

# PROJECT STATUS REPORT

JULY 2012 - DECEMBER 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

**Result:** 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

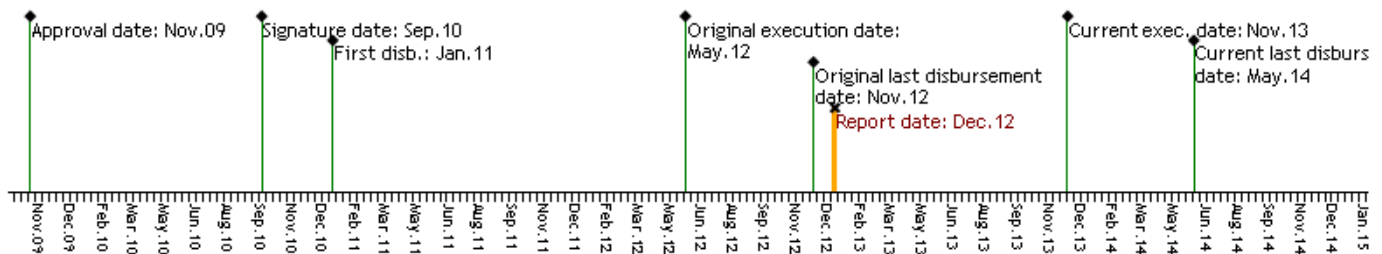
**Group**  
ENV - Environment

**Subgroup**  
TOUR - Sustainable Tourism

**Executing Agency:** BARBADOS SMALL BUSINESS ASSOCIATION

**Design Team Leader:** Saavedra, Jose J.  
**Supervision Team Leader:** Dookiesingh, Vashit

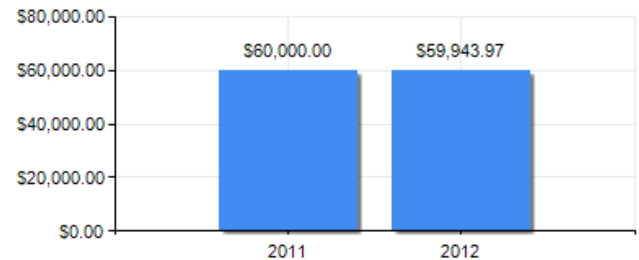
### TIMELINE



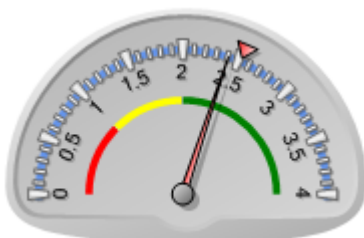
### FUNDS

Disbursed: \$119,943.97 - Available amount: \$30,056.03  
MIF 80.0 %  
Counterpart \$0.00  
Disbursed: \$37,688.44 - Available amount: (\$37,688.44)

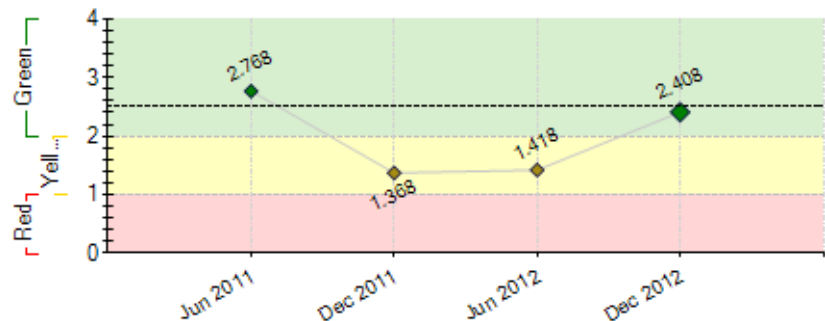
Disbursed  
Available amount



### PERFORMANCE SCORE



Current score: Satisfactory: 2.408  
MIF Average: 2.525

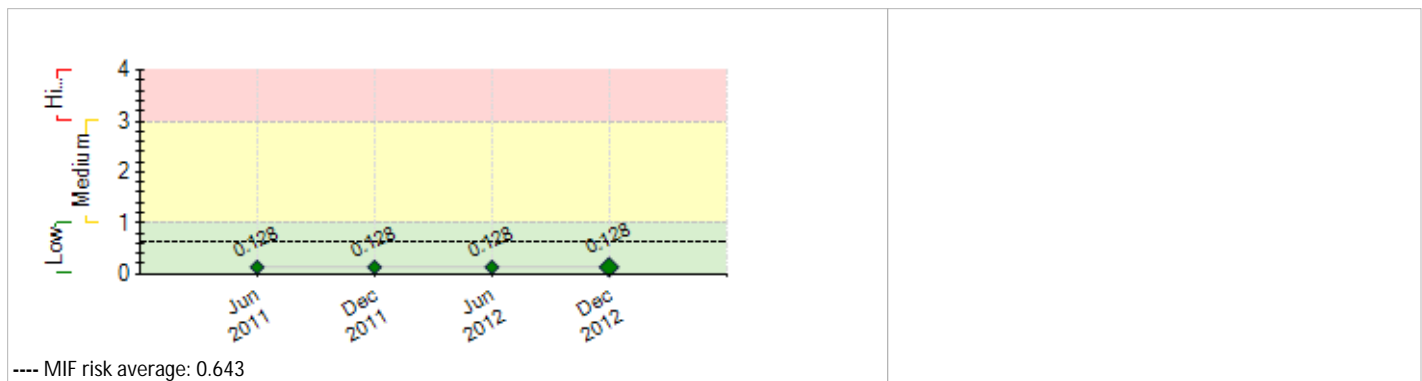


----- MIF performance average

### EXTERNAL RISKS

#### INSTITUTIONAL CAPACITY

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



## SECTION 2: PERFORMANCE

### Summary of project performance since inception

The project has achieved much at this stage. Although there have been some delays, most of the components of the project have been completed.

The diagnostics, agro-processing training, ICT assistance, and marketing for the three clusters have been completed.

The training for the wood-based arts and craft has been adjusted to provide marketing and cluster support for the sector.

Due to the reorientation of this component, the project has been delayed. This is coupled with the fact that the IDB non-objection process is very lengthy and could take weeks to receive an official response.

The wood-based arts and craft component has been adjusted because 1. it was difficult to find a contractor/consultant with the requisite skills to execute the training programme. 2. several pieces of equipment to successfully implement the training programme were not available on island, and to import them would have been too costly and caused further delays. 3. an analysis of the diagnostics showed that the sector would have benefited from greater exposure and cluster formation, than training.

Although the component has changed, the new component will realise more opportunities for the beneficiaries, while at the same time meeting the objectives set out, which were to improve the packaging of products.

#### Comments from the Supervision Team Leader

Agree with the Executing Agency comments

### Summary of project performance in the last six months

This semester: the second agro-processing training has been completed, with miniature case studies presented giving a snap shot of the problems and opportunities that exist for agro-processors involved in the project.

The marketing for the 3 clusters has been undertaken. For the wood-based component, only a marketing strategy has been developed, the funds allotted to this component were not sufficient to implement the strategy developed. Hence, the reoriented component.

Not having an institution to launch the marketing strategy off of was difficult. Therefore, the reoriented component is seeking to resuscitate the craft guild, thereby having an institution to own the strategy after it has been implemented. This is necessary for sustainability.

In relation to the ICT component, the gatekeepers Sunisle Technology, did not allow the consultant access to the site. However, the consultant made firm recommendations to IHB as to what was needed to improve the site. This cause some delays but eventually, the changes that could be incorporated given the type of web-site that they had were done.

#### Comments from the Supervision Team Leader

Partially Agree with the Executing Agency comments

The Executing Agency is in the final stages of implementation and needs to focus on achieving targeted results as opposed to just completion of activities

## SECTION 3: INDICATORS AND MILESTONES

Indicators	Baseline	Intermediate	Intermediate	Intermediate	Planned	Achieved	Status
		1	2	3			
<b>Result:</b> 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	20
	P.I2	Perceived improvements in the quality of production and final product of each cluster				May 2012	Sep 2011
	P.I3	10% increase in the volume of products accessing points of sale	0			May 2012	Nov 2011
						10	0

<b>Component 1: Agro-Processing Cluster Support</b>  <b>Weight: 38%</b>  <b>Classification: Satisfactory</b>	<b>C1.I1</b>	Cluster mapping, diagnostic and action plan completed					Jul 2011	Yes	
	<b>C1.I2</b>	Training programs are structured, consultants hired and sessions running					Jul 2011	Yes	
	<b>C1.I3</b>	Training Programs have been completed in food technology and food safety, sanitation and standards					May 2012	Yes	
	<b>C1.I4</b>	Improved quality of products					May 2012	Yes	
	<b>C1.I5</b>	Improved packaging and labeling for products completed					May 2012	Yes	
	<b>C1.I6</b>	4. Increased distribution channels and outlets for products					May 2012	Yes	
<b>Component 2: Arts and Crafts Cluster</b>  <b>Weight: 32%</b>  <b>Classification: Unsatisfactory</b>	<b>C2.I1</b>	Cluster mapping, diagnostic and action plan is completed					Jul 2011	Yes	
	<b>C2.I2</b>	Training programs are structured, consultants hired and sessions running					Jul 2011	No	Delayed
	<b>C2.I3</b>	Training Programs have been completed in product design, finish and work procedures					May 2012	No	Delayed
	<b>C2.I4</b>	Improved quality of products					May 2012	No	Delayed
	<b>C2.I5</b>	Increased distribution channels and outlets for products					May 2012	No	Delayed
							May 2012	Dec 2012	
<b>Component 3: Small Accommodation Hotels and Hostels Support</b>  <b>Weight: 26%</b>  <b>Classification: Satisfactory</b>	<b>C3.I1</b>	Cluster diagnostic and marketing strategy completed					Jul 2011	Yes	
	<b>C3.I2</b>	Server running					Jul 2011	Yes	
	<b>C3.I3</b>	ICT portal, software consultancy commissioned					Jul 2011	Yes	
	<b>C3.I4</b>	Marketing strategy developed and implemented					May 2012	Yes	
	<b>C3.I5</b>	ICT Portal in use					May 2012	Yes	
							May 2012	Dec 2012	
<b>Component 4: Showcase and lessons learned</b>  <b>Weight: 4%</b>  <b>Classification: Satisfactory</b>	<b>C4.I1</b>	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	Yes	
								Sep 2012	

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

#### CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE

- [X] Executing agency institutional capacity
- [X] Design of project/Components

#### SECTION 4: RISKS

#### MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE

Level	Mitigation action	Responsible
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
<b>PROJECT RISK LEVEL: Low    TOTAL NUMBER OF RISKS: 3    IN EFFECT RISKS: 1    NOT IN EFFECT RISKS: 0    MITIGATED RISKS: 2</b>		

#### SECTION 5: SUSTAINABILITY

Likelihood of project sustainability after project completion: LP - Low Probability

#### CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY

Issue	Comments
[X] Lack of <b>cost recovery</b> mechanisms or <b>external financing sources</b> (government, donors and/or private sector) to continue the activities of the project once MIF resources are expended	The SBA may not have the financial resources to sustain or scale up support to targeted beneficiaries, due to among other factors the downturn in the local economy
[X] Relevant actor's <b>opposition or lack of interest</b> to continue with the project's activities or services	It is not clear that MSMEs may pay for extension and scaling up of services beyond the period of MIF investment

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

All of the marketing components incorporated the needs of the cluster. IHB were already using their products, and had a press launch with the products and also relaunched the staycation brand.

## SECTION 6: PRACTICAL LESSONS

<p>1. That consultants were unaware that deliverable were necessary for the marketing components and not just a strategy. Although this was clearly outlined in the TORs, the design should be should that these are too separate consultancies or at least be designed in a phased manner.</p>	<p><b>Relative to</b> Design</p>	<p><b>Author</b> HALL, MARTIN</p>
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