



MULTILATERAL INVESTMENT FUND (MIF)

PROJECT PERFORMANCE MONITORING REPORT (MPPMR)



Annex 2

I. BASIC DATA (Amounts in US\$ millions)					
Country: Haiti Executing Agency (EA): Foundation of Haitian Industries (FONDIH) Window: Has the project been reformulated: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (If yes see Section V)		Project Title: Private Tanning Market initiative AT Number: ATN/MH-6696-HA 2001		Date of Donor Approval: 13 October 1999 Date of Contract Signature: 11 November 1999 Date of Contract Validity: 11 November 1999 Date of Eligibility for Disbursement: 30 June 2000 Original Date of Final Disbursement: 31 December 2003 Current Date of Final Disbursement: 31 December 2003	
CO Specialist: Patrice Joseph Headquarters Staff Member Assigned: Date of Latest Report Update: 23-6-01 Date of Latest Report Review by Representative:	Months in Execution 0 From approval: 20 From signature: 19 Cumulative Extension of Original Disbursement Date (months): 0 % Deviation from original Disbursement Period: n/a	Original TC Amount: US\$ 2 Mio Current Amount: US\$. 1,829,277 Mio Disbursements: 170,723 % Disbursed: 8.54% Counterpart: US\$ 850,000	TC Modality: <input checked="" type="checkbox"/> NR <input type="checkbox"/> R <input type="checkbox"/> CR		
II. PROJECT IMPLEMENTATION PROGRESS (IP)					
Components/Outputs:	Key Delivery Performance Indicators:	Classification of Component			
		HS	S	U	VU
1. Co-financing of customized short term training programs for enterprises in the formal sector 2. Co-financing of short term training programs for workers from the informal sector, through NGO 3. Strengthening institutional capacity of private training providers 4 administration/publicity campaign	1. At the end of program: 260 training programs executed and 6,500 workers participated 2. At the end of program 11 NGOs participated and 8,000 workers received training 3. 75 private training centers received technical assistance, 45 improved quality of their services 4. Successful publicity campaign, additional funding obtained from donor organizations		N/A		
			N/A		
			N/A		
			N/A		
Assumptions Related to the Implementation of each Component		Probability			
		High		Low	
1. Trained employees will stay with the enterprise; and the enterprises find training positive and contributing to productivity		✓			
2. Informal sector workers/ entrepreneurs find that training responds to their needs and helps them to improve their operations		✓			
3. State institution in charge of accrediting training institutions will update certification standards, evaluation methods and curriculum design based on data provided by this project		✓			
4. other donor organizations will contribute to project when overall political situation improve		✓			
Summary Component Assumptions Classification (check one)					
Implementation Progress Summary Classification (IP): (A satisfactory or higher classification indicates, among other things, that the project will be completed during the currently approved disbursement period)					
<input type="checkbox"/> Highly Satisfactory (HS) <input type="checkbox"/> Satisfactory (S) <input checked="" type="checkbox"/> Unsatisfactory (U) <input type="checkbox"/> Very Unsatisfactory (VU)					
III. ACHIEVEMENT OF DEVELOPMENT OBJECTIVES (DO)					
Project Development Objective(s): 1. Increase productivity of enterprises and economic growth 2. Results of training initiative will motivate entrepreneurs to continue investing in training of their workers		Key Performance Indicators: 1. increase in export statistics 2. number of new products developed /and/ or products improved 3. 33 % of participating entrepreneurs of formal sector will increase their training budget over a period of 3 years 4. 5 % of participating "informal" workers will invest in training activities over 3 years			



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<u>Assumptions Related to each Development Objective</u>	Probability	
	High	Low
1. Achievement of political and economic stability		X
2. Reform of the public training sector will proceed as planned and government will reduce the supply-side subsidies and increase demand-side grants	X	
Summary Development Objectives Assumptions Classification (check one)		
Expected Achievement of Development Objective Classification (DO):		
<input type="checkbox"/> Highly Probable (HP) <input checked="" type="checkbox"/> Probable (P) <input type="checkbox"/> Low Probability (LP) <input type="checkbox"/> Improbable (I)		
Briefly explain major factors taken into account to justify the DO Classification: The reform project, that will be financed by an IADB loan, contains all the legal and administrative provisions to bring about the needed changes in the public training sector. Its approval by the board is scheduled for May 2001. And with the presence of a parliament it is highly probable that the project could be ratified		

Annex 2

IV. OVERVIEW OF PROJECT PERFORMANCE ISSUES

Check key reasons for Unsatisfactory/Very Unsatisfactory IP Classification or Low Probability/Improbable DO Classification

- | | | |
|---|---|---|
| <input type="checkbox"/> Legislative approvals | <input type="checkbox"/> Consultant performance | <input type="checkbox"/> Environmental issues |
| <input type="checkbox"/> Borrower / executing agency commitment | <input type="checkbox"/> Inter-agency coordination | <input type="checkbox"/> Cost overrun |
| <input type="checkbox"/> Counterpart funding shortfall | <input type="checkbox"/> Supplier/contractor performance | <input type="checkbox"/> Qualified external audit |
| <input type="checkbox"/> Executing agency institutional capacity | <input type="checkbox"/> Project/component design | <input type="checkbox"/> Policy changes |
| <input type="checkbox"/> Organizational changes in executing agency | <input type="checkbox"/> Contract condition compliance delays | <input type="checkbox"/> Organizational changes |
| <input type="checkbox"/> Community/political opposition | <input type="checkbox"/> Bank efficiency (response delays) | <input type="checkbox"/> Executing agency personnel changes |
| <input checked="" type="checkbox"/> Executing agency staff deficiency | <input type="checkbox"/> Procurement difficulties | <input type="checkbox"/> Other (see Issues, Section VI) |

V. PROJECT STATUS

Progress to date in implementing each component (Include reference to IP assumptions, if applicable)

- One (1) project aimed at training 35 employees of an enterprise has been completed. Three (3) others destined to 138 beneficiaries are underway. When completed, all four projects will train 173 beneficiaries, which is still insignificant, compared to the targeted objective of 6,500 workers
- One (1) project that led to the training of 9 beneficiaries has been completed. Another one aimed at training 300 beneficiaries from the informal sector is being analyzed by the UE.
- This component has not been initiated
- A marketing plan has been laid out. But its implementation has yet to be started

Current Status of each Assumption related to DO

- The break-through in the economic and social situation expected after the legislative and presidential elections did not occur, because of evidence of frauds during the ballots. The atmosphere of uncertainty that has been characterizing Haiti those last years is likely to linger until an agreement could be found between the parties in dispute
- The pre-execution phase of the reform is underway as planned. The ad-hoc governance structure that should lead the way to a more permanent structure has been put in place, and through another TC is being setting the legal and administrative environment for the reform

Timeliness of Compliance with contractual conditions (If applicable)

- The fulfillment of prior conditions, scheduled for May, 9 2000 happened on June 2000, more than a month behind its original deadline

"Qualified opinions" of external auditors

N/a

Reformulation (If applicable): Date of last reformulation _____. Briefly describe:



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N/a

Lessons learned (If applicable):

1. The criteria for selecting entities to start a reform activity should not be too stringent. By making eligible for financing only certified providers in a country where the vast majority of them are not, the executing unit has created a serious bottleneck for execution. Rather than putting the emphasis on an ideal situation that does not exist, the focus should be put on the merits of the proposal presented by the provider and its likelihood of improving the beneficiaries skills.

Potential Problems (If applicable):

1. Failure to define its proper needs for consultancy services and therefore use the provision created to this effect may hamper the executing unit ability to execute certain activities falling under its responsibility
2. The operative manual drafted prior to execution of any activities may contain some bottlenecks that should be identified in the light of all the problems and delay faced during the first year.

VI. ISSUES AND ACTIONS

<u>Issue</u>	<u>Action</u>	<u>Responsible Unit</u>	<u>Date Action to be taken</u>	<u>Completed</u>
Possible bottlenecks in operative mechanisms selected in the operation manual	Presentation of a revised version of the operation manual	FONDIH	June 30 2001	[]
The outdating of the current calendar of activities	Updating of the calendar of activities	FONDIH	June 30, 2001	[]
Lack of assistance to the beneficiaries in the elaboration of proposal	Recruitment by the EU of short tem consultants to assist the beneficiaries in the elaboration of proposals	FONDIH	July 31 , 2001	[]
Lack of publicity around the initiative stalls the involvement of all potential partners	Sharing experience meeting with donors and potential partners	FONDIH	October 15, 2001	[]

