

PROJECT STATUS REPORT

JULY 2017 - DECEMBER 2017

SECTION 1: PROJECT SUMMARY

PROJECT NAME: Strengthening the Competitiveness of Small Scale Cocoa Producers in Haiti

Project Number: HA-M1049 - Project Num.: ATN/ME-14077-HA

Purpose: To strengthen the capacity of producers to supply sustainably produced cocoa in high value markets

Country Admin

HAITI

Country Beneficiary

HAITI

Executing Agency:

CATHOLIC RELIEF SERVICES

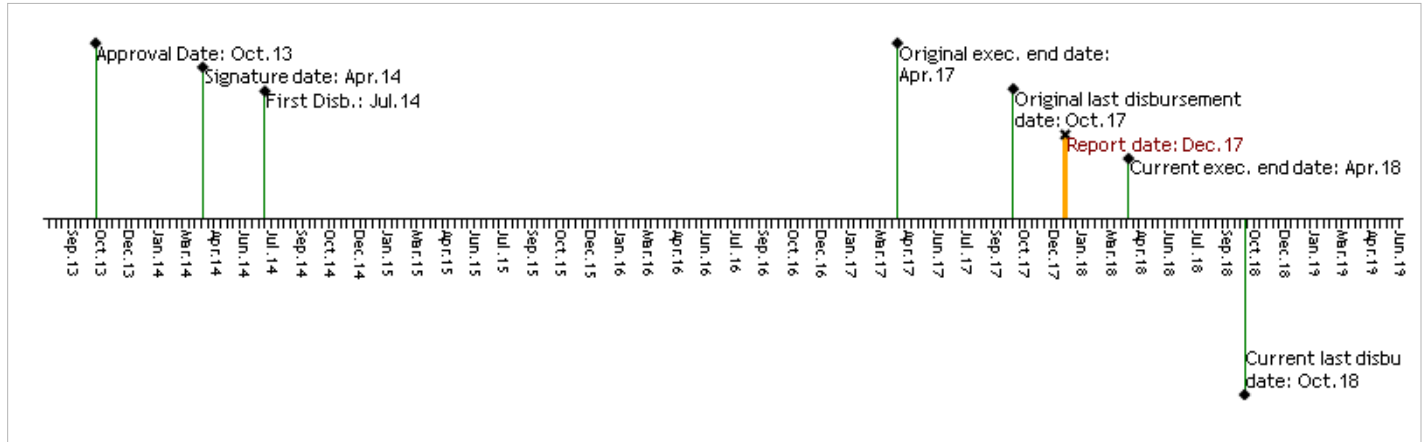
Design Team Leader:

RALPH DENIZÉ

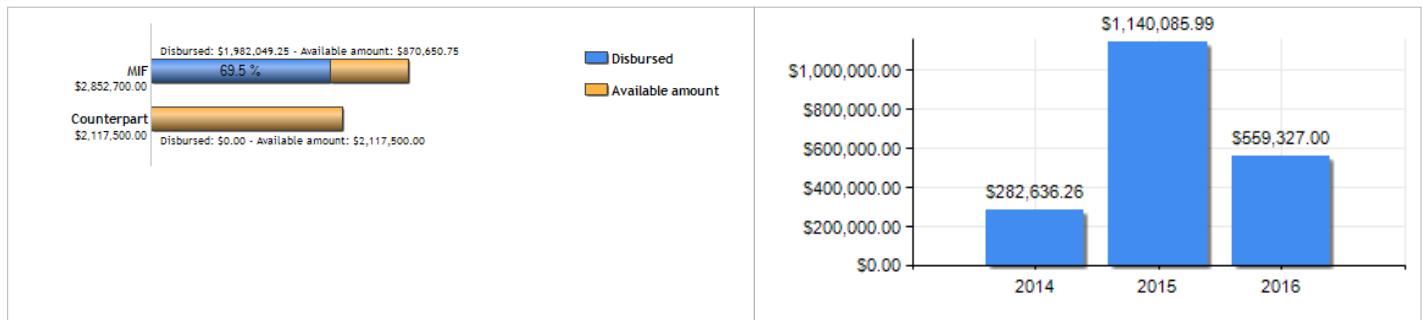
Supervision Team Leader:

RALPH DENIZÉ

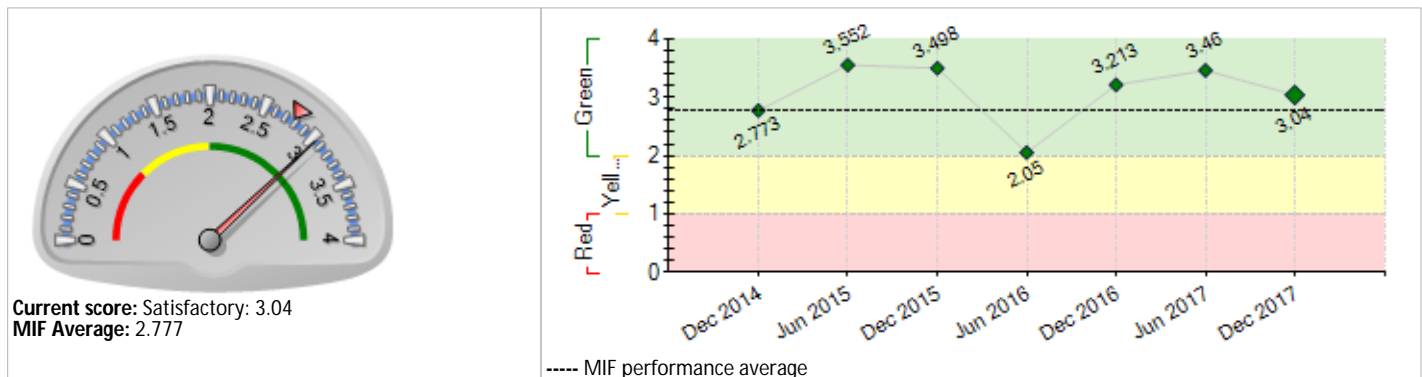
PROJECT CYCLE



FUNDS



PERFORMANCE SCORE



EXTERNAL RISKS

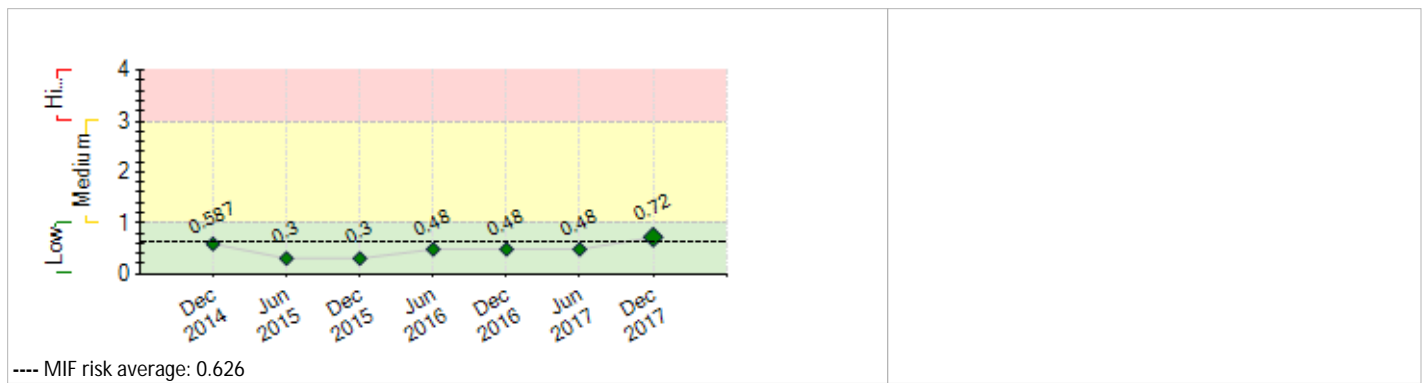
INSTITUTIONAL CAPACITY

Risk

Financial Management: Medium

Procurement: Low

Technical Capacity: Low



SECTION 2: PERFORMANCE

Summary of project performance since inception

Productivity: 29 demo plots established. 6443 producers trained on improved production practices, among this group, 2606 were trained on IPM and 2679 on NRM. Characterization of cocoa clones, 91 germplasms selected for conservation, multiplication and evaluation. 3,033.86 ha cacao regenerated. Multiplication of 55 elite cacao trees.

Adding quality: 3 post-harvest infrastructures built, 2 to be completed in Jan 2018. Training toolkit translated in creole. Training on post-harvest management for 421 coop members. 8 coops with organic certification. Supply of equipment to 13 microenterprises. 24 micro-entrepreneurs trained on cocoa transformation and marketing management. 10 trainers have been recruited to train 4000 producers in post-harvest techniques in January 2018.

Institutional capacity: Financial diagnostic and training for 12 coops. 5958 coop members registered for traceability. 36 coop members trained on good governance. 3 meetings with cluster members and Ministry of Agriculture officials on legal creation of a cocoa cluster. Subsidies to cacao cluster. Cacao thematic table in Grand Anse. Study on conventional cocoa completed. 3 people trained at CATIE. Participation at ICCO conference 2016 in DR.

Knowledge management: Baseline completed for internal credit and market access. 5 cacao yield assessments conducted.

Post Matthew response: Assessment completed to evaluate the impacts on the cacao sector and response developed. 1,268.61 ha of cacao farms rehabilitated.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

As this project is reaching its final stage, the MIF / Haiti team believes that this has been a successful one. The report is in line with what our finding during recent visits. However, it would be good to see some sustainability measures for the results of the project. During the design phase, there were some post-harvest infrastructures not being used. CRS and the cooperatives should be cautious in defining the plan for the management of these infrastructures as part of the business plan of the coops.

Summary of project performance in the last six months

Enhancing productivity: Production of 41,070 seedlings, of which 23,588 were distributed to 408 producers in 4 coops. The remainder will be distributed Jan - April 2018. On-farm grafting of 5,458 young cacao trees with buds taken from 55 elite cacao trees. 54 producers of elite cocoa trees trained in grafting techniques. 65 grafting tool kits distributed. 4 clonal gardens maintained, including site visits.

Adding quality to cocoa: Organic certification for CAUD cooperative. 20 MT of cacao collected by 7 cooperatives. Follow up of construction work of 2 post-harvest infrastructures to be received in Jan 2018. Preparation for training of 4000 producers in post-harvest techniques in Jan 2018. 20 metric tones of cacao fermented and sold by coops associated to FECCANO.

Strengthening Institutional capacity: Two workshops held with 5 cacao cooperatives to discuss good governance. Evaluation of the financial and administrative capacity of 5 cooperatives.

Knowledge management: Cacao yield assessment conducted in the Grand Anse.

Post Matthew Response: 718.36 ha of cacao farms rehabilitated benefiting 853 people (230 W / 623 M). Creation of 1,614 short term employment opportunities (322 W / 1292 M)

Focus for the next semester : completion of critical project activities, comprehensive project close out, evaluation and learning lessons from the project to inform future interventions.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

The MIF agrees with the Semester performance. Yet, after the passage of hurricane matthew and the two cocoa seasons (small and big) we were expecting some data on production and sales of Cocoa to know how tangible was the recovery of the cooperatives and their farms, Hopefully, the Cocoa yield assessment can show more on that.

Finally, IS there any plan to produce the guide that provides practical solutions to improve opportunities for women in the cocoa value chain?

SECTION 3: INDICATORS AND MILESTONES

Indicators		Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status	
Purpose: To strengthen the capacity of producers to supply sustainably produced cocoa in high value markets	R.1	Number of cooperatives that have successfully fulfilled seasonal contracts with exporters (secured and fulfilled)	6	8	12		13	8	
			May 2014	May 2015	May 2016		Apr 2017	Jun 2017	
	R.2	Metric tons of cocoa exported by cooperatives (disaggregated by fermented and unfermented on an annual basis)	682	784	941		1176	689.86	
			May 2014	May 2015	May 2016		Apr 2017	Dec 2017	
	R.3	Average percentage increase in Kg/per hectare of dry cocoa beans per producer averaged (based on sample of producers to be conducted at baseline and annually)	0	20	30		30	237	
			May 2014	May 2015	May 2016		Apr 2017	Dec 2016	
	R.4	Number of SMEs or small cocoa processing businesses that secure a new buyer or new formal contract in a high value market.	0	2			3	1	
			May 2014	May 2016			Apr 2017	Jun 2017	
	R.5	Number of new buyers transacting in the value chain who have not sourced cocoa from Haiti before	0	1			1	1	
			May 2014	May 2016			Apr 2017	Jun 2016	
Component 1: Improving Productivity and Natural Resource Management of Cocoa Farms Weight: 35% Classification: Satisfactory	C1.11	Number of clonal gardens established	0	2	8		16	4	Delayed
			May 2014	May 2015	May 2016		Apr 2017	Jun 2017	
	C1.12	Number of hectares under improved management practices	0	1000	2000		2500	3033.86	Finished
			May 2014	May 2015	May 2016		Apr 2017	Jun 2017	
	C1.13	Number of extension officers trained in improved production practices, pest management, and soil conservation	0	180	180		180	226	Finished
			May 2014	May 2015	May 2016		Apr 2017	Mar 2017	
	C1.14	Number of producers trained in sustainable cocoa agroforestry system (sex disaggregated)	0	1000	3000		4000	6443	Finished
			May 2014	May 2015	May 2016		Apr 2017	Jun 2017	
	C1.15	Number of producers receiving payment for environmental services under the pilot Plan Vivo program	0	25			50	0	Delayed
			May 2014	May 2016			Apr 2017	Jun 2015	
Component 2: Adding value through product and process upgrading Weight: 25% Classification: Satisfactory	C2.11	Number of cooperatives with improved post-harvest infrastructure	7	10	12		13	9	Delayed
			May 2014	May 2015	May 2016		Apr 2017	Dec 2017	
	C2.12	Number of producers trained on post-harvest management for fermented and conventional cocoa (sex disaggregated)	0	1000	3000		4000	421	Delayed
			May 2014	May 2015	May 2016		Apr 2017	Dec 2017	
	C2.13	Number of cooperatives gradually transitioning to selling bulk cocoa to specialty cocoa	7	10	12		13	10	Delayed
			May 2014	May 2015	May 2016		Apr 2017	Jun 2017	
C2.14	Number of cooperatives completing or in the process of obtaining organic or Fair Trade certification	7	10	12		13	10	Delayed	

		May 2014	May 2015	May 2016		Apr 2017	Jun 2017	
C2.I5	Number of groups of microprocessors trained in cocoa transformation and commercialization	0	2	4		4	24	Finished
		May 2014	May 2015	May 2016		Apr 2017	Dec 2016	

Component 3: Strengthening the institutional capacity of cooperative enterprises for sustained long-term growth Weight: 25% Classification: Satisfactory	C3.I1	Number of cooperatives offering credit to their members through internal credit funds	0	3	10		10	5	Delayed
			May 2014	May 2015	May 2016		Apr 2017	Jun 2017	
	C3.I2	Number of cooperatives attaining legal status - Cooperatives that have received certificate from CNC or MAST Ministry of Social Affairs, cumulative numbers	0	13	13		13	12	Finished
			May 2014	May 2015	May 2016		Apr 2017	Jun 2017	
	C3.I3	Number of cooperatives receiving training on governance, business practices, and financial management	0	13	13		13	12	Delayed
			May 2014	May 2015	May 2016		Apr 2017	Dec 2016	
Component 4: Knowledge Management and Communications Strategy Weight: 15% Classification: Unsatisfactory	C3.I4	Percentage of women in cooperative management positions	15	20	25		30	32	On Course
			May 2014	May 2015	May 2016		Apr 2017	Dec 2016	
	C3.I5	Number of cooperatives with a member database and basic traceability system	0	7	13		13	12	Delayed
			May 2014	May 2015	May 2016		Apr 2017	Jun 2017	
	C4.I1	Number of learning exchanges with other cocoa cooperatives	0	1	3		3	1	Delayed
			May 2014	May 2015	May 2016		Apr 2017	Jun 2017	
	C4.I2	1 guide that provides practical solutions to improve opportunities for women in the cocoa value chain	0				1	0	Delayed
			May 2014				Apr 2017	Jun 2017	
	C4.I3	1 guide for the use and effectiveness of internal credit systems in cooperative enterprises	0				1	0	Delayed
			May 2014				Apr 2017	Jun 2017	
	C4.I4	1 guide on cocoa marketing and commercialization	0				1	0	Delayed
			May 2014				Apr 2017	Jun 2017	

Milestones	Planned	Due Date	Achieved	Date of achievement	Status
M1 Conditions Prior	1	Oct 2014	10	Jun 2014	Achieved
M1 Conditions Prior	1	Oct 2014	10	Jun 2014	Achieved
M2 Baseline monitoring and evaluation systems are established	1	Oct 2014	1	Dec 2014	Achieved
M3 Agroforestry system has been developed with CATIE and demonstration plots are established	1	Apr 2015	1	Nov 2014	Achieved
M5 [*] 10 cooperatives have undergone diagnostics and financial training by Root Capital	10	Jun 2015	12	Apr 2015	Achieved
M4 [*] LWR toolkit has been translated to Creole to train extension agents	1	Sep 2015	1	Mar 2015	Achieved
M6 [*] At least 5 post-harvest processing centers have been upgraded and new infrastructure is ready to use	3	Apr 2016	3	Apr 2016	Achieved
M9 Cacao Cluster formalized	1	Apr 2017	1	Feb 2017	Achieved

[*] Indicate that the milestone has been reformulated

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE*[None reported in this period]***SECTION 4: RISKS****MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE**

	Level	Mitigation action	Responsible
1. Certain targets may not be reached before April 2018. In particular, these include indicators 3 and 4 in component 2, and indicators 2 and 3 in component 3. Furthermore, Hurricane Matthew's ongoing effect on harvests has a critical effect on production, inhibiting the project to achieve initial goals.	Medium	We would like to arrange a meeting to explore the possibility of an extension period.	Project Coordinator
2. Climate risk: Haiti is at high risk for natural disasters, particularly frequent tropical storms and hurricanes which can lead to crop loss, tree damage, flooding and landslides.	Low	To mitigate potential losses, the project has adopted an agroforestry system which encourages stabilization of the soil through planting shade trees with deep root systems. These storm-resistant trees will provide shade as well as protection to cocoa during storms.	Project Coordinator
3. In Haiti, cocoa is perceived as a low value crop compared to other cash crops which can lend a quick profit in local markets. This might encourage farmers to diversify away from cocoa.	Low	To mitigate this risk, the project will encourage cooperatives and independent farmers to work directly with local exporters to help producers receive a greater share of the final price of cocoa, thus increasing the incentive to invest in their trees.	Project Coordinator

PROJECT RISK LEVEL: Low **TOTAL NUMBER OF RISKS:** 5 **IN EFFECT RISKS:** 3 **NOT IN EFFECT RISKS:** 0 **MITIGATED RISKS:** 2**SECTION 5: SUSTAINABILITY****Likelihood of project sustainability after project completion:** P - Probable**CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY***[None reported in this period]***Actions related to sustainability which have been taken in the reporting period:**

During the reporting period, 66 squads of 20 people undertook land clearing. Conducting this work through cooperatives, a sense of solidarity and mutual aid was created. Certain squads have continued working together for the community beyond the contractual period, demonstrating their implication in the process. These squads were led by 77 supervisors trained by CRS on GPS mapping, techniques of rehabilitation and regeneration of plantations. This cohort now act as human resource pool from which the coops can draw on for development of traceability systems.

Thanks to a partnership with Defi Development, 55 elite cacao trees were grafted, permitting 5,458 new plants to be produced in the Grand Anse. This is an action contributing to the ongoing sustainability of the market in the region, devastated by the recent hurricane Matthew.

SECTION 6: PRACTICAL LESSONS

	Relative to Implementation	Author Carroll, Beth
<p>1. During the reporting period, 66 squads of 20 temporary field workers were engaged through coops to engage in land clearing and regeneration activities of land affected by Hurricane Matthew. In order to boost the role of coops, the team had planned for payment of the squads to be delivered through the coops. However, certain coops were reluctant to transfer the full value of destined funds to the temporary field workers, causing immense frustration among the teams. The CRS complaints line received multiple calls from distressed field workers. In order to address this issue, the CRS accountability team conducted field visits to each coop and their leaders, sensitizing on the modalities and accountability procedures. For the next payment period (2018), CRS will transfer funds directly to seasonal workers via microfinance enterprises to increase transparency and avoid risk of coops retaining funds destined for field workers.</p>		