

# PROJECT STATUS REPORT

JULY 2014 - DECEMBER 2014

## SECTION 1: PROJECT SUMMARY

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

Project number: HA-M1049 - Operation Number: ATN/ME-14077-HA

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

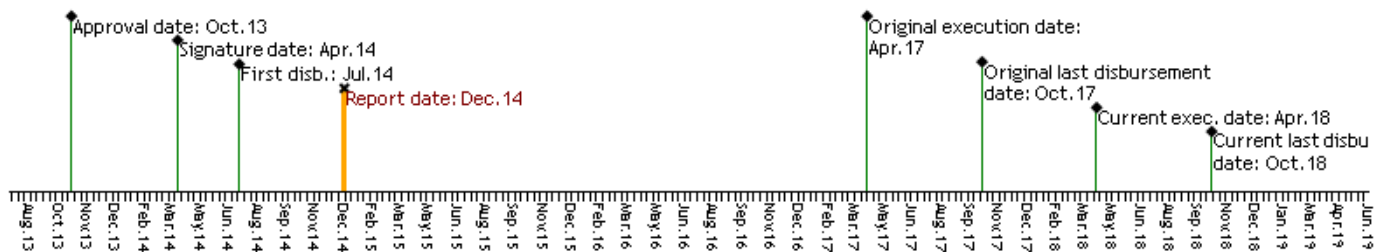
**Country Administrator**  
HAITI

**Beneficiary Country**  
HAITI

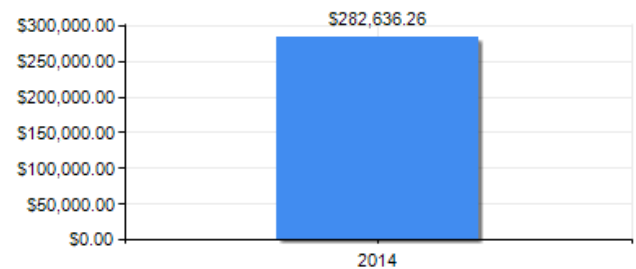
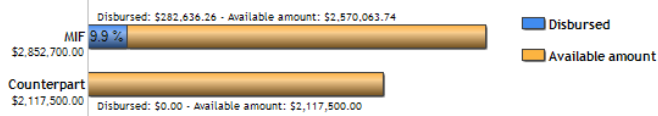
**Executing agency:** CATHOLIC RELIEF SERVICES

**Design Team Leader:**  
**Supervision Team Leader:** Isma, Frednel

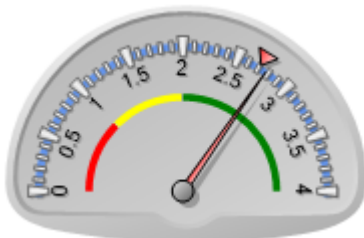
### TIMELINE



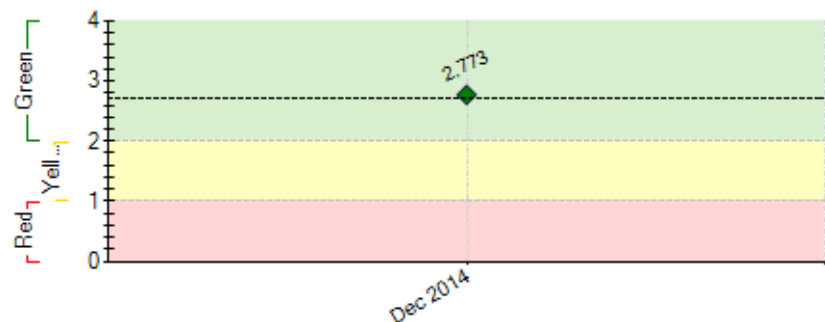
### FUNDS



### PERFORMANCE SCORE



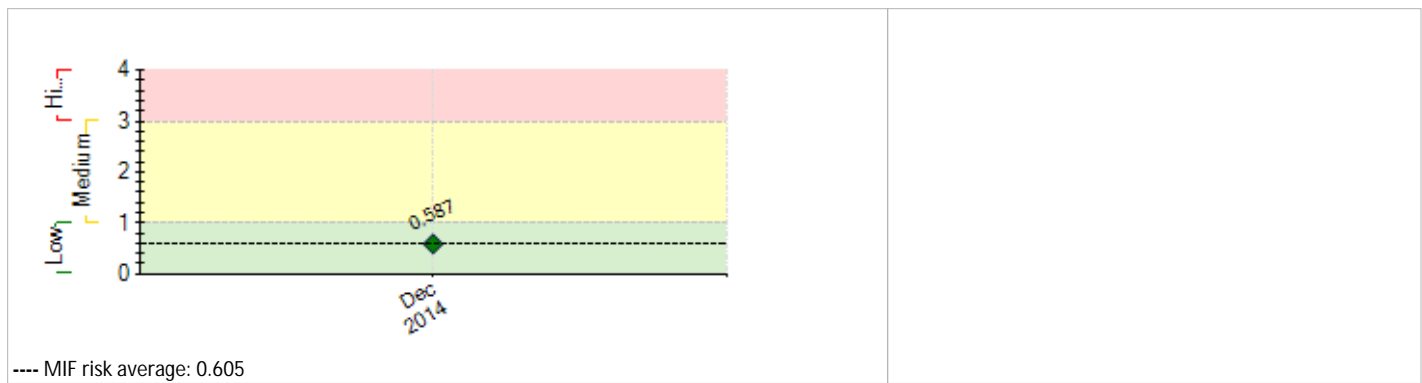
**Current score:** Satisfactory: 2.773  
**MIF Average:** 2.71



### EXTERNAL RISKS

### INSTITUTIONAL CAPACITY

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



## SECTION 2: PERFORMANCE

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

#### Comp 1: Enhancing Productivity of Cocoa Farms

**Cacao agroforestry system:** CATIE consultancy was completed and six innovations are proposed. Four cocoa demonstration plots established. 384 producers trained in natural resources management. **Genetic mapping & clonal gardens:** A call for bid released to recruit a consultant/firm to conduct genetic mapping of cocoa clones. **Regeneration and farm mgnt:** Contracts signed by coops with 60 nurseries to supply 125k seedlings. 284 squad members trained on regeneration techniques. 422.92 ha of cocoa farms regenerated. 292 cocoa producers trained on IPM and 577 on improved production practices.

#### Compo 2: Adding quality to cocoa

**Postharvest Infrastructure:** A fermentation facility built in the North, serving a total of 377 cocoa producers. **Promote quality at coop level:** Training manuals translated in creole. 22 cocoa microprocessors identified for training on cocoa transformation. Materials and equipment ordered for three micro-enterprises.

#### Comp 3: Strengthening Institutional Capacity of Coop Enterprises

**Enterprise Mgmt and Gov:** Financial diagnostic and accountancy workshop with five cooperatives. **Marketing and Commercialization:** Root Capital Formula Based Line of Credit of \$140k for CAUD. Facilitation of a Cocoa sourcing trip conjointly with Taza Chocolate

**Component 4: Knowledge Management:** Protocol proposed to orient the operational research on the selected topics. TDRs developed conduct case study on women's participation.

#### Comments from the Supervision Team Leader

Agree with the Executing Agency comments

The report is in concordance with the activities realized on the field during the last 8 months. Among the accomplishment of the project, the Baseline study and the first step toward establishing Genetic Cacao agroforestry constitute the key to ensure success in this project. So far, although slowly, CRS has proved that the project is on track in all its component.

The recommendations for this project would go to CRS and its partners to move faster with the activities once they agree on their feasibility. The cocoa market as of now represents a great opportunity for the farmers, the sooner they can get access to the activities, the greater will be their benefits.

Finally, it is of utmost importance for CRS to develop strategy to retain its staff. The tendency for staff turnover is very high in Haiti and CRS has already lost 2 team members. The discussion should start on how to create incentives to retain the leadership team for the benefit of the project.

## SECTION 3: INDICATORS AND MILESTONES

Indicators		Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status
<b>Result:</b> To strengthen the capacity of producers to supply sustainably produced cocoa in high value markets	<b>R.1</b> 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	0	
	<b>R.2</b> 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	0	
	<b>R.3</b> 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	0	
	<b>R.4</b> 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	0	
	<b>R.5</b> 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	0	
<b>Component 1:</b> Improving Productivity and Natural Resource Management of Cocoa Farms  <b>Weight:</b> 35%  <b>Classification:</b> High Satisfactory	<b>C1.11</b> Number of clonal gardens established	0 May 2014	2 May 2015	8 May 2016		16 Apr 2017		
	<b>C1.12</b> Number of hectares under improved management practices	0 May 2014	1000 May 2015	2000 May 2016		2500 Apr 2017	422.92 Dec 2014	On Course
	<b>C1.13</b> 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		
	<b>C1.14</b> Number of producers trained in sustainable cocoa agroforestry system (sex disaggregated)	0 May 2014	1000 May 2015	3000 May 2016		4000 Apr 2017	577 Dec 2014	On Course
	<b>C1.15</b> Number of producers receiving payment for environmental services under the pilot Plan Vivo program	0 May 2014	25 May 2016			50 Apr 2017		
	<b>C2.11</b> Number of cooperatives with improved post-harvest	7	10	12		13	8	On Course

product and process upgrading	infrastructure	May 2014	May 2015	May 2016		Apr 2017	Sep 2014	
<b>Weight:</b> 25%	<b>C2.12</b> Number of producers trained on post-harvest management for fermented and conventional cocoa (sex disaggregated)	0	1000	3000		4000		
<b>Classification:</b> High Satisfactory		May 2014	May 2015	May 2016		Apr 2017		
	<b>C2.13</b> Number of cooperatives gradually transitioning to selling bulk cocoa to specialty cocoa	7	10	12		13		
		May 2014	May 2015	May 2016		Apr 2017		
	<b>C2.14</b> Number of cooperatives completing or in the process of obtaining organic or Fair Trade certification	7	10	12		13		
		May 2014	May 2015	May 2016		Apr 2017		
	<b>C2.15</b> Number of groups of microprocessors trained in cocoa transformation and commercialization	0	2	4		4		
		May 2014	May 2015	May 2016		Apr 2017		
<b>Component 3:</b> Strengthening the institutional capacity of cooperative enterprises for sustained long-term growth	<b>C3.11</b> Number of cooperatives offering credit to their members through internal credit funds	0	3	10		10		
		May 2014	May 2015	May 2016		Apr 2017		
	<b>C3.12</b> 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		
		May 2014	May 2015	May 2016		Apr 2017		
	<b>C3.13</b> Number of cooperatives receiving training on governance, business practices, and financial management	0	13	13		13	5	On Course
		May 2014	May 2015	May 2016		Apr 2017	Dec 2014	
<b>Weight:</b> 25%	<b>C3.14</b> Percentage of women in cooperative management positions	15	20	25		30		
		May 2014	May 2015	May 2016		Apr 2017		
	<b>C3.15</b> Number of cooperatives with a member database and basic traceability system	0	7	13		13		
<b>Classification:</b> High Satisfactory		May 2014	May 2015	May 2016		Apr 2017		

Milestones	Planned	Due Date	Achieved	Date achieved	Status
<b>M1</b> Conditions Prior	1	Oct 2014	10	Jun 2014	Achieved
<b>M2</b> Baseline monitoring and evaluation systems are established	1	Oct 2014	1	Dec 2014	Achieved late
<b>M3</b> Agroforestry system has been developed with CATIE and demonstration plots are established	1	Apr 2015	1	Nov 2014	Achieved
<b>M4</b> LWR toolkit has been translated to Creole to train extension agents	1	Apr 2015			
<b>M5</b> 10 cooperatives have undergone diagnostics and financial training by Root Capital	10	Apr 2015	5	Dec 2014	
<b>M6</b> At least 5 post-harvest processing centers have been upgraded and new infrastructure is ready to use	5	Oct 2015	1	Sep 2014	
<b>M7</b> At least 10 cooperatives have business plans to transition to specialty cocoa	10	Apr 2016			
<b>M8</b> Marketing activities to promote Haitian cocoa have taken place (buyer visits, trade fairs etc)	5	Oct 2016	2	Nov 2014	
<b>M9</b> Cacao Cluster formalized	1	Apr 2017			

**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. Market risk: The price of cocoa could fall during the project period, resulting in lower than expect incomes for producers.	Medium	To mitigate this risk, the project will promote an agroforestry system that incorporates two to three tree crops that will provide additional on-farm income for cocoa producers.	Project Guest
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 Guest
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 Guest

**PROJECT RISK LEVEL:** Low **TOTAL NUMBER OF RISKS:** 4 **IN EFFECT RISKS:** 3 **NOT IN EFFECT RISKS:** 0 **MITIGATED RISKS:** 1**SECTION 5: SUSTAINABILITY****Likelihood of project sustainability after project completion:** HP - Highly Probable**CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY***[None reported in this period]***Actions related to sustainability which will be or have been implemented:**

The Project Coordination Unit ensures that the cooperatives are fully engaged in project activity planning and implementation. Based on assessment of the management capacities of each cooperative, sub-agreements are signed with them, and funds are transferred to them for the implementation of project activities. Competent professionals are recruited in the communities as project staff to manage the project at cooperative level. Local extension agents receive refresher trainings and are hired by the cooperatives to provide specific services.

**SECTION 6: PRACTICAL LESSONS**

1. There is a large acceptance by the producers of the cocoa pruning and shade management services offered by the cooperatives. Also, the community perceived this activity as critical to generate large numbers of seasonal employments in the cocoa value chain.

**Relative to**  
Implementation

**Author**  
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