

PROJECT STATUS REPORT

JULY 2013 - DECEMBER 2013

SECTION 1: PROJECT SUMMARY

PROJECT NAME: Expanding the Psychometric Scoring Tool to Haiti

Project Number: HA-M1047 - Operation Number: ATN/ME-13359-HA

Result: The specific objective is to implement an innovative credit-scoring tool based on psychometrics to unlock financing for micro and small enterprises in Haiti, which are primarily managed by or hire poor people

Country Administrator
HAITI

Beneficiary Country
HAITI

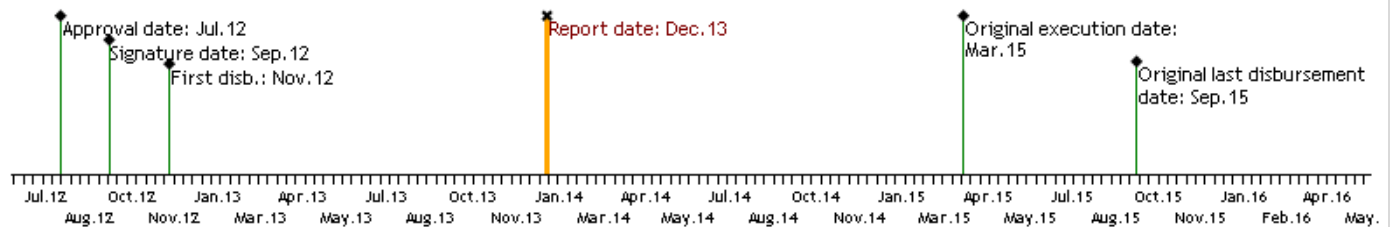
Group
SME - Small and Medium Enterprise
Development

Subgroup
BDEV - Business Development

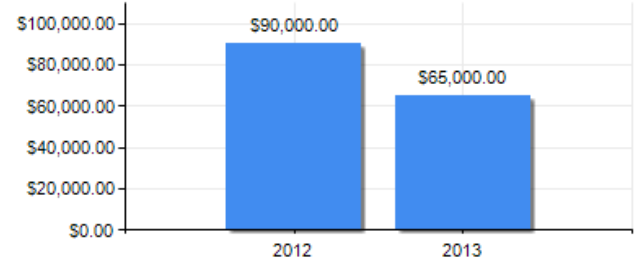
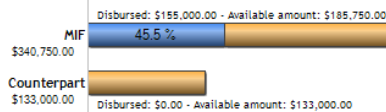
Executing Agency: SOCIETE GENERALE HAITIENNE DE SOLIDARITE

Design Team Leader:
Supervision Team Leader: Denize, Ralph

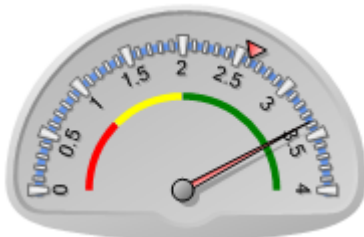
TIMELINE



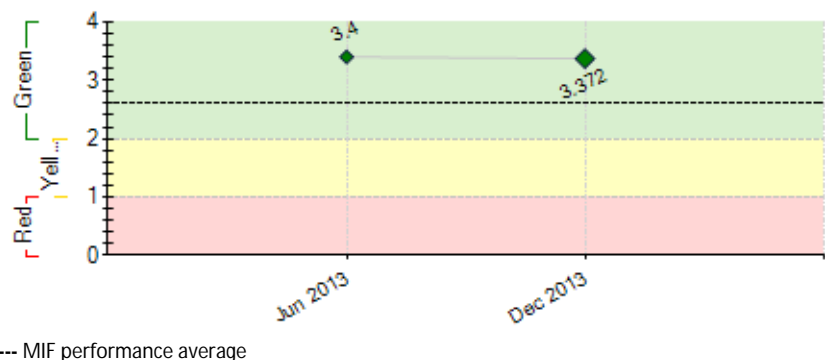
FUNDS



PERFORMANCE SCORE



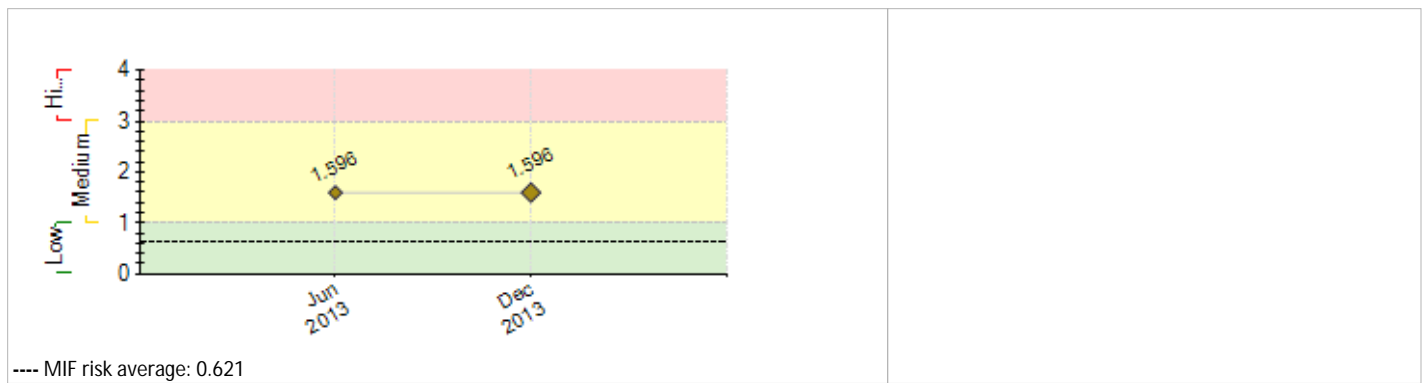
Current score: Satisfactory: 3.372
MIF Average: 2.602



EXTERNAL RISKS

INSTITUTIONAL CAPACITY

Risk
Financial Management: High
Procurement: High
Technical Capacity: High



SECTION 2: PERFORMANCE

Summary of project performance since inception

NA

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

- Sogesol has maintained a commitment to testing all clients in the target segment. Test administrators are well trained, passing the EFL certification, and demonstrate the ability to assist semi-literate clients through the application.
- Received **positive feedback on EFL's Beta version**—with new images and improved instructions—that helps clients to better understand the application exercises with less staff time.
- 18 branches are in operation
- 17 new staff are dedicated to administering EFL
- Over 2,400 core EFL tests and 1,300 verification tests have been completed
- 53 Minutes is the median test time.

1 With Sogesol's dedication to high quality test administration and volumes, we are on target to achieve a calibrated analytical model by August/September 2014.

To date:

Summary of project performance in the last six months

NA

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

same as above

SECTION 3: INDICATORS AND MILESTONES

Indicators		Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status
Result: The specific objective is to implement an innovative credit-scoring tool based on psychometrics to unlock financing for micro and small enterprises in Haiti, which are primarily managed by or hire poor people	R.1	Number of sogesol implements the psychometric methodology on a pilot basis to provide new loans to SEs that would be rejected using traditional analysis.	0			1 Mar 2015	0	
	R.2	Number MSEs have access to finance in addition to current Sogesol's portfolio.	0			1000 Mar 2015	0	
	R.3	Amount of channeled to MSEs by the partnered FI thanks to the psychometric analysis tool.	0			2000000 Mar 2015	0	
	R.4	The models have been improved and have a special customization to the Haitian market and culture.	0			1 Mar 2015	0	
	R.5	The prediction capability of the methodology and its potential to reach otherwise excluded MSEs is evaluated, documented and disseminated.	0			1 Mar 2015	0	
Component 1: Pilot implementation to adjust the psychometric tool to local market. Weight: 57% Classification: High Satisfactory	C1.11	Number of MSEs are tested with the psychometric tool	0 Dec 2013			200 Sep 2013	2087 Dec 2013	
	C1.12	Number of MSEs are tested with the psychometric tool	0			1000 Sep 2014	2087 Dec 2013	Finished
	C1.13	Number MSEs are tested with the psychometric tool	0 Dec 2013			2000 Mar 2015	2087 Dec 2013	Finished
	C1.14	Sogebank and/or Fonkoze are integrated to the pilot project.	0			1 Mar 2015	1 Dec 2013	Finished
Component 2: Mainstream implementation of the psychometric tool Weight: 35% Classification: Satisfactory	C2.11	The tool is embedded in Sogesol's loan approval process as a key factor for decision-making.	0			1 Sep 2014	1 Dec 2013	Finished
	C2.12	Sogesol approves the mainstream implementation plan.	0			1 Sep 2014	1 Dec 2013	Finished
	C2.13	A proposal for scaling up the initiative in Haiti is presented to the IDB's BDS by EFL	0			1 Mar 2015		
	C2.14	An implementation proposal is presented to Sogesol and/or Fonkoze	0			1 Mar 2015		

Component 3: Dissemination of project results

Weight: 8%

Classification: Satisfactory

C3.11	A case study of the psychometric tool implementation in Haiti has been developed and disseminated.					Sep 2014		
C3.12	Percentage of the Haitian financial institutions participate in a workshop to disseminate the project results.	0				80		
						Mar 2015		

Milestones	Planned	Due Date	Achieved	Date achieved	Status
M1 Conditions Prior	3	Mar 2013	3	Nov 2012	Achieved

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. Demand for loans and financial products continue strong among small enterprises. Regulatory and legal framework is conducive for applying the psychometric analysis.	High	n/a	Project Guest
2. Political and economic environment in the country where not partnered financial institutions are located are conducive to SE financing.	Medium	...	Project Guest
3. Predicative power of the tool sufficient for profitable lending as is in Africa.	Medium	...	Project Guest
4. ...	Low	...	Project Guest

PROJECT RISK LEVEL: Medium **TOTAL NUMBER OF RISKS:** 4 **IN EFFECT RISKS:** 4 **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

[None reported in this period]

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

SECTION 6: PRACTICAL LESSONS

[No lessons learned added yet.]