



# HRF Secretariat Report

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The HRF Secretariat serves to support the work of the HRF Steering Committee and therein plays a coordinating role between the various entities making up the HRF governance structure. In this function the Secretariat is responsible for delivering services in four areas:

1. Proposal Management;
2. Support to the Steering Committee;
3. Communications; and
4. Reporting.

In order to support these activities, the Secretariat also incurs expenses related to office management and travel. This report briefly summarizes the Secretariat's work in these areas since the last HRF Steering Committee Meeting (December 15, 2010).

***1. Proposal management:*** This activity includes advising the Partner Entities and other entities interested in receiving financing from the HRF on proposal development and processing steps, receiving and processing project and program proposals, and advising the Steering Committee on the consistency between original concepts and final proposals in terms of objectives and financing needs.

Since the last SC meeting, the Secretariat has facilitated the processing of five projects for HRF allocation and final approval by the IHRC. This entailed following up with partner entities on the final project documents, communicating approval requests to the SC and IHRC, following up with Partner Entities on comments received from the SC and IHRC, and informing the Trustee and Partner Entities of final project approvals such that project funds could be transferred. The projects that were approved since December 15<sup>th</sup> (Neighborhood Housing Reconstruction, Capacity Building for Disaster Risk Management, Disaster Risk Reduction in the South Department Southwest Sustainable Development Program, and Natural Disaster Mitigation in the South Department) represent \$97 million of financing from the HRF. Following confirmation by the Secretariat that projects were approved, the Trustee transferred \$18 million to Partner Entities for project implementation.

To assess the efficiency of the HRF grant approval process, the Secretariat prepared an analysis of the performance of the HRF's overall grant approval process. On average, the full process took 96.5 days from receipt of a project concept note from the IHRC to transfer of funds to a

Partner Entity<sup>1</sup>. Summary information on the time required for each step of the process, along with options for improving performance, is provided in Attachment 1.

**2. Steering Committee support:** This activity involves: drafting and updating an Operations Manual to set out the Steering Committee's rules and procedures; organizing Steering Committee meetings (preparation of agenda and background materials in English and French, notification of members, venue logistics); drafting, circulating and disclosing minutes; responding to members concerning questions about Steering Committee matters; notifying the Trustee of funding requests approved by the Steering Committee and communicating instructions for the transfer of funds to Partner Entities; and performing any other functions assigned to the Secretariat by a decision of the SC..

The Secretariat has undertaken all necessary preparations for the Steering Committee meeting scheduled for March 1, 2011; disclosed minutes from the Third SC meeting and drafted and circulated minutes from the Fourth SC meeting; communicated the \$102 million in funding decisions made at the Fourth SC meeting to the Trustee; followed up with Partner Entities on the preparation of full project documents; liaised with the IHRC on forthcoming project proposals for HRF financing; and has responded to a variety of member requests for information.

In addition, the Secretariat has undertaken an analysis to determine the role of the HRF in overall reconstruction finance for Haiti in 2010 which can be found in Attachment 2. The analysis indicates that HRF funds mobilized in 2010 accounted for 5% of total donor pledges for 2010-11<sup>2</sup>, 15% of funds committed for 2010 and 23% of delivered funds for 2010. HRF financing has focused on funding priority activities and has responded to gaps in reconstruction financing by, amongst others, filling 18% of the financing gap for disaster risk reduction, 14% for reconstruction and 11% for urban development.

**3. Communications:** For this activity, the HRF Secretariat is required to: provide public information on trust fund activities; develop and maintain the HRF websites in English and French; develop and implement a communications strategy for stakeholders including Haitian beneficiaries, the Haitian and international media, and development partners; design and popularize the HRF "brand" (logo and slogan) in a manner that promotes donor visibility; and respond to inquiries from existing and potential donors.

Since the last SC meeting, the Secretariat has:

- Released press announcements on the December 15<sup>th</sup> financing decisions by the HRF Steering Committee and the release of the HRF six-month progress report.
- Concluded amateur and professional photo competitions on reconstruction (over 2000 photos received)
- Completed an inter-school competition to design the HRF logo, slogan and chant, including workshops for the winning classes (3000 children in 50 public and private schools participated)

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<sup>1</sup> The average includes only those projects (6) which have completed all steps, i.e. funds have been transferred to the PE.

<sup>2</sup> Funds Pledged by national governments and multilateral organizations, excluding debt relief

- Organized a reconstruction photo exhibit at le Parc Historique de la Canne à Sucre
- Held a ceremony on January 9<sup>th</sup> to launch the HRF progress report and present awards for the above-mentioned competitions (over 250 participants)
- Designed and received SC approval for a new HRF logo as well as a slogan and chant
- Designed, printed and distributed desk and wall calendars using the entries for the photo competition (1000 of each)

In addition, the Secretariat met with current and potential future donors, at their request to explain the functioning of the HRF and provide any additional information required.

**4. Reporting:** The Secretariat is responsible for: receiving and consolidating annual reports on implementation results; receiving periodic financial reports submitted by the Partner Entities for distribution to the Steering Committee and all HRF donors; collaborating with the Trustee to ensure that the Trustee has all the information necessary to carry out its responsibilities; and responding to public inquiries concerning implementation results and financial performance.

The Secretariat consolidated available financial and project implementation information from the Partner Entities and the Trustee and produced a six-month progress report covering the period from June 17 – December 16, 2010. A 48-page report was printed in English and French (1000 copies of each) with a shorter 12-page summary brochure prepared in Creole, English and French (1000 copies of each).

**5. Office and travel:** In order to fulfill its responsibilities, the Secretariat is responsible for: equipping and maintaining an office; renting a vehicle and driver; financing the communications strategy; printing reports and items for Steering Committee meetings; and translating communications materials, reports and Steering Committee documents.

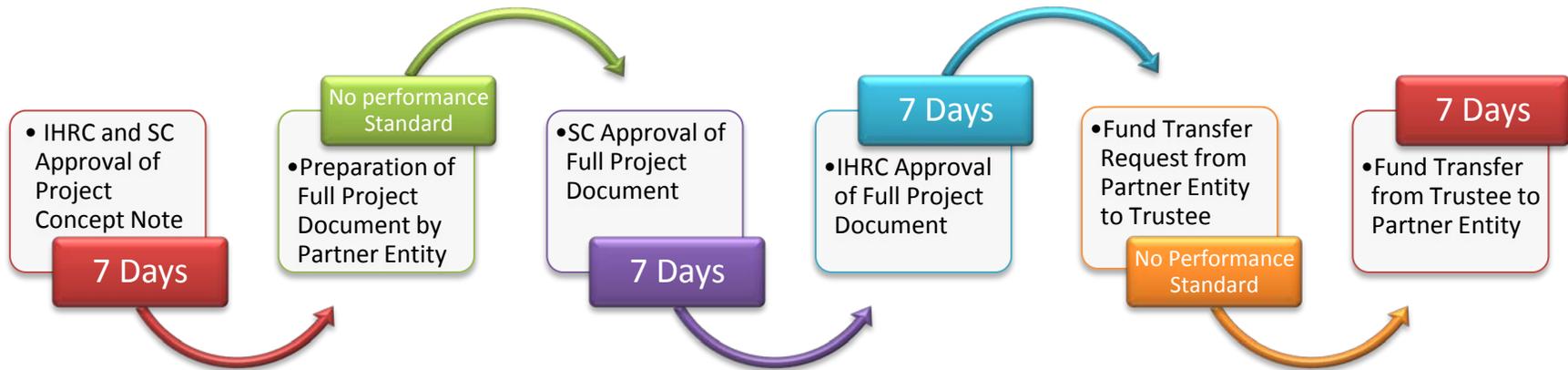
During the review period, the Secretariat procured a vehicle (purchased from IOM), insurance and a World Bank-certified driver. The HRF team assistant traveled to Washington, DC for training in World Bank trust fund procedures and web design, and the HRF driver traveled to Florida for professional driver training (required by the World Bank).

## ATTACHMENT 1

### Performance of HRF Grant Approval Process

**1. HRF grant approval process** - The HRF grant approval process consists of six simple steps as detailed in figure 1. To ensure an efficient process, performance standards are set for each of the approval steps and for the disbursement of funds by the Trustee.

Figure 1: HRF Project Processing Steps



**2. Average processing time** - As of February 17, the average processing time for the **IHRC and SC approval of a project concept note** is 8.1 days<sup>3</sup> (range 1 – 15 days), 16 percent longer than the performance standard. Options for improvement of this standard include seeking inputs from Steering Committee members prior to formal submission, and encouraging Partner Entities to immediately submit full project documents, thereby cutting out the concept approval stage. **Partner entity preparation of the full project document** took on average 42.8 days (range 3 – 104 days), which could be improved by encouraging Partner Entities to apply accelerated processing procedures and submitting fully developed project documents right away instead of a concept note first. The **SC and IHRC approval of the full project document** took on average 7.8 (range 1 – 12 days) and 8.8 (range 1 – 21 days) days respectively. To speed up this process, the SC and IHRC could raise concerns or suggestions earlier during the no-objection period,

<sup>3</sup> Throughout the report days refers to calendar days.

Partner Entities could consult SC members during the project preparation process, and the project document could informally be submitted to the IHRC at the same time as it is circulated to the SC. The additional step to seek IHRC approval of the full project document could possibly be removed as this step may no longer be necessary. Following the final approval of the full project document by the IHRC, the **Partner Entities** took on average 33.2 days (range 4 – 90 days) to **submit the fund transfer request** to the Trustee. The delay in Partner Entities requesting funds was mainly due to the time required to finalize the Transfer Agreement between the Trustee and the Partner Entity. Following the signing of the Transfer Agreement the average time between the IHRC approval of the full project document and the Partner Entity submission of the full project document decreased from 61.3 to 5 days. The **Trustee** responded to **fund transfer** requests by transferring funds within 3.5 days on average (range 1 – 6 days), a performance 50% faster than the set standard.

**3. Project processing time** - Figure 2 provides an overview of the project preparation and implementation time for each project. On average, the full project preparation process took 96.5 days from receipt of a project concept note from the IHRC until the transfer of funds to the relevant Partner Entity<sup>4</sup>.

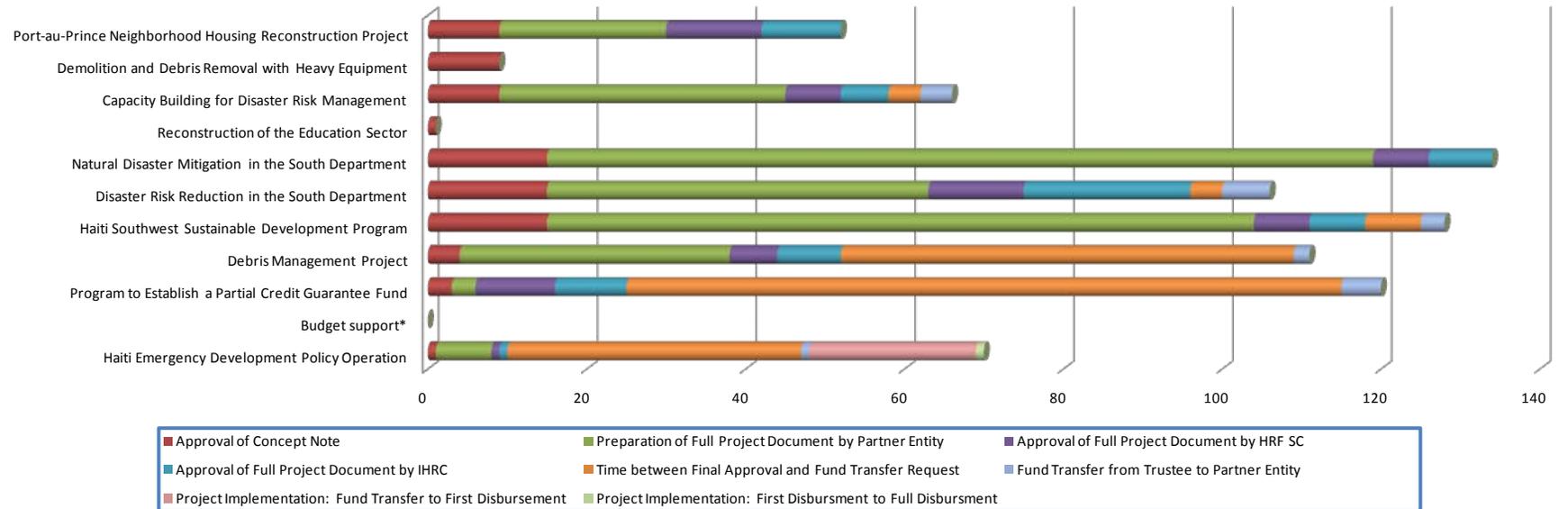
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<sup>4</sup> The average includes only those projects (6) which have completed all steps, i.e. funds have been transferred to the PE.

**Figure 2: HRF Project Preparation and Implementation Timeline**

(Number of Days)

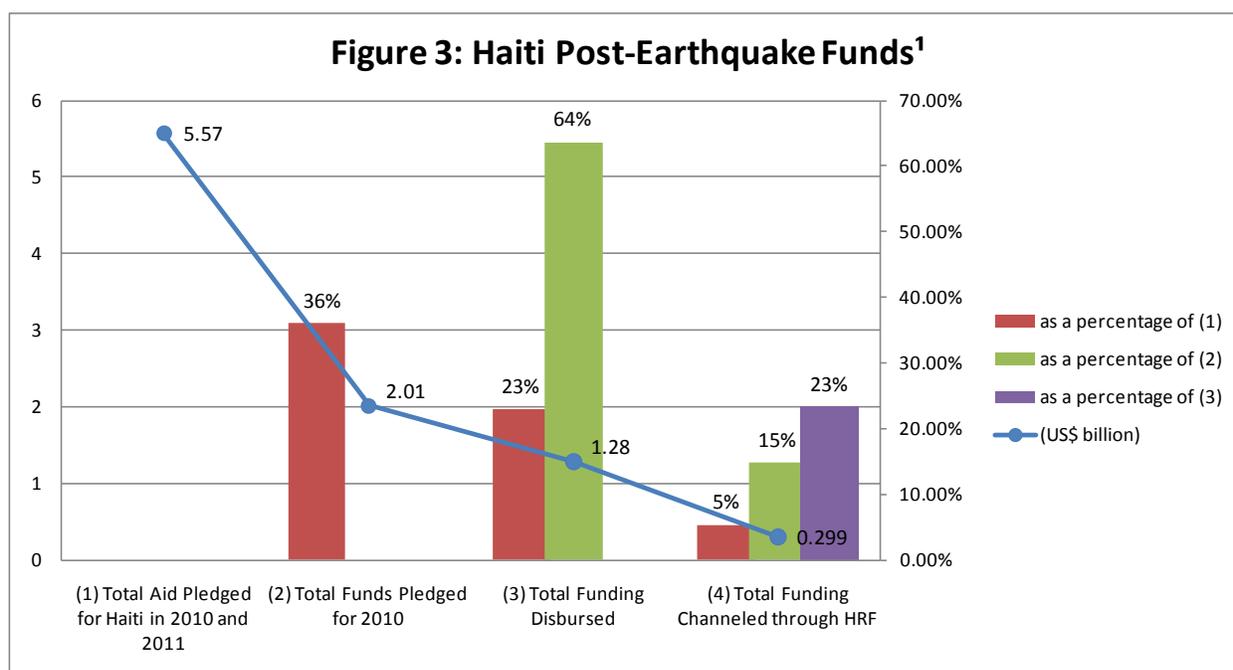
Data as of February 17, 2011



## ATTACHMENT 2

### Role of the HRF in Overall Reconstruction Finance

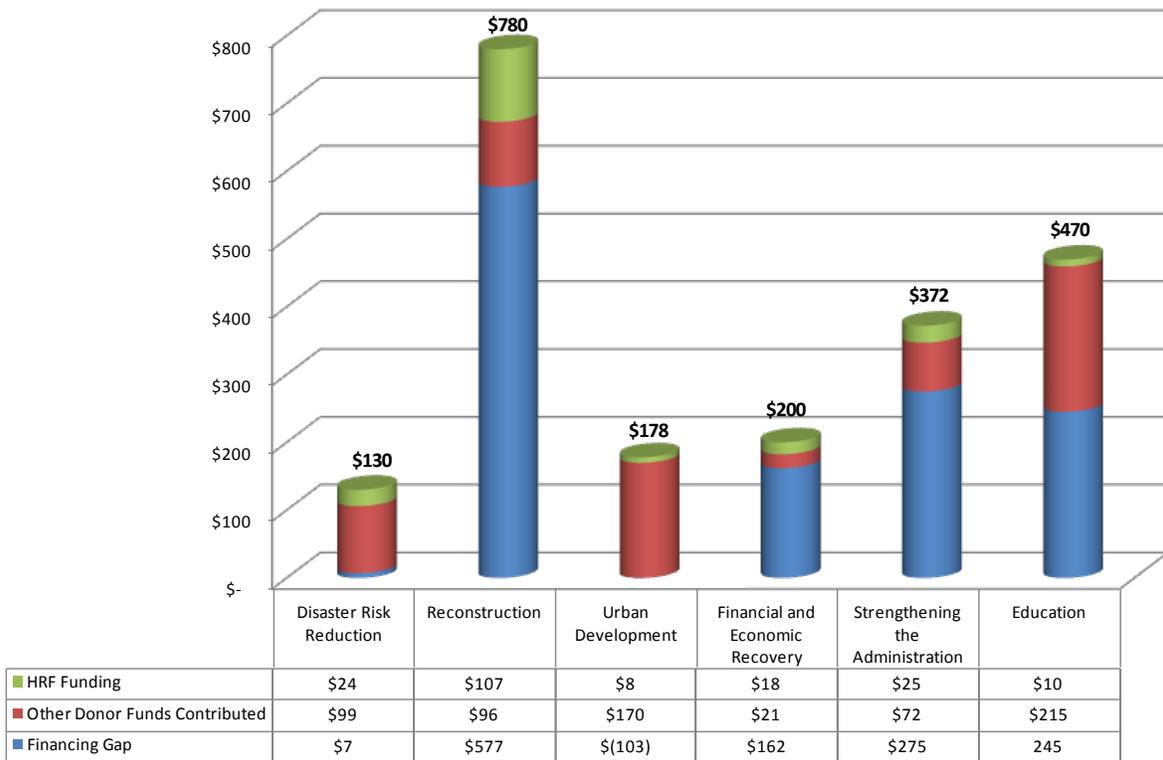
**1. Post-Earthquake Aid for Haiti** – In March 2010, donors pledged \$5.57 billion in funds to be committed in 2010 and 2011 to rebuild Haiti<sup>5</sup>. Of this, \$2.01 billion was pledged for 2010. At the end of December 2010, donors had disbursed \$1.28 billion, representing 64 percent of total funds pledged to Haiti for 2010. Out of the 64 percent of funds that were disbursed, 23 percent was channeled through the Haiti Reconstruction Fund which, as of December 31, 2010, had received commitments totaling \$299 million.



**2. Filling Sectoral Financing Gaps** – The funds channeled through the Haiti Reconstruction Fund have made a significant contribution to addressing the financing needs identified by the Government of Haiti in the March 2010 Action Plan for the National Recovery and Development of Haiti. Figure 4 provides an overview of the key sectors supported by the HRF and details the total HRF and other donor contributions to the funding need identified for each sector and the remaining financing gap. Most notably, the HRF has contributed to reducing the financing gaps for Disaster Risk Reduction and Reconstruction, including housing, by 18 and 14 percent respectively.

<sup>5</sup> Funds Pledged by national governments and multilateral organizations, excluding debt relief

**Figure 4: HRF Contribution to Funding Post-Earthquake Recovery**



**Figure 5: Percentage of Each Sectoral Gap Filled by the HRF**

