

PROJECT STATUS REPORT

JANUARY 2012 - JUNE 2012

SECTION 1: PROJECT SUMMARY

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

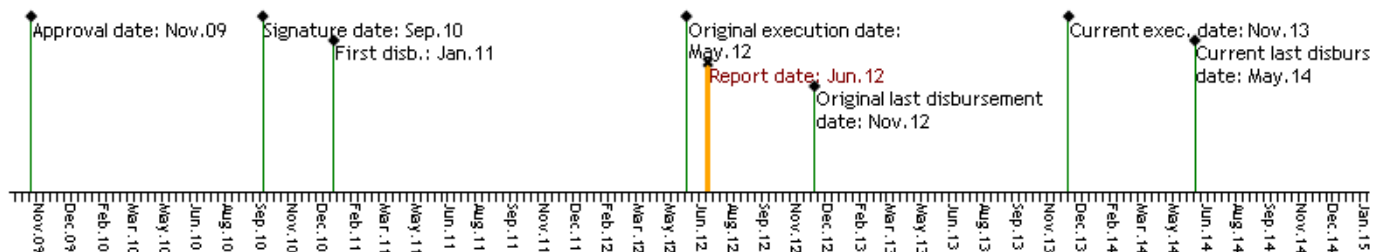
Project Number: BA-M1004 - Operation Number: ATN/ME-12041-BA

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

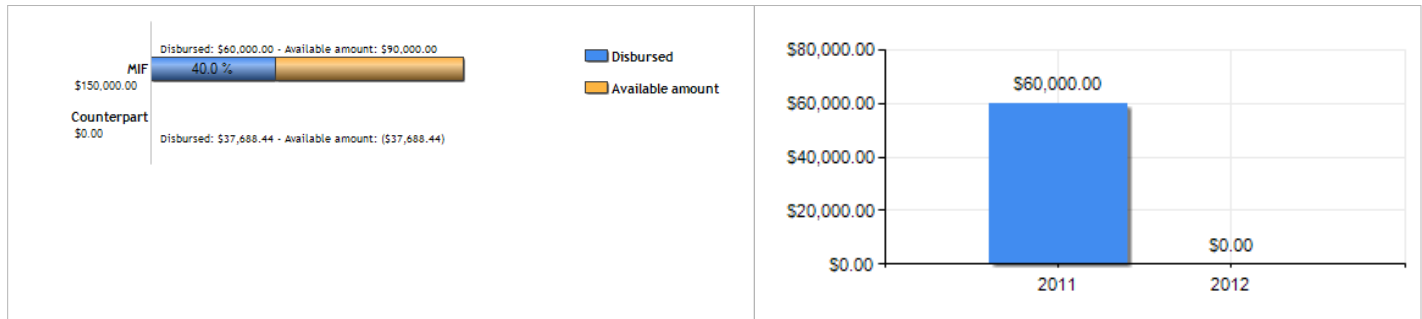
Country Administrator	Beneficiary Country	Group	Subgroup
BARBADOS	BARBADOS	ENV - Environment	TOUR - Sustainable Tourism

Executing Agency:	BARBADOS SMALL BUSINESS ASSOCIATION	Design Team Leader:	Saavedra, Jose J.
		Supervision Team Leader:	Dookiesingh, Vashit

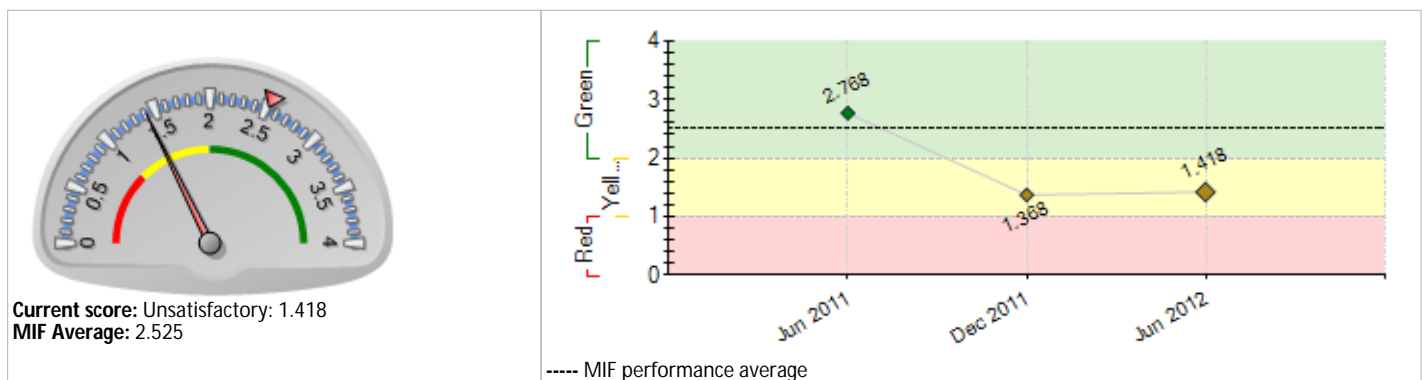
TIMELINE



FUNDS



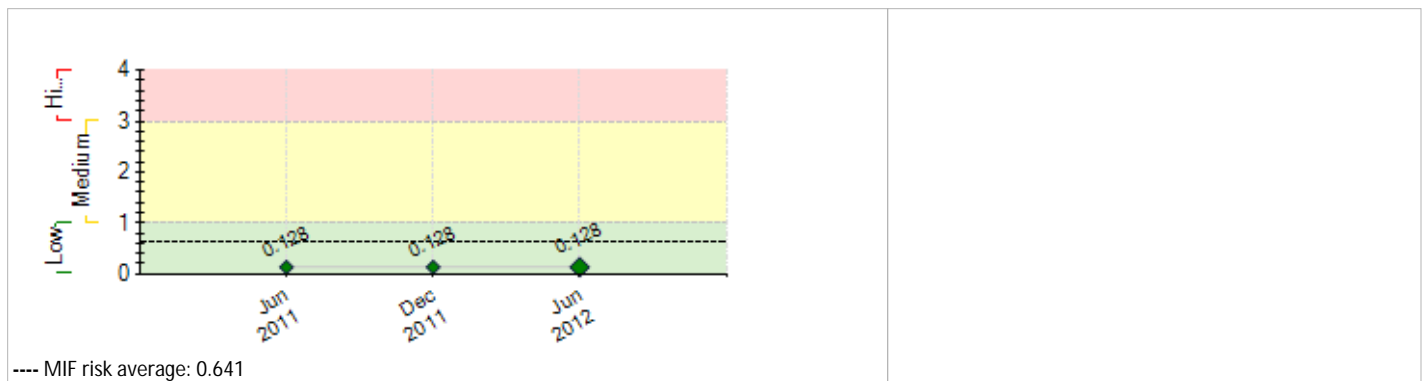
PERFORMANCE SCORE



EXTERNAL RISKS

INSTITUTIONAL CAPACITY

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



SECTION 2: PERFORMANCE

Summary of project performance since inception

All of the Diagnostics have been completed and the initial training for the Agro-processors has been completed.

The contracts and TORs have been drafted for all of the marketing work to be undertaken and also the SEM and SEO for the IHB website.

The wood-based arts and craft training has not been structured as it was difficult finding someone with the expertise to conduct such training.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

Summary of project performance in the last six months

The diagnostics for the project have been completed. The diagnostics include a mapping of varying entrepreneurs within the mapped cluster.

The consultancies to undertake the marketing aspects of the project have just been finalised.

Currently waiting on IDB non-objection in order to contract consultants.

One area of delay was waiting on the non-objection of the bank. Also, the training for the wood-based arts and craft cluster was significantly delayed because we could not find suitable persons to conduct the training.

In fact, only two persons responded to the consultancy. As a result, discussions with the bank resulted in using two persons and using the selection criteria against the two of these.

In the next period, the marketing of the varying components will be focused on.

Comments from the Supervision Team Leader

Partially Agree with the Executing Agency comments

The Executing Agency due to frequent changes in persons responsible for project co-ordination experienced delays in receiving required ex ante non objection given the lack of compliance of documentation submitted with IDB procurement policies resulting in rework

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	20 Sep 2011
	P.I2	Perceived improvements in the quality of production and final product of each cluster					Yes May 2012	Nov 2011
	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					Yes Jul 2011	Feb 2012
	C1.I2	Training programs are structured, consultants hired and sessions running					No Jul 2011	Jun 2012
	C1.I3	Training Programs have been completed in food technology and food safety, sanitation and standards					No May 2012	Jun 2012

C1.14 Improved quality of products C1.15 Improved packaging and labeling for products completed C1.16 4. Increased distribution channels and outlets for products					May 2012	No Jun 2012	Delayed
					May 2012	No Jun 2012	Delayed
					May 2012	No Jun 2012	Delayed
Component 2: Arts and Crafts Cluster Weight: 32% Classification: Unsatisfactory	C2.11 Cluster mapping, diagnostic and action plan is completed				Jul 2011	Yes Dec 2011	Finished
	C2.12 Training programs are structured, consultants hired and sessions running				Jul 2011	No Jun 2012	Delayed
	C2.13 Training Programs have been completed in product design, finish and work procedures				May 2012	No Jun 2012	Delayed
	C2.14 Improved quality of products				May 2012	No Jun 2012	Delayed
	C2.15 Increased distribution channels and outlets for products				May 2012	No Jun 2012	Delayed
Component 3: Small Accommodation Hotels and Hostels Support Weight: 26% Classification: Unsatisfactory	C3.11 Cluster diagnostic and marketing strategy completed				Jul 2011	No Jun 2012	Finished
	C3.12 Server running				Jul 2011	No Jun 2012	Delayed
	C3.13 ICT portal, software consultancy commissioned				Jul 2011	No Jun 2012	Delayed
	C3.14 Marketing strategy developed and implemented				May 2012	No Jun 2012	Delayed
	C3.15 ICT Portal in use				May 2012	No Jun 2012	Delayed
Component 4: Showcase and lessons learned Weight: 4% Classification: Unsatisfactory	C4.11 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	No Jun 2012	Delayed

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	Jun 2012	Not Achieved
M4	Impact Evaluation Report	10	May 2012	0	May 2012	Not Achieved

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE

- [X] Executing agency institutional capacity
- [X] Supplier/contractor performance
- [X] Purchase difficulties

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: P - Probable

CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY

Issue	Comments
[X] Lack of cost recovery mechanisms or external financing sources (government, donors and/or private sector) to continue the activities of the project once MIF resources are expended	It is not clear whether the Executing Agency has developed a business model for cost recovery to facilitate continued support to targeted beneficiaries beyond the period of MIF investment
Actions related to sustainability which will be or have been implemented:	
The marketing components have all been developed around the clusters so that after the project, these entities/clusters can own the products and continue to use and market them.	

SECTION 6: PRACTICAL LESSONS

	Relative to	Author
1. That the project should have been designed in two phases, with phase one being the baseline phase. One of the project partners agreed to work with the SBA in the way through financing a well structured baseline research project. It is believed that this will inform a better overall project. While a significant amount of research went into this project. A baseline would have been more beneficial.	Design	HALL, MARTIN