

HAITI RECONSTRUCTION FUND

FIRST ANNUAL PROGRESS REPORT
2010/2011



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Pa' Ayiti kanpe sou 2 pye!





MESSAGE FROM PRESIDENT MARTELLY



top left: Photo courtesy of Diego Osorio, Senior Operations Officer, HRF

top right: Photo courtesy of Emmanuel Noel, IOM

Cover photos courtesy of Emmanuel Noel, IOM, Mlle Saran Koly, Communication Officer, UNDP, Diego Osorio, Senior Operations Officer, HRF; Denis Dufresne, Director of Communications, IHRC

TAKING THE REINS OF A DEVASTATED COUNTRY IS THE ESSENCE OF MY MISSION AS THE 56TH PRESIDENT OF THE REPUBLIC OF HAITI, WHERE THE RECONSTRUCTION FOLLOWING THE EARTHQUAKE OF JANUARY 12, 2010 REPRESENTS A HUGE CHALLENGE. Almost everything remains to be done, despite the efforts already made by both the previous government and the international community.

It is clear that progress in the middle of a humanitarian emergency represents a unique challenge and this is the situation that Haiti is facing today. There is a need for change focused on progress while responding to multiple priorities. However, it is the courage and the dignity of the Haitian people that is at the center of the survival of this nation which, with the help of friendly countries and international institutions, continues to look forward to a better future. As I said after the announcement of my election victory in March 2011, we have to make Haiti a stronger country working hand in hand as one.

Facing this important crossroads, the reconstruction effort needs to be more effective and must be implemented at a more dynamic pace. We know what works and what does not. We recognize the importance of the tangible pledges of the international community. The international community and Haiti can draw lessons from this experience and it is our duty to future generations not to let this huge opportunity pass, to show that we can be an example of effective solidarity. It is time to impose a new leadership capable of making the necessary decisions at all levels, regardless of the difficulties that may be encountered. In addition, the reconstruction is a matter that concerns the entire Haitian nation so it must be carried out with great transparency and inclusion.

A special feature of my administration is to convey the message to our friends and potential donors that every penny will be managed efficiently and transparently to achieve the desired objectives. In return, I hope that commitments towards the Haitian people will materialize into concrete engagements. The work to be done is of great magnitude and should still be considered as part of a critical emergency. That is why, in the name of the Haitian people, I asked that the IHRC takes all necessary steps to revitalize and strengthen the reconstruction; my support for this important structure will never waver.

Since June 17, 2010, the Haiti Reconstruction Fund has been playing its role for a share of the contributions, supporting projects such as the largest debris removal activity currently in place or providing badly needed resources to restart the Haitian government's operations after the paralyzing earthquake. The Fund can also support us in conveying the reconstruction message through its active visibility campaign and could help mobilize some of the outstanding donor pledges to help us get the job done.

Strong financial support is essential to ensure that the reconstruction process addresses Haiti's key priorities in terms of agriculture, job creation, the investment climate, shelter and education. In partnership with institutions such as the Haiti Reconstruction Fund, we commit to build back better, efficiently and for the benefit of all Haitians. Hand in hand, shoulder to shoulder, internationally with Haitians, we cannot falter in our commitment to make Haiti the country that reflects the greatness of its people.

Michel Joseph Martelly

President of Haiti

FORWARD BY THE
CHAIR OF THE
HRF STEERING
COMMITTEE

AS THE CHAIRPERSON OF THE HAITI RECONSTRUCTION FUND'S STEERING COMMITTEE, I HAVE WITNESSED ITS ENTIRE FIRST YEAR OF OPERATIONS. The HRF is a small and dynamic entity that has mobilized reconstruction funds as required by the Haitian Government. I particularly recall the swift approval and disbursement of its first allocation for budget support, a lifeline in the difficult circumstances of 2010. With the benefit of hindsight, my belief is confirmed that the HRF will play a strategic role for our reconstruction in the long-term. It mobilizes and guarantees transparency along with high standards of financial management, which provide assurances for continued donor engagement in the Haiti reconstruction process.

Taking stock of what we have accomplished, I can point to two elements that are of primary importance. Firstly, the Haiti Reconstruction Fund is an innovative partnership of diverse stakeholders under Haitian leadership. By rapidly responding to requests from the Interim Haiti Recovery Commission, the HRF has transformed a share of the generosity of the international community into investments that deliver results, good governance and increased capacity for the benefit of the Haitian people. Secondly, it is clear that the HRF, as with any other multilateral initiative, can only go as far as its members want it to go. It can mobilize, but only within the mandate and resources granted, and its results are a direct reflection of the performance of its Partner Entities. Therefore, its role reflects the collective leadership we exert in following the reconstruction path we have traced for ourselves.

After one year, it is wise to pause and reflect on how things have been done and how we can do them better. Now, the challenge is not the initial sprint but the long-term endurance race, and this implies the mobilization of donor commitments for the long haul. Here as well, the HRF offers an important contribution, not only with its technical expertise but also by contributing the guarantee of a sound, transparent and effective management of contributions during its seven-year lifespan. Finally, I would like to add that the donor community needs to realize that it can contribute to more autonomous and effective Haitian institutions by precisely encouraging this autonomy. The practice of "preferencing" funds is less than ideal, does not reflect good practices and undermines long-term goals by pursuing short-term priorities.

It has been a pleasure to steer this initial year of the Haiti Reconstruction Fund, and I look forward to continuing success in supporting the reconstruction of my country.



Ronald Baudin

Acting Minister of Economy and Finance





Photo courtesy of Denis Dufresne, Director of Communications, IHRC

EIGHTEEN MONTHS AFTER THE CATASTROPHE THAT BROUGHT SO MUCH PAIN AND DESTRUCTION TO HAITI, A NEW COUNTRY HAS STARTED TO EMERGE, WITH A RECONSTRUCTION PROCESS THAT IS NOW DELIVERING TANGIBLE RESULTS. Gradually, key pieces of the puzzle are falling into place. The electoral process has given the country a new group of leaders via one of Haiti's few transitions from one democratically-elected president to another. The new leadership now has the weighty responsibility for long-term reconstruction and development, and this implies building an effective common front with all political forces. In this context, it is necessary to put aside differences and collaborate in the process of rebuilding the country. Otherwise, Haiti's foreign partners will not be able to help it reach its goals. Obstacles and bottlenecks are subsiding and the recovery effort is gathering pace. As examples, one can see now that debris is being removed, housing projects have started and incentives for economic growth have been developed and are being delivered.

We knew that this was not going to be an overnight enterprise. Since the onset of this collective effort, Haiti's international partners have been committed to the reconstruction process of this country. Our pledge was not just an expression of good will but also tangible and significant support towards actions, projects, ideas, and common goals shared with all Haitians. Indeed, the international community honors the courage and bravery of the Haitian people who have been at the center of this process. To build back better is to build to last with national ownership of the reconstruction.

One of the key tools for the coordination of reconstruction resources has been the Haiti Reconstruction Fund (HRF). After one year of operations, we are pleased with the overall results. This partnership between the international community (19 donors) and the Government of Haiti to help finance post-earthquake reconstruction has been able to mobilize over US\$350 million for housing, debris removal and management, disaster risk reduction, regional development, budget support, job creation, agriculture, and education. The funds have been mobilized, coordinated and allocated in support of priorities set by the Government and its recovery commission. Moreover, the coordinating role of the HRF has allowed us to join forces, coordinate efforts, deliver more and, above all, achieve a greater impact. The HRF has facilitated this, and we count on its continuous assistance to build upon the initial successes.

One year is an important benchmark. Considerable challenges remain: new resources need to be mobilized; critical financing gaps still need to be filled; and partners must bolster their efforts to help deliver a swift and high-quality reconstruction. We are confident that the HRF and its partners, contributors, counterparts, and staff can rise to meet these challenges. As donors, we will do our part to ensure that the Haiti Reconstruction Fund matures from its promising first twelve months into a robust second year of operations.

JOINT DONORS STATEMENT



USA

Cheryl Mills

Ms. Cheryl Mills
Chief of Staff
Counselor of the U.S.
Department of State



BRAZIL

Antonio J. Simões

H.E. Antonio José Ferreira Simões
Undersecretary-General for South and
Central America and the Caribbean
Ministry of Foreign Affairs



NORWAY

Espen Rikter-Svendsen

H.E. Espen Rikter-Svendsen
Ambassador/Special Envoy to Haiti
Norwegian Ministry of Foreign Affairs



CANADA

David A. Moloney

Mr. David Moloney
Executive Vice-President/Premier vice-président
Canadian International Development Agency
Agence Canadienne de Développement International



ESPAÑA

Arturo Reig Tapia

Embajador Arturo Reig Tapia
Embajador en Misión Especial
para la Reconstrucción de Haití



JAPAN

南 健太郎

Ambassador Kentaro Minami
Ambassador of Japan in Haiti



AUSTRALIA

Peter Baxter

Mr. Peter Baxter
Director General
Australian Agency for International
Development



FRANCE

Pierre Duquesne

S.E. Ambassadeur Pierre Duquesne
Ambassadeur chargé des questions
économiques de reconstruction et
de développement



OMAN

F. Al-Hinai

H.E. Ambassador Fuad Al-Hinai
Permanent Representative of Oman
to the United Nations, New York



SWEDEN

Ewa Werner-Dahlin

Ms. Ewa Werner-Dahlin
Director, Department for Conflict
and Post-Conflict Cooperation
Swedish International
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COLOMBIA

Diego Andres Molano Aponte

Mr. Diego Andres Molano Aponte
High Presidential Counselor for Social
Action and International Cooperation,
Presidential Agency for Social Action
and International Cooperation



THE WORLD
BANK
GROUP

R. Kyle Peters

Mr. R. Kyle Peters
Director, Strategy and Country Services
Operations Policy and Country
Services Unit



ESTONIA

Urmas Paet

Mr. Urmas Paet
Minister for Foreign Affairs

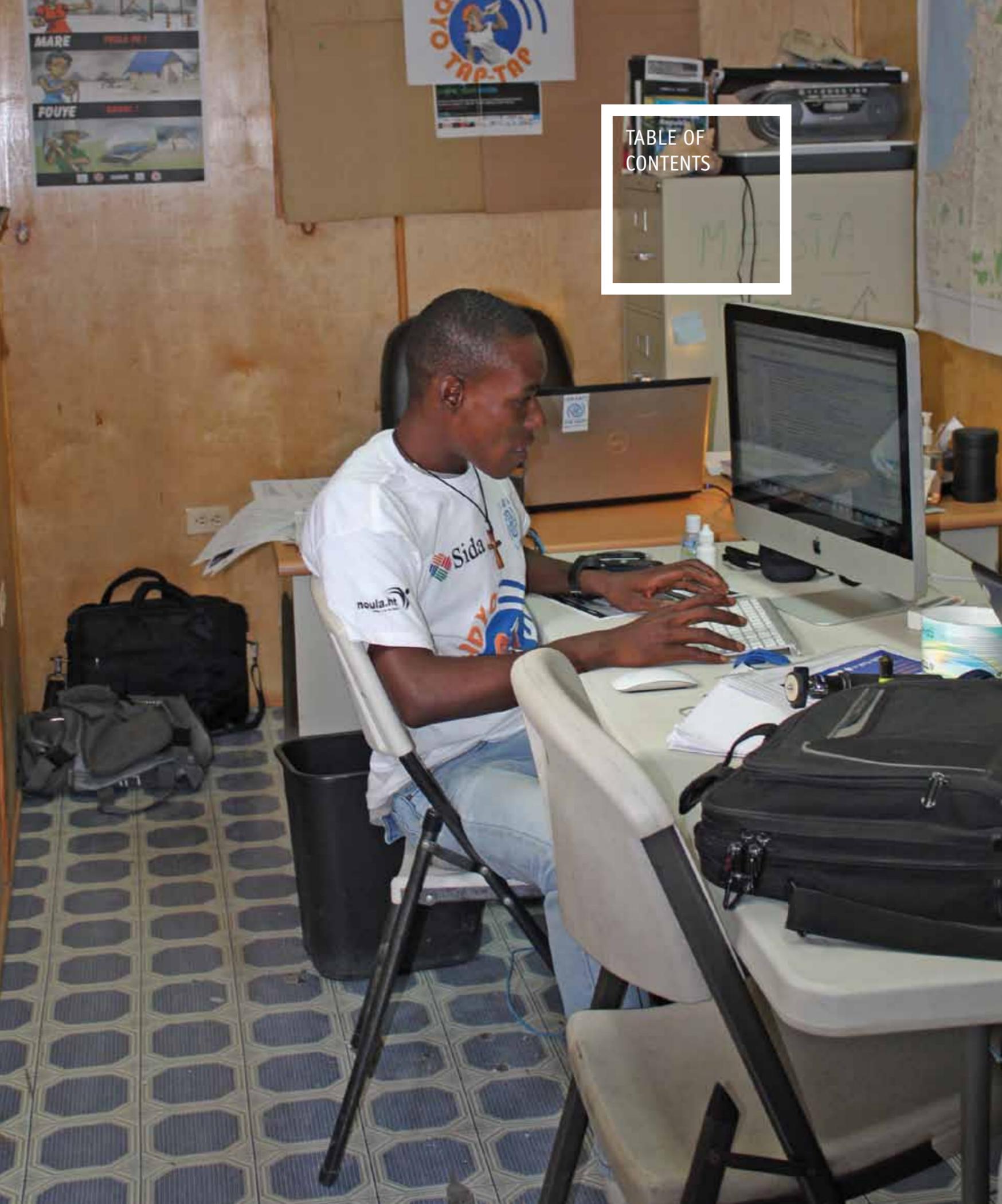


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Photo courtesy of Mlle Saran Koly, Communication Officer, UNDP

GoH	Government of Haiti	OSE	Office of the Special Envoy for Haiti
HRF	Haiti Reconstruction Fund	PCN	Project Concept Note
IDB	Inter-American Development Bank	SC	Steering Committee of the Haiti Reconstruction Fund
IDA	International Development Association	UN	United Nations
IFC	International Financial Corporation	UNDG	United Nations Development Group
IHRC	Interim Haiti Recovery Commission	UNDP	United Nations Development Programme
MDTF	Multi-donor Trust Fund	U.S.	United States
NGO	Non-Governmental Organization	WB	World Bank

This report was prepared by the HRF Secretariat. It has benefited from inputs from the Government of Haiti, the Trustee and the HRF Partner Entities. Specific comments and suggestions were received from: Arturo Reig Tapia (AECID), Bisrat Aklilu (UN MDTF Office), Isabelle Berard (CIDA), Espen Rikter-Svendsen (Norway), Jean Philippe Bernardini (UN), Jonathan Caldicott (Trustee), Liza Morris (U.S.), Marguerite Siemer (U.S.), Melanie Zipperer (World Bank), Peter Sollis (IDB), and Pierre Duquesne (France).



top right: Photo courtesy of Diego Osorio, Senior Operations Officer, HRF
top: Photo courtesy of Emmanuel Noel, IOM

HIGHLIGHTS

In its first year of operation, the Haiti Reconstruction Fund has become:

- **The largest source of unprogrammed funding** for the reconstruction of Haiti with 20 percent of all reconstruction finance being channeled through the Fund.
- **An international partnership led** by the Government of Haiti and the Interim Haiti Recovery Commission, who set the priorities for the use of the funds.
- **An effective mechanism** for raising money (US\$352 million so far) and allocating financing for reconstruction (US\$237 million for fourteen activities).
- **A means of strategically closing financing gaps** in order to achieve a balanced recovery.

WHAT IS THE HAITI RECONSTRUCTION FUND (HRF)?

i. Two months after the devastating January 12, 2010 earthquake, the Government of Haiti (GoH) requested the Inter-American Development Bank (IDB), the United Nations (UN) and the World Bank (WB) to establish a multi-donor financing mechanism called the Haiti Reconstruction Fund (HRF). The HRF mobilizes, coordinates and allocates grant funding in support of the GoH's Action Plan for National Recovery and Development. The GoH asked that the International Development Association (IDA) of the World Bank Group serves as the Trustee for the Fund.

ii. The HRF pools contributions from donors to provide grant financing for priority activities that are requested by the GoH through the Interim Haiti Recovery Commission (IHRC) and approved by the HRF Steering Committee. There is a streamlined grant approval process and a fast track procedure for smaller requests of less than US\$1 million. The HRF can finance activities that include, amongst others, infrastructure, services, community development, environment, income generation, and budget support. Activities are carried out by one or more implementing agencies and are appraised and supervised by a Partner Entity (the International Finance Corporation (IFC), the IDB, the UN, or the WB).

iii. The HRF is governed by a Steering Committee that has been chaired by the Minister of Finance and consists of representatives from the GoH, major donors, the Partner Entities, the Trustee, and observers from Haitian civil society, local government, the private sector, the Diaspora, and international non-governmental organizations (NGOs). During its first year, the Steering Committee met six times to respond to financing requests from the IHRC

and decided to allocate US\$237 million for reconstruction activities.

HOW HAVE THE HRF'S RESOURCES BEEN USED?

iv. In its first year, the HRF has mobilized contributions totaling US\$352 million from 19 donors, of which US\$335 million has been received. Brazil was the first donor with a contribution of US\$55 million, the U.S. is the largest donor (US\$120 million) and four other donors have contributed at least US\$30 million each (Canada, Japan, Norway, and Spain).

v. The HRF Steering Committee has allocated US\$237 million (71%) of available resources for fourteen reconstruction activities that were requested as priorities by the IHRC. An additional US\$2.98 million was allocated to cover operating costs of the Fund via the administrative budgets of the Trustee and Secretariat. Of the resources allocated to reconstruction activities, US\$197 million (83%) has already been transferred to the Partner Entities for implementation purposes. The Partner Entities, in turn, have disbursed US\$35 million (18%) of transferred resources.

WHAT HAS THE HRF ACHIEVED?

vi. During its first year of existence, the Haiti Reconstruction Fund has become:

- **The largest source of unprogrammed funding** for the reconstruction of Haiti. Of the US\$4.58 billion in grant funding that was committed to rebuild Haiti, US\$1.74 billion was actually made available through June 2011. Of this, 20 percent was channeled through the HRF on an unallocated basis.
- **An international partnership led** by the Government of Haiti and the Interim Haiti Recovery Commission. The Government chairs the HRF Steering Committee while

the IHRC determines which activities to put forward for financing.

- **An effective mechanism** for raising money (US\$352 million so far) and allocating financing for reconstruction (US\$237 million during the first year). On these grounds, the HRF has outperformed most other reconstruction and recovery funds.
- **A means of strategically closing financing gaps** in order to achieve a balanced recovery. The HRF has allocated the most amount of resources for the priority sectors of housing and debris removal and management, and helped to meet key gaps in disaster risk reduction, reconstruction and public finance.
- **An efficient mechanism** with rapid, flexible procedures and low operating costs. The HRF has adhered to tight performance standards for allocating and transferring funds while incurring some of the lowest comparative administrative costs.

vii. In terms of results on the ground, Partner Entities have reported on the following noteworthy achievements from projects that are supported by the HRF:

Capacity Building for Disaster Risk Management – evaluated 600 existing evacuation shelters and initiated rehabilitation or rebuilding of 21 priority shelters

Debris Management – waste has been removed from three priority communities with 39 containers in place

Disaster Risk Reduction in South – 60 farmer organizations have been mobilized for environmental protection and food security

Emergency Development Policy Operation – the GoH's FY10 budget gap was closed with the help of this co-financed operation

Natural Disaster Mitigation in South – preparation of a watershed management plan will enable follow-up investments

Partial Credit Guarantee Fund – requests for guarantees from the financial sector are being processed

Sustainable Development in Southwest – 32 project activities are under implementation

Many of the photos in this publication reflect the work that is underway with the help of HRF financing.

WHAT IS EXPECTED OF THE HRF IN ITS SECOND YEAR?

viii. The HRF's second year of operation will focus on: a) responding to the GoH's requests for priority financing needs; b) mobilizing additional contributions, including from non-conventional donors; and c) reporting and analyzing how transferred funds are being disbursed by Partner Entities. During this period, the HRF will work with its partners to respond to the following challenges:

- To accelerate the use of available funds for reconstruction while ensuring their strategic allocation as well as building the GoH's capacity.
- To dissuade existing and future donors from preferencing their contributions so that the GoH has maximum flexibility to use HRF resources to finance strategic priorities.
- To encourage Partner Entities to maintain a sense of urgency and use accelerated procedures to prepare and implement activities.
- To determine, with the GoH, whether to create a reserve of unallocated funds in order to respond to financing requests that arise during the third year of reconstruction and beyond.
- To attract more contributions from donors to meet the backlog of unfinanced recovery projects, including from donors that through other mechanisms are not able to disburse and/or implement on the ground as quickly as anticipated.



right: Photo courtesy of David Helmey GARY, IOM

right: Photo courtesy of Diego Osorio, Senior Operations Officer, HRF
bottom: Photo courtesy of Côte Sud Initiative (CSI)/ United Nations Environment Programme (UNEP), 2011



“Since June 17, 2010, the Haiti Reconstruction Fund has been playing its role for a share of the contributions, supporting projects such as the largest debris removal activity currently in place or providing badly needed resources to restart the Haitian government’s operations after the paralyzing earthquake.”

PRESIDENT MICHEL MARTELLY

1. The devastating January 12 earthquake in Haiti generated an enormous outpouring of international support. Governments, private entities, non-governmental organizations (NGOs), creditors, and multilateral agencies around the world mobilized substantial volumes of resources to support relief and recovery. Some of these contributors have the capacity and desire to manage their own resources on the ground with the Government of Haiti (GoH). Others prefer to combine their support in a multi-donor effort to help finance the recovery.

2. In response to a March 2010 request from the GoH, the Inter-American Development Bank (IDB), the United Nations (UN) and the World Bank (WB), along with contributing donors, established a multi-donor fund called the Haiti Reconstruction Fund (HRF). The role of the HRF is to provide financing for the GoH’s post-earthquake [Action Plan for National Recovery and Development of Haiti](#) and related initiatives. At the GoH’s request, the International Development Association (IDA) of the World Bank Group serves as Trustee for the Fund. From March to June 2010, the World Bank worked with the GoH, IDB, UN, and contributing donors to create a governance structure and mobilize resources so that the HRF could become operational.

HOW DOES THE HRF WORK?

3. The objective of the Fund is to support the mobilization, coordination and allocation of contributions to improve basic living conditions in Haiti and build the capacity of the Government of Haiti in the longer term. To meet this objective, the HRF coordinates its activities with the Government of Haiti, and especially the Interim Haiti Recovery Commission (IHRC). Pooled contributions from donors provide grant

financing for priority activities that are in line with the GoH’s Action Plan for National Recovery and Development, are endorsed by the IHRC and approved by the HRF Steering Committee. The HRF grant approval process, which consists of six simple steps¹, is aligned with the IHRC project review process to maximize efficiency and facilitate coordination.

4. A range of activities can be financed to achieve the objective of the Fund. These include: (a) technical assistance and capacity building; (b) infrastructure investments; (c) delivery of basic services; (d) community development; (e) environmental protection and clean-up; (f) income generation activities; and (g) budget support. This can include one or more facilities to make small grants that support these activities. Other activities may be agreed by the HRF Steering Committee.

5. The HRF structure consists of a Steering Committee, Partner Entities, a Trustee, and a Secretariat. The Steering Committee is the Fund’s governance body and is responsible for endorsing HRF policies and procedures, allocating resources, and approving financial and progress reports. All proposals for consideration by the Steering Committee must be endorsed by the IHRC. The Steering Committee is chaired by the Minister of Finance of the GoH and consists of decision-making representatives from the GoH and major donors who are contributing at least US\$30 million to the Fund. Representatives of the Partner Entities and the Trustee constitute non-decision making members. Observers include representatives of Haitian civil society, the private sector, the diaspora, local government, and international NGOs.

¹ The HRF grant approval process is outlined in detail in Chapter 4.

TABLE 1.1: DESIGN FACTORS THAT ENABLE THE HRF TO OPERATE EFFECTIVELY IN HAITI

ISSUE	NEED	HRF RESPONSE
Damage from earthquake affected every sector of society and economy	Ability to respond to a wide range of reconstruction needs, including budget support	Work with Partner Entities that have a broad set of comparative advantages
Government capacity seriously weakened at all levels	Build capacity and authority by putting the Government in a leadership role	Government chairs HRF Steering Committee and IHRC sets the priorities for financing
History of corruption and inefficiency	Need for transparent and accountable procedures	Funds flow through Partner Entities who appraise and supervise each activity
Previous aid did not always produce sustainable, high-quality results	Apply international good practice for project design, financial management, procurement, environmental and social safeguards, monitoring, etc.	Policies and procedures of the Partner Entities, embodying international standards, are used for each activity
Many reconstruction needs are urgent	Ability to make funding decisions and transfer resources quickly	Adherence to tight performance standards to enable rapid response
Capacity to implement is hampered by many factors	Need to work with entities that have a proven capacity to deliver results	Flexibility to support a range of implementing agencies (Govt., NGOs, UN, private sector, etc.)
IHRC is a unique and untested approach for coordinating the recovery	Importance of working closely and productively with the IHRC	IHRC sets HRF financing priorities; HRF Secretariat is co-located with IHRC; HRF meetings are synchronized with IHRC meetings

HOW HAS THE HRF BEEN DESIGNED TO OPERATE IN THE CHALLENGING CONTEXT OF POST-DISASTER HAITI?

6. Prior to the earthquake, Haiti was emerging from a long history of poverty, inadequate governance, uneven foreign assistance, corruption, and instability. The disaster exacerbated all of these factors. These challenges had to be taken into consideration when the HRF was designed so that it could operate effectively in a very difficult post-disaster environment. Table 1.1 summarizes the key issues that were faced, the needs that arose from the challenges and how the HRF in its design and operation has responded.

WHAT HAS THE HRF ACHIEVED?

7. The Haiti Reconstruction Fund has become:

- The largest source of unprogrammed funding for the reconstruction of Haiti with 20 percent of all reconstruction finance being channeled through the Fund
- An international partnership led by the Government of Haiti and the Interim Haiti Recovery Commission
- An effective mechanism for raising money (US\$352 million so far) and allocating financing for reconstruction (US\$237 million for fourteen activities during the first year)
- A means of strategically closing financing gaps in order to achieve a balanced recovery
- An efficient mechanism with rapid, flexible procedures and low operating costs

8. The HRF's first annual report provides: a) background on the first full year (June 17, 2010 – June 30, 2011) of HRF operations (Chapter 2); b) an overview of the financial status and performance of the Fund (Chapter 3); c) details about the HRF's portfolio of reconstruction activities (Chapter 4); d) a summary of results achieved to date (Chapter 5); e) information on the management of the Fund (Chapter 6); and f) conclusions with lessons learned and challenges for the HRF's second year (Chapter 7). The annexes provide additional details on the status of HRF resources (Annex 1), HRF projects (Annex 2), and project locations (Annex 3).



right: Photo courtesy of David Helmey GARY, IOM





top: Photo courtesy of David Helmey GARY, IOM

left: Photo courtesy of Daniel J. Groshong/ The Hummingfish Foundation for the Côte Sud Initiative (CSI), 2011

THE FIRST YEAR

2

9. The HRF has had a solid first year² of accomplishments that included mobilizing over US\$350 million for reconstruction finance (or 20% of total reconstruction funds disbursed to Haiti during this period), developing a portfolio of high-quality activities and establishing an efficient mechanism for achieving these tasks. Resource mobilization occurred throughout the year, building on Brazil's first contribution of US\$55 million to the Fund in May 2010. During the course of the first year, an additional US\$297 million in contributions were confirmed. 95 percent of donor commitments have been transferred to the Trustee. Additional information on the mobilization of strategic finance is provided in Chapter 3.

10. A portfolio of fourteen activities was developed and financed during the year with total allocations of US\$237 million. All activities were approved and requested by the IHRC and reflect the priorities of the Government. HRF-financed activities helped meet financing gaps in the Recovery Plan and support the priority sectors identified by the IHRC. Each activity in the portfolio is appraised and supervised by one of the Partner Entities (IDB, IFC, UN, or WB). More details about the portfolio are presented in Chapter 4 and Annex 2.

11. These results were possible because the HRF has developed and implemented an efficient set of procedures, especially for rapidly allocating grant financing according to strict performance standards. The majority of these procedures are described in the HRF Operations Manual which was approved at the second HRF Steering Committee meeting (August 17, 2010) and is available on the HRF website

BOX 2.1: CHRONOLOGY OF THE HRF'S FIRST YEAR

June 17: IHRC holds its first Board meeting and endorses first request for HRF financing (Port-au-Prince)

- First HRF SC meeting is held (Port-au-Prince)

- Norway becomes the 2nd SC donor member with US\$32 million eq. contribution

- HRF SC allocates US\$30 million for budget support

August 17: Second IHRC Board & HRF SC meetings are held (Port-au-Prince)

Canada becomes 3rd SC donor member with US\$30 million eq. contribution

October 6: U.S. becomes the 4th SC donor member with US\$120 million contribution

October 7: Third HRF SC meeting is held (Port-au-Prince)

December 15: Fourth HRF SC meeting is held (Santo Domingo)

December 22: Spain becomes 5th SC donor member with US\$30 million contribution

January 9: HRF Six Month Progress report is launched along with photo exhibit and awards ceremony

February 28: Japan becomes 6th SC donor member with US\$30 million contribution

March 1: Fifth HRF SC meeting is held (Port-au-Prince)

April 5: International Finance Corporation approved as new Partner Entity

April 9: Sixth HRF SC meeting is held (Port-au-Prince)

May 1: HRF communications strategy is finalized

² The clock began ticking for the HRF on June 17, 2010 when its first Steering Committee meeting was held. To facilitate consistent reporting in the future, this annual report covers the period through June 30, 2011.

BOX 2.2: HRF STEERING COMMITTEE MEETING HIGHLIGHTS**First meeting (June 17, 2010)**

- Allocation of US\$30 million for budget support to the GoH at the request of the IHRC on the same day
- Review of HRF Operations Manual
- Approval of annual budgets for Trustee and Secretariat

Second meeting (August 17, 2010)

- Setting aside US\$29.5 million for two proposals (debris management and partial credit guarantee) requested by the IHRC on the same day
- Approval of criteria and process for selecting new partner entities
- Amendment and approval of Operations Manual

Third meeting (October 7, 2010)

- Setting aside US\$30 million for three proposals (an integrated package of disaster mitigation and reconstruction activities for southern Haiti) requested by the IHRC on the previous day
- Setting aside US\$40 million for forthcoming Artibonite 4c Dam proposal
- Update and approval of a simplified fee structure note

Fourth meeting (December 15, 2010)

- Setting aside US\$102 million for four proposals (debris removal, education, housing reconstruction and disaster risk management)
- Discussion of IHRC Strategy for the HRF and strategy against donor preferencing
- Presentation of the draft HRF Six-month Progress Report

Fifth meeting (March 1, 2011)

- Setting aside US\$35.5 million for two proposals (housing support and earthquake prevention) and conditional acceptance of two additional activities (housing finance facility and milk production)
- Recognition of new contributions of US\$60 million from Japan and Spain

Sixth meeting (April 9, 2011)

- Setting aside US\$15 million to finance targeted budget support for the GoH
- Review of the HRF's proposed Input Tracking System and draft Communications Strategy
- Authorization to finalize a standard reporting format and procedures for accrediting new Partner Entities

(www.haitireconstructionfund.org). The SC has also discussed criteria and procedures for accrediting new Partner Entities (at the second and sixth SC meetings) and a communications strategy. The grant approval process is presented along with an assessment of performance in Chapter 4. The low operational cost of managing the Fund and the HRF communications strategy are summarized in Chapter 6.

12. A chronology of the HRF's first year of operations is presented in Box 2.1 and the highlights of the first six Steering Committee meetings are summarized in Box 2.2.



right: Photo courtesy of Diego Osorio, Senior Operations Officer, HRF



MEETING THE NEEDS OF STRATEGIC FINANCE

3



top right: Photo courtesy of Mlle Saran Koly, Communication Officer, UNDP
bottom: Photo courtesy of Diego Osorio, Haiti Reconstruction Fund

13. In the past year, the Haiti Reconstruction Fund has played a key role in funding priority reconstruction activities and channeling its funding to fill strategic financing gaps. Over the past twelve months, nineteen donors committed to contribute US\$352 million to the Fund, of which US\$335 million was received by the Trustee and US\$237 million was allocated for reconstruction activities. The contributions to the HRF represent 20 percent of all reconstruction finance for Haiti (excluding debt relief) disbursed by donors between March 2010 and June 2011. In comparison to seven other recovery and reconstruction trust funds, the HRF is the second largest fund and ranks third

in terms of project funding approved and disbursements in the first year of operations.

FINANCIAL STATUS OF THE FUND

14. Status of contributions and total receipts - Table 3.1 shows the total contributions to the HRF, defined as those for which Administration Agreements or Arrangements have been signed by donors and the Trustee. The table shows the amount of the contribution in the respective currency and in US\$ equivalent ("Effective Contribution"), and the amount of the contribution received to date by the Trustee ("Receipts"). As of June 30, 2011, the Trustee had entered into Administration Agreements

TABLE 3.1: STATUS OF CONTRIBUTIONS (IN MILLIONS)

UPDATED AS OF JUNE 30, 2011

DONOR	EFFECTIVE CONTRIBUTION			RECEIPTS	
	CONTRIBUTION CURRENCY	AGREED CONTRIBUTION AMOUNT a/	US\$ EQ.	RECEIVED AMOUNT b/	US\$
Australia	AUD	10.00	8.56	10.00	8.56
Brazil	USD	55.00	55.00	55.00	55.00
Canada	CAD	46.30	45.50	46.30	45.50
Colombia	USD	4.00	4.00	4.00	4.00
Cyprus	USD	0.10	0.10	0.10	0.10
Estonia	USD	0.05	0.05	0.05	0.05
Finland	EUR	0.70	0.92	0.70	0.92
France	EUR	5.00	6.86	5.00	6.86
Ireland	EUR	1.00	1.33	1.00	1.33
Japan	USD	30.00	30.00	30.00	30.00
Latvia	LVL	0.03	0.06	0.03	0.06
Norway	NOK	200.00	31.87	200.00	31.87
Nigeria	USD	5.00	5.00	5.00	5.00
Oman	USD	5.00	5.00	5.00	5.00
State and Peace Building Fund	USD	2.00	2.00	2.00	2.00
Spain	USD	30.00	30.00	13.00	13.00 c/
Sweden	SEK	25.00	3.75	25.00	3.75
Thailand	USD	2.30	2.30	2.30	2.30
United States	USD	120.00	120.00	120.00	120.00
TOTAL USD EQUIVALENT			352.31		335.31

a/ per countersigned Administration Agreements or arrangements in currencies

b/ in currencies of contribution

c/ represents the first installment

or Arrangements with 19 donors for a total of US\$352 million. The Trustee has received US\$335 million in cash to date from these donors.

15. In accordance with the HRF governance document the voting members of the Steering Committee are the Government of Haiti and those donors with signed contribution agreements of US\$30 eq. million or more. Brazil, Canada, Japan, Norway, Spain and the United States have met this threshold as of June 30, 2011.

16. Cumulative funding decisions -Table 3.2 presents the cumulative funding decisions by the Steering Committee, amount-

ing to US\$240 million. Of the total US\$240 million allocated, US\$230 million was allocated for fourteen reconstruction projects (96%), US\$7 million was allocated in Partner Entity fees (3%), and US\$3 million was allocated to cover the Secretariat and the Trustee costs to provide their services to the HRF for the period of July 1, 2010 until June 30, 2012 (1%) (see Figure 3.1). Of the total US\$230 million of approved projects to date, US\$105 million has been allocated to the World Bank as Partner Entity, US\$8 million to the UN, and US\$37 million to the IDB (see Figure 3.2).

17. Funding availability - Table 3.3 presents funding available in the HRF, and refers to "Funds Held in Trust" with no re-

TABLE 3.2: CUMULATIVE FUNDING DECISIONS (IN US\$ MILLIONS)

UPDATED AS OF JUNE 30, 2011

ACTIVITY			
PROJECTS	TITLE	PARTNER ENTITY	
	Haiti Emergency Development Policy Operation	WB	25.00
	Program to Establish a Partial Credit Guarantee Fund	IDB	12.50
	Debris Management Project	UN	16.95
	Haiti Southwest Sustainable Development Program	UN	8.00
	Disaster Risk Reduction in the South Department	UN	8.00
	Natural Disaster Mitigation in the South Department	IDB	14.00
	Reconstruction of the Education Sector	IDB	10.00
	Capacity Building for Disaster Risk Management	UN	2.00
	Demolition and Debris Removal with Heavy Equipment	UN	25.00
	Port-au-Prince Neighborhood Housing Reconstruction Project	WB	65.00
	Housing and Neighborhood Reconstruction Support Program a/	UN	24.67
	Earthquake Prevention Plan for the North of Haiti	UN	9.96
	Capacity Building Program to the IHRC	UN	1.00
	Targeted Budget Support Operation a/	WB	15.00
		Sub-total	237.08
FEES	Debris Management Project	UN	1.27
	Haiti Southwest Sustainable Development Program	UN	0.60
	Disaster Risk Reduction in the South Department	UN	0.60
	Capacity Building for Disaster Risk Management	UN	0.11
	Demolition and Debris Removal with Heavy Equipment	UN	1.87
	Housing and Neighborhood Reconstruction Support Program a/	UN	1.84
	Earthquake Prevention Plan for the North of Haiti	UN	0.74
	Capacity Building Program to the IHRC	UN	0.07
		Subtotal	7.11
ADMINISTRATIVE	FY 11 Secretariat		1.10
BUDGETS	FY 11 Trustee		0.59
	FY 12 Secretariat		1.00
	FY 12 Trustee		0.30
		Subtotal	2.98
		TOTAL	247.17

a/ The amounts have been set aside following approval by the HRF Steering Committee of the Project Concept Note and subject to the no-objection approval by the Steering Committee of the complete project document and the final approval of the IHRC thereafter.

FIGURE 3.1: FUNDING DECISIONS BY ACTIVITY

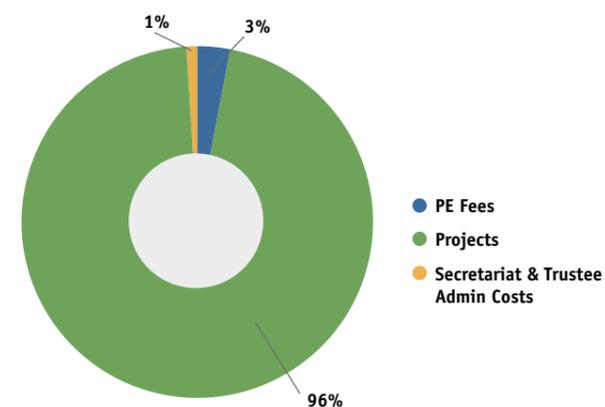


FIGURE 3.2: PROJECT FUNDING DECISIONS BY PARTNER ENTITY (US\$ MILLION)

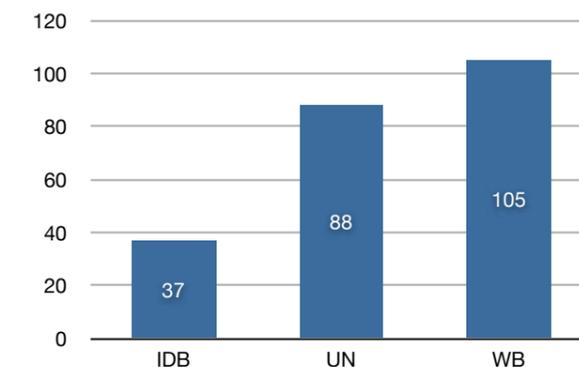


TABLE 3.3: HAITI RECONSTRUCTION FUND - SCHEDULE OF FUNDS AVAILABLE (IN US\$ MILLIONS)

UPDATED AS OF JUNE 30, 2011

1. Cumulative Receipts		335.84
a. Cash receipts from Donors	335.31	
b. Investment Income earned on undisbursed balances of HRF FUNDS	0.52	
2. Cumulative Cash Transfer		200.39
a. Projects	192.14	
b. Partner Entity Fees	5.27	
c. Administrative Budget	2.98	
3. Funds held in Trust (3=1-2)		135.45
4. Financial Reserve a/		40.00
5. Funds held in Trust with no Restrictions (5=3-4)		95.45
6. Funding Decisions pending Cash Transfer		39.67
a. Projects	37.83	
b. Partner Entity Fees	1.84	
c. Administrative Budget	-	
7. Funds available to support HRF Steering Committee Funding Decisions (7=5-6)		55.78

a/ Reflects the HRF Steering Committee's decision to reserve resources for future funding decisions.

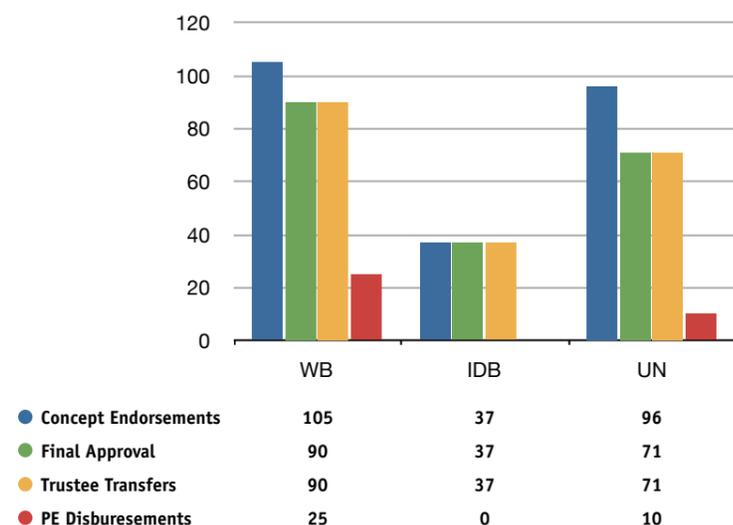
strictions, less cumulative funding decisions by the Steering Committee for which cash transfers are pending. As presented in Table 3.3, "Funds Held in Trust" amounted to US\$135 million, representing cumulative receipts and investment income (US\$335 million) less cash transfers since inception of the HRF (US\$200 million).

18. The value of HRF funding decisions that were pending transfer to Partner Entities amounted to US\$40 million. The funds set aside will be transferred to the Partner Entities upon their request, subject to the Steering Committee's approval (on

a no-objection basis) of the final project documents and, thereafter, the final approval of the IHRC.

19. Investment income earned on the liquid cash balance in the HRF from inception to June 30, 2011 amounted to approximately US\$0.52 million (0.37% of the average monthly HRF balance since inception). The Trust Fund balance is allocated to a liquid short term investment portfolio comprised almost exclusively of cash.

FIGURE 3.3: FUNDING DECISIONS AND DISBURSEMENTS BY PARTNER ENTITY (US\$ MILLION)



20. The net funding availability in the HRF as of June 30, 2011 therefore amounted to US\$56 million.

21. Partner Entity Disbursements³ - As of June 30, 2011, the HRF Steering Committee has endorsed the Concept Notes of fourteen projects, of which twelve projects have also received final approval from the Steering Committee and the IHRC. The Trustee has transferred funds totaling US\$197 million in respect of those approved projects and associated fees to the Partner Entities, upon receipt of cash transfer requests from the Partner Entities. Figure 3.3 shows the funding decisions and disbursements by Partner Entity, and Figure 3.4 details project-by-project disbursement status.

22. Figure 3.5 presents the disbursement rate by Partner Entity. As of June 30, 2011, US\$71 million was transferred to the UN, of which US\$10 million has been disbursed; the IDB has received US\$37 million, all of which is pending disbursement; and US\$90 million was transferred to the World Bank, of which US\$25 million has been disbursed. The disbursement rate is 14 percent, 0 percent and 28 percent, respectively.

ROLE OF THE HRF IN HAITI'S OVERALL RECONSTRUCTION FINANCE

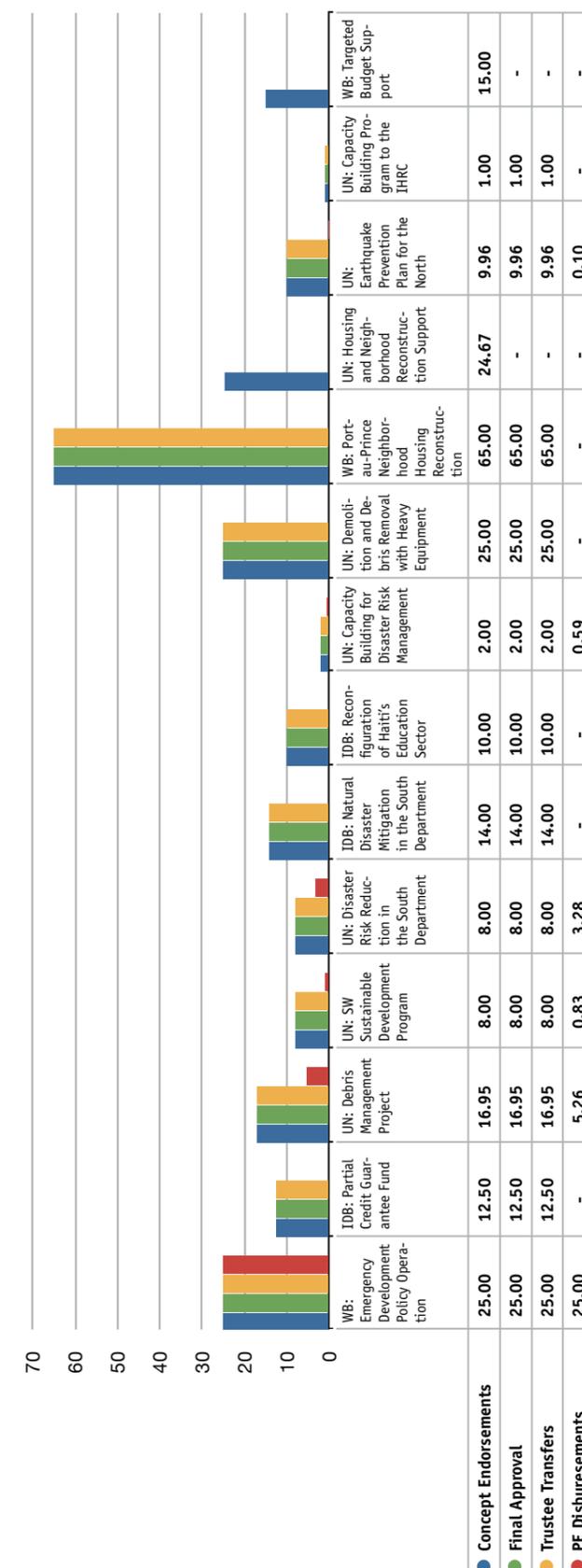
23. HRF funding as part of overall reconstruction finance – At the International Donors Conference “Towards a New Future for Haiti” held on March 31, 2010, 55 donors pledged US\$ 4.58 billion in grant funding to be committed in 2010 and 2011 to

rebuild Haiti⁴. Of this, as of June 2011, donors had disbursed US\$1.74 billion, representing 38 percent of total funds pledged to Haiti for 2010 and 2011. Out of the US\$1.74 billion in grant funding that was disbursed, 20 percent was channeled through the Haiti Reconstruction Fund which, as of June 30, 2011, had received commitments totaling US\$352 million (see Figure 3.6). Nineteen donors, representing a third of all donors that made pledges at the New York Donors Conference, channeled part or all of their pledge through the HRF.

HRF PERFORMANCE COMPARED

24. Comparison with other MDTFs. One way to gauge the performance of the HRF is to compare the contributions received as well as its grant approval and disbursement performance to that of other post-disaster and post-conflict multi-donor trust funds (MDTFs). Table 3.4 compares the performance of seven such funds after their first year of operation with the performance of the HRF. With US\$335 million in contributions paid in during its first year of operation, the HRF received the second largest sum of funding, outranked only by the Iraq Reconstruction Fund. By the end of its first year, the HRF Steering Committee had allocated 71 percent of the total funds received. Only the Iraq and East Timor Trust Funds had a higher approval rate. The HRF ranks third in terms of project disbursements in the first year of operations with 15 percent of approved funds disbursed to recipients. Only the Liberia and Aceh/Nias Trust Funds performed significantly better.

FIGURE 3.4: FUNDING DECISIONS AND THE STATUS OF DISBURSEMENTS BY PROJECT (US\$ MILLION)



³ This section is based on information provided by the Partner Entities.

⁴ Funds Pledged by national governments and multilateral organizations, excluding debt relief. Data as reported by the Office of the Special Envoy for Haiti in the Overall Financing Key Facts brief of June, 2011.

FIGURE 3.5: DISBURSEMENT RATE BY PARTNER ENTITY (%)

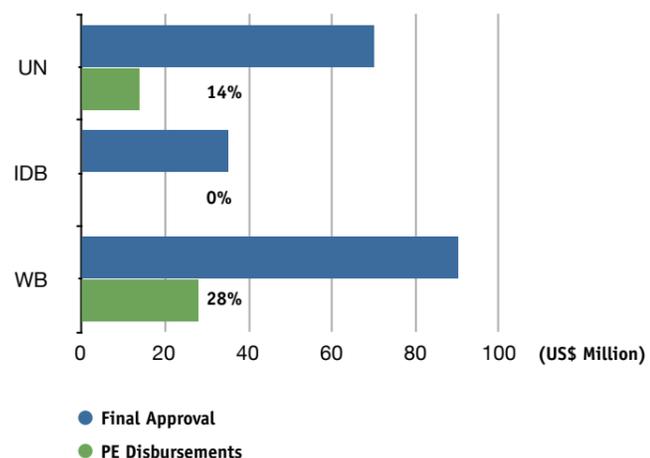
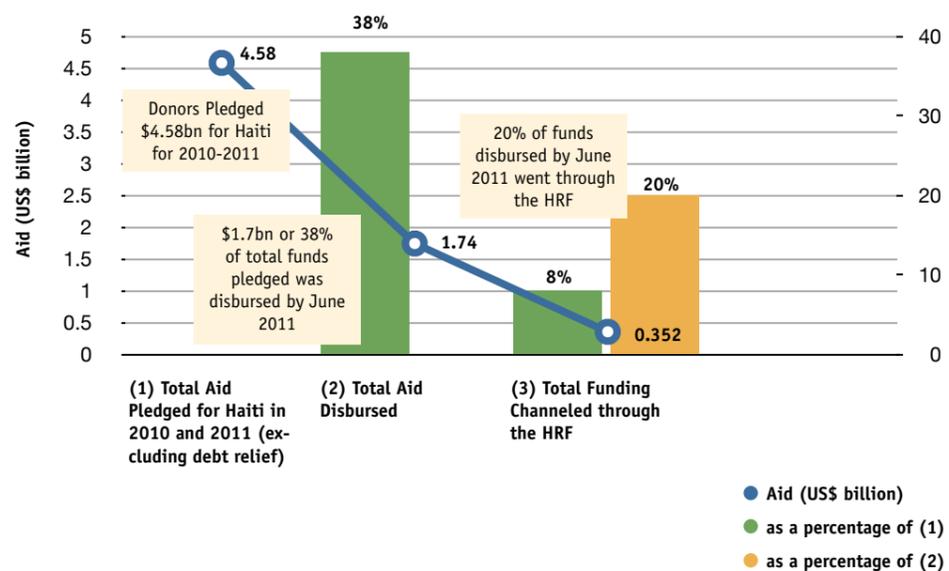


TABLE 3.4: HRF ONE-YEAR PERFORMANCE COMPARED TO OTHER MULTI-DONOR RECONSTRUCTION OR RECOVERY FUNDS

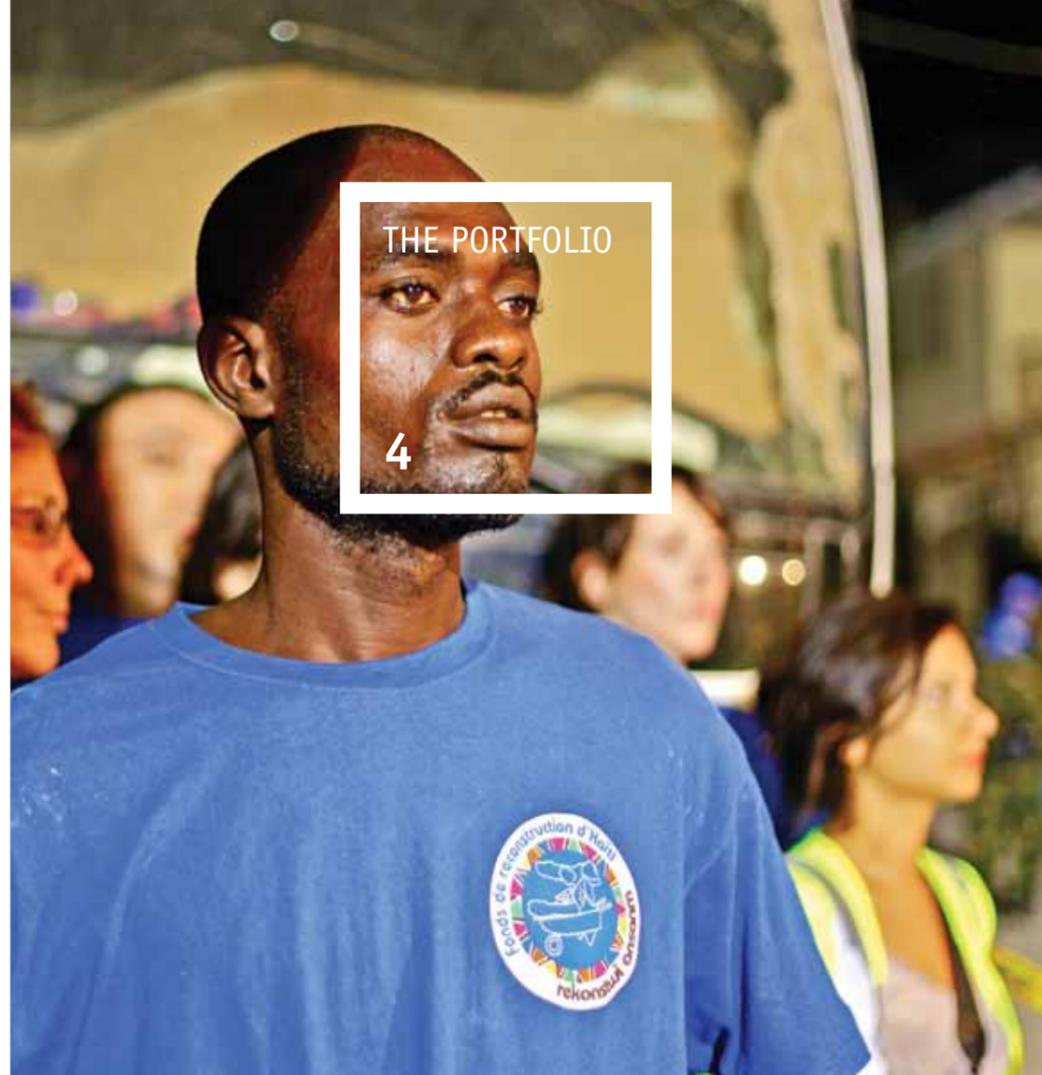
Multi-Donor Trust Funds	Received Funds/ 1st year	Approved Funds ⁵ / 1st year	Disbursed Funds/ 1st year	Ratio of Approved to Received Funds/ 1st year	Ratio of Disbursed to Approved Funds/ 1st year	Ratio of Disbursed to Received Funds/ 1st year
Afghanistan Reconstruction Fund	\$184,790,000	\$44,556,000	\$4,836,000	24%	11%	3%
Haiti Reconstruction Fund	\$335,310,000	\$237,080,000	\$35,060,000 ⁶	71%	15%	10%
Iraq Reconstruction Fund	\$392,100,000	\$365,600,000	\$23,000,000	93%	6%	6%
Java Reconstruction Fund	\$36,500,000	\$9,910,000	\$ -	27%	0%	0%
Lebanon Recovery Fund	\$30,370,000	\$18,967,124	\$345,661	62%	2%	1%
Liberia Reconstruction Trust Fund	\$21,790,000	\$3,650,000	\$2,000,000	17%	55%	9%
Multi Donor Fund for Aceh and Nias	\$247,470,000	\$145,987,000	\$82,440,000	59%	56%	33%
Trust Fund for East Timor	\$ 42,262,000	\$55,092,000	\$4,910,000	130%	9%	12%

FIGURE 3.6: HAITI POST-EARTHQUAKE FUNDS



⁵ Approved and disbursed funds are for recipient-executed activities and related implementation costs but do not include the administrative costs of the fund itself.

⁶ In addition to the US\$35 million that was disbursed, the HRF has transferred a total of US\$197.4 million to Partner Entities.



By rapidly responding to requests from the Interim Haiti Recovery Commission, the HRF has transformed a share of the generosity of the international community into investments that deliver results, good governance and increased capacity for the benefit of the Haitian people.

OUTGOING HRF CHAIR AND FINANCE MINISTER RONALD BAUDIN



top right: Photo courtesy of Mlle Saran Koly, Communication Officer, UNDP
right: Photo courtesy of Emmanuel Noel, IOM

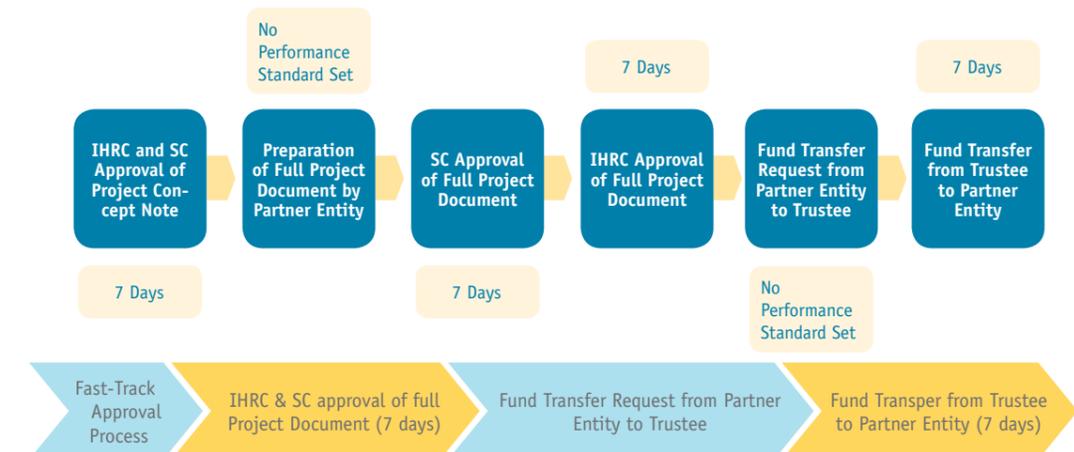
THE GRANT APPROVAL PROCESS

25. HRF grant funding is available for projects and programs that support the GoH's Action Plan for National Recovery and Development. Any proposals that meet the following eligibility criteria may be submitted for funding from the HRF:

- Endorsed by the IHRC;
- Comply with the Government of Haiti's Recovery Plan or a similar document for recovery, reconstruction and development approved by the Government of Haiti;
- Designed to meet a strategic financing need in the reconstruction;
- Consistent with the Fund's policies and strategies;
- Enable the efficient, speedy and sustainable recovery of Haiti, and be completed within the life of the Fund (May 2010 - December 2017);
- Prepared using the IHRC Project Concept Note template; and
- Fully compatible with the Partner Entity's policies and procedures and the Trustee's mandate, including those for emergency operations and follow the Partner Entity's internal quality assurance processes.

26. The grant approval process consists of six simple steps which are graphically depicted in Figure 4.1. To request HRF funding, an implementing agency submits for IHRC approval either a project concept note (PCN) following the IHRC template or a full project document. Following internal IHRC review of the PCN or project document, the implementing agency will be requested to identify a Partner Entity that is prepared to supervise the implementation of the activity. Once the Partner Entity has been identified and following approval by the IHRC Board, the IHRC submits the PCN or full project document to the HRF Steering Committee (SC) for review and funding consideration. The HRF SC approval of a PCN-stage proposal is on an in-principle basis with resources set aside pending submission of the complete project document for no-objection approval by the SC and final approval by the IHRC thereafter. For full project proposals, once the HRF SC approves the allocation, funds can be transferred to the Partner Entity for implementation of the project.

FIGURE 4.1: HRF GRANT APPROVAL PROCESS



27. To ensure a rapid response to the urgent needs on the ground, the HRF Secretariat applies strict performance standards throughout the project approval process (see Figure 4.1). Similarly, to facilitate swift disbursements from the Fund, each Partner Entity applies its own procedures, including simplified project design, use of emergency approval procedures, streamlined procurement and financial management procedures, and flexible project start-up support. On average, the full project preparation process took 128 days from receipt of a project concept note from the IHRC until the transfer of funds from the Trustee to the relevant Partner Entity⁷. An overview of the project preparation time for each project is detailed in Figure 4.2. On average, almost half of this time (55 days) is spent on the preparation of the full project document, reflecting both the complexity of many of the projects financed by the HRF and the time required for extensive consultations with stakeholders.

THE PORTFOLIO

28. In its first year of operation, the HRF Steering Committee has approved funding for fourteen operations⁹ for a total of US\$237 million (project costs including fees) as summarized in Table 4.1. All approved projects are in line with the priorities set out in the Government's Action Plan for National Recovery and Development of Haiti. The current HRF portfolio is both sectorally and geographically diverse, reflecting the multidimensional nature of the reconstruction effort and the broad range of financing needs. Additional details about each individual project can be found in the Project Summary Sheets in Annex 2 and a map with project locations is provided under Annex 3.

29. Out of the fourteen projects that have been approved to date, one project, the Haiti Emergency Development Policy Operation, has been fully disbursed, ten projects are currently under implementation, and three projects are still under preparation. A total of US\$72 million has been disbursed for HRF-supported project activities¹⁰, of which US\$35 million is HRF funding.

30. Of the total US\$237 million of approved reconstruction grants, including Partner Entity fees, to date, 44 percent is channeled through the World Bank as Partner Entity, 40 percent of funding through the UN, and 15 percent through the IDB. The average size of each grant is about US\$17 million.

31. HRF Portfolio by Implementing Agency. Although all HRF project funds are transferred from the Trustee to the relevant Partner Entity, HRF projects are implemented on the ground by a variety of different entities. Figure 4.3 provides an overview of the various entities involved in the implementation of HRF projects and the percentage of funding channeled through each of these implementing agencies¹¹. 89 percent of HRF funds are implemented directly through the government or government-associated agencies, a reflection of the strong ownership of the government in the implementation of HRF projects.

FIGURE 4.2: HRF PROJECT PREPARATION AND IMPLEMENTATION TIMELINE (NUMBER OF DAYS)

UPDATED AS OF JUNE 30, 2011

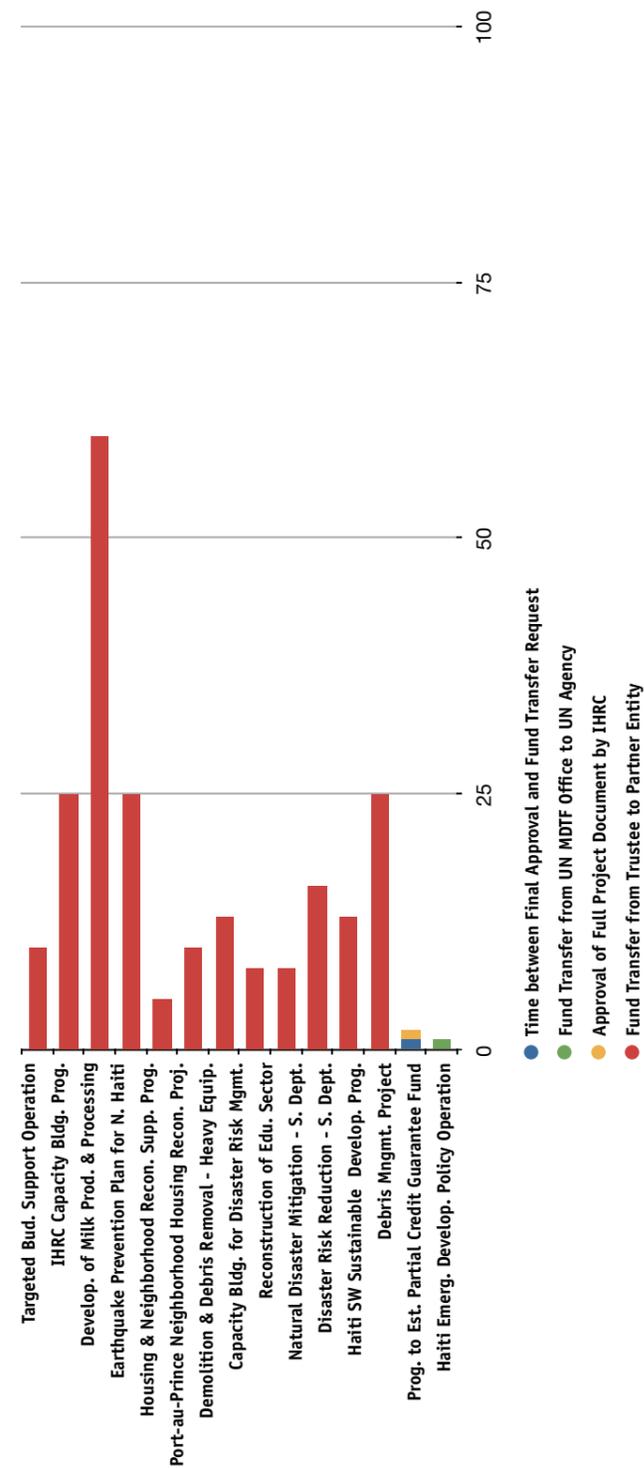
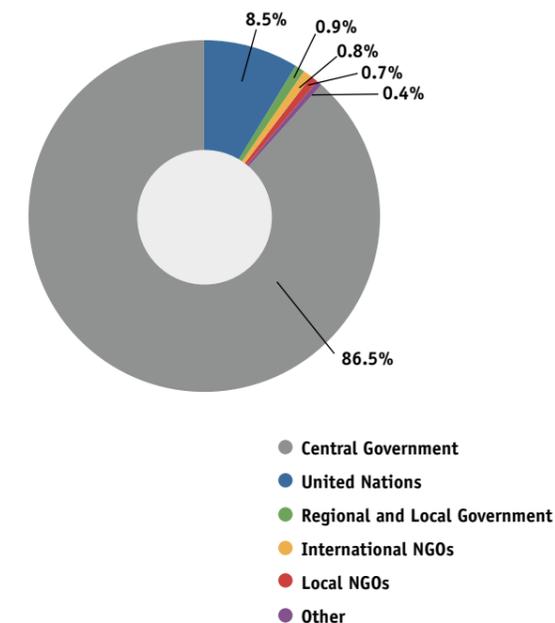


FIGURE 4.3: PERCENTAGE OF HRF FUNDING BY IMPLEMENTING AGENCY



⁷ The average includes only those projects (11) which have completed all steps, i.e. funds have been transferred to the Partner Entity.
⁸ For UN agencies this includes the transfer of funds from the UN MDTF Office to the relevant UN Agency implementing the project.
⁹ Funding for the Housing and Neighborhood Reconstruction Support Program and the Targeted Budget Support Operation has been approved in-principle subject to submission and no-objection approval of the full project document by the Steering Committee and final approval from the IHRC thereafter.
¹⁰ This includes the total amount of HRF funding as well as other donor funding that has been disbursed for each hrf-supported project as at June 30, 2011.
¹¹ Data was reported for ten out of the fourteen projects approved by the HRF.

TABLE 4.1: THE HRF PORTFOLIO

Project Name	Total Project Amount (US\$ million)	HRF Contribution (US\$ million)	Project Development Objective	Partner Entity	Steering Committee Approval Date*	Total Project Disbursement as at June 30, 2011 ¹² (US\$ million)	Project Status
Haiti Emergency Development Policy Operation (Budget Support)	55	25	Support enhanced accountability and transparency in the management of public resources in the context of the reconstruction.	WB	17-Jun-10	55	Fully Disbursed
Program to Establish a Partial Credit Guarantee Fund	35	12.5	Contribute to the rehabilitation of the Haitian productive sector by establishing a partial credit guarantee fund to allow enterprises to restructure bank-debt obligations and facilitating continued access to finance.	IDB	17-Aug-10	5.2	Under Implementation
Debris Management Project	16.95	16.95	Contribute to the rehabilitation of urban areas of Port-au-Prince devastated by the earthquake, by setting up a recycling system, removing and processing debris.	UN	17-Aug-10	5.26	Under Implementation
Disaster Risk Reduction in the South Department	11	8	Contribute to disaster risk reduction through the development and management of watershed basins, employment generation and agricultural development in the Southern Department.	UN	21-Oct-10	3.28	Under Implementation
Natural Disaster Mitigation in the South Department	34	14	Reducing environmental and socio-economic vulnerability to natural disasters for the population living in the Ravine du Sud and Cavaillon.	IDB	21-Oct-10	0.68	Under Implementation
Haiti Southwest Sustainable Development Programme	14	8	First phase of a 20 year recovery and sustainable development program for the southwest region of the southern peninsula.	UN	21-Oct-10	2	Under Implementation
Reconstruction of the Education Sector	50	10	Supporting the Government in ensuring that the necessary conditions are in place for rebuilding the education sector over the next 20 years and to work towards the goal of creating a publicly funded education system.	IDB	15-Dec-10	0	Under Implementation
Demolition and Debris Removal with Heavy Equipment	25	25	Demolition of buildings and the removal of debris with heavy equipment to expedite the construction of shelters and houses to allow the relocation of internally displaced people.	UN	15-Dec-10	0	Under Implementation
Capacity Building for Disaster Risk Management	2	2	Increase the capacity of the Government to prepare for and manage disaster risk by reinforcing the capacity of the Department of Civil Protection and by rehabilitating and building evacuation centers in priority areas.	UN	15-Dec-10	0.59	Under Implementation
Port-au-Prince Neighborhood Housing Reconstruction Project	65	65	Enable the return of internally displaced people to their communities by investing in urban upgrading programs in heavily damaged communities in Port-au-Prince and by supporting the rebuilding of homes and infrastructure in these communities.	WB	15-Dec-10	0	Under Implementation

Project Name	Total Project Amount (US\$ million)	HRF Contribution (US\$ million)	Project Development Objective	Partner Entity	Steering Committee Approval Date*	Total Project Disbursement as at June 30, 2011 ¹² (US\$ million)	Project Status
Housing and Neighborhood Reconstruction Support Program	30.77	24.67	This Program is intended to provide some of the most basic tools and systems that the central and local government, the IHRC, and their partners need to program and manage the resources pledged for housing and neighborhood reconstruction.	UN	1-Mar-11	0	Awaiting IHRC Approval of Full Project Document
Earthquake Prevention Plan for the North of Haiti	9.96	9.96	The objective of the project is to reduce the vulnerability of the North-East, North and North-west against seismic threats by strengthening the resilience of the infrastructure and population in order to minimize economic losses and human lives during future earthquakes.	UN	1-Mar-11	0.1	Under Implementation
IHRC Capacity Building Program	1	1	The project aims to strengthen the operational capacities of the IHRC to improve communication components, legal, and information management processes for the review and monitoring of projects and other needs to build capacity for the proper functioning of the Institution.	UN	5-Apr-11	0	Final Preparation for Implementation
Targeted Budget Support Operation	15	15	The Budget Support operation would provide resources to finance key budgetary expenditures in the education and agriculture sectors for the fiscal years 2010-2011 and 2011-2012. The budget support would be channeled through the budget, and would reimburse specific pre-identified expenses.	WB	27-Apr-11	0	Preparation of Full Project Document

* Date of first Steering Committee approval of the Project Concept Note or full Project Document

¹² The Total Project Disbursement data includes the total amount of HRF funding as well as other donor funding that has been disbursed for each project as at June 30, 2011



GETTING RESULTS ON THE GROUND

5

PROJECT RESULTS

32. Of the fourteen activities for which the HRF has allocated resources, eight began implementation during the first year of operations. Early results and disbursement figures for this subset are presented in Table 5.1. The remaining activities are still in the preparation phase or are just starting implementation.

STRATEGIC FINANCE SUPPORTING HAITIAN PRIORITIES

34. Supporting the implementation of the Action Plan for National Recovery and Development of Haiti - All projects financed through the HRF are in line with the March 2010 Action

Plan for the National Recovery and Development of Haiti. The funds channeled through the Haiti Reconstruction Fund have thus made a significant contribution to addressing the financing needs identified by the Government of Haiti in the Action Plan. Figure 5.1 provides an overview of the key sectors in the Action Plan that are supported by the HRF and details the total HRF and other donor contributions to the funding needs identified for each sector and the remaining financing gap¹⁴. Most notably, the HRF has contributed to reducing the Government of Haiti's projected 18 month budget need for Disaster Risk Reduction and Reconstruction and Housing¹⁵, by 22 percent and 17 percent respectively¹⁶ (see Figure 5.2).

TABLE 5.1: RESULTS FROM HRF-FINANCED ACTIVITIES

Activity (Partner Entity)	Start Date	Disbursement ¹³	Results
Capacity Building for Disaster Risk Mgmt. (UN)	28 February 2011	US\$0.59 million	- Inventory of over 600 existing evacuation shelters visited and evaluated - Rehabilitation and construction of 21 shelters started - Local early warning systems and committees initiated
Debris Management (UN)	14 December 2010	US\$5.26 million	- Project team and partner NGOs contracted - Waste being removed in three communities with 39 containers in place - Demolition permits being obtained and participatory enumeration in four areas
Disaster Risk Reduction in South (UN)	25 January 2011	US\$3.28 million	- 3 riverbank protection sub-projects identified and contracted - 60 farmer organizations identified for environmental protection & food security - Ministry of Environment contracted to develop watershed management tools
Emergency Development Policy Operation (WB)	23 August 2010	US\$55 million	- FY10 budget gap was closed with the help of this co-financed operation - Five of seven policy reforms have been fully or partially achieved - Transparency of government data and procedures has been increased
Natural Disaster Mitigation in South (IDB)	October 2010	US\$0.68 million	- Project Execution Unit in place - Watershed management plan under preparation - Investments to begin in Nov. 2011 following priorities in the plan
Partial Credit Guarantee Fund (IDB)	15 March 2011	US \$5.2 million	- International staff hired to help implementing agency operate the fund - Requests for guarantees received from the financial sector
Sustainable Development in SW (UN)	26 March 2011	US\$2 million	- Project management team recruited and offices established - 32 project activities under implementation - US\$1 million of new co-financing mobilized

¹³ Includes HRF and other donor resources

¹⁴ Data from the HRF Secretariat and the Office of the Special Envoy (OSE) for Haiti's June 2011 Recovery Sector Analysis.

¹⁵ Housing is addressed in the Recovery Plan both under Territorial Rebuilding and Social Rebuilding. As no specific financing gap was identified for housing alone and given that most of the HRF housing projects in addition fund activities related to the Reconstruction of Devastated Areas and Urban Renovation, the Reconstruction and Housing categories have for the purpose of this report been lumped together. Financing gap, donor and HRF funding data as reported by the OSE in their Recovery Sector Analysis have thus been aggregated.

¹⁶ Government of Haiti 18 month budget figures as detailed in the Action Plan for the National Recovery and Development of Haiti, March 2010.



top: Photo courtesy of Emmanuel Noel, IOM
bottom: Photo courtesy of Denis Dufresne, Director of Communications, IHRC

FIGURE 5.1: HRF CONTRIBUTION TO FUNDING POST-EARTHQUAKE RECOVERY

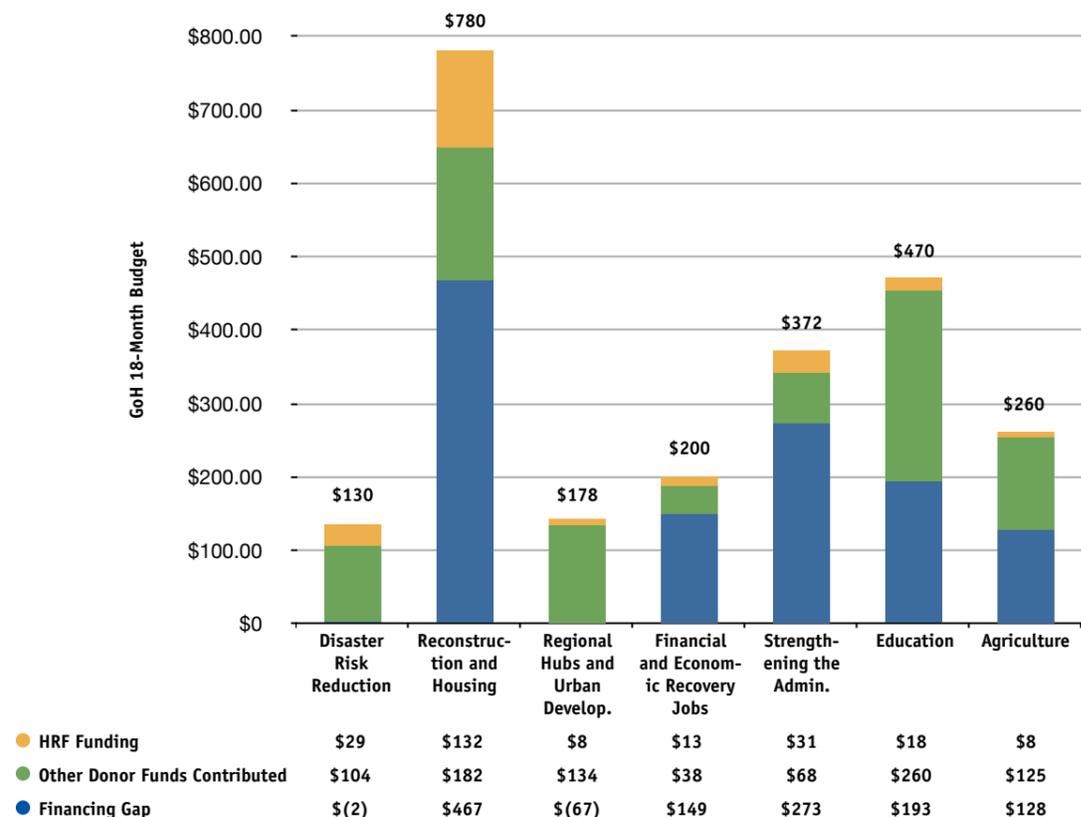
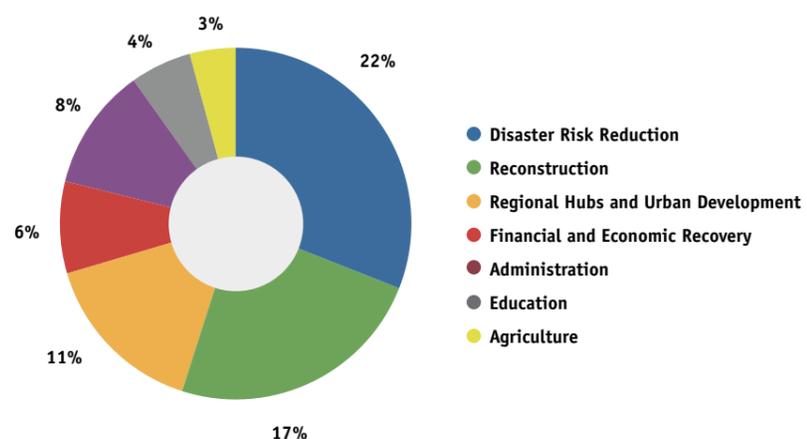


FIGURE 5.2: HRF CONTRIBUTION TO GOH 18 MONTH BUDGET



34. HRF funding of IHRC priority sectors - In the December 2010 Strategic Plan for the Remainder of the IHRC's Mandate, the IHRC outlined eight priority sectors for funding; housing, debris removal and management, education, energy, health, job creation, water and sanitation, and capacity building. These sectors are those that (i) were directly affected by the earthquake and that would contribute greatly to reducing the vulnerability of the people through a "build back better" approach; (ii) create tangible impact on people's lives, with particular focus on the most vulnerable; (iii) would achieve significant, measurable progress within the 18-month mandate of the Commission; and (iv) would lay the foundation for longer-term development.

35. 86% of funding allocated to reconstruction through the HRF has gone to one of the eight priority sectors identified by the IHRC. In particular, the HRF has provided US\$102 million for housing, including the largest housing project to date (US\$65 million for the Neighborhood Housing Reconstruction Project administered by the World Bank), US\$42 million for

debris removal and management, for which the HRF has been the largest funding source through two projects administered by the UN, US\$35 million for job creation, US\$25 million for education, and US\$1 million for capacity building¹⁷. The remaining funds supported cross-sectoral and other programs, including a US\$25 million allocation for budget support to assist the Government of Haiti to close the fiscal year 2010 budget deficit.

36. The importance of the availability of a flexible funding source such as the HRF is emphasized by the fact that, out of the US\$3.162 billion in projects approved by the IHRC, only 57 percent, just over half, has been financed (see Table 5.2)¹⁸. The HRF has played a significant role in filling this financing gap by contributing an average of 24 percent of funding to the six sectors supported through the HRF to date. Most notably, the HRF has contributed significantly to funding IHRC approved projects in the areas of debris removal and management (92% of total funding for this sector) and housing (funding 37% of approved projects in this sector).

TABLE 5.2: HRF FINANCING OF IHRC PRIORITY SECTORS (IN US\$ MILLION)

UPDATED AS OF JUNE 30, 2011

IHRC Priority Sectors	IHRC Approved Projects*			HRF Funded Projects**			
	(a) Total Value of Projects Approved by the IHRC by Sector	(b) Total Value of Projects Approved by the IHRC with Funding	(c) Funded Projects as a Percentage of All IHRC Approved Projects (b)/(a)	(d) Total HRF Funding for IHRC Approved Projects by Sector	(e) Percentage of Total HRF Funding Allocated by Sector	(f) Percentage of Funding Provided by the HRF (d)/(a)	(f) Percentage of HRF Funding Transferred by Sector
1. Housing	274	169	62%	102	43%	37%	66%
2. Debris Removal and Management	46	4	8%	42	18%	92%	40%
3. Education	730	305	42%	25	11%	3%	-
4. Energy	212	81	38%	0	-	-	-
5. Health	359	336	94%	0	-	-	-
6. Job Creation	697	566	81%	35	15%	5%	100%
7. Water and Sanitation	241	156	65%	0	-	-	-
8. Capacity Building	63	51	81%	1	0.4%	2%	-
9. Other/Cross-Sectoral	542	149	27%	33	14%	6%	100%
Total	3,162	1,817	57%	237	100%	24%	77%

* IHRC Approved Project data is presented as updated and reported by the IHRC's Performance and Anti-corruption Office in June 2011.

** Project amounts including Partner Entity fees

¹⁷ Data by sector as categorized by the IHRC.

¹⁸ Data provided by the IHRC. IHRC Approved Project data is presented and reported as updated by the IHRC's Performance and Anti-corruption Office in June 2011.

LEVERAGING FUNDING

37. The HRF has also added significant value in leveraging co-financing from different sources to allow for larger-scale projects. The total HRF commitment of US\$237 million for reconstruction activities resulted in a total project funding of US\$363 million. This means that on average each HRF project leveraged 24 percent in additional funding (see Table 5.3).

TABLE 5.3: ADDITIONAL FUNDING LEVERAGED

Project Name	HRF Contribution (US\$ million)	HRF Funding Disbursed (US\$ million)	Total Project Amount (US\$ million)	Total Project Funding Disbursed (US\$ million)	Additional Funds Leveraged (Percentage)
Haiti Emergency Development Policy Operation (Budget Support)	25	25	55	55	55%
Program to Establish a Partial Credit Guarantee Fund	12.5	0	35	5.2	64%
Debris Management Project	16.95	5.26	16.95	5.26	0%
Disaster Risk Reduction in the South Department	8	3.28	11	3.28	27%
Natural Disaster Mitigation in the South Department	14	0	34	0.676	59%
Haiti Southwest Sustainable Development Programme	8	0.83	12.55	2	36%
Reconstruction of the Education Sector	10	0	50	0	80%
Demolition and Debris Removal with Heavy Equipment	25	0	25	0	0%
Capacity Building for Disaster Risk Management	2	0.59	2	0.59	0%
Port-au-Prince Neighbourhood Housing Reconstruction Project	65	0	65	0	0%
Housing and Neighborhood Reconstruction Support Program	24.67	0	30.77	0	20%
Earthquake Prevention Plan for the North of Haiti	9.96	0.1	9.96	0.1	0%
IHRC Capacity Building Program	1	0	1	0	0%
Targeted Budget Support Operation	15		15		0%
Average Additional Funding Leveraged	237.08	35.06	363.23	72	24%



right: Photo courtesy of Mlle Saran Koly, Communication Officer, UNDP

right: Photo courtesy of Diego Osorio, Senior Operations Officer, HRF
bottom: Photo courtesy of Diego Osorio, Haiti Reconstruction Fund



“This partnership between the international community (19 donors) and the Government of Haiti to help finance post-earthquake reconstruction has been able to mobilize over US\$350 million for housing, debris removal and management, disaster risk reduction, regional development, budget support, job creation, agriculture, and education.”

STATEMENT BY ALL 19 HRF DONORS

39. Roles and responsibilities - Several key actors play critical roles in the management of the HRF: the Steering Committee is its governance body; Partner Entities appraise and supervise activities; the Trustee manages contributions and fund transfers; the Secretariat organizes day-to-day operations; and Implementing Agencies execute activities on the ground with HRF financing. These roles and responsibilities are fully spelled out in the HRF Operations Manual and summarized as follows:

Steering Committee – strategic orientation; approval of policies and procedures; allocation of funds; approval of financial and progress reporting.

Partner Entities – responsible for use of funds transferred to them by the Trustee; appraising and supervising activities according to their own policies and procedures; monitoring and reporting.

Trustee – receiving, pooling and investing donor contributions; recording funding decisions; transferring resources to Partner Entities at request of the Steering Committee; financial reporting and auditing.

Secretariat – receiving funding requests from the IHRC; supporting the operation of the Steering Committee; drafting policies, procedures and reports; communications.

Implementing Agencies – implementing projects and programs in accordance with the rules and procedures of a Partner Entity; reporting on progress to the Partner Entity.

39. The HRF's most important partner is the Interim Haiti Recovery Commission which sets priorities for how HRF resources are used and is responsible for endorsing and forwarding all requests for financial support to the Fund. In line with the principle of “accompaniment” as advocated by the Office of the Special Envoy for Haiti¹⁹, the Government of Haiti and the IHRC which it has established are very much in the driver's seat when it comes to operating the HRF and allocating its resources. The GoH chairs the governance body of the HRF and the IHRC establishes the financing priorities for the Fund.

COSTS

Costs. There are three distinct categories of fees and expenses that apply to the HRF:

Trustee costs to administer the Trust Fund.

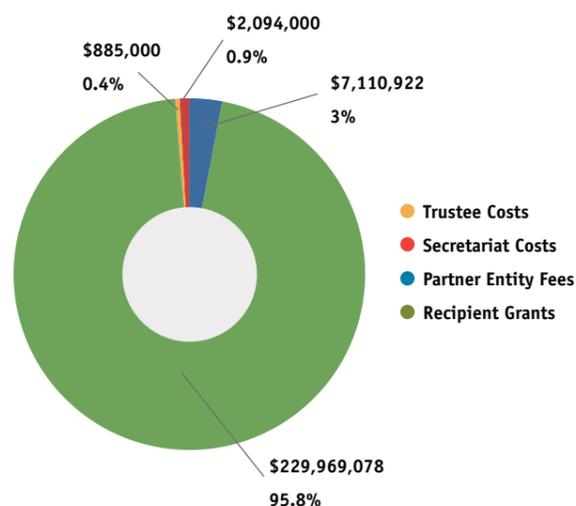
Secretariat costs to serve the Steering Committee, and

Partner Entity fees and expenses required for the entities to prepare, implement, supervise, and oversee projects and programs.

41. Administrative budget and expenditures - To defray the costs associated with the management and administration of the HRF, the HRF Trustee and Secretariat annually submit a proposed budget to the Steering Committee for approval containing an estimate of costs and expenses expected for the coming year. Expenditures for the Trustee and Secretariat are accounted on an actual basis; at the end of each fiscal year, the Trustee and Secretariat return any unused administrative funds to the HRF Trust Fund.

¹⁹ See Has Aid Changed? Channeling assistance to Haiti before and after the earthquake, Office of the Special Envoy for Haiti, June 2011

FIGURE 6.1: PERCENTAGE OF TOTAL ALLOCATED FUNDS PER COST CATEGORY



42. The Steering Committee approved administrative budget for fiscal year 2011 (July 1, 2010 – June 30, 2011) for the Trustee was US\$588,000 and for the Secretariat was US\$1,097,000. For fiscal year 2012 (July 1, 2011 – June 30, 2012) the Steering Committee has approved a total budget of US\$1,294,000 to defray administrative costs incurred by the Trustee and the secretariat. The total administrative budgets for the Trustee and Secretariat for fiscal year 2011 and 2012 together represented about 3 percent of the total US\$239 million in funds committed by the Steering Committee as of June 30, 2011 (see Figure 6.1).

43. Partner Entity fees -Subject to Steering Committee approval, each Partner Entity may receive a project appraisal and supervision budget to cover costs related to the appraisal, preparation, supervision and oversight of a Steering Committee-approved project. For all Partner Entities, the fee guidelines subject to approval by the Steering Committee are:

- \$50,000 for projects/programs under \$1 million;
- sliding scale of \$50,000 - \$250,000 for projects/programs from \$1 - 10 million; and
- \$350,000 for projects/programs over \$10 million.

44. For projects/programs where UNDP is the Partner Entity representing the UNDG organizations, the following fees apply²⁰:

TABLE 6.1: HRF INSTITUTIONAL MESSAGES

<ul style="list-style-type: none"> The Haiti Reconstruction Fund (HRF) is a partnership between the international community and the Government of Haiti to help finance post-earthquake reconstruction. The HRF is, and will likely remain, the largest source of unprogrammed funding for the reconstruction. The HRF is chaired by the Government of Haiti and its priorities are set by the GoH and the IHRC. The HRF is the biggest source of financial resources for some of Haiti's top reconstruction priorities. The HRF is a low-cost, efficient mechanism for financing reconstruction. The HRF is a long-term partner for Haiti's rebuilding (through 2017).

- 1% of the project/program amount is set aside for the UNDP Multi-Donor Trust Fund Office to cover costs associated with reporting and other fund administration tasks done on behalf of the individual UN organizations participating.
- The individual participating UN organizations will charge 7% of the total project/program amount to cover their indirect costs when implementing projects approved by the HRF Steering Committee²¹.

45. None of the Partner Entities have charged project preparation and supervision costs to the Trust Fund so far. In fact, the UN confirmed that they would not be charging any project preparation and supervision costs to the Fund. The World Bank did not charge any project preparation and supervision costs to the Fund in the World Bank's fiscal year 2011 (ending June 30, 2011). As of July 1, 2011 the World Bank will only charge preparation and supervision costs for HRF-financed projects that are not co-financed with IDA funds. The IDB has taken the decision that it will not charge a fee for preparation and supervision costs for projects that are jointly financed by the IDB and the HRF. The IDB will only charge preparation and supervision costs for stand-alone projects financed from the HRF for which the IDB will serve as the Partner Entity.

46. The Steering Committee has to date allocated US\$7.11 million in Partner Entity fees to the UN which represents 3 percent of total allocated funds to date. The total of all three categories of fees charged to the Fund amounts to 4.2 percent of the US\$352 million in contributions to the HRF as of June 30, 2011.

COMMUNICATING TO STAKEHOLDERS

47. HRF communications strategy - The key objective of the HRF communication strategy is to create a public platform that will allow the HRF to strengthen its links with key constituencies by informing them about its results, mandate and the role it plays in the reconstruction of Haiti, and to receive feedback from Haitian stakeholders. The HRF should be perceived as an efficient, responsive and flexible source of financing for reconstruction priorities as determined by the Government of Haiti. Table 6.1 provides an overview of the key notions to be conveyed and reflected in all communications.

48. The HRF must address a wide spectrum of audiences ranging from donor countries to the Haitian citizens. It is therefore important to create a diverse set of communication tools that will grant the required flexibility and efficient penetration. Among the key audiences, we have: Citizens of Haiti, Government of Haiti, Haitian Media, Donors and potential donors, Partner Entities, International bodies, and International Media.

49. The HRF Communications Strategy follows an approach that maximizes Haitian input in order to be grounded in the local reality. In terms of Communication Tools, the strategy will rely on:

- mass media, including radio programs, TV debates, newspapers announcements, and scheduled press releases
- printed media, such as reports, and brochures in English, French and Kreyol
- Marketing tools, like calendars, music and photo competitions, T-shirts, and caps, and sponsorship of events related to the reconstruction.
- And other tools including e-mail lists, Op-eds and speaking engagements, informational training for national and international journalists, private presentations to decision makers, the issuance of policy notes to advise on the best possible use of the HRF mechanisms, and the ongoing operation of the web site.

50. Communications activities in the first year - The HRF Communications strategy provides a framework for the implementation of the Fund's outreach effort and the HRF has taken a proactive approach to communicating with its stakeholders.

During the first year of activities, the HRF has developed and implemented the following communications products:

- Input Tracking Mechanism:** this tool seeks to facilitate feedback from Haitian citizens on the implementation of HRF-funded projects and was jointly developed with the IOM. Through the use of tools adapted even for non-literate people, it will enable citizens to share their views, recommendations or observations with those in charge of the implementation of the project. The system relies on public information tools and strategies developed by IOM in Haiti. The system is in the process of being tested for implementation.
- Radio programs:** The HRF has commissioned nine short radio programs to inform Haitian citizens of key aspects of the reconstruction and the role of the HRF. These radio programs have been distributed through community radio networks, CDs played in tap-taps, and with the support of MINUSTAH radio and its national network.
- Promotional tools:** The HRF prepared a wide range of promotional materials (brochures, reports, calendars, stickers, polo shirts, caps), which were distributed to Partner Entities and other stakeholders to promote HRF visibility.
- Informational Training for journalists:** The HRF developed and delivered a one day seminar to Haitian journalists to further their understanding of the role and functioning of the HRF.
- Printed Materials:** The HRF published a six month report in English and French, along with summary brochures in English, French and Kreyol. These documents were distributed to current and potential future donors, the IHRC, Partner Entities, local and international media and local stakeholders.
- Press releases:** Throughout its first year of operations, the HRF has ensured proper media coverage of important benchmarks including new donors joining the fund or the launching of significant projects.
- Website:** The HRF maintains a website in English and French, which provides the latest information on the Fund, as well as HRF-related documentation.
- Logo, slogan and jingle competition:** A competition was organized among schoolchildren, representing 50 schools in and around Port-au-Prince to design the logo, slogan and jingle for the HRF as well as expand awareness about the Fund.
- Photo competition:** The HRF organized a photo competition for citizens and professional photojournalists to document the reconstruction. These photos were used for the HRF desk and wall calendar.

²⁰ In accordance with standard fund administration fee and indirect support costs applied to all UN Multi-Donor Trust Funds (MDTFs), and approved by UNDG Organizations and the contributing donors (see: mdtf.undp.org).

²¹ The UN agency 7 percent fee defrays costs incurred by the UN related to the direct implementation of projects. Given that the World Bank and IDB do not directly implement projects they do not incur the same costs.



CONCLUSION:
LESSONS
LEARNED AND
OPPORTUNITIES
FOR THE FUTURE

LESSONS LEARNED

51. While the Haiti Reconstruction Fund has only just finished its first year of operations, some initial lessons about reconstruction finance can be identified. These include:

The value of Haitian leadership – the leadership role played by the GoH and the IHRC have enabled the HRF to swiftly decide on financing Haitian priorities for the reconstruction.

The provision of strategic finance – as the largest unallocated source of reconstruction finance, the HRF is best used to meet unfulfilled needs strategically in order to achieve recovery targets.

Importance of a financing strategy – the IHRC has evolved from an ad hoc endorsement and forwarding of unfinanced activities to using the HRF as a means of supporting key projects that will help to meet its sectoral targets.

Transparent procedures and standards – establishing and following clear procedures and performance standards have allowed the HRF to provide financing rapidly when requested.

Flexibility in decision-making – while the HRF Steering Committee's formal meetings are synchronized with the IHRC Board meetings, it is able to conduct business efficiently in the interim through virtual decision-making.

Expedited processing – opportunities exist to speed up performance, e.g. through quicker Partner Entity appraisal of activities, presentation of full proposals to the IHRC for approval instead of project concepts and dispensing with final IHRC approval for activities to which the HRF has allocated resources.

Preferencing – donor preferencing for particular sectors, regions or Partner Entities can constrain the ability of the Fund to respond to Government priorities and is not consistent with good aid effectiveness practices.

Adding value – the HRF can go beyond being a financing instrument to serve as a vehicle for

innovation (e.g. the Input Tracking System), analysis (e.g. sectoral and funding flow evaluations) and harmonization of aid.

Efficiency and transparency – while the HRF has kept overhead costs low, expenses for administration, project preparation and supervision need to be accurately portrayed and budgeted.

OPPORTUNITIES MOVING FORWARD

52. The HRF's second year of operation will focus on: a) responding to the GoH's requests for priority financing needs; b) mobilizing additional contributions, including from non-conventional donors; and c) reporting and analyzing how transferred funds are being disbursed by Partner Entities. During this period, the HRF faces the following challenges:

- Accelerating the use of available funds for reconstruction while ensuring their strategic allocation as well as building GoH capacity.
- Dissuading existing and future HRF donors from preferencing their contributions so that the GoH has maximum flexibility to use HRF resources to finance strategic priorities.
- Having Partner Entities maintain a sense of urgency and use accelerated procedures to prepare and implement activities.
- Creating, at the request of the GoH, a reserve of unallocated funds in order to respond to financing requests that arise during the third year of reconstruction and beyond.
- Attracting more contributions from donors to meet the backlog of unfinanced recovery projects, including from donors that through other mechanisms are not able to disburse and/or implement on the ground as quickly as anticipated.

ANNEXES

53. Since the establishment of the Haiti Reconstruction Fund, donors have committed US\$352 million to the Fund, of which US\$335 million has been received by the Trustee (Table A1: Financial Overview Table). Out of the US\$335 million in cumulative receipts, the Steering Committee has made funding decisions totaling US\$240 million, and transferred US\$197 million to Partner Entities for the implementation of projects and select fees. As of June 30, 2011 US\$56 million remains available to support future HRF Steering Committee funding decisions.

54. The flow of HRF funds, receipts, commitments and transfers, over time is graphically depicted in Figure A1: HRF Cumulative Receipts, Commitments, Disbursements and Unallocated Balances in the First Year. The speed of the HRF response is demonstrated by the strong correlation between funds received and committed, showing that the majority of funds received are committed at the first SC meeting following the transfer of the funds to the Trustee by the donor. As a result, after each SC meeting unallocated balances have never been above US\$50 million. With several months between Steering Committee meetings, current unallocated balances stand at US\$56 million. The transfer of funds from the Trustee to Partner Entities for the implementation of projects shows a steady increase over time.

TABLE A1: HAITI RECONSTRUCTION FUND - FINANCIAL OVERVIEW TABLE (IN US\$ MILLIONS)

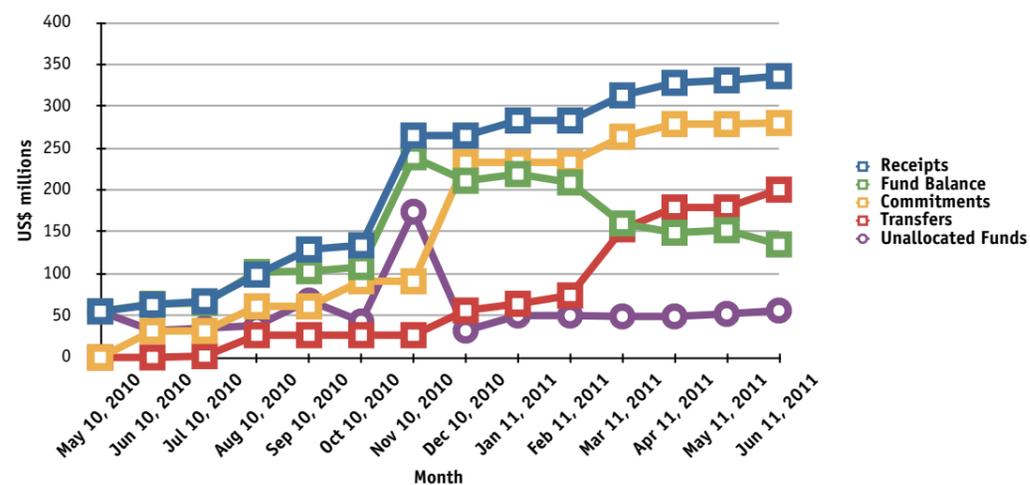
UPDATED AS OF JUNE 30, 2011

TOTAL	
1. Effective Contributions (based on countersigned Administration Agreement/Arrangement)	352.31
2. Cumulative Receipts	335.84
3. Funding Decisions	240.06
4. Cumulative Cash Transfers	200.39
5. Funding Decisions pending Cash Transfer	39.67
6. Financial Reserve a/	40.00
7. Funds available to support HRF Steering Committee Funding Decisions (6=1-2-5)	55.78

a/ Reflects the HRF Steering Committee's decision to reserve resources for future funding decisions

FIGURE A1: HRF CUMULATIVE RECEIPTS, COMMITMENTS, DISBURSEMENTS AND UNALLOCATED BALANCES IN THE FIRST YEAR

UPDATED AS OF JUNE 30, 2011



PROGRAM TO ESTABLISH A PARTIAL CREDIT GUARANTEE FUND

AMOUNT	US\$35 Million	PROGRAM OBJECTIVE
SOURCES	IDB (US\$20 M), World Bank (US\$2.5 M) HRF (US\$12.5 M)	The objective of the project is to contribute to the rehabilitation of the Haitian productive sector, by providing funding for the implementation and operation of the first stage of a Partial Credit Guarantee Fund. This first pillar will grant guarantees to firms affected by the earthquake that need support for the restructuring of impaired, but viable, loans which were performing before January 12.
APPROVAL DATE	August 17, 2010	
SECTOR	Finance and Investment	
PARTNER ENTITY	IDB	
IMPLEMENTING AGENCY	Ministry of Economy and Finance, Industrial Development Fund	

DESCRIPTION

Program Objective: The objective of this operation is to contribute to the rehabilitation of the Haitian productive sector by establishing a partial credit guarantee fund to allow viable enterprises to restructure bank-debt obligations they are currently unable to meet.

The Program has two components:

Component 1. Funding of partial credit guarantees issued by the Partial Credit Guarantee Fund to restructure viable loans affected by the earthquake; this entails the issuing of guarantees to restructure eligible smaller and larger loans. Small loans are those below US\$1 million dollars and larger loans are above US\$1 million

Component 2. Technical assistance to strengthen the Executing Agency and to run the Program. Such assistance will consist of hiring an independent advisor or advisory firm that will help the Executing Agency to adjust its operational processes, systems and organizational structure in order to ensure an appropriate administration of the Program and the transfer of knowledge. This component will also fund the costs of the auditing, the technical consultancies and any other expense needed to properly run the Fund, including an impact evaluation at the end of the Program execution.

It is expected that the restructuring process will facilitate firms to keep operating and subsequently help to reactivate economic activity and preserve employment.

The Partial Credit Guarantee Program responds to a request by Haiti's Central Bank. The project is fully consistent with the Haiti Action Plan's emphasis on Investment and Access to Credit as one of the key areas for economic rebuilding: "The proper functioning of economic and financial channels is crucial for funding reconstruction and relaunching growth..." Furthermore, the action plan specifically mentions the creation of a guarantee fund as one of the key initiatives to help borrowers affected by the earthquake.

TARGETED THEMATIC OUTCOMES	%
Economic Rebuilding	100

AREA-BASED RECOVERY AND DEBRIS REMOVAL IN PORT-AU-PRINCE

AMOUNT	US\$16.95 Million	PROGRAM OBJECTIVE
SOURCES	\$16.95 M (HRF)	The overall objective of this project is to contribute to the rehabilitation of urban areas of Port-au-Prince devastated by the earthquake, by setting up a recycling system, and removing and processing debris in at least six districts of the city of Port-au-Prince. The project aims to manage the debris at the neighborhood level by focusing on options for reuse and recycling in situ and by arranging transportation to a rest area and treatment of debris to protect the public interest by reducing the risks associated with discharge of uncontrolled debris.
APPROVAL DATE	August 17, 2010	
SECTOR	Debris removal, job creation	
PARTNER ENTITY	UN	
IMPLEMENTING AGENCY	UNDP, UN Habitat, BIT, Ministry of public works, transport and communication	

DESCRIPTION

Overall project objective: The debris removal will contribute to the rehabilitation and economic revitalization and strengthening of livelihoods in urban areas of Port-au-Prince.

Immediate Objectives: Development and adoption of a strategy for the clearing and recycling of debris for those areas mostly affected by the earthquake. Local capacity for debris management is strengthened in pilot areas and income generating activities around the removal and recycling of debris are created. Strengthening of local capacity for the demolition of damaged buildings in consultation with the community whilst putting in place a plan for the use of the space.

Expected results:

- Six area plans are developed and adopted by the community and key project partners.
- A strategy for debris removal and processing for Port-au-Prince is developed and adopted by the relevant authorities.
- The socio-economic environment is improved through the removal and recycling of debris.
- Information management and implementation of a communication strategy.
- Preliminary studies for the use of debris, zonal planning and economic revitalization of the disaster areas during the reconstruction.

TARGETED THEMATIC OUTCOMES	%
Reconstruction	75
Economic Rebuilding	25

DEMOLITION AND DEBRIS REMOVAL WITH HEAVY EQUIPMENT		
AMOUNT	US\$25 Million	PROGRAM OBJECTIVE The overall objective of this project is to expedite the construction of shelters and houses and facilitate the relocation of Internally Displaced People (IDPs) by facilitating the demolition of buildings and the removal of debris with heavy equipment. The project objectives are in line with the Government's Action Plan for Reconstruction and Development of Haiti and the Plans of the Ministry of Public Work. The project responds to the highest priorities identified by the IHRC, the removal of debris is a prerequisite for most of the rehabilitation and reconstruction.
SOURCES	HRF (US\$25 M)	
APPROVAL DATE	15 December, 2011	
SECTOR	Housing	
PARTNER ENTITY	UN	
IMPLEMENTING AGENCY	UNDP, Ministry of Public Works, Transport and Communication	
DESCRIPTION		
Overall project objective: The overall objective of the project is to accelerate the resettlement of IDPs currently located in squatter settlements by using heavy equipment to expedite the demolition of buildings and debris removal.		
Immediate Objectives: The main objective of the of this project is to accelerate the resettlement of IDPs currently located in squatter settlements into their neighborhoods of origin, with host families or in new, economically viable settlements. During the transition phase of this effort, transitional shelters are to be constructed to replace homes that were destroyed by the January 2010 earthquake. The main obstacles to constructing these shelters include the debris from destroyed homes and the presence of unsafe red homes. In order to expedite the construction of shelters/houses and facilitate the relocation of IDPs, this project will incorporate the use of heavy equipment and other means to augment other efforts in building demolition and debris removal.		
TARGETED THEMATIC OUTCOMES %		
Social Rebuilding		100

CAPACITY BUILDING FOR DISASTER RISK MANAGEMENT		
AMOUNT	US\$2 Million	PROGRAM OBJECTIVE The objective of this project is to increase the capacity of the Government of Haiti and the Haitian people to prepare for and manage disaster risk. The project will be implemented at the national level and will specifically provide support to reinforce the coordination and operational capacity of the Department of Civil Protection (DPC). The rehabilitation and building of evacuation centers will be undertaken in priority areas identified by the DPC. This project will contribute directly and indirectly to the socio-economic development of Haiti by improving the population's overall disaster preparedness and risk mitigation capacity. Members of the DPC, volunteers and community leaders will benefit directly from this project. Natural disaster risk management and the preparation for the hurricane season have been identified as one of the key priorities in the Government's Action Plan for Reconstruction and Development of Haiti.
SOURCES	HRF (US\$2 M)	
APPROVAL DATE	15 December, 2011	
SECTOR	Disaster Management and Prevention	
PARTNER ENTITY	UN	
IMPLEMENTING AGENCY	IOM, Department of Civil Protection of the Ministry of the Interior, Ministry of Public Works, Transport, and Communication.	
DESCRIPTION		
Every year Haiti is exposed to the devastating impact of the hurricane season. The means available to the general population to deal with these natural forces are always insufficient, making disaster preparedness one of the Government's key priorities.		
Project Objectives: Increase the capacity of the Government of Haiti and the Haitian people to prepare for and manage disaster risk by: - Reinforcing the capacity of the Department of Civil Protection in the preparation for and management of disaster risk at the camp and commune level; - Increase the resilience of vulnerable population groups; - Increase the availability of temporary shelters.		
Expected Results:		
(i) A training program on disaster preparedness is developed and adapted to the post-earthquake context;		
(ii) 200 people are trained in disaster preparation using the training program;		
(iii) Completion of several training cycles to train trainers on disaster preparedness and risk mitigation;		
(iv) About 5 community buildings damaged by the earthquake and used as evacuation centers in case of an emergency are repaired;		
(v) About 5 multipurpose evacuation buildings are constructed and operational to provide shelter to internally displaced people in case of a hurricane.		
TARGETED THEMATIC OUTCOMES %		
Territorial Rebuilding		100

DISASTER RISK REDUCTION IN THE SOUTH DEPARTMENT		
AMOUNT	US\$ 11 Million	PROGRAM OBJECTIVE The objective of this project is to contribute to disaster risk reduction through the development and management of watershed basins, employment generation and agricultural development in the Southern Department. In addition, the project will have an economic impact by creating 200,000 man-days of high-intensity work and improving value chains and opening up national markets for rice and corn. The project objectives are in line with the territorial and economic rebuilding, and agricultural production priorities identified in the Government's Action Plan for Reconstruction and Development of Haiti. The project activities will focus on the areas of Cavaillon, Tiburon – Port Salut, Les Cayes, and Aquin-Saint Louis du Sud.
SOURCES	WFP (US\$2 M), UNDP (US\$1M) and HRF (US\$8 M)	
APPROVAL DATE	October 21, 2010	
SECTOR	Agriculture, Farming and Fishing, Disaster Management and Prevention, and Watershed Management and Local Development	
PARTNER ENTITY	UN	
IMPLEMENTING AGENCY	UNDP, WFP and FAO	
DESCRIPTION		
Poverty levels in the Southern Department are worse than the national average and the population is particularly vulnerable to flooding and hurricanes. The rural landscape is highly degraded due to high levels of deforestation and poor watershed management. Food insecurity levels are high and especially women are marginalized. In addition, the population has limited access to social services and markets for produce due to a very limited and bad quality rural road network. These problems have been exacerbated as a result of the January 12 earthquake. To address these issues the project activities will focus on:		
(i) the development of tools, such as geographic information systems, for the development and participatory management of watersheds at the national, regional and local levels.		
(ii) sustainable practices for the development of watersheds to mitigate the risks of disasters, including strengthening of river banks, establishment of sustainable agroforestry systems, and building of sills and dykes.		
(iii) addressing the socio-economic vulnerability and food insecurity of the population through environmental protection, employment generation and sustainable agriculture, including the development of agricultural value chains.		
(iv) capacity building at the national, regional and local levels through workshops on disaster risk and watershed management.		
TARGETED THEMATIC OUTCOMES %		
Agricultural Development		30
Economic Rebuilding		40
Territorial Rebuilding		30

HAITI EMERGENCY DEVELOPMENT POLICY OPERATION		
AMOUNT	US\$55 Million	PROGRAM OBJECTIVE The objective of the activity is to strengthen the legal and regulatory frameworks and systems to create the conditions for accountability and transparency in the management of public resources in the context of the reconstruction. The operation directly supports the Government's Action Plan for National Recovery and Development of Haiti and the governance program presented by the Government at the pledge conference in New York in March 2010. These draw on the Post Disaster Needs Assessment (PDNA) carried out by the Government with donor support following the earthquake in February 2010. The main pillars of these programs are in line with those of the Government's poverty reduction strategy, namely building state capacity and improving management of public resources.
SOURCES	World Bank (US\$30 M) and HRF (US\$ 25 M)	
APPROVAL DATE	17 June, 2010	
SECTOR	General Public Administration (80%) and General Energy Sector (20%)	
PARTNER ENTITY	World Bank	
IMPLEMENTING AGENCY	Ministry of Finance and Commerce	
DESCRIPTION		
The activity helps Haiti meet urgent financing needs for reconstruction that have been exacerbated by revenue shortfalls following the earthquake. The PDNA estimates the damages and losses caused by the earthquake at nearly US\$8 billion. The destruction of the Tax Directorate and the impact of the earthquake on economic activities have caused a 20% drop in projected revenue for fiscal year 2009-2010. The IDA and HRF grants provide resources to finance essential expenditures in the last quarter of 2010 in the context of the Action Plan for National Recovery and Development of Haiti.		
The operation focuses on areas that require urgent strengthening in order to ensure that effective checks and balance mechanisms are in place following the impact of the earthquake on key governance and oversight institutions, while aiming to consolidate the gains achieved in governance over the past years. In particular, it aims to beef up the government capacity to manage public resources efficiently and transparently through measures aimed at:		
(i) Strengthening transparency in the transfers to the electricity sector;		
(ii) Reinstating budget controls and the external and internal audit processes;		
(iii) Improving observance of anti-corruption measures through better enforcement of the declaration of assets Law; and		
(iv) Reinstating public procurement regulation and enhancing transparency in procurement practices.		
TARGETED THEMATIC OUTCOMES %		
Other Economic Management		20
Public Expenditure, Financial Management and Procurement		60
Other Accountability and Anti-Corruption		20

EARTHQUAKE PREVENTION PLAN FOR THE NORTH OF HAITI								
AMOUNT	US\$9.9 Million	PROGRAM OBJECTIVE The objective of the Earthquake Prevention Plan for the North of Haiti is to reduce the vulnerability of the North-East, North and Northwest against seismic threats by strengthening the resilience of the infrastructure and population in order to minimize economic losses and human lives during future earthquakes. Disaster risk management was identified in the Action Plan for National Recovery and Development of Haiti in March 2010 as a government priority as an integral part of the territorial rebuilding (4.1). This project directly addresses this priority. This project also responds to the institutional rebuilding (4.4) priorities identified in the Plan for its training activities enable the establishment of decentralized authorities, the strengthening of the role of municipalities in reducing vulnerabilities and the protection of populations, and the training at the departmental and community levels.						
SOURCES	HRF (US\$2.8 M)							
APPROVAL DATE	1 March, 2011							
SECTOR	Disaster Risk Reduction, Energy and transport infrastructure, Housing							
PARTNER ENTITY	UN							
IMPLEMENTING AGENCY	Ministry of the Interior, Ministry of Planning, Ministry of Public Works							
DESCRIPTION								
Overall project objective: Reduce the vulnerability of the North-East, North and Northwest against seismic threats.								
The specific objectives of the Program are to:								
<ul style="list-style-type: none"> - Quantify the seismic threat by micro-zoning of the 4 major cities of the North, Northeast and Northwest (Port-de-Paix, Cap-Haïtien, Fort-Liberté / Ouanaminthe) and the main secondary cities; - Assess the vulnerability of buildings and infrastructure and classify them according to the stakes involved (economic, human, strategic); - Identify priority infrastructure with high stakes (hospitals, public buildings, schools, bridges, power plants, etc.); - Propose budgeted solutions for structural strengthening of high priority infrastructure; - Strengthen a subset of critical infrastructure; - Train professionals in the construction industry on earthquake practices, from masons to engineers in the public (municipal and departmental engineers) and private sector; - Include seismic risk in the disaster contingency plan of the 3 northern departments and train members of the departmental and communal committees; - Inform citizens, builders and government on seismic risk and the possible solutions to prepare for and adapt to this risk; - Strengthen the capacity of municipalities and departments to manage earthquake risk. 								
<table border="1"> <thead> <tr> <th>TARGETED THEMATIC OUTCOMES</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Territorial Rebuilding</td> <td>80</td> </tr> <tr> <td>Social Rebuilding</td> <td>20</td> </tr> </tbody> </table>			TARGETED THEMATIC OUTCOMES	%	Territorial Rebuilding	80	Social Rebuilding	20
TARGETED THEMATIC OUTCOMES	%							
Territorial Rebuilding	80							
Social Rebuilding	20							

RECONSTRUCTION OF THE EDUCATION SECTOR						
AMOUNT	US\$50 Million	PROGRAM OBJECTIVE The objective of the project is to support the reconstruction of school infrastructure and to expand access to pre-school and basic education to at least 5,000 children. The HRF funding will contribute to a US\$250 million IDB program, which will support the Government in ensuring that the necessary conditions are in place for sustaining a multi-donor effort to rebuild and reorganize the education sector over the next 20 years and to work towards the goal of creating a publicly funded education system. The project objectives are in line with the Taskforce on Education's post-earthquake Education Plan, which was approved by the IHRC on August 17, and the Haiti Action Plan. The US\$4.3 billion Education Plan aims to create a tuition-free, publicly financed, well-managed education system that is open to all children and provides quality education.				
SOURCES	IDB (US\$40 M), HRF (US\$10 M)					
APPROVAL DATE	December 15, 2010					
SECTOR	Education					
PARTNER ENTITY	IDB					
IMPLEMENTING AGENCY	Ministry of Economy and Finance, and Social and Economic Investment Fund (FAES)					
DESCRIPTION						
Program Objective: The overall objective of the project is to support the reconstruction of school infrastructure in order to expand access to quality pre-school and basic education by providing superior education facilities. HRF financing will be used to finance the construction of ten schools, as well as other inputs necessary to ensure the provision of quality education.						
The Program has two components:						
1. This component will finance the construction of 10 schools in communities that currently have no school. Each school will have nine classrooms, one preschool area, outdoor sporting grounds, systems for sewage, electricity (possibly through solar energy), potable water and water tank, safety (e.g. fencing), a school kitchen to allow provision of school lunches, bathrooms, office buildings, security guard room, and if the site permits a yard. School buildings will be built to be both hurricane and earthquake proof.						
2. This component will finance furniture, equipment and didactic materials . All classrooms and the school administrative building will be equipped with cupboards, desks and chairs for students, teachers, and school administrators. The school canteen will be equipped with furniture and kitchen utensils.						
Expected Results: The project will finance the building of at least ten schools. Each school will have the capacity to serve a minimum of 450 primary students and 50 pre-school children.						
<table border="1"> <thead> <tr> <th>TARGETED THEMATIC OUTCOMES</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Education</td> <td>100</td> </tr> </tbody> </table>			TARGETED THEMATIC OUTCOMES	%	Education	100
TARGETED THEMATIC OUTCOMES	%					
Education	100					

HAITI SOUTHWEST SUSTAINABLE DEVELOPMENT PROGRAMME 2010 - 11										
AMOUNT	US\$12.55 Million	PROGRAM OBJECTIVE This project represents the first phase of a 20-year multi-sectoral sustainable recovery and development initiative for the southwest region of the southern peninsula of Haiti. The objective of the first phase is to rapidly deliver practical benefits and develop the longer term program. Over time the project aims to impact the entire 600 km ² area of Tiburon-Port Salut and Ile à Vache, reaching an estimated 205,000 beneficiaries. The project addresses in an integrated manner multiple priorities of the Haiti Recovery and Development Action Plan, including, amongst others, disaster risk management, national planning and local development, watershed management, education, health care, sanitation, food security and nutrition, agricultural production, and access to electricity.								
SOURCES	UNEP, Norway (US\$ 0.55 M), Catholic Relief Services, USAID (US\$4 M) and HRF (US\$8 M)									
APPROVAL DATE	October 21, 2010									
SECTOR	Natural Resource Management (40%), Social Services (30%), Economic Development and Infrastructure (12%), Governance and Disaster Risk Reduction (8%), and General (10%)									
PARTNER ENTITY	UN									
IMPLEMENTING AGENCY	UNEP, UNOPS, CRS, Earthspark									
DESCRIPTION										
The project focus area is the Tiburon-Port Salut group of watersheds and Ile à Vache. In this region poverty levels are worse than the national average and the population is particularly vulnerable to flooding and hurricanes. The rural landscape is highly degraded and the deforested and food insecurity levels are high. In addition, the population has limited access to social services and markets for produce due to a very limited and bad quality rural road network. In-migration following the January earthquake increased the 191,000 population by an estimated 24,000 people. The 20 year vision and goal of the proposed program will focus on:										
(i) Multiple and multi-thematic catchment and commune level development needs and opportunities within the geographic limits of the program area.										
(ii) Large scale transport and power infrastructure investment opportunities in the Department to transform the potential of the program area.										
The catchment of Port à Piment will be the epicenter of the technical development work with the application of the Millennium Village integrated rural development model. The project will be managed and implemented using a new organizational model, the Haiti Regeneration Partnership, with a strong focus on coordination, national ownership and building the institutional capacity of the government and local partners.										
<table border="1"> <thead> <tr> <th>TARGETED THEMATIC OUTCOMES</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Poverty Reduction</td> <td>40</td> </tr> <tr> <td>Reduction of Disaster Vulnerability</td> <td>20</td> </tr> <tr> <td>Restoration and Sustainable Management of Natural Resources</td> <td>40</td> </tr> </tbody> </table>			TARGETED THEMATIC OUTCOMES	%	Poverty Reduction	40	Reduction of Disaster Vulnerability	20	Restoration and Sustainable Management of Natural Resources	40
TARGETED THEMATIC OUTCOMES	%									
Poverty Reduction	40									
Reduction of Disaster Vulnerability	20									
Restoration and Sustainable Management of Natural Resources	40									

HOUSING AND NEIGHBORHOOD RECONSTRUCTION SUPPORT PROGRAM						
AMOUNT	US\$30.77 Million	PROGRAM OBJECTIVE The Housing and Neighborhood Reconstruction Support Program is intended to provide some of the most basic tools and systems that the central and local government, the IHRC, and their partners need to program and manage the resources pledged for housing and neighborhood reconstruction. The tools and systems to be developed include a full census and registration of the earthquake-affected households, a georeferenced tracking system for housing and neighborhood reconstruction projects, and coordination units in both the Ministry of Planning and the Ministry of Interior, that will allow these agencies to rationalize donor resources being donated for urban and regional strategic planning and for municipal strengthening. This project is in line with the Neighborhood Return and Housing Reconstruction Framework developed by the IHRC in collaboration with the government and international agencies.				
SOURCES	UNDP (US\$0.4 M), Ministry of Planning (US\$5.7 M), HRF (US\$24.67 M)					
APPROVAL DATE	1 March, 2011					
SECTOR	Information management and planning, and Capacity building					
PARTNER ENTITY	UN					
IMPLEMENTING AGENCY	UN Habitat, IOM, Ministry of Planning and External Cooperation, Ministry of Public Works, Transport and Communication, Ministry of Interior, Haitian Institute of Statistics and Informatics, National Center for Geo-Spatial Information					
DESCRIPTION						
In most recent, large-scale reconstruction programs, the government has controlled the majority of resources for housing reconstruction and could dictate the terms under which they were spent. In Haiti, due to the nature of the disaster and the socioeconomic situation, the situation is quite different. The neighborhood return and housing reconstruction effort is extremely decentralized and carried out by a wide range of reconstruction actors. There are both opportunities and risks associated with this approach. The risks include potential for gaps in the overall results, lack of accountability to intended beneficiaries, and the creation of greater social inequities. It is therefore essential that the government be equipped with information and systems that will allow it to plan and monitor the reconstruction effort, in collaboration with key partner agencies. This Program is intended to provide some of the most basic tools that will allow the government, the IHRC, and their partners to manage these risks and optimize the use of pledged resources.						
The project will comprise the following components:						
<ul style="list-style-type: none"> - Census of earthquake-affected neighborhoods and population: households, housing, services, and infrastructure; - Housing and Neighborhood Reconstruction Information System; - Municipal/neighborhood resource centers; - Strategic urban and regional planning; and - Technical supervision, coordination and monitoring and evaluation. 						
<table border="1"> <thead> <tr> <th>TARGETED THEMATIC OUTCOMES</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Territorial Rebuilding</td> <td>100</td> </tr> </tbody> </table>			TARGETED THEMATIC OUTCOMES	%	Territorial Rebuilding	100
TARGETED THEMATIC OUTCOMES	%					
Territorial Rebuilding	100					

IHRC OPERATIONAL CAPACITY BUILDING PROJECTS		
AMOUNT	US\$1 Million	PROGRAM OBJECTIVE The project aims to strengthen the operational capacity of the IHRC by improving communication, seeking legal services, better information management, revision of review and project monitoring processes and other needs for capacity building necessary for the proper functioning of the institution. The project objectives are in line with the priorities detailed in the section on institutional rebuilding of the Government Action Plan for Reconstruction and Development of Haiti.
SOURCES	HRF (US\$1 M)	
APPROVAL DATE	5 April, 2011	
SECTOR	Capacity Building	
PARTNER ENTITY	UN	
IMPLEMENTING AGENCY	IHRC	
DESCRIPTION		
<p>Overall project objective: The objective of the project is to strengthen the operational capacity of the IHRC.</p> <ol style="list-style-type: none"> 1. Implementation of a national awareness campaign: The communications team of the IHRC will develop a national awareness campaign on the activities of the IHRC through a Haitian firm specialized in campaign information. 2. Modeling the process of review and monitoring of projects: implementation of the second phase of the modeling of project review process. 3. Legal assistance to the IHRC: hiring a local law firm to assist the IHRC in the establishment of a legal framework consistent with Haitian law and the creation of a manual of administrative and legal procedures which would also facilitate the transfer of skills and resources at the end of the mandate of the IHRC. 4. Implementation of a training and information program: establish a training and information program for all involved and interested in the reconstruction efforts undertaken throughout the country. 		
TARGETED THEMATIC OUTCOMES		%
Institutional Rebuilding		100

NATURAL DISASTER MITIGATION IN THE SOUTH DEPARTMENT		
AMOUNT	US\$34 Million	PROGRAM OBJECTIVE The objective of this project is to reduce long term vulnerability to natural disasters for about 250,000 inhabitants of Ravine du Sud in Les Cayes and Cavaillon through investment in infrastructure, direct support to sustainable agriculture, and local capacity building to ensure sustainable watershed management. The project target is to increase flood control and coastal protection in the targeted areas by 25 percent and to reduce losses in infrastructure due to floods by 50 percent in five years. The project is in line with the territorial rebuilding, economic recovery and agriculture programs in the Government Action Plan for Reconstruction and the Government's National Agriculture Investment Plan. Les Cayes is one of the three development poles identified as a priority target in the Action Plan for Reconstruction.
SOURCES	IDB (\$20 M) and HRF (\$14 M)	
APPROVAL DATE	October 21, 2010	
SECTOR	Budget Support (20%), Agriculture, Farming and Fishing (30%), Disaster Management and Prevention (30%), and Watershed Management and Local Development (20%)	
PARTNER ENTITY	IDB	
IMPLEMENTING AGENCY	Ministry of Agriculture, Natural Resources, and Rural Development	
DESCRIPTION		
<p>The project activities will focus on reducing the environmental and socio-economic vulnerability to natural disasters for the population living in the Ravine du Sud and Cavaillon watersheds (100,000 ha, 4% of the national territory) through three main components:</p> <ol style="list-style-type: none"> (i) Protective infrastructure, including feasibility studies and substantial public works in particular re-profiling of rivers, strengthening riverbanks and building micro-dams. This component aims to prevent excessive flooding in 40 particularly vulnerable sites of the Les Cayes and Camp Perrin urban areas. Such flooding contributed substantially to impoverish the region. (ii) Support to sustainable agriculture on the slopes, including financial support to legally recognized farmer associations and individual farmers ready to introduce anti-erosion techniques in particularly vulnerable areas. The component will also recruit additional staff within the departmental office of the Ministry of Agriculture to support and supervise the activities. (iii) Institutional strengthening and capacity building for the sustainable management of watershed. This component will focus on substantially increasing the capacity of the Ministries at departmental level, while a small subcomponent will enable the central ministry to play its leadership role. It will also allow for the creation of local committees for the management of the watersheds. 		
TARGETED THEMATIC OUTCOMES		%
Budget Support		20
Economic Rebuilding		30
Territorial Rebuilding		50

PORT-AU-PRINCE NEIGHBORHOOD HOUSING RECONSTRUCTION PROJECT		
AMOUNT	US\$65 Million	PROGRAM OBJECTIVE The objective of the proposed project is to help residents of some of the most severely affected areas in the metropolitan area of Port-au-Prince to return to their communities in safe conditions and start repairing and/or rebuilding their permanent homes and livelihoods in improved neighborhoods. 50,000 individuals (10,000 households) are expected to benefit from housing repairs or new housing reconstruction and 210,000 people are expected to benefit from community-wide upgrading activities. The project is consistent with the Haiti Action Plan for National Recovery and Development, especially its section 4.3.1 on Housing for the population and the Neighborhood Return and Housing Reconstruction Framework prepared by the Government of Haiti and the IHRC in October 2010.
SOURCES	HRF (US\$65 M)	
APPROVAL DATE	15 December, 2010	
SECTOR	Housing, Water and Sanitation, Transport, Other Community Infrastructure, Other	
PARTNER ENTITY	World Bank	
IMPLEMENTING AGENCY	Ministry of Economy and Finance, Ministry of Social Affairs	
DESCRIPTION		
<p>Overall project objective: To enable the return of internally displaced people (IDPs) to their communities by investing in urban upgrading programs in heavily damaged communities in Port-au-Prince and by supporting the rebuilding of homes and infrastructure in these communities.</p> <p>The project activities will include:</p> <ul style="list-style-type: none"> - Removal of building debris from public spaces and private plots; - Cash grants for the (i) repair of houses assessed as structurally solid (yellow houses) and (ii) in-situ reconstruction of houses either destroyed or damaged beyond repair (red houses); - Investment in essential community service infrastructure such as roads, walkways, water supply systems, waste management, drainage, sanitation and social facilities; - Advisory services to assist communities, and government authorities to (i) efficiently manage the debris removal and housing repair and reconstruction process, (ii) comply with seismic and other natural hazard safety standards and (iii) undertake studies in support of the preparation of medium- and long-term urban development and housing strategies. 		
TARGETED THEMATIC OUTCOMES		%
Social Rebuilding		87
Territorial Rebuilding		13

The primary target areas for the project activities will be neighborhoods where an already strong community organization is in place and is functioning.

TARGETED BUDGET SUPPORT FOR HAITI		
AMOUNT	US\$15 Million	PROGRAM OBJECTIVE The objective of the Targeted Budget Support for Haiti is to provide direct support to the 2010-2011 and 2011-2012 budgets whose activities are organized around the strategies for revitalizing the education and agriculture sectors developed by the Haitian government after the January 2010 earthquake. In the education sector, the operation will support essential activities identified in the National Strategy for Action on Education for All (SNA-EPT) in September 2007. These are also in line with the priorities of the Operational Plan (OP 2010-2015) of the recommendations of the Presidential Commission on Education produced in August 2010. In the agriculture sector, the choice of activities to be funded is based on the need to increase productivity as indicated in the National Plan for Agricultural Investment (2010-16) and key areas of intervention identified in the PDNA (Post Disaster Needs Assessment). This project is also in line with the priorities identified in the Action Plan for National Plan Recovery and Development of Haiti.
SOURCES	HRF (US\$15 M)	
APPROVAL DATE	27 April, 2011	
SECTOR	Education and Agriculture	
PARTNER ENTITY	World Bank	
IMPLEMENTING AGENCY	Ministry of Economy and Finance, National Seed Service (SNS), Ministerial Committee of the Ministry of Agriculture, Natural Resources and Rural Development, Economic and Social Assistance Fund (FAES)	
DESCRIPTION		
<p>The cost of reconstruction following the earthquake is a considerable weight on the state budget. There is therefore a need for significant financial support to enable implementation of key sectoral activities.</p> <p>Project Goal: The Budget Support operation would provide resources to finance key budgetary expenditures in the education and agriculture sectors for the fiscal years 2010-2011 and 2011-2012. The budget support would be channeled through the budget, and would reimburse specific pre-identified expenses.</p> <p>The budget lines considered in the context of this operation include (i) the construction of semi-permanent, fully equipped schools, (ii) the purchase of school canteens as part of the PNCS, and (iii) the purchase of seeds to retrocede to the private sector, specifically to groups of farmer organizations for the purpose of propagation.</p>		
Expected Results:		
(i) 268 new classrooms built and equipped;		
(ii) 670 schools and 261,200 students benefiting from school canteens		
(iii) 70,000 farmers receiving improved and subsidized seeds .		
TARGETED THEMATIC OUTCOMES		%
Social Rebuilding		50
Economic Rebuilding		50



Project Name	Project Development Objective	Partner Entity
1 Haiti Emergency Development Policy Operation (Budget Support)	Support enhanced accountability and transparency in the management of public resources in the context of the reconstruction.	WB
2 Program to establish a Partial Credit Guarantee Fund	Contribute to the rehabilitation of the Haitian productive sector by establishing a partial credit guarantee fund to allow enterprises to restructure bank-debt obligations and facilitating continued access to finance.	IDB
3 Debris Management Project	Contribute to the rehabilitation of urban areas of Port-au-Prince devastated by the earthquake, by setting up a recycling system, removing and processing debris.	UN
4 Disaster Risk Reduction in the South Department	Contribute to disaster risk reduction through the development and management of watershed basins, employment generation and agricultural development in the Southern Department.	UN
5 Natural Disaster Mitigation in South Dept	Reducing environmental and socio-economic vulnerability to natural disasters for the population living in the Ravine du Sud and Cavaillon.	IDB
6 Haiti Southwest Sustainable Development Programme	First phase of a 20 year recovery and sustainable development program for the southwest region of the southern peninsula.	UN
7 Reconstruction of the Education Sector	Supporting the Government in ensuring that the necessary conditions are in place for rebuilding the education sector over the next 20 years and to work towards the goal of creating a publicly funded education system.	IDB
8 Demolition and Debris Removal with Heavy Equipment	Demolition of buildings and the removal of debris with heavy equipment to expedite the construction of shelters and houses to allow the relocation of internally displaced people.	UN
9 Capacity Building for Disaster Risk Management	Increase the capacity of the Government to prepare for and manage disaster risk by reinforcing the capacity of the Department of Civil Protection and by rehabilitating and building evacuation centers in priority areas.	UN
10 Port-au-Prince Neighborhood Housing Reconstruction Project	Enable the return of internally displaced people to their communities by investing in urban upgrading programs in heavily damaged communities in Port-au-Prince and by supporting the rebuilding of homes and infrastructure in these communities.	WB
11 Housing and Neighborhood Reconstruction Support Program	This Program is intended to provide some of the most basic tools and systems that the central and local government, the IHRC, and their partners need to program and manage the resources pledged for housing and neighborhood reconstruction.	UN
12 Earthquake Prevention Plan for the North of Haiti	The objective of the project is to reduce the vulnerability of the North-East, North and North-west against seismic threats by strengthening the resilience of the infrastructure and population in order to minimize economic losses and human lives during future earthquakes.	UN
13 IHRC Capacity Building Programme	The project aims to strengthen the operational capacities of the IHRC to improve communication components, legal, and information management processes for the review and monitoring of projects and other needs to build capacity for the proper functioning of the Institution.	UN
14 Targeted Budget Support	The Budget Support operation would provide resources to finance key budgetary expenditures in the education and agriculture sectors for the fiscal years 2010-2011 and 2011-2012. The budget support would be channeled through the budget, and would reimburse specific pre-identified expenses.	WB



Photo courtesy of Diego Osorio, Senior Operations Officer, HRF