

# PROJECT STATUS REPORT

JULY 2017 - DECEMBER 2017

## SECTION 1: PROJECT SUMMARY

**PROJECT NAME:** Enhancing Credit Union Members Access in Belize through Technology

Project Number: BL-M1009 - Project Num.: ATN/ME-14804-BL

**Purpose:** Increased access to and use of formal savings products by CCT recipients and remittances clients in Belize, through the development of financial products and services tailored to this population.

**Country Admin**

BELIZE

**Country Beneficiary**

BELIZE

**Executing Agency:**

BELIZE CREDIT UNION LEAGUE

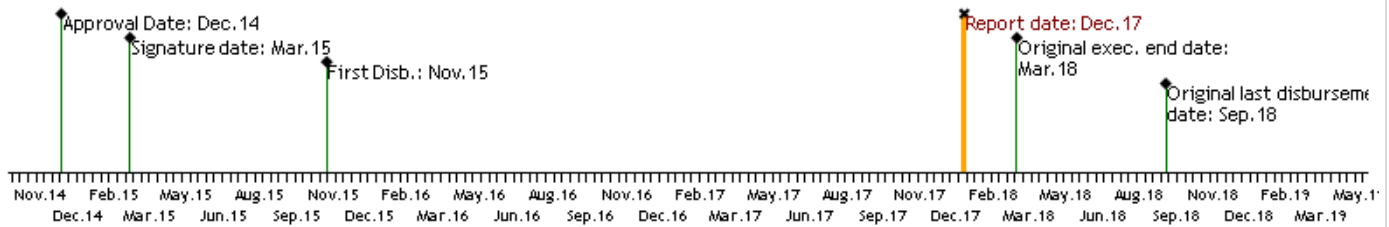
**Design Team Leader:**

FERMIN VIVANCO

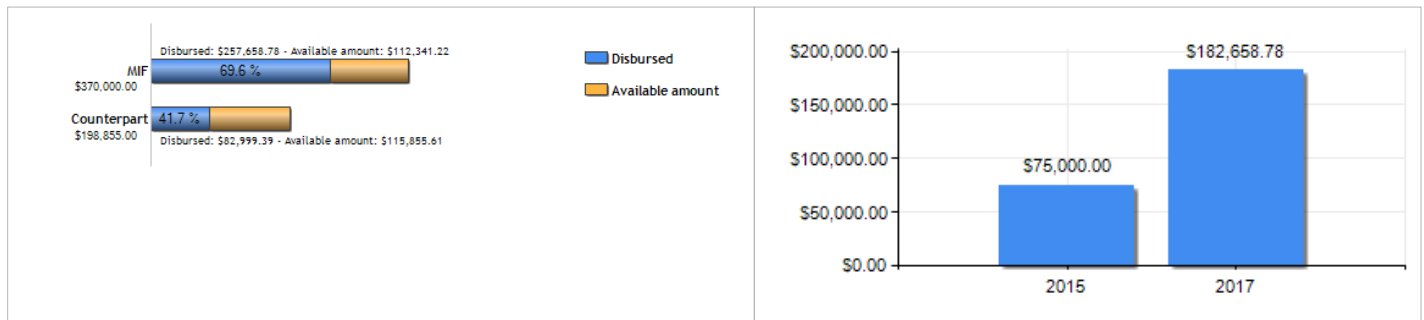
**Supervision Team Leader:**

FERMIN VIVANCO

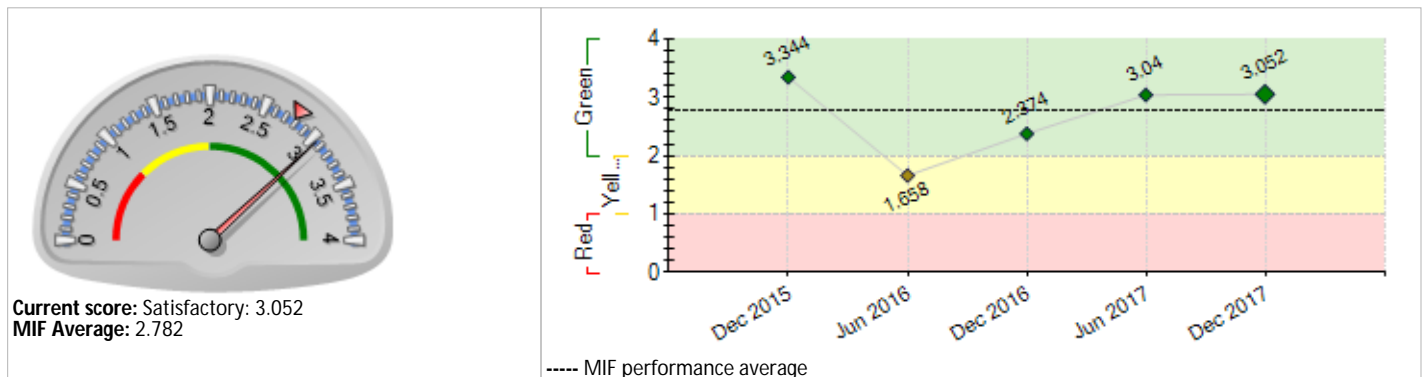
### PROJECT CYCLE



### FUNDS



### PERFORMANCE SCORE



### EXTERNAL RISKS

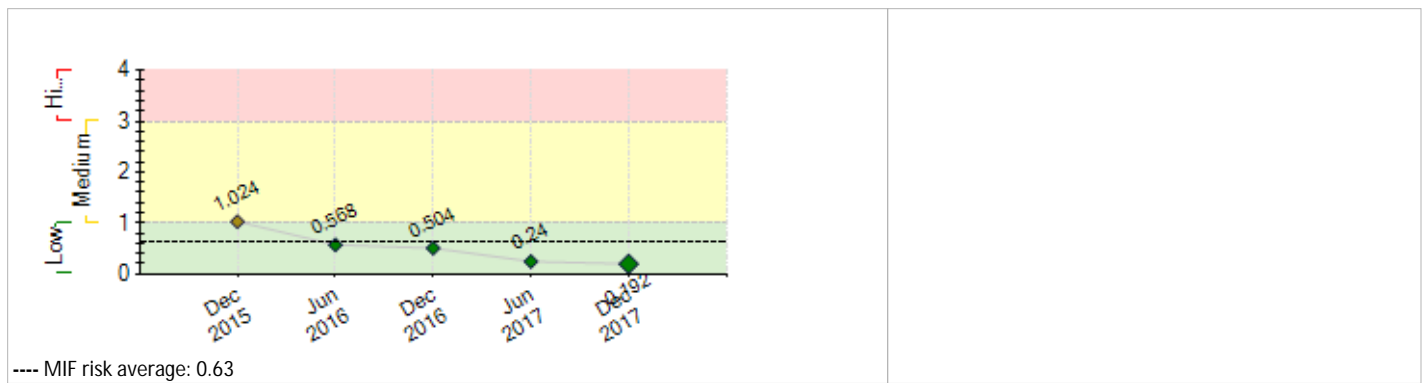
### INSTITUTIONAL CAPACITY

**Risk**

**Financial Management:** Low

**Procurement:** Medium

**Technical Capacity:** Low



## SECTION 2: PERFORMANCE

### Summary of project performance since inception

1. Deadline of July 31, 2017 for **Milestone # 3** was met. Development was completed for connection between Belize Credit Union League Transactional Switch and 3 Credit Unions: Holy Redeemer, St. Francis Xavier and Evangel

2. Contract signed with Micro Software Designs (MSD) of Trinidad and Tobago, provider of the Emortelle Core Banking System used by St. John's, St Martin's and Toledo Teachers Credit Unions; MSD developed and modified the system to communicate with the Transactional Switch;

3. **The Policy & Procedures Manual** and **Agent Manual** were completed

4. Vendor contracted to procure all Tablets, Printers and Servers which were received

5. Marketing Consultant contracted to create awareness and to execute an innovative branding and promotional campaign, of the Savings Products (Edusave and Freedom Fund) and agent network

6. Contract signed with Savings Product Team Leader to conduct Baseline Data Survey

Delays experienced in procurement of tablets and printers due to hurricane in the region; Contracts were extended for network specialist and MSD to give time to complete work. While products and network were launched at an event, individual credit union launches are to be held during coming months once agents have been contracted.

#### Comments from the Supervision Team Leader

Agree with the Executing Agency comments

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

1. Workshops were held country wide by CU and BCUL to sensitized the public on importance of savings.

2. Workshops were held for training of 51 potential Remote Agents

3. User interface for integration of switch was completed and tested to do loan payments, withdrawal and to issue receipts

4. Savings products and agent network launched to over 200 members in October, 2017. Facebook promotion, which reached 13,164 users, engaged 747 and had 169 likes. Promotional items such as flyers, cards, tee shirts and signs were also received, and will be used at individual credit union launch of the products.

5. Materials such as scrips and templates were also developed to sensitize credit union members and the general public, on the importance of saving and the new products.

Areas of Difficulty:

1. Although agents were trained, not all wished to sign up.
2. No response from Central Bank about the status of the League under the National Payment System Act, in its role of Switch Provider
3. The absence of a dedicated Project Coordinator caused delays in following through with consultants.
4. Resignation of the IT Officer who built transactional Switch caused break in transfer of knowledge in that area.

Actions to be taken:

1. Focus on getting credit unions to contract suitable agents, and conduct additional training with contracted agents
2. Meet with the Central Bank to solve any issues
3. Assist credit unions to launch products and network and work in M&E element

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#### Comments from the Supervision Team Leader

Agree with the Executing Agency comments

### SECTION 3: INDICATORS AND MILESTONES

Indicators		Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status
<b>Purpose:</b> Increased access to and use of formal savings products by CCT recipients and remittances clients in Belize, through the development of financial products and services tailored to this population.	R.1	Number of low-income people who access savings products developed by the project (GRF 21050)	0			7000 Dec 2018	0	
	R.2	Number of CCT recipients who of beneficiaries access savings products developed by the project	0	375 Dec 2016	1500 Dec 2017	2000 Dec 2018	0	
	R.3	Number of remittances clients who access savings products developed by the project	0	375 Dec 2016	750 Dec 2017	1500 Dec 2018	0	
	R.4	Number of beneficiaries that make at least one deposit based on the savings plan established	0	1500 Dec 2016		3000 Dec 2018	0	
	R.5	Number of beneficiaries that access a formal savings account for the first time.	0	600 Dec 2016	1250 Dec 2017	2500 Dec 2018	0	
	R.6	Total amount of savings placed in financial institutions from the savings products developed under the project	0	120000 Dec 2017		350000 Dec 2018	0	
	R.7	Number of project beneficiaries that use a shared agent	0	800 Dec 2017		2100 Dec 2018	0	
	R.8	Number of service points, including branches and shared agents in retail stores	0	14 Dec 2016		64 Dec 2018	0	
<b>Component 1:</b> Design of Savings Products and Business <b>Weight:</b> 50% <b>Classification:</b> Unsatisfactory	C1.1	Market research study completed	0			1 Mar 2016	1 Sep 2016	Delayed
	C1.12	Two savings products designed	0			2 Mar 2018	2 May 2017	Finished
	C1.13	Awareness campaign completed.					Yes Nov 2017	Finished
<b>Component 2:</b> Development of Shared Agent Platform <b>Weight:</b> 50% <b>Classification:</b> Satisfactory	C2.1	New delivery channels' pilot evaluated				Mar 2016		Delayed
	C2.12	7 Credit Unions with new channels operating	0			7 Mar 2018		
	C2.13	30 of FI's staff trained on the new savings products	0			30 Mar 2018	40 Jun 2017	On Course

Milestones		Planned	Due Date	Achieved	Date of achievement	Status
M2	Conditions Prior	1	Sep 2015	1	Sep 2015	Achieved
M3	Validation of demand for Savings product received and Two savings product confirmed	1	Jan 2016	1	Sep 2016	Achieved

M4	[*] 2 Savings Products Developed	2	May 2017	2	May 2017	Achieved
M5	[*] 3 CUs IT platform modified and updated to work with transactional switch.	3	Jul 2017	3	Jul 2017	Achieved
M6	[*] 50 Agents selected and trained.	50	Oct 2017	51	Oct 2017	Achieved
M7	750 members sensitized on importance of savings and new Saving Products	750	Nov 2017	1000	Nov 2017	Achieved
M8	Production of one video documenting members experience with the savings products and delivery channels.	1	Jan 2018			

[\*] 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. Newly developed savings products might be slower than expected in attracting new savers	Medium	Train credit union employees in product sensitization and offering the products to members. Work with Belize Credit union League in offering training of trainers to credit union employees through financial literacy programs	Project Coordinator
2. Remittances or CCT payments might decrease substantially as a result of Belize correspondent banking relations	Low	Liaise with credit unions offering remittance services to evaluate the effect of Belize's debanking.	Project Coordinator
3. Operational difficulties due to technology delay launch of the new savings products. New regulatory requirements being implemented by the Central Bank of Belize for electronic payments.	Low	Facilitate the process of getting BCUL to take lead in meeting the requirements set forth by the CBB.	Project Coordinator
4. Changes in the Boost program reduce the number of beneficiaries	Low	Liaise with BOOST project team to keep abreast of new developments within their project and find ways of collaboration.	Project Coordinator
5. Getting approval of Licence from Central Bank of Belize for the Remote Agents	Low	Continue to liaise with Central Bank to process applications on a timely basis	Project Coordinator

**PROJECT RISK LEVEL:** Low **TOTAL NUMBER OF RISKS:** 8 **IN EFFECT RISKS:** 5 **NOT IN EFFECT RISKS:** 2 **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 have been taken in the reporting period:**

1. The term of the Project Coordinator ended in June, 2017 and there were delayed Milestones yet to be met.
2. There were delays due to the hurricane threat
3. Delays by the Central Bank in approving agents have delayed implementation of agent services, and therefore evaluation of new channels have not started. However, part of the League's strategy in the next 3 years is to monitor, evaluate and assist credit unions to continue build the agent network.
4. Shared branching amongst credit unions is being implemented through the National Payment System project

**SECTION 6: PRACTICAL LESSONS**

1. This project is highly technical, and the resignation of 2 project coordinators within 2 years and the resignation of key IT personnel, decreased the momentum during critical times. The lesson learned is that perhaps, provision should have been made to contract the services of a knowledgeable professional to assist the League to carry the project to its completion	Relative to Risk	Author Daniels, Lovinia
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