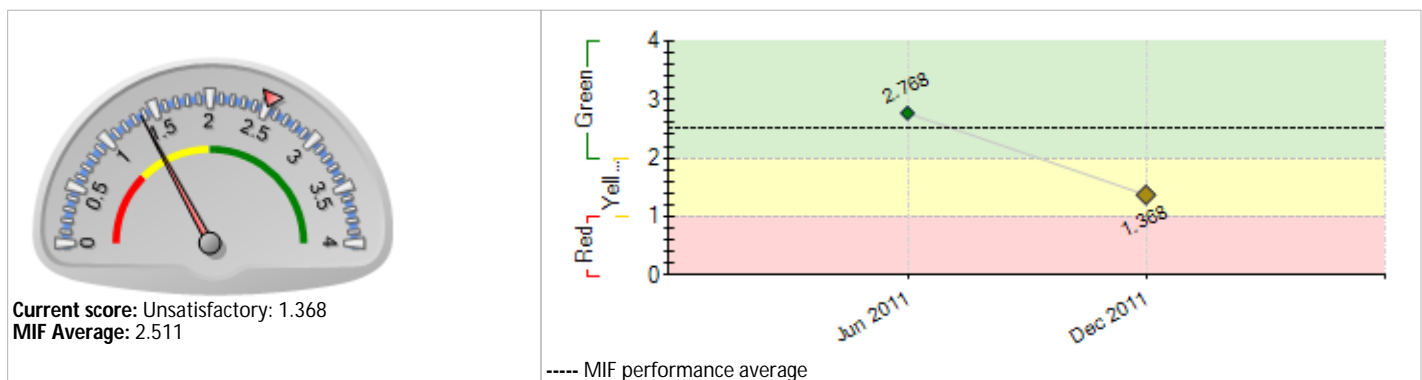
TIMELINE



FUNDS



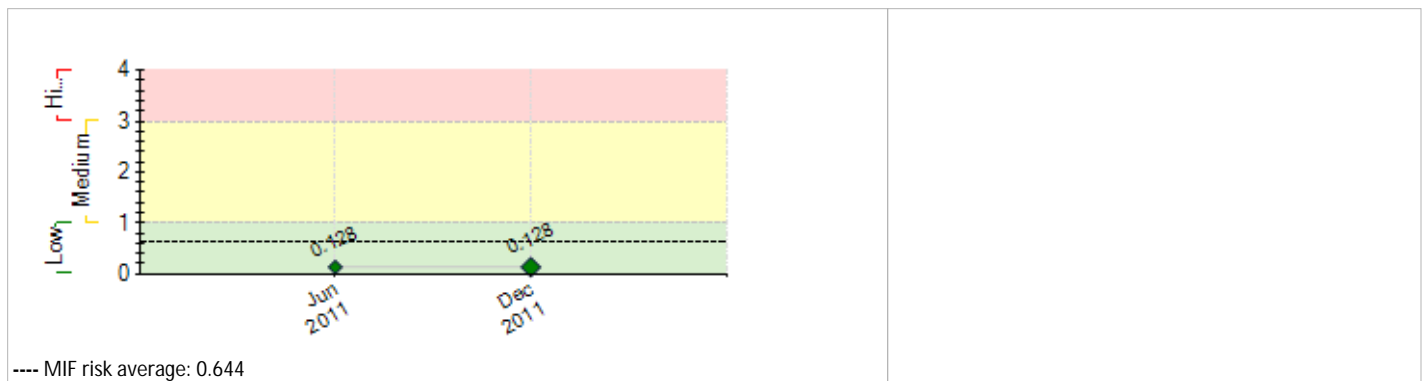
PERFORMANCE SCORE



EXTERNAL RISKS

INSTITUTIONAL CAPACITY

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



SECTION 2: PERFORMANCE

Summary of project performance since inception

The foundational work that was undertaken is the diagnostic and cluster mapping. The small hotels cluster proved to be least problematic due to the institutionalisation of the small hotel group with Intimate Hotels being the hub. While the project had envisaged that a website would be suitable for the group. After discussions with IHB, they had already obtained a website as they could not wait until the start of the project to start effective marketing. However, they did indicate that the website was in need of SEO and SEM and therefore asked that the component be restructured to include those two components. Although the agroprocessing component did not have an institution overseeing the cluster, because the cluster is professionalised it was easy to undertake a mapping of the cluster. The woodbased arts and craft component was very difficult to map because of the dichotomously nature that characterise the cluster. Also it was difficult to find someone with the necessary skills, who could effectively undertake the mapping. It is highly expected that the project will reach its final objectives. The SBA was instructive in finding someone with the skills to undertake the mapping, also, the group mobilised persons from the pelican craft center to get them involved in the mapping process and to list any issues they had with the sector, eg marketing, etc.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

Summary of project performance in the last six months

The contracts for the diagnostics were drafted and consultants solicited

Draft diagnostics and drafts maps were presented to the association by the consultants

Agro-processors and Small hoteliers were able to give their feedback on the project and also issues that affected them

Milestone 1 is approximately 50% completed.

The project experienced significant delays, awaiting non-objections from IDB. Additionally, there was an issue findings qualified persons to conduct the diagnostics for the wood-based arts and craft cluster.

The next semester will focus on implementing the training for the agro-processing cluster and for the wood-based arts and craft cluster.

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
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.I1 100 Entrepreneurs and small businesses have been trained	0				100 May 2012	0	
	P.I2 Perceived improvements in the quality of production and final product of each cluster					May 2012	No	
	P.I3 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						No	Delayed
	C1.I2	Training programs are structured, consultants hired and sessions running					Jul 2011	Dec 2011	Delayed
	C1.I3	Training Programs have been completed in food technology and food safety, sanitation and standards					Jul 2011	Dec 2011	
	C1.I4	Improved quality of products					May 2012	Dec 2011	
	C1.I5	Improved packaging and labeling for products completed					May 2012	Dec 2011	
	C1.I6	4. Increased distribution channels and outlets for products					May 2012	Dec 2011	
Component 2: Arts and Crafts Cluster Weight: 32% Classification: Unsatisfactory	C2.I1	Cluster mapping, diagnostic and action plan is completed					Jul 2011	Dec 2011	Delayed
	C2.I2	Training programs are structured, consultants hired and sessions running					Jul 2011	Dec 2011	Delayed
	C2.I3	Training Programs have been completed in product design, finish and work procedures					May 2012	Dec 2011	
	C2.I4	Improved quality of products					May 2012	Dec 2011	
	C2.I5	Increased distribution channels and outlets for products					May 2012	Dec 2011	
Component 3: Small Accommodation Hotels and Hostels Support Weight: 26% Classification: Unsatisfactory	C3.I1	Cluster diagnostic and marketing strategy completed					Jul 2011	Dec 2011	Delayed
	C3.I2	Server running					Jul 2011	Dec 2011	Delayed
	C3.I3	ICT portal, software consultancy commissioned					Jul 2011	Dec 2011	Delayed
	C3.I4	Marketing strategy developed and implemented					May 2012	Dec 2011	
	C3.I5	ICT Portal in use					May 2012	Dec 2011	
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	Dec 2011	

Milestones		Planned	Due Date	Achieved	Date achieved	Status
M1	Project Mobilization/ Satisfaction of Conditions Prior to First Disbursement	7	Mar 2011	7	Dec 2010	Achieved
M2	All diagnostic work has been completed and approved for three clusters	30	Jul 2011	30	Oct 2011	Achieved late
M3	Training programmes are structured for Agro-processing and Arts and Crafts clusters	20	Dec 2011	0	Dec 2011	Not Achieved
M4	Impact Evaluation Report	10	May 2012	0	Dec 2011	

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE

[X] Executing agency institutional capacity
[X] Borrower/executing agency commitments
[X] Design of project/Components
[X] Delays in fulfilling the contract terms

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 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.	Low	This risk will be mitigated by board dissemination of call for proposals, and by allocating resources to allow competition within Barbados, regionally and internationally.	Project Coordinator
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

There is no evidence that the Executing Agency has the interest or capacity to expand or scale up the initiatives undertaken under the current MIF TC

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

VERY SMALL OPERATORS ACROSS THE DIFFERENT SECTORS
DISPLAY WIDELY VARYING INTEREST

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

The beneficiaries all gave their inputs when the diagnostics were being conducted. In other words, the project took on both a participatory and collaborative framework, rather than a top down approach. The partners indicated the welcome of such an approach and agreed to work with the SBA on further extending aspects of the project. The quality of the diagnostics on the basis of the information shared from the beneficiaries contain a lot of information from which future projects could be built on. The Ministry of Tourism indicated their willingness to continue working with us on similar projects especially in the area of tourism.

SECTION 6: PRACTICAL LESSONS

1. Although there is nothing that could discount the diagnostic and quite the opposite. It was necessary to have a greater portion of funds attributed to the diagnostics to have a much larger impact on the ability to reach beneficiaries.	Relative to Design	Author HALL, MARTIN
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