

PROJECT STATUS REPORT

JANUARY 2018 - JUNE 2018

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

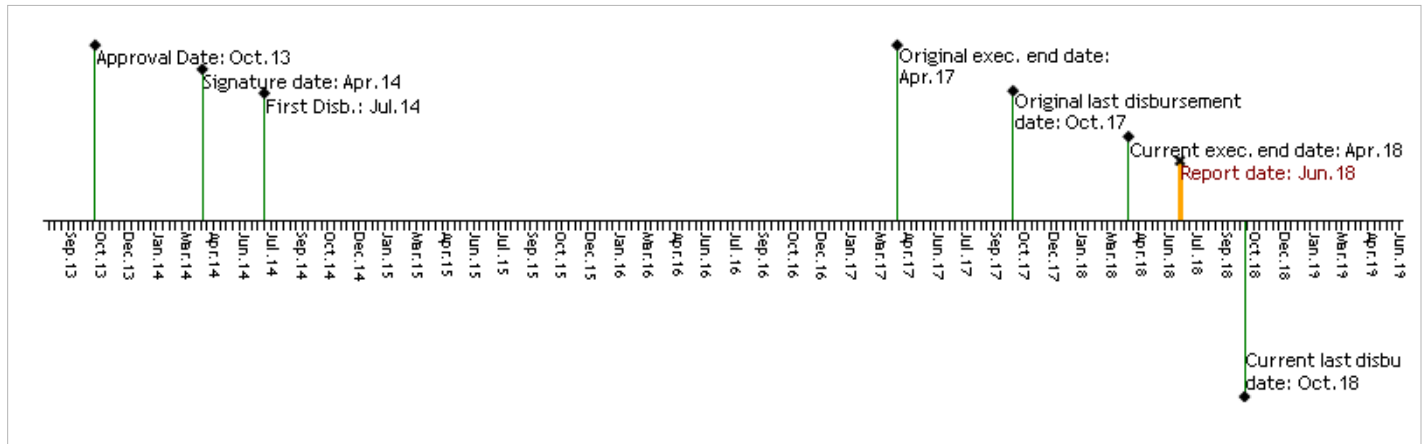
Design Team Leader:

YOLANDA STRACHAN

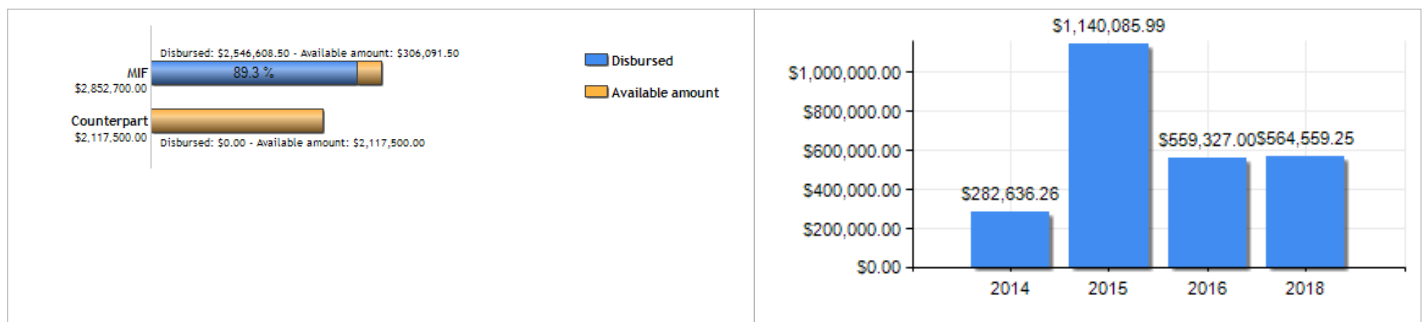
Supervision Team Leader:

YOLANDA STRACHAN

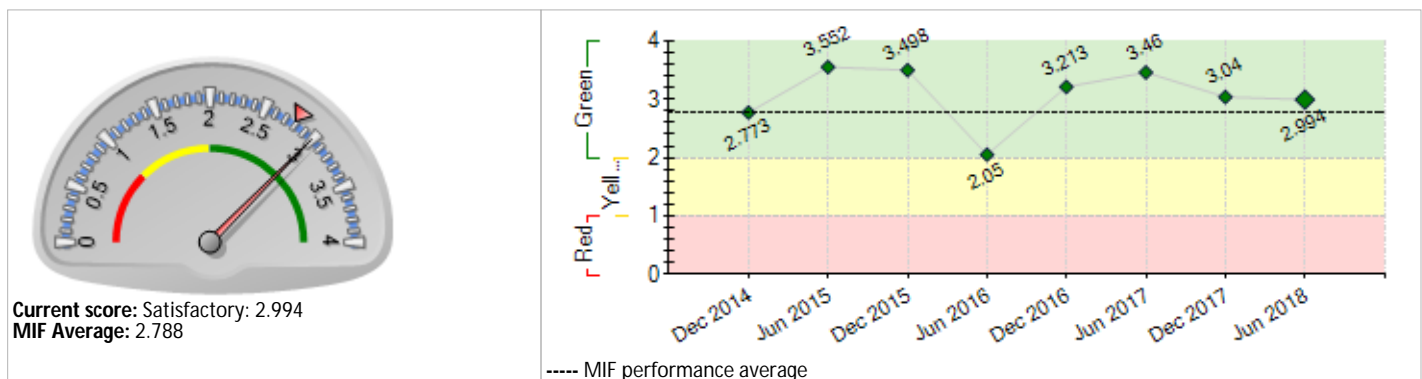
PROJECT CYCLE



FUNDS



PERFORMANCE SCORE



EXTERNAL RISKS

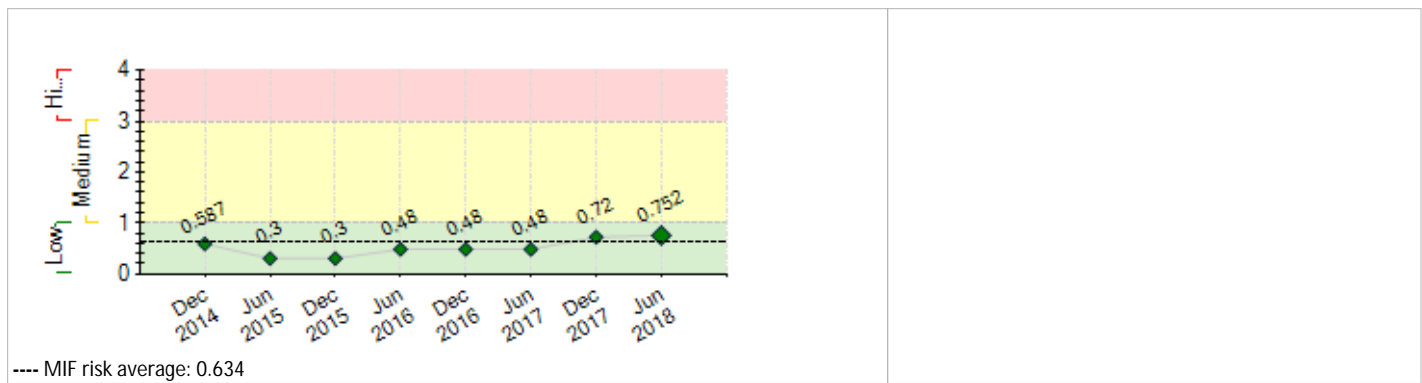
INSTITUTIONAL CAPACITY

Risk

Financial Management: Medium

Procurement: Low

Technical Capacity: Low



SECTION 2: PERFORMANCE

Summary of project performance since inception

Comp 1. Productivity: 34 demo plots established with coops, universities and private sector. 6443 producers trained on improved production practices (2606 IPM, 2679 NRM). Characterization of cocoa clones, 91 germplasms for conservation. 3,034ha cacao regenerated. Multiplication 55 elite trees, 4300 grafts in 43 gardens.

Comp 2. Quality: 3744 producers trained in post-harvest techniques. 4 post-harvest infrastructures built. Toolkits translated into creole, 80 copies distributed. 8 coops with organic certification. 24 microenterprises trained on cocoa transformation, 13 received equipment. Commercialization and marketing plans for 2 microprocessors and 2 coops.

Comp 3. Inst. Capacity: National cacao conference, cacao thematic table and cacao festival organized. Capacity building of cacao cluster and INCAH. Two national exchange visits and international exchanges conducted to GA, Cap, CATIE, ICCO conference. Media promotion of Haitian cacao. Reinforcement of INCAH, support for a sectoral strategic plan. Financial diagnostics for 12 coops, mapping of 9 financial institutions, participative accounting study conducted. 5958 coop members registered for traceability.

Comp 4. Knowledge Management: Internal Credit and Market Access analysis. Gender study. Cacao yield assessments.

Comp 12. Post Matthew Response: 1,372ha of cacao farms rehabilitated. Assessment completed to evaluate the impacts of Hurricane Matthew.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

Agree with summary provided by the executing agency. The project execution has been satisfactory and critical milestones have been achieved. Progress has been made on Post-Matthew Response.

Summary of project performance in the last six months

1. Productivity: 5 new demo plots established (3 coops, 1 private sector and 1 uni). 48 grafting agents trained, 50 kits distributed, 4300 grafts realized in 43 plots. 29 seedling nurseries supported, 58,500 seedlings produced.

2. Quality: 1 post-harvest infrastructure completed. 800 manuals distributed. 3744 (1422f, 2322h) producers trained in post-harvest techniques. FECCANO organically certified. Commercialization plans for 2 microprocessors & 2 coops, 2 marketing plans for 2 coops. 35 microenterprises & coop reps (20f, 15h) trained in business techniques. 5 coops trained on value chains.

3. Inst. capacity: National Cacao Conference and local cacao festival held. 2 exchange visits between GA and Cap for 35 (18f, 17h) participants from 12 coops. Mapping of 9 financial institutions accessible to farmers, preparation for a financial fair. Participative accounting study to improve access to finance. Strategic plan for Novella. Video, website and social media created to promote the value chain. Capacity building of INCAH conducted, strategists engaged to create a strategic plan.

4. Knowledge management: Gender study in progress. Cacao yield assessment conducted.

12. Post Matthew Response: 802 (211f, 591h) farmers in 31 squads regenerated 303ha of land benefiting 403 (108f, 295h) farmers.

Focus: training on quality cacao, chocolate and branding, agroforestry system evaluation, training on toolkit, private sector partnerships, int. exchange visit, program close out.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

A concerted effort has been made over the past semester to improve the sustainability of project activities. Engagement with INCAH and private partnerships in the North and South should continue into the final months. Although the development of the strategic plan has been delayed, it is a welcome effort and as much progress as possible should be made before closing of the project.

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 May 2014	8 May 2015	12 May 2016		13 Apr 2017	8 Jun 2017	
	R.2 Metric tons of cocoa exported by cooperatives (disaggregated by fermented and unfermented on an annual basis)	682 May 2014	784 May 2015	941 May 2016		1176 Apr 2017	800.86 Jun 2018	
	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 May 2014	20 May 2015	30 May 2016		30 Apr 2017	164 Jun 2018	
	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 May 2014	2 May 2016			3 Apr 2017	1 Jun 2017	
	R.5 Number of new buyers transacting in the value chain who have not sourced cocoa from Haiti before	0 May 2014	1 May 2016			1 Apr 2017	1 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 May 2014	2 May 2015	8 May 2016		16 Apr 2017	5 Jun 2018	Delayed
	C1.12 Number of hectares under improved management practices	0 May 2014	1000 May 2015	2000 May 2016		2500 Apr 2017	3033.86 Jun 2017	Finished
	C1.13 Number of extension officers trained in improved production practices, pest management, and soil conservation	0 May 2014	180 May 2015	180 May 2016		180 Apr 2017	240 Mar 2018	Finished
	C1.14 Number of producers trained in sustainable cocoa agroforestry system (sex disaggregated)	0 May 2014	1000 May 2015	3000 May 2016		4000 Apr 2017	6443 Jun 2017	Finished
	C1.15 Number of producers receiving payment for environmental services under the pilot Plan Vivo program	0 May 2014	25 May 2016			50 Apr 2017	0 Jun 2015	Delayed
Component 2: Adding value through product and process upgrading Weight: 25% Classification: Satisfactory	C2.11 Number of cooperatives with improved post-harvest infrastructure	7 May 2014	10 May 2015	12 May 2016		13 Apr 2017	10 Apr 2018	Delayed
	C2.12 Number of producers trained on post-harvest management for fermented and conventional cocoa (sex disaggregated)	0 May 2014	1000 May 2015	3000 May 2016		4000 Apr 2017	3744 Jan 2018	Delayed
	C2.13 Number of cooperatives gradually transitioning to selling bulk cocoa to specialty cocoa	7 May 2014	10 May 2015	12 May 2016		13 Apr 2017	10 Jun 2018	Finished
	C2.14 Number of cooperatives completing or in the process of obtaining organic or Fair Trade certification	7 May 2014	10 May 2015	12 May 2016		13 Apr 2017	10 Jun 2017	Finished
	C2.15 Number of groups of microprocessors trained in cocoa transformation and commercialization	0 May 2014	2 May 2015	4 May 2016		4 Apr 2017	24 Jun 2018	On Course
Component 3: Strengthening the institutional capacity of cooperative enterprises for sustained long-term growth Weight: 25% Classification: Satisfactory	C3.11 Number of cooperatives offering credit to their members through internal credit funds	0 May 2014	3 May 2015	10 May 2016		10 Apr 2017	5 Jun 2018	Delayed
	C3.12 Number of cooperatives attaining legal status - Cooperatives that have received certificate from CNC or MAST Ministry of Social Affairs, cumulative numbers	0 May 2014	13 May 2015	13 May 2016		13 Apr 2017	12 Jun 2017	Finished
	C3.13 Number of cooperatives receiving training on governance, business practices, and financial management	0 May 2014	13 May 2015	13 May 2016		13 Apr 2017	12 Jun 2018	Delayed
	C3.14 Percentage of women in cooperative management positions	15 May 2014	20 May 2015	25 May 2016		30 Apr 2017	24 Jun 2018	Delayed
	C3.15 Number of cooperatives with a member database and basic traceability system	0 May 2014	7 May 2015	13 May 2016		13 Apr 2017	12 Jun 2017	Delayed
Component 4: Knowledge Management and Communications Strategy Weight: 15% Classification: Satisfactory	C4.11 Number of learning exchanges with other cocoa cooperatives	0 May 2014	1 May 2015	3 May 2016		3 Apr 2017	3 May 2018	Finished
	C4.12 1 guide that provides practical solutions to improve opportunities for women in the cocoa value chain	0 May 2014				1 Apr 2017	0.5 Jun 2018	Delayed
	C4.13 1 guide for the use and effectiveness of internal credit systems in cooperative enterprises	0 May 2014				1 Apr 2017	0 Jun 2017	Delayed
	C4.14 1 guide on cocoa marketing and commercialization	0 May 2014				1 Apr 2017	0 Jun 2017	Delayed

Milestones	Planned	Due Date	Achieved	Date of achievement	Status
M1 Conditions Prior	10	Jul 2014	10	Jun 2014	Achieved
M1 Conditions Prior	10	Jul 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. Hurricane Matthew's ongoing effect on harvests has a critical effect on production, inhibiting the project to achieve initial goals.	Medium	Review of activities scheduled for 2018, extensive review of lessons learned and re-orientation of focus to specific target areas.	Project Coordinator
2. Natural disasters; earthquakes, tropical storms, hurricanes leading to loss of livelihoods, damage to trees, flooding and landslides among others.	Medium	The agroforestry system promoted through the program 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. Change in national leadership following political unrest in July 2018 may lead to appointment of a new Minister of Agriculture. The incumbent has been part of the Haitian National Institute for Coffee (INCAH), and participated in program activities such as the National Cacao Conference. It is unclear if cacao will be placed alongside coffee by incoming leadership. This could undermine positive capacity building of INCAH conducted via the program to date.	Low	The program team will continue to advocate with INCAH and the new Ministry of Agriculture for promotion of cacao on the national agenda, riding off the success of the National Cacao Conference.	Project Coordinator
4. Cocoa is sometimes perceived as a low value cash crop which could attract farmers away from cocoa.	Low	The program team have promoted a agroforestry approach to cacao production, accompanying cacao production with other cash crops facilitating year-round accessible income. Through promoting improved production and post-harvest processing techniques, the team have support farmers to access more advantageous pricing.	Project Coordinator
5. Internal conflict within coops. CRS was required to halt activities with CATEPS, following multiple multi-pronged unsuccessful efforts to mediate internal strife.	Low	Maintaining open communication and a readiness to collaborate and act as a conflict mediating force whenever possible without putting staff or partners at risk. Halt activities with certain coops (in particular CATEPS) as necessary.	Project Assistant

PROJECT RISK LEVEL: Low **TOTAL NUMBER OF RISKS:** 7 **IN EFFECT RISKS:** 5 **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:

- Toolkit– Official presentation to MARNDR. Widespread distribution of this kit, accompanied by a roll-out training of 4000 producers in July, will promote ongoing adoption of best practices.
- INCAH– capacity building of INCAH, through regular meetings, including INCAH in field visits, co-planning a national conference, and co-facilitating development of a national strategic plan for which INCAH is well placed to take a lead.
- Genkakao –kickstarted the legalization and solicited support to develop a branding package. A website and social media package has been developed, to be transferred to the cluster.
- National Cacao Conference– promoted extensive exchange across the sector, collectively analyzing critical issues. Participation was unprecedented. CRS will seek funding to make this an annual event.
- Deepened partnerships – CRS deepened partnerships with universities (University of the Nouvelle Grand Anse) and the private sector (PISA and Geo Wiener), crucial actors to drive sustainable actions in the cacao value chain.
- Internal linkages–emphasized linkages between CRS agriculture programs in the Grand Anse, so that key interventions continue post close-out.

SECTION 6: PRACTICAL LESSONS

	Relative to Risk	Author
1. - INCAH : this semester, the program has sought to strengthen the role of INCAH in the cacao value chain, promoting the institute's plan to expand scope to cover coffee and cacao. Recent change in national political leadership mean risk to delay the process of INCAH fully assuming their role in cacao.		Carroll, Beth
2. - Structural weakness of coops : The situation with CATEPS exposed structural weaknesses and the impact of internal power play within certain coops, and the dominant role played by individuals. Selection of participants for each activity was delayed with many coops due to these internal tensions. Efforts to reinforce governance systems need to be multiplied. To conduct activities successfully, it is important not to channel communication through one or two individuals in each coop, concentrating the power of knowledge, but to ensure that decisions are taken collectively. Furthermore, for land clearing, seasonal workers were paid directly via unitransfer, to avoid coops misappropriating funds as had happened in the previous cycle. This was not welcomed by coop leaders, but enthusiastically welcomed by the 800+ seasonal workers.	Risk	Carroll, Beth
3. - Finance : Finance for agriculture exists even if it may be hard to access. This was shown in the financial mapping exercise and by the finance section of the conference. The accountability study and the mapping exercise both contribute to reinforcing links with financial institutions. Further efforts to connect farmers with these organizations is important. Equally, considering using CRS SILC methodology in future programming would also be a good way to increase localized	Implementation	Carroll, Beth

access to financial services.

4. - Gender : Gender has been more actively addressed this semester, with the program team setting participation targets for each activity and launch of a gender study. For example, during exchange visits, coops were invited to select one male and one female participant. Unfortunately, without initiating a quota, participants proposed by coops for each activity were often exclusively male. While quotas do not adequately address gender disparities, through instilling quotas the program team ensured higher female participation and access to program activities. Similarly, the conference organizers were conscious that the panel needed to be mixed. These actions have been critical promoting female role models in the sector and greatly increased the level of female participation in the event. The program has engaged a gender study looking at women's roles in the value chain – this will be insightful for future programming. In future, programming needs to be more intentional to ensure that gender	Implementation	Carroll, Beth
5. - INCAH : This semester, the program has emphasized reinforcing INCAH. This is critical as the institution will outlast the program. Including INCAH participants in varied activities, such as exchange visits, has been fruitful in expanding their overview of field realities. This level of partnership should be promoted in future programming. It is also clear that it is critical not to channel all communication through one person in an institution, rather to seek participation of multiple actors and share knowledge widely. In upcoming activities, such as training on cacao quality, four INCAH participants will participate, even if there is only one member of their team dedicated to cacao.	Sustainability	Carroll, Beth
6. - Financial phase out : Contracts with coops were phased out in December. Prior to this, the program supported monthly stipends of key personnel, and channeled all support; material or financial, through the coop leadership structure. During this final phase of program, to encourage the financial autonomy of coop leadership, and discourage dependence, CRS has continued to engage with coops without providing stipends for leadership. This was a tough but important message to pass. Coops need to function without external provision of stipends, phasing out accompaniment has been critical to promoting sustainability of their role.	Sustainability	Carroll, Beth
7. - Strategic plan : The program recruited an external consultant to support development of a sectoral strategic plan during and after the cacao conference. However, for sustainability and full ministerial engagement, it critical to also directly engage a consultant recruited by INCAH. Furthermore, the timeline for this activity was ambitious, and did not consider the political instability of July, or the summer plans of key actors. The development of this plan will need to continue beyond the scope of the program, CRS will continue to support this effort.	Sustainability	Carroll, Beth
8. - Private sector initiatives : This semester the program focused on developing private sector partnerships in the Grand Anse and the North, these stakeholders are key to the sustainability of program gains, as these actors will long outlast any program. Adopting a truly whole value chain approach to foster sustainable change requires moving beyond the coop model.	Sustainability	Carroll, Beth
9. - Infrastructure : Finalization of the fermentation and drying units in the Grand Anse has been significantly delayed over the course of the program. The importance of having an engineer on the program team directly overseeing the work was evident, and should be considered in future programming. Equally, more creative ways of cultivating community ownership and management of the construction from the start should be developed, so that pressure to complete construction work does not come from the program but the community themselves.	Implementation	Carroll, Beth
10. - Natural disaster : Ongoing impact of Hurricane Matthew remained apparent for producers and yields in the Grand Anse showed the importance of a further wave of land clearing, greatly embraced by the local community. To overcome the weak financial systems at coop level, during this phase squad workers have been remunerated directly through unitransfer. Selection of members of squads took longer than expected: coop leaders fought to have funds transferred through their mechanisms to create opportunity for personal gain at the expense of the field workers. However, frequent community meetings, passing a consistent message, the field team recruited members and the work was conducted successfully.	Implementation	Carroll, Beth
11. - Genkakao : The program has continually sought to strengthen a cacao cluster, currently in the form of Genkakao. However, ownership of this structure is weak. The program is conscious to avoid taking a too active role in the legalization process, to promote internal ownership – the initiative needs to come from the members. The strength of the conference lay in the ownership of the initiative by all actors involved. This needs to be similar in the structure of Genkakao. CRS has sought to provide background support to Genkakao; engaging a lawyer for legalization, creating a platform to announce the group during the conference, yet consciously avoiding calling Genkakao meetings – the members need to take ownership of holding these meetings, even if CRS takes part. This means that the operationalization of the organization is slower than expected.	Design	Carroll, Beth
12. - Learning between similar actors : The level of engagement in the Grand Anse – North learning exchanges and Dame Marie cacao festival demonstrated a real thirst for shared learning among coops. The program has built on this experience by promoting further opportunities for exchange, for example a technician from CAOD visiting CATEPS to advise on the use of their fermentation unit. This thirst for exchange between similar actors in the chain will be considered when selecting participants for activities. For example, training of microprocessors will be for participants from Grand Anse, Port au Prince and Cap.	Design	Carroll, Beth
13. - Whole value chain participation : High cross sector participation and engagement during the conference exposed huge thirst for cross-value chain initiatives. Turn out and retention was far higher than expected. Participants relished the opportunity to exchange ideas with other actors across the sector facilitated by experts in the field. Such forms of exchange are rare and should be multiplied in future programs.	Design	Carroll, Beth