

The background of the top half of the cover is a photograph of the Haitian flag waving on a tall pole. The flag features a blue triangle at the top, a red triangle at the bottom, and a white rectangle in the center containing a golden sunburst and a palm tree. The scene is set against a sunset sky with soft, golden light. In the background, a hazy landscape with hills and some buildings is visible.

# FROM RECOVERY TO DEVELOPMENT

ANNUAL REPORT  
2012-2013



## HAITI RECONSTRUCTION FUND



Students receiving HRF-financed school kits in Kenscoff for the 2012-2013 school year. **Reconstruction of the Education System Project**  
*Photo courtesy of HRF*

## MESSAGE FROM THE PRIME MINISTER



Two years into the Martelly-Lamothe government's mandate, the Haitian government continues to rebuild its infrastructure and systems, with the aim of meeting the needs of the Haitian people and making Haiti an emerging country by 2030. This Government's actions are guided by five strategic priorities: education and human and social development; environment and territorial planning; the economy and job creation; energy; and the rule of law and democracy. There is much to do, but we can say that Haiti has come a long way in the three years after the earthquake, in part due to partnerships like the Haiti Reconstruction Fund (HRF).

Since 2010, the HRF has provided much-needed reconstruction financing for the Haitian government and people. Despite some difficulties in 2011-2012 due to a change of Prime Minister and the expiration of the mandate of the HRF's original counterpart (the Interim Haiti Recovery Commission), the HRF was able to get back to the business of financing reconstruction in June 2012 when I appointed the Ministry of Planning and External Cooperation (MPCE) as the HRF's new counterpart. With new procedures designed by the MPCE and endorsed by the Steering Committee, in the last quarter of 2012, government agencies and Partner Entities worked quickly to prepare a dozen proposals for HRF financing.

After three years of operations, HRF financing has achieved significant results worth noting:

- in housing – helping families to leave camps and relocate to housing in communities and providing support to families to rebuild damaged housing; training engineers in anti-seismic construction; helping municipalities better manage urbanization;
- in disaster risk management – building temporary shelters for vulnerable populations during storms; and,
- in education – providing school kits, manuals and uniforms for the benefit of 180,000 students in 292 schools in all ten departments of the country.

In addition to traditional reconstruction projects like debris removal from difficult-to-reach neighborhoods and assistance to the displaced to leave camps and find safe housing, I am also pleased to see that the HRF Steering Committee has approved financing in areas such as support to small and medium enterprises, disaster risk reduction, environmental management, and development of clean energy, especially in departments outside of the capital. This diversity in programming aligns with the Government's strategic priorities and will help us build a promising future for Haiti through better environmental stewardship of Haiti's natural resources and providing much-needed alternative energy sources for the country.

It was my pleasure to see the HRF get back to business this past year under the leadership of the Chairperson of the Steering Committee, the Minister of Economy and Finance. I take this opportunity to thank the donors who have contributed to the HRF to support Haiti's recovery and development. I would also like to recognize the work of the members of the Steering Committee who have dedicated time and effort to review and approve priority projects. Entering the fourth year of operations I look forward to enhanced implementation of ongoing activities and the allocation of remaining HRF resources.

**Laurent Salvador Lamothe**  
**Prime Minister of Haiti**



## FOREWORD FROM THE CHAIRMAN



It is my pleasure to introduce the Third Annual Report of the HRF. First, I would like to extend my gratitude and recognition to all my predecessors who have successfully filled the role of Chairperson of the Steering Committee. I am delighted to take up the role of Chairman of the Steering Committee, and work alongside my fellow Committee members, including the government representative from the MPCE, the donor representatives – the United States, Brazil, Canada, Norway, France, Japan and Spain, the Partner Entities – the Inter-American Development Bank, the International Finance Corporation, the United Nations, and the World Bank, and the observers from the private sector, civil society, local government, the Diaspora and International non-governmental organizations (NGOs).

As the new Chairman, I am resolved to lead the Steering Committee towards sound and effective use of the remaining HRF funds and ensure that, once allocated, the funds are well-used. This report recounts the last twelve months of the Fund: the use of new procedures, new requests for HRF financing, the financial status, and results attained to date. I urge readers to visit the results section of this report. I assure you that you will be surprised by the breadth and diversity of sectors and projects financed by the HRF. I am satisfied to see the amount of additional funding leveraged through HRF co-financing: the current allocation of US\$274 million is expected to result in total project funding of US\$503 million. Allocated funds are now more than 50% disbursed and given the recent start of several projects and restructuring of three projects in the last year, this figure is likely to rise dramatically in the fourth year of operations.

At this pivotal moment of the ongoing transition from rebuilding to long term economic development, it is important to evaluate the available mechanisms of financing. In this respect, I await with great interest the HRF performance review. This evaluation will provide an external assessment of the performance of the Fund and guide the discussion about its future. Finally, the Steering Committee discussions in the next year will undoubtedly be focused on the future of the Fund as well as its optimal use as a mechanism that pools resources from the international community.

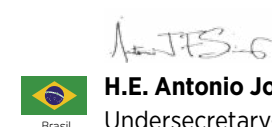
**Wilson Laleau**  
**Minister of Economy and Finance**

## JOINT DONORS STATEMENT

The third year of the Haiti Reconstruction Fund began on a positive note, with agreement on a new counterpart and procedures for submitting financing requests to the HRF. The new arrangements were then put into effect with proposals for new financing being submitted for evaluation and endorsement by the Government. This resulted in decisions by the HRF Steering Committee to reserve US\$32 million for new activities.

In the third year of operations, out of seventeen projects approved, representing a total envelope of US\$274.1 million, seven projects (for a total of US\$86 million) are now completed and nine (for a total of US\$173 million) are on-going<sup>1</sup>. To date, US\$144 million has been disbursed, which represents 55% of the total amount transferred as of June 30, 2013 to our Partner Entities.

As the HRF enters its fourth year, there is a need to review this experience. In this regard, the HRF and its partners will soon embark on a review to help assess its performance, and the results that have been achieved to date, draw lessons about what has worked and what should be improved, and propose options for the future. We stress our commitment to continue supporting the Government's framework for coordinating external cooperation and the need to improve mutual accountability, political stability, transparency, and good governance in order to achieve better development results for Haitians.



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



**Ms. Eva Irene Tuft**  
Special Representative for Haiti  
Latin America Section  
Norwegian Ministry of Foreign Affairs  
Norway



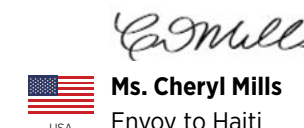
**Ms. Heather Cameron**  
Senior Director  
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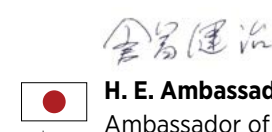
**H. E. Ambassador Manuel Hernandez Ruigomez**  
Ambassador of Spain in Haiti  
Spain



**H.E. Ambassador Pierre Duquesne**  
Responsible for Reconstruction and Economic Development  
France



**Ms. Cheryl Mills**  
Envoy to Haiti  
US Department of State  
United States of America



**H. E. Ambassador Kenji Kuratomi**  
Ambassador of Japan in Haiti  
Japan

<sup>1</sup> The seventeenth project, worth US\$15 million, was approved at the concept level, but is pending submission of final project document.

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# ACRONYMS AND ABBREVIATIONS

AAP	Attestation of Professional Abilities ( <i>Attestation d'Aptitudes Professionnelle</i> )	MARNDR	Ministry of Agriculture, Natural Resources and Rural Development ( <i>Ministère de l'Agriculture, des Ressources Naturelles et du Développement Rural</i> )
ACME	Association for Cooperation with Micro Enterprise ( <i>Association pour la Coopération avec la Micro Entreprise</i> )	MASW	Multi-Channel Analysis of Surface Waves
ATL	Local Technical Agency ( <i>Agence Technique Locale</i> )	MDTF	Multi-Donor Trust Fund
BMPAD	Bureau of Monetization of Development Aid Programs ( <i>Bureau de Monétisation des Programmes d'Aide au Développement</i> )	MEF	Ministry of Economy and Finance ( <i>Ministère de l'Economie et des Finances</i> )
CAP	Certificate for Professional Abilities ( <i>Certificat d'Aptitudes Professionnelle</i> )	MICT	Ministry of Interior, Territorial Collectivities
CIDA	Canadian International Development Agency ( <i>Agence Canadienne de Développement International</i> )	MINUSTAH	United Nations Mission for the Stabilization of Haiti
CNIGS	National Center for Geographic and Spatial Information ( <i>Centre National des Informations Géographiques et Spatiales</i> )	MTPTC	Ministry of Public Works, Transport, Communications ( <i>Ministère des Travaux Publics, Transports et Communications</i> )
CRC	Community Resource Center ( <i>Centre de Ressources Communautaires</i> )	NGO	Non-Governmental Organization
CSCCA	Supreme Audit Agency ( <i>Cours Supérieure des Comptes et du Contentieux Administratif</i> )	OCHA	Office of Coordination for Humanitarian Affairs
EDH	Haitian Electricity Company ( <i>Electricité d'Haiti</i> )	PCGF	Partial Credit Guaranty Fund
GOH	Government of Haiti	PCN	Project Concept Note
HRF	Haiti Reconstruction Fund	PE	Partner Entity
FDI	Industrial Development Fund ( <i>Fonds de Développement Industriel</i> )	SC	Steering Committee
IPP	Independent Power Producers ( <i>Producteurs d'Energie Indépendants</i> )	SPDH	Strategic Plan for the Development of Haiti ( <i>Plan Stratégique pour le Développement d'Haiti</i> )
IDA	International Development Association	UN	United Nations
IDB	Inter-American Development Bank	UNDP	United Nations Development Program
IDP	Internally-Displaced Person(s)	UNEP	United Nations Environment Program
IFC	International Finance Corporation	UNDG	United Nations Development Group
IHRC	Interim Haiti Recovery Commission	UNHCR	United Nations High Commissioner for Refugees
IHSI	Haitian Institute for Statistics and Informatics ( <i>Institut Haïtien de Statistiques et d'Informatique</i> )	WB	World Bank
INFP	National Institute for Professional Training ( <i>Institut National de Formation Professionnelle</i> )	WFP	World Food Program
ILO	International Labor Office		
IOM	International Office of Migration		





Rebuilding of demolished house in Morne Hercule. **16 neighborhoods / 6 camps Project**

*Photo courtesy of the UN*

## ACKNOWLEDGEMENTS

The HRF Secretariat, presented in Annex 3, was responsible for final production of this annual report. However, our work could not have been accomplished without the contribution of numerous people. We would especially like to thank our Chairperson and members of the Steering Committee for general guidance and specific comments during preparation of the text. Our Counterpart, the Ministry of Planning and External Cooperation (MPCE), was very collaborative in the preparation of this report. Our Trustee was an invaluable partner in the provision of financial data concerning the performance of the Fund. Our Partner Entities and their implementing agencies were very helpful in supplying timely information on the impressive results that are being obtained by individual HRF-financed activities as well as data on disbursements. The UN Office of the Special Envoy<sup>1</sup> for Haiti provided data on the overall situation of reconstruction finance. The UN Office of the Special Envoy became the Office of the Secretary-General's Special Advisor on Community-Based Medicine & Lessons from Haiti in 2013. This new Office still publishes but no longer collects information on Assistance Tracking done by the previous Office (<http://www.lessonsfromhaiti.org>). New figures can be found at the Government of Haiti web portal for aid management (<https://haiti.ampsite.net>), but uses a different methodology of tacking external aid.

<sup>2</sup> The UN Office of the Special Envoy became the Office of the Secretary-General's Special Advisor on Community-Based Medicine & Lessons from Haiti in 2013. This new Office still publishes but no longer collects information on Assistance Tracking done by the previous Office (<http://www.lessonsfromhaiti.org>). New figures can be found at the Government of Haiti web portal for aid management (<https://haiti.ampsite.net>), but uses a different methodology of tacking external aid.



# EXECUTIVE SUMMARY

The HRF is a multi-donor trust fund that mobilizes, coordinates and allocates grant funding in support of Government of Haiti's (GoH) Action Plan for National Recovery and Development. The GoH asked that the International Development Association (IDA) of the World Bank to serve as the Secretariat and Trustee of the Fund in March 2010.

The HRF pools contributions from donors to provide grant financing for priority activities that are requested by the GoH and approved by the HRF Steering Committee. There is a streamlined grant approval process as well as a fast track procedure for smaller requests of less than US\$1 million. The HRF can finance activities that include 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 Inter-American Development Bank, the International Finance Corporation, the United Nations, or the World Bank).

The HRF is governed by a Steering Committee that is chaired by the Minister of Economy and Finance and consists of a GoH representative (MPCE), major donors, the Partner Entities, the Trustee, and observers from Haitian civil society, local government, the private sector, the Diaspora, and international NGOs. Over its first three years, the Steering Committee has met ten times and decided to allocate or set aside US\$274 million for 17 reconstruction activities and reserved nearly \$100 million for anticipated priorities.

## A New Framework for Cooperation with Government (Chapter 1)

During the period July - September 2012, Haiti's new Prime Minister requested that the HRF's procedures be amended to incorporate the Ministry of Planning and External Cooperation (MPCE) as the HRF's new counterpart, along with a revised grant approval process. The new process involves three steps for channeling financing requests to the HRF:

1. Proponents submit a Project Concept Note (PCN) through a government agency to the MPCE for evaluation
2. The Prime Minister selects evaluated proposals for submission to the Council of Ministers
3. The Council of Ministers approves financing requests to the HRF which are then transmitted to the HRF Secretariat by the MPCE

A streamlined approach to request financing for budget support was later introduced whereby the Ministry of Economy and Finance can directly submit a request to the Council of Ministers.

During the last quarter of 2012, Government agencies worked with the United Nations and the IDB to prepare a dozen PCNs for HRF financing. These were evaluated by the MPCE and prioritized by the Prime Minister in discussion with the MPCE and the Ministry of Finance. On December 21, 2012, the Council of Ministers met and decided to request US\$51 million from the HRF to finance five priority activities. The HRF Steering Committee also approved the restructuring of three projects so that allocated funds could be better used to support the priorities of the Government of Haiti.

During the second half of the fiscal year, the HRF focused on selecting the appropriate means to finance the Government's priorities. The Steering Committee decided to reserve additional funds for budget support and the Minister of Finance pledged that the priority activities

mentioned above could then be financed through the Government's own budget. As a Partner Entity, the World Bank then prepared operations to provide up to US\$43 million of budget support (including US\$23 million of HRF co-financing). In other words, after a challenging period of instability, negotiation and partnership, the HRF was back in business!

## Highlights from the Third Year of Operations (Chapter 2)

Program implementation during the third year of operations continued steadily with project-level disbursements increasing from US\$94 million in 2010 to US\$144 million in 2013, representing a project-level disbursement rate of 56% for 2013. Between the first year and the third year of HRF operations, disbursements increased by 53% from 15% of total funds transferred to Partner Entities in the first year of operations to 56% in the third year. Out of 17 projects approved, representing a total envelope of US\$274.1 million (including US\$9.5 million in project fees), seven projects were fully disbursed, nine are under implementation (of which three were restructured) and one is still pending submission of project document. At the time of printing, four new Project Concept Notes for HRF financing had been submitted to the Council of Ministers for approval. Project-level activities and disbursement levels varied by Partner Entity. Disbursement rates were 77% for the UN, 43% for the World Bank, and 14% for the IDB.

The restructuring of three projects was approved by the Steering Committee so that allocated funds could be better used to support the priorities of the Government of Haiti. The restructuring of these projects – the **Neighborhood Housing Reconstruction Project** (US\$65 million; World Bank), **Partial Credit Guarantee Fund** (US\$12.5 million; Inter-American Development Bank), and **Natural Disaster Mitigation in the South Department** (US\$14 million; IDB) should accelerate disbursements for the IDB and World Bank in the upcoming year.

A review of the HRF was authorized during the latter half of the year and should be undertaken during the fourth year of HRF operations. The review would take stock of the HRF's performance and explore options for the future of the HRF. The review should address several dimensions of the HRF's performance, including efficient, effectiveness, both in terms of development impact and operational performance, and generate lessons learned. The outcomes of this exercise would then be summarized in the next HRF annual report.

## Financial Status (Chapter 3)

During its third year of operation, the HRF received no new contributions from donors but continued to allocate funds as per Steering Committee decisions. To date, a total of 19 donors have committed to contribute an equivalent of US\$396 million to the HRF, of which US\$381 million has been received. The Steering Committee decisions consisted of approvals of requests, including a request to increase the Financial Reserve from \$47.5 million to \$99.78 million (an increase of 110%). Of this amount, 49% (\$48.57 million) is now reserved for general budget support, which displaces debris management as the second largest sector of HRF financing after housing.

At the International Donors Conference, "Towards a New Future for Haiti", held in New York on March 31, 2010, 55 bilateral and multilateral donors pledged to provide \$5.37 billion in aid for Haiti between 2010 and 2012. As of December 2012, \$3.01 billion, or 56 percent, has been disbursed. Of the 55 donors that pledged funding at the New York conference, 19 have channeled all or part of their pledge through the HRF for a total commitment of \$396 million. The funding channeled through the HRF as of June 30, 2013 represents 13 percent of the total funds disbursed for the post-earthquake reconstruction.

The HRF is committed to keeping its administrative costs low in order to maximize the amount of funding that is available to invest in reconstruction activities. To date, administrative costs represent 1.3% of HRF allocations and less than 1% of total contributions. The total FY14 administrative budget approved by the Steering Committee for the Trustee and the Secretariat represents a reduction of 13 percent compared to the total FY13 approved budget and is 47% below the first administrative budget which was approved for FY11.

#### The HRF Portfolio and Results (Chapter 4)

All projects in the HRF portfolio are aligned with the Government's Action Plan for National Recovery and Development of Haiti, the Government's priority reconstruction activities and more recently, its Strategic Plan for the Development of Haiti (*Plan Stratégique de Développement d'Haïti – PSDH*). 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. Housing and budget support are the most important sectors supported through the HRF with allocations of US\$120 million and US\$74 million (representing both allocated and reserved resources), respectively. Additional details about individual projects can be found in the Project Summary Table in Annex 1 and a map with project locations is provided in Annex 2.

The HRF is a significant source of seed funding and has added value in leveraging co-financing from various other funding sources to support larger-scale projects. Current HRF allocations of US\$274 million for reconstruction activities are expected to result in total project funding of \$503 million. This means that, on average, 45% of each HRF project consists of co-financing and 55% is HRF financing. By mobilizing US\$229 million in co-financing, each HRF dollar leverages almost one additional dollar of resources.

#### This significant portfolio has enabled HRF-financed activities to achieve important results including:

- Returning more than 17,000 thousand households from 52 camps to return to their original neighborhoods
- Facilitating the repair and rebuilding of houses for 1640 households
- Removing a total of 914,537 cubic meters of debris in urban neighborhoods
- Building and repairing 14 emergency shelters to protect an additional 2000 people against future disasters
- Reducing risk in disaster-prone areas by reforesting 1300 hectares, protecting riverbanks, building dikes, and cleaning over 30 km. of canals
- Providing 180,000 pre-school and primary school students in 292 schools across all 10 departments with school kits, books and uniforms
- Creating temporary jobs for 24,363 thousand people in debris management, construction and disaster risk reduction
- Supporting the private sector through greater access to credit and added value in the agriculture sector

More detailed information about results can be found in Chapter 4 and Annex 1.

#### Lessons Learned and Next Steps (Chapter 6)

In its third year of operations, the following lessons were learned or reconfirmed by the HRF community:

- **A return to “normal” arrangements was warranted** – the lengthy process of agreeing on a new counterpart and procedures resulted in a system that relies on normal Government procedures and institutions. While more time-consuming than the initial arrangements with the IHRC, this should strengthen GOH capacity as well as the legitimacy and ownership of financing requests to the HRF.
- **Working through Partner Entities ensures that funds are effectively spent** – the HRF's Partner Entities apply international standards of good practice in financial management, procurement, environmental and social safeguards, project design, and monitoring and evaluation for the use of HRF financing.
- **An efficient structure minimizes administrative costs** – the HRF has one of the lowest total expense ratios (under 5%) of any post-disaster multi-donor trust fund. This can be attributed to well-established Partner Entities, a modestly-sized Secretariat, an efficient Trustee, and a clear division of labor between them.
- **Donor preferencing poses tradeoffs** – on the positive side, donors that express preferences about the use of their contributions has increased the total amount of funding available to the HRF. On the downside, reserving funds in order to guarantee that preferences are met has reduced the flexibility and availability of HRF financing.
- **An independent governance structure is invaluable** – the HRF has been able to continue operations, despite this instability, in part because it has a governance structure that is independent. Thus, while the GOH began to implement the new procedures and counterpart arrangements, the HRF Steering Committee, Secretariat, Trustee, and Partner Entities continued to operate.

This coming year represents the midpoint in the HRF's existence and is an opportunity to evaluate performance as well as to explore options for the future. A review of the HRF's efficiency and effectiveness both in terms of development impact and operational performance, generating lessons and recommendations in the process will be an important activity of the HRF during the coming year. The outcome of this exercise will be summarized in the next HRF annual report.





Workers making paving stones out of recycled debris. **Demolition and Debris removal Project**

*Photo courtesy of HRF*

## I. INTRODUCTION

The Haiti Reconstruction Fund (HRF) is a multi-donor trust fund that mobilizes, coordinates and allocates grant funding in support of Government of Haiti's (GoH) Action Plan for National Recovery and Development. The GoH asked that the International Development Association (IDA) of the World Bank serve as the Secretariat and Trustee of the Fund in March 2010.

The HRF pools contributions from donors to provide grant financing for priority activities that are requested by the GoH and approved by the HRF Steering Committee. There is a streamlined grant approval process as well as a fast track procedure for smaller requests of less than US\$1 million. The HRF can finance activities that include 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, the Inter-American Development Bank, the United Nations, or the World Bank).

The HRF is governed by a Steering Committee that is chaired by the Minister of Economy and Finance and consists of a GoH representative (the Minister of Planning and External Cooperation), 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. Over its first three years, the Steering Committee has met ten times and decided to allocate or set aside US\$274 million for 17 reconstruction activities and reserved nearly \$100 million for anticipated priorities.

### AGREEING ON THE NEW FRAMEWORK FOR COOPERATION

During the period July - September 2012, Haiti's new Prime Minister requested that the HRF's procedures be amended to incorporate the Ministry of Planning and External Cooperation (MPCE) as the HRF's new counterpart, along with a revised grant approval process. The new process involves three steps for channeling financing requests to the HRF:

1. Proponents submit a Project Concept Note (PCN) through a government agency to the MPCE for evaluation
2. The Prime Minister selects evaluated proposals for submission to the Council of Ministers
3. The Council of Ministers approves financing requests to the HRF which are then transmitted to the HRF Secretariat by the MPCE

A streamlined approach to request financing for budget support was later introduced whereby the Ministry of Economy and Finance can directly submit a request to the Council of Ministers. While waiting for these new procedures to become operational, the Steering Committee decided to reserve US\$20 million in order to respond to future Government requests for budget support.

## RETURNING TO THE BUSINESS OF FINANCING RECONSTRUCTION

During the last quarter of 2012, Government agencies worked with the United Nations and the IDB to prepare a dozen PCNs for HRF financing. These were evaluated by the MPCE and prioritized by the Prime Minister in discussion with the MPCE and the Ministry of Finance. On December 21, 2012, the Council of Ministers met and decided to request US\$51 million from the HRF to finance five priority activities. The HRF Steering Committee also approved the restructuring of three projects so that allocated funds could be better used to support the priorities of the Government of Haiti.

## CHANNELING RESOURCES THROUGH THE GOVERNMENT

During the second half of the fiscal year, the HRF focused on selecting the appropriate means to finance the Government's priorities. The Steering Committee decided to reserve additional funds for budget support and the Minister of Finance pledged that the priority activities could then be financed through the Government's own budget. As a Partner Entity, the World Bank then began to prepare operations to provide up to US\$53 million of budget support (including US\$23 million of HRF co-financing). In other words, after a challenging period of instability, negotiation and partnership, the HRF was back in business!

## STRUCTURE OF THE REPORT

After three years of existence, the focus of the HRF (and this report) has shifted from mobilizing and allocating resources to examining how the money is being spent and what results are being achieved for recovery as well as development. Appropriately, this progress report begins with statements from key stakeholders (the Prime Minister, the Chairperson of the Steering Committee and key donors). As background, information is presented on the third year of operation (Chapter 2) and the financial status of the HRF (Chapter 3). The largest section in the report highlights the HRF portfolio of activities and the results that these investments are achieving (Chapter 4). This is followed by specialized chapters on implementation of the HRF communications activities (Chapter 5), an assessment of lessons learned and next steps for the HRF (Chapter 6). Annexes provide more detailed information on individual activities as well as a map with specific project locations.

## II. HRF: THE THIRD YEAR OF OPERATIONS

The third year of the Haiti Reconstruction Fund was marked by a revitalization of HRF operations and efforts to allocate remaining resources. Activities focused on preparing and processing new funding requests, allocating available and reserved funds, continuing to achieve results on the ground, restructuring projects to better support the Government's reconstruction priorities, and designing a review of the HRF.

### HRF GRANT APPROVAL PROCESS FOR PROJECTS AND BUDGET SUPPORT

Following the appointment of the MPCE as the new counterpart for the HRF in June 2012, new procedures for submission, review and approval of funding requests were created by the MPCE. These new procedures were then utilized and proved to function effectively. The MPCE carried out its functions of technical review of project proposals in collaboration with relevant line ministries. In order to coordinate the process, a Review Committee was set up by the MPCE, which included its Public Investment Unit (*DIP*), Technical Coordination Secretariat (*STC*), Economic and Social Cooperation Unit (*DPES*), Studies and Programming Unit (*UEP*), and Monitoring and Evaluation Unit (*DSE*). The Review Committee validates all funding requests and forwards its analysis to the Minister of Planning, who consults with the Ministry of Economy and Finance before submitting recommendations to the Prime Minister's Office (see Figure 2.1: Government Process for Submitting Funding Requests for Approval). The Prime Minister's Office then presents its recommendations to the Council of Ministers for a final decision. While these procedures are lengthier than the initial HRF counterpart arrangements, they help ensure that funding requests to the HRF follow Government systems and priorities.

The HRF grant approval process now consists of six steps as detailed in Figure 2.2: Grant Approval Process. To ensure an efficient process, performance standards are set for each of the approval steps that are the responsibility of the HRF Secretariat and Steering Committee, and for the transfer of funds by the Trustee to the Partner Entities. The new procedures for submission of funding requests introduced in June 2012 did not account for budget support which, under the former procedures, was considered as a "project". To address this, new and accelerated procedures were created by the Government whereby the MEF can submit a request for budget support directly to the Council of Ministers. Once approved, the minutes of the Council of Ministers are transferred to the MPCE which then submits the financing request to the HRF Secretariat. The HRF Secretariat then circulates the request to the Steering Committee for a decision. These procedures are important, given that nearly US\$50 million has been reserved for general budget support by the HRF Steering Committee.

### FUNDING DECISIONS

As part of the Government of Haiti's efforts to re-launch the HRF following the June 2012 designation of the Ministry of Planning and External Cooperation as the new HRF counterpart, Government agencies worked with Partner Entities to prepare a dozen Project Concept Notes to request HRF financing. These PCNs were evaluated by the MPCE and prioritized by the Prime Minister in discussion with the MPCE and the Ministry of Finance. The Council of Minister approved five priority projects for HRF funding on December 21, 2012 which were then transmitted to the HRF Steering Committee. These projects (and the lead Government agencies) were: Job Creation (MPCE); National Center for Radiotherapy, Chemotherapy and Nuclear Medicine (MSPP); Strengthening of Clinical, Community and Pedagogical Activities at the University Hospital of Mirebalais (MSPP); Rehabilitation of the Transmission Line between Péligre and Port-au-Prince (EDH); and Urbanization of Canaan-Jerusalem (UCLBP). Steering Committee meetings were held on February 6 and February 20, 2013 in Port-au-Prince to review these proposals.

During its tenth meeting (February 20, 2013), the HRF Steering Committee received a request from France to reserve

US\$28.57 million for general budget support and US\$3.71 million for an education project. This request was approved by the Steering Committee, in addition to a request made by the United States to reallocate US\$7.5 million reserved from targeted budget support to an energy project. As a result, the HRF’s financial reserve was increased by US\$32.28 million, going from US\$47.5 million to US\$99.78 million. In order to finance the five priority projects submitted by the Government, the Chair of the HRF Steering Committee proposed that the Government use the US\$48 million reserved for general budget support, once the funds had been transferred to the Government Treasury. During the same Steering Committee meeting, the total financing request of US\$51 million for the five projects was reduced to US\$46.8 million, following a reduction of the requested US\$10 million to US\$5.8 million for the Job Creation project.

Prior to the 10<sup>th</sup> Steering Committee meeting, US\$22.5 million was reserved for a targeted budget support operation. Given the technical challenges of financing targeted budget support, the Steering Committee approved a request from the United States to reallocate US\$7.5 million from targeted budget support to an energy project.

ACHIEVING RESULTS THROUGH STRONG PROGRAM IMPLEMENTATION

Program implementation in the last twelve months of operations continued steadily with project-level disbursements increasing from US\$94 million (first year) to US\$144 million (third year), representing a project-level disbursement rate of 55%. Between the first year and the third year, disbursements increased by 267%, from 15% of total funds approved in the first year to 55% of total funds approved in the third year. Out of 17 projects approved, representing a total envelope of US\$274.1 million, seven projects were fully disbursed, nine are on-going (of which three were restructured) and one is under preparation. At the time of printing, four new Project Concept Notes submitted for HRF financing (totaling US\$61.71 million) were waiting for Council of Ministers approval. Project-level activities and disbursement levels varied by Partner Entity. Disbursements rates were 77% for the UN, 43% for the World Bank, and 14% for the IDB.

The restructuring of three projects was approved by the Steering Committee so that allocated funds would more effectively respond to the priorities of the Government of Haiti. The restructuring of these projects – the **Neighborhood Housing Reconstruction Project** (US\$65 million; World Bank), **Partial Credit Guarantee Fund** (US\$12.5 million; Inter-American Development Bank), and **Natural Disaster Mitigation in the South Department** (US\$14 million; IDB) should contribute to accelerated disbursements by the IDB and World Bank in the upcoming year. Additional details on project status, implementation challenges and key results are provided in Chapter 4: The HRF Portfolio and Results and Annex 1.

A review of the HRF was authorized during the latter half of the year and should be undertaken during the fourth year of HRF operations. The review will take stock of the HRF’s performance and explore options for the future of the HRF. The review should address several dimensions of the HRF’s performance, including efficient, effectiveness, both in terms of development impact and operational performance, and generate lessons learned. The outcomes of this exercise would then be summarized in the next HRF annual report.

COMMUNICATIONS

To increase visibility of HRF programs and results, the Secretariat developed new products in the past year, including video and radio spots. These products will enhance the visibility of the HRF by more effectively communicating the results reported to the Secretariat by the Partner Entities. Details on some of the activities undertaken are provided in Chapter 5 of the report. The fourth year of operation will continue this focus on communication to stakeholders and visibility of HRF-funded programs.

Some key results achieved with HRF financing during the third year include:

- Almost 11,000 families were relocated in safe rental houses and 50 camps were closed with HRF financing of the 16/6 Project and complementary financing from the Government of Canada;
- An additional 6121 families benefited from rental subsidies to leave the camps under the Neighborhood Reconstruction Project supervised by the World Bank
- 1307 families benefited from support for repairs with 827 damaged houses repaired.
- 492 solar lamps were installed in 8 neighborhoods through the 16/6 Project, with a resulting increase in security for the targeted neighborhoods.
- 10 technical agencies were created to give to the 10 municipalities most affected by the earthquake the ability to coordinate partners activities, plan, monitor local reconstruction and development, and inform the communities
- 24,363 short-term jobs for debris management were created in the areas most hit by the earthquake. 8,320 of the workers (34%) were women.
- 914,537 cubic meters of debris were removed from difficult-to-access areas in Pétion-Ville, Turgeau, Bel Air, Fort National, and Carrefour Feuilles.
- 367,000 paving stones and nearly 18,000 tiles were produced from recycled debris coming from these neighborhoods.
- 450 m² of lanes were rehabilitated in Pétion-Ville and Turgeau with recycled debris and additional lanes were rehabilitated in Carrefour Feuilles using paving stones made out of recycled debris.
- 1300 acres were reforested with different tree species to stabilized hillsides and protect communities in the south department.
- Over 15 kilometers of gabion walls, gullies and dikes were built to reduce disaster risks in Cayes and its nearby communities.
- Over 31 kilometers of irrigation and drainage canals were cleaned to reduce the risk of flooding.
- 144,000 banana seedlings were distributed to farmers in order to improve food security.
- 80,000 uniforms, over 52,000 school kits and 50,000 school books were distributed during the 2012/13 academic year.
- Construction of three dairies and service centers at Côte-de-Fer, Torbeck and Thomazeau is being completed and these facilities are scheduled to open in September 2013.

TABLE 2.1

HRF Steering Committee Decisions in the Third Year of Operation

- Increase the Financial Reserve by USD 32.28 million, to a total of USD 99.78 million.
- Use USD 7.5 million in the Financial Reserve (initially intended for targeted budget support) for a project in the energy sector and (2) add an additional USD 5 million to the Financial Reserve for a project in the energy sector when these funds are received from the US.
- GOH intends to use the USD 48 million reserved for budget support to finance the five proposed projects submitted to the HRF for financing.



FIGURE 2.1

Government Process for Submitting Funding Requests for Approval

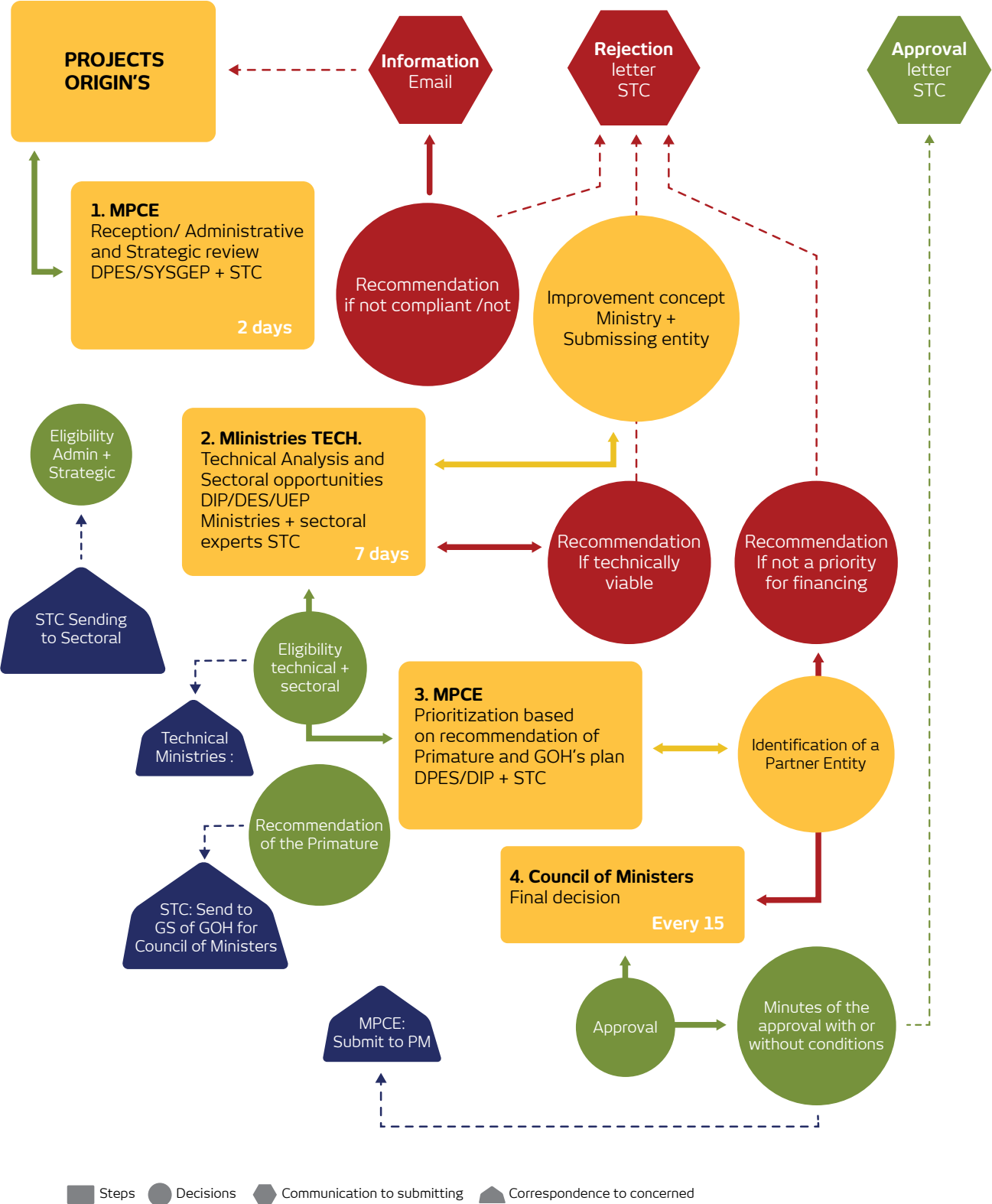
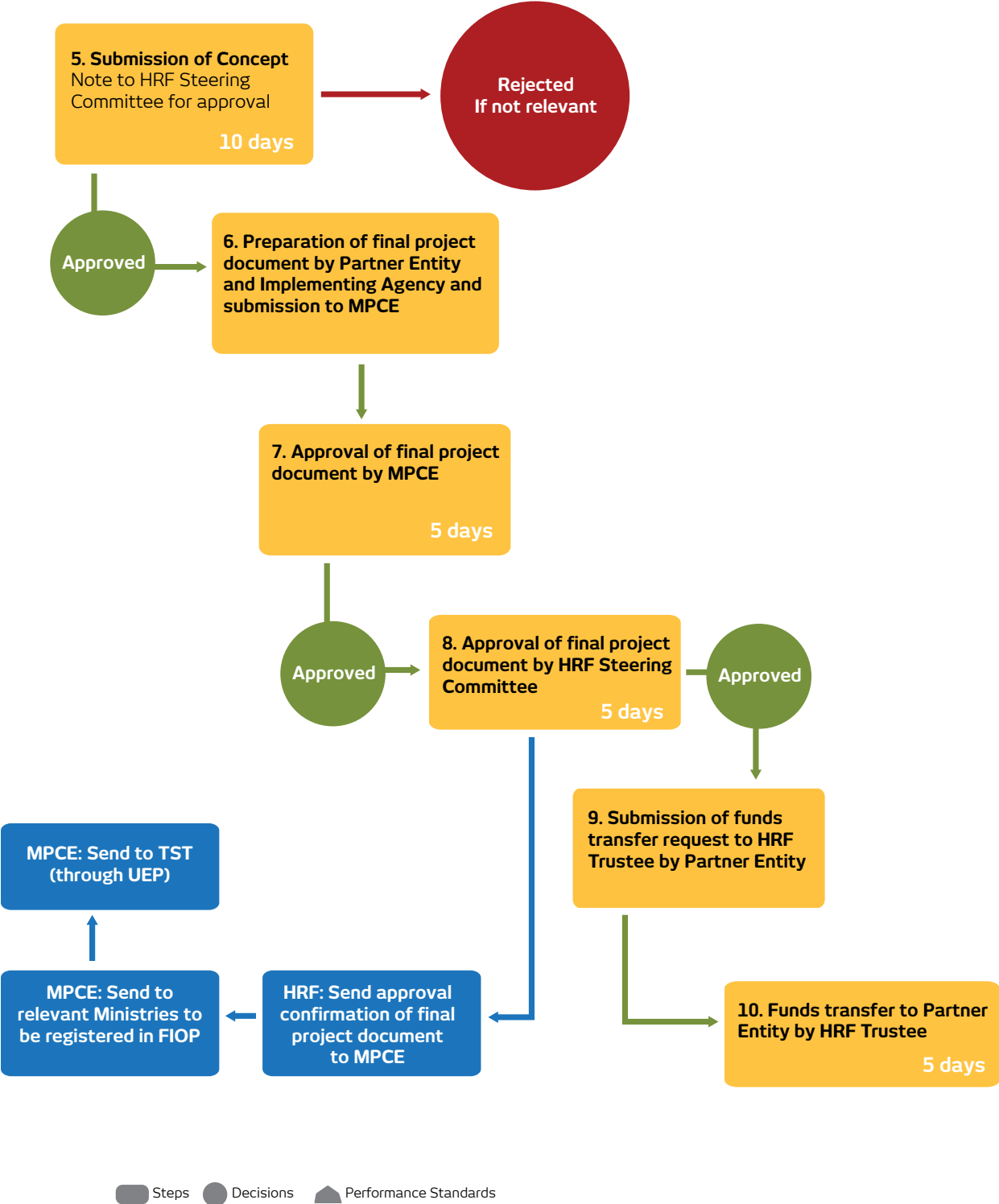


FIGURE 2.2

HRF Grant Approval Process





**9<sup>th</sup> HRF Steering Committee meeting, February 10th, 2013**

*Photo courtesy of HRF*

### III. FINANCIAL STATUS OF THE HRF

#### INTERNATIONAL ASSISTANCE TO HAITI FOLLOWING THE EARTHQUAKE

At the International Donors Conference, “Towards a New Future for Haiti”, held in New York on March 31, 2010, 55 bilateral and multilateral donors pledged to provide \$5.37 billion in aid for Haiti between 2010 and 2012<sup>3</sup>. As of December 2012, \$3.01 billion, or 56 percent, has been disbursed. Of the 55 donors that pledged funding at the New York conference, 19 have channeled all or part of their pledge through the HRF for a total commitment of \$396 million. The funding channeled through the HRF as of June 30, 2012 represents 13 percent of the total funds disbursed for the post-earthquake reconstruction.

#### FINANCIAL STATUS

During its third year of operation, the HRF received no new contributions from donors despite efforts by the Secretariat to work with the Government to mobilize additional contributions, but continued to allocate funds as per Steering Committee decisions. To date, a total of 19 donors have committed to contribute an equivalent of US\$396 million to the HRF, of which US\$381 million has been received (see Table 3.1). The Steering Committee decisions in the past year consisted of approvals of requests, including a request to increase the Financial Reserve from \$47.5 million to \$99.78 million (an increase of 110%). Of this amount, 49% (\$48.57 million) is now reserved for general budget support, which displaces debris management as the second largest sector of HRF financing after housing. Receipts of \$5 million are pending from the United States, and \$10 million from Spain. The voting members of the HRF Steering Committee (i.e. donors that contributed at least US\$30 million) are Brazil, Canada, France, Japan, Norway, Spain, and the United States.

As of June 30, 2013, the total cumulative resources were US\$382.43 million, comprising US\$381.05 million in donor contributions received and US\$1.38 million in investment income earned on undisbursed balances. The investment income earned in 2013 represents a return of 0.12%<sup>4</sup> on the liquid portfolio of HRF funds through the calendar year to June 30, 2013. Of the total cumulative resources of US\$382.43 million, US\$278.95 million has been transferred to Partner Entities, the Secretariat and the Trustee for projects, fees and administrative costs. US\$15 million is pending cash transfer, which includes US\$10 million from Spain and US\$5 million from the United States, to be reserved for a future energy project. Of the remaining balance of US\$118.49 million, US\$99.78 million is being held in reserve by decision of the Steering Committee for general budget support (US\$48.57 million), an energy project (US\$7.5 million), an education project (US\$3.7 million), and the Artibonite 4C dam (US\$40 million). See Table 3.3 for a breakdown of the Financial Reserve. Although the reserve provides that these funds will not be used for other purposes at this time, it does not constitute a firm funding decision for a specific project and is thus reversible by the Steering Committee. The Steering Committee, at the request of the Government of Haiti, could decide to release these funds to respond to other priority programs for the reconstruction. US\$3.71 million remains available without restrictions for future funding decisions by the Steering Committee (See Table 3.2: Schedule of Funds Available).

<sup>3</sup> Total program assistance, excluding debt relief

<sup>4</sup> Represents non-annualized rate of return

**TABLE 3.1. Status of Contributions**

Updated as of June 30, 2013 (in millions)

Donor	Effective Contribution			Receipts	
	Contribution Currency	Agreed Contribution Amount a/	USD eq.	Received Amount b/	USD
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	1.40	1.84	1.40	1.84
France	EUR	24.82	32.28	24.82	32.28
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	274.00	44.27	274.00	44.27
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	20.00	20.00
Sweden	SEK	25.00	3.75	25.00	3.75
Thailand	USD	2.30	2.30	2.30	2.30
United States	USD	125.00	125.00	120.00	120.00
<b>Total USD equivalent</b>			<b>396.05</b>		<b>381.05</b>

a/ per countersigned Administration Agreements or arrangements in currencies

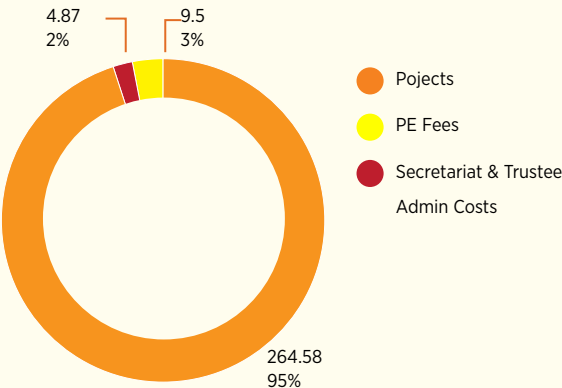
b/ in currencies of contribution

FUNDING DECISIONS

The HRF Steering Committee decides on all HRF funding allocations in response to requests from the Government of Haiti. In 2013, the Steering Committee reserved an additional US\$32.28 million for upcoming budget support, education and energy activities, US\$266,000 for a review of the HRF and US\$892,000 for Trustee and Secretariat administrative expenses for fiscal year 2014. For cumulative funding decisions pertaining to projects, see Table 3.3. Of the total project funding approved, US\$259.1 million has been committed by the Trustee to the respective Partner Entities based on the approval of their complete project documents, and US\$15 million has been set aside pending no-objection approval by the Steering Committee for a project for school feeding. Relative to the overall funding allocated, Partner Entity fees and the administrative costs of the Secretariat and Trustee represented 5% of total funding allocations (see Figure 3.1) and only 4% when compared to total contributions to date. One percent of funds received by the Trustee remain unallocated.

**FIGURE 3.1**

**Allocation of HRF Resources for Projects, PE Fees and Administrative Costs**



PARTNER ENTITY DISBURSEMENTS

As of June 30, 2013, the Steering Committee had endorsed 17 Concept Notes for total financing of US\$274.1 million. Sixteen of these have received final approval from the Steering Committee. The Trustee of the HRF has transferred US\$259 million in total to the three Partner Entities who are responsible for providing implementation support and supervision. The majority of project funding - US\$128 million, or 49 percent - is being channeled through the UN for ten projects. The World Bank, as Partner Entity, has been transferred US\$90 million for two projects, representing 35 percent of the total funds transferred for projects, and the IDB serves as Partner Entity for four projects for a total of US\$42 million or 16 percent of the total project envelope (see Figure 3.3).

Project-level disbursement varied by Partner Entities in the third year of operations of the Fund. **US\$144 million of the total US\$259 million transferred to Partner Entities have been disbursed to benefit recipients on the ground.** This represents a disbursement rate of 56 percent, compared to disbursement rates of 18 percent and 36 percent at the end of the Fund's first and second years of operation, respectively.

**TABLE 3.2. Schedule of Funds Available**

As of June 30, 2013	Total (US\$)
Signed donor contributions	396,000,000
Cash receipts plus investment income	382,430,000
Funds transferred for 16 projects (including fees)	259,080,000
Funds put aside for 1 project (school feeding)	15,000,000
Funds reserved by the Steering Committee	99,780,000
Administrative Budget	4,870,000
Funds available to support financing decisions	3,700,000

As of June 30, 2013, US\$128 million has been allocated to the UN as Partner Entity, of which US\$98.9 million has been disbursed; US\$42 million has been allocated to the IDB, of which US\$6 million has been disbursed; and US\$90 million has been transferred to the WB, of which US\$39 million has been disbursed (see Figure 3.3). This represents a disbursement rate of 77%, 14% and 43%, respectively. Figure 3.4 compares the disbursement rate as a percentage of total funds transferred to each Partner Entity between June 30, 2011 and June 30, 2013. In the last year, the UN saw the largest increase in project disbursements, going from 48 percent to 71 percent of total project funds received. The IDB's lower disbursement rate can be partially explained by the changing requirements of reconstruction needs that resulted in the restructuring of two of the four projects supervised by the IDB - the Program to establish a Partial Credit Guarantee Fund and the Natural Disaster Mitigation Program in the South Department project. The World Bank similarly faced some delays due to the restructuring of the Port-au-Prince Neighborhood Housing Reconstruction Project.

**TABLE 3.3. Breakdown of the Financial Reserve<sup>5</sup>**

Item	Total (US\$)	Expected date of SC approval	Reserve sub-total (US\$)
Budget Support HT FY14	10,000,000	Sept-13	86,780,000
Education project	3,710,000	Sept-13	83,070,000
Budget Support HT FY14	13,000,000	Sept-13	63,070,000
Energy project	7,500,000	Sept-13	55,570,000
Budget Support HT FY15	25,570,000	2014	40,000,000
Artibonite 4C dam	40,000,000	Unknown	-
<b>Total funds reserved by the Steering Committee</b>	<b>99,780,000</b>		

5 "Reserved" funds are those that the Steering Committee has voted to set aside for a priority area or specific activity for which a Government request is anticipated.



**TABLE 3.4 Cumulative Funding Decisions**

Updated as of June 30, 2013 (in US\$ millions)

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	15.68
	Haiti Southwest Sustainable Development Program	UN	7.40
	Disaster Risk Reduction in the South Department	UN	7.40
	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	1.89
	Demolition and Debris Removal with Heavy Equipment	UN	23.13
	Port-au-Prince Neighborhood Housing Reconstruction Project	WB	65.00
	Housing and Neighborhood Reconstruction Support Program	UN	22.83
	Earthquake Prevention Plan for the North of Haiti	UN	9.22
	Capacity Building Program to the IHRC	UN	0.93
	Targeted Budget Support Operation a/	WB	15.00
	16 Neighborhoods, 6 Camps	UN	27.76
	Development of Milk Production and Processing in Haiti	UN	1.85
	TVET Education Project	IDB	5.00
	<b>Sub-total</b>		<b>264.58</b>
<b>Fees</b>	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	UN	1.84
	Earthquake Prevention Plan for the North of Haiti	UN	0.74
	Capacity Building Program to the IHRC	UN	0.07
	16 Neighborhoods, 6 Camps	UN	2.24
	Development of Milk Production and Processing in Haiti	UN	0.15
	<b>Sub-total</b>		<b>9.50</b>
<b>Administrative</b>	FY11 Secretariat		1.05
<b>Budgets</b>	FY11 Trustee		0.45
	FY12 Secretariat		0.88
	FY12 Trustee		0.30
	FY13 Secretariat		0.85
	FY13 Trustee		0.18
	FY14 Secretariat		0.78
	FY14 Trustee		0.12
	Mid-Term Evaluation		0.27
	<b>Sub-total</b>		<b>4.87</b>
	<b>Total</b>		<b>278.95</b>

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 complete project documents.

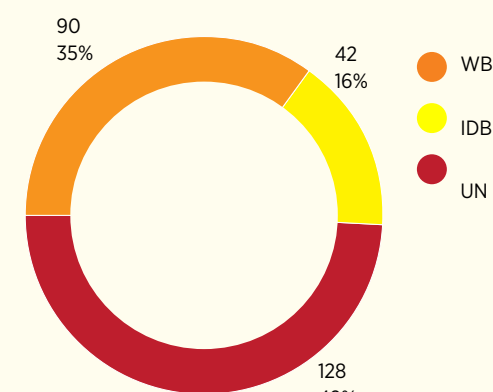


Distribution of identification badges by housing commission (UCLBP) **16 Neighborhoods/6 Camps Project**  
 Photo courtesy of the UN

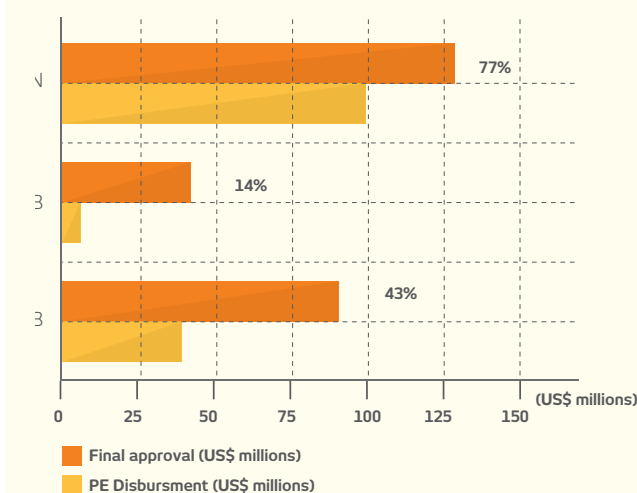
## MEETING GOVERNMENT PRIORITIES AND DONOR PREFERENCES

All HRF allocations for activities must be received, reviewed and approved by the Government of Haiti. This ensures that they are consistent with the Government's Action Plan for Recovery and Development, other relevant policies and overall development priorities. Donors are permitted to express preferences for the use of their contributions to the HRF by way of letter to the Chairperson of the HRF. The HRF has also been successful in responding to priorities expressed by eight of its 19 donors as demonstrated in Table 3.5.

**FIGURE 3.2 Total Transfers to Partner Entity (in US\$ millions)**



**FIGURE 3.3 Disbursements for Projects by Partner Entity by June 30, 2013**



<div> <div>TABLE 3.5</div> <div>Overview of Donor Preferences</div> </div> <div>As of July 31, 2013</div>					
Donor	Total Contribution a/(US\$ millions)	Preferred Contribution (US\$ millions)	Unpreferred Contribution (US\$ millions)	Details of Preference	Projects Responding to Preference
Brazil	55.00	55.00	-	Budget Support (\$15m) Artibonite 4C dam (\$40m)	Emergency Development Policy Operation (\$25m) Financial Reserve for Artibonite 4c dam (\$40m)
Canada	45.50	15.00	30.50	Line Item Budget Support – Education & Agriculture (\$15m)	Targeted Budget Support Operation (\$7.5m Agriculture / \$6.5m Education)
Finland	1.84	1.84	-	Line Item Budget Support - Teachers Salaries (\$0.92m) Education Sector (\$0.92m)	Targeted Budget Support Operation (\$7.5m Agriculture / \$6.5m Education) Reconstruction of the Education Sector (\$10m)
France	32.28	32.28	-	Budget Support (\$28.57m) Education (\$3.79m)	Emergency Development Policy Operation (\$25m) Support to the Implementation of the Education Plan and Reform in Haiti (\$5m)
Japan	30.00	30.00	-	Education and Capacity Building (\$15m) Health and Medical Care, Food and Agriculture, and Debris Removal (\$15m)	Reconstruction of the Education Sector (\$10m) Support to the Implementation of the Education plan and Reform in Haiti (\$5m) Development of Milk Production and Processing in Haiti (\$2m) Targeted Budget Support Operation (\$7.5m Agriculture / \$6.5m Education) IHRC Capacity Building Program (\$1m) Demolition and Debris Removal with Heavy Equipment (\$25m) Debris Management Project (\$16.95m)
Norway	44.27	30.00	14.27	Support to the South of Haiti (\$15 m) Budget Support (\$15m)	Disaster Risk Reduction in the South Department (\$8m) Natural Disaster Mitigation in the South Department (\$14m) Haiti Southwest Sustainable Development Program (\$8m) Emergency Development Policy Operation (\$25m)
Spain	30.00	20.00	10.00	Budget Support (\$20m)	
United States	125.00	125.00	-	Housing Reconstruction (\$65m) Debris (\$25m) Partial Credit Guarantee Fund (\$12.5m) Education Reform (\$10m) Energy (\$12.5m)	Port-au-Prince Neighborhood Housing Reconstruction Project (\$65m) Demolition and Debris Removal with Heavy Equipment (\$25m) Program to Establish a Partial Credit Guarantee Fund (\$12.5m) Reconstruction of the Education Sector (\$10m) Financial Reserve for an energy project (\$7.5m)
<b>Total USD equivalent</b>	<b>363.89</b>	<b>309.12</b>	<b>54.77</b>		

a/ Total contribution per countersigned Administration Agreement/Arrangement



HRF-financed regional development unit in a planning exercise. **Housing and Neighborhood Reconstruction Support Project**

Photo courtesy of HRF

### ADMINISTRATIVE COSTS

The HRF is committed to keeping its administrative costs low in order to maximize the amount of funding that is available to invest in reconstruction activities. To date, administrative costs represent 1.7% of HRF allocations and just over 1% of total contributions.

Table 3.6 provides an overview of the total FY14 administrative budget for the Secretariat and the Trustee. The total FY14 budget approved by the Steering Committee for these two functions is US\$892,000. The FY14 budget is slightly higher than FY13 Actual Expenditures due to an underrun of the Secretariat and Trustee expenditures for FY13 of US\$207,548 (or 20% of the approved budget). The savings from FY13 are attributable to: a) the ability of Secretariat staff to charge portions of their time to other activities that are not financed by the HRF, b) an inability to post the purchase of a replacement vehicle to last year’s budget and c) competitive contracting of services.

TABLE 3.5 Total FY14 Approved Budget, FY13 Actual Expenditures and FY13 Approved Budget

	FY14 Approved Budget	FY13 Actual Expenditures	FY13 Approved Budget
Secretariat	776,000	696,452	845,000
Trustee	116,000	123,000	182000
<b>Total</b>	<b>892,000</b>	<b>819,452</b>	<b>1,027,000</b>

As depicted in Figure 3.6, the annual administrative budget requested for the HRF Secretariat and Trustee has shown a steady decline of 47 percent from a budget of US\$1,685,000 in FY11 to a budget of US\$892,000 for FY14.

FIGURE 3.4 Evolution of Partner Entity Disbursement Rates

(as a percentage of total amount transferred to PE)

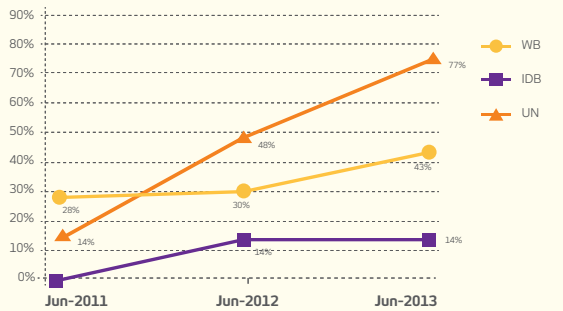
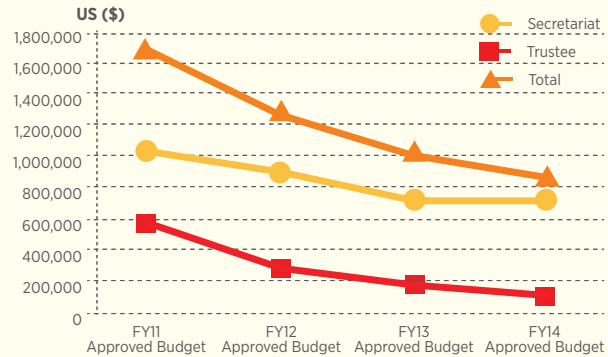


FIGURE 3.5 Evolution of HRF Administrative Costs







Canal rehabilitation in Morne Hebo. **16 neighborhoods/6 Camps Project**  
*Photo courtesy of the UN*

## IV. HRF PORTFOLIO, PERFORMANCE AND RESULTS

### PORTFOLIO

In the third year of operations, the HRF maintained a portfolio of seventeen projects, representing a total envelope of \$274 million (US\$264.6 million for projects plus US\$9.50 million for project fees. Does not including administrative budget). See Table 4.1 for the complete HRF Portfolio. Out of the seventeen projects, seven (the Haiti Emergency Development Policy Operation, Capacity Building to the IHRC, Capacity Building for Disaster Risk Management, Disaster Risk Reduction in the South Department, Debris Management Project, Demolition and Debris Removal with Heavy Equipment, and Haiti Southwest Sustainable Development Program) have been fully disbursed, nine are currently under implementation (of which three were restructured) and one is awaiting Government approval. A total of US\$144 million in HRF funding has been disbursed for HRF-supported projects.

**TABLE 4.1 HRF Portfolio (Completed projects listed in order of Steering Committee approval date and Ongoing Projects listed in order of disbursement rate)**

Project Name	Total Project Amount (US\$ million)	HRF Contribution (US\$ million)	Project Development Objective	Partner Entity	Steering Committee Approval Date*	Disbursed (%)
<b>Completed Projects (in descending order of Steering Committee approval date)</b>						
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	100%
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	100%
Debris Management Project (DEBRIS I)	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	100%
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	100%
Haiti Southwest Sustainable Development Programme	12.55	8	First phase of a 20 year recovery and sustainable development program for the southwest region of the southern peninsula.	UN	21-Oct-10	100%



Project Name	Total Project Amount (US\$ million)	HRF Contribution (US\$ million)	Project Development Objective	Partner Entity	Steering Committee Approval Date*	Disbursed (%)
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	100%
Demolition and Debris Removal with Heavy Equipment (DEBRIS II)	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	100%
<b>Active Projects (In descending order of disbursement rate)</b>						
16 Neighborhoods/ 6 Camps	51.5	30	This integrated program is designed to rehabilitate the neighborhoods of origin of the displaced families living in six priority camps in Port-au-Prince, Pétionville and Delmas by providing to the displaced, as well as to the residents of those neighborhoods sustainable housing solutions and improved living conditions through better access to basic services and livelihoods.	UN	30-Aug-11	69%
Reconstruction of the Education Sector	81	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	61%
Development of Milk Production and Processing in Haiti	2	2	The project objective is the creation of 30 milk processing plants (6 of them with cheese production units), managed by farmers' organizations. In addition, the project will provide milk and cheese for school feeding programs.	UN	31-Oct-11	56%
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	56%
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 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.	UN	1-Mar-11	24%
Port-au-Prince Neighbourhood 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	22%

Support to the Implementation of the Education plan and Reform in Haiti	55	5	This project aims to improve the employability of young people and strengthen the human resource base in various departments through the reengineering of training programs in key economic sectors and infrastructure upgrade for a public training center.	IDB	31-Oct-11	0%
Support to the Implementation of the Education plan and Reform in Haiti	55	5	This project aims to improve the employability of young people and strengthen the human resource base in various departments through the reengineering of training programs in key economic sectors and infrastructure upgrade for a public training center.	IDB	31-Oct-11	0%
Natural Disaster Mitigation in the South Department RESTRUCTURED to finance (1) Sustainable Management of Upper Watersheds of South Western Haiti - Macaya National Park; (2) Institutional Transformation and Modernization Program of the Energy Sector; (3) Sustainable Energy for Haiti ; and, (4) Microhydro	34	14	Reducing environmental and socio-economic vulnerability to natural disasters for the population living in the Ravine du Sud and Cavaillon.	IDB	10/21/2010 (Restructuring approved on 19/12/12)	0%
Targeted Budget Support Operation (TO BE REALLOCATED TO A SCHOOL FEEDING PROGRAM)	15	15				0%
<b>TOTAL</b>	<b>502.73</b>	<b>274.08</b>			<b>56% (average disbursement rate)</b>	

### Restructured projects

During the third year of the HRF, the Steering Committee approved the restructuring of three projects so that allocated funds could be better used to support the priorities of the Government of Haiti. Three HRF-financed activities were restructured as follows:

- **Neighborhood Housing Reconstruction Project** (US\$65 million; World Bank) – US\$8 million was reallocated to provide cash grants to help 12,000 households residing in highly vulnerable camps to return to improved housing conditions in neighborhoods over a one-year period.
- **Partial Credit Guarantee Fund** (US\$12.5 million; Inter-American Development Bank) - US\$5 million was reallocated to help smaller firms gain access to financial and technical services for smaller firms with the Ministry of Finance (MEF) as the implementing agency and the remaining US\$7.5 million will be applied to a program to support smallholder agriculture with the Ministry of Agriculture (MARNDR) as the implementing agency.
- **Natural Disaster Mitigation in the South Department** (US\$14 million; IDB) – at the request of the Government, the focus of HRF co-financing was shifted from flood risk reduction to environmental management and energy. US\$9 million was reallocated for protection and management of the Macaya National Park (with the Ministry of Environment) and US\$5 million was reallocated for the development of clean energy (with the Ministry of Finance and the Prime Minister’s Office).

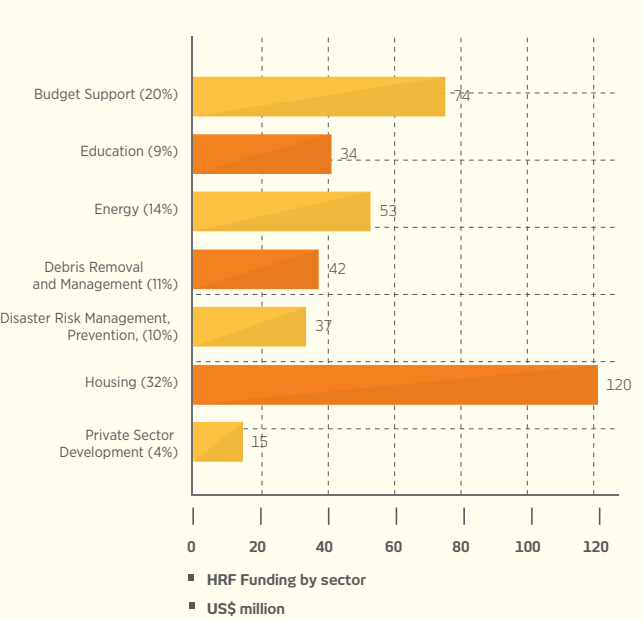
In addition to the three projects that were restructured, the preparation of a targeted budget support operation was redirected towards an education project (school feeding). The education project has been submitted to the MPCE and should be approved in time to provide school feeding during the 2013-2014 school year, commencing in September. The World Bank would be the Partner Entity for this operation.

Alignment

All approved projects align with the Government’s Action Plan for National Recovery and Development of Haiti and the Government’s priority reconstruction activities. In 2012, the Government launched its Strategic Plan for the Development of Haiti (*Plan Stratégique de Développement d’Haïti – PSDH*), which replaced the Action Plan for National Recovery and Development. All requests for HRF financing must align with one of the four major action areas of the PSDH. These are: territorial rebuilding, economic rebuilding, social rebuilding, and institutional rebuilding. Each action area includes seven to nine programs and each program is broken down into sub-programs. In total, the PSDH includes 32 programs and 150 sub-programs.

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. Housing and budget support are the most important sectors supported through the HRF with allocations of US\$120 million and US\$74 million (representing both transfers for projects and fees as well as reserved funds), respectively. Additional details about individual project can be found in the Project Summary Table in Annex 1 and a map with project locations is provided in Annex 2.

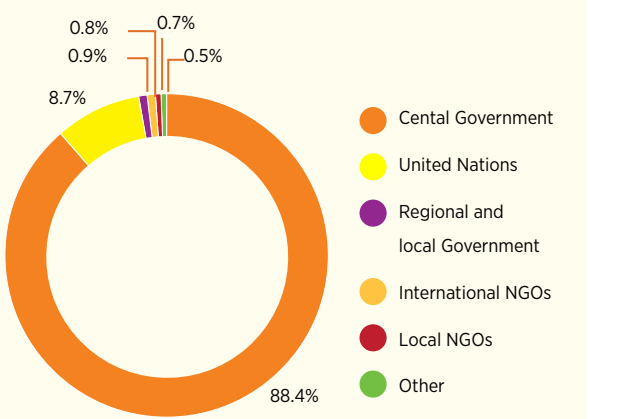
FIGURE 4.1 Sectoral Diversity of the HRF Portfolio (approved and reserved funds)



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 4.2 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 agencies. 88 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 Percentage of HRF Funding by Implementing Agency



PERFORMANCE

Leveraging funding

The HRF is a significant source of seed funding and has added value in leveraging co-financing from various other funding sources to support larger-scale projects. Current HRF allocations of US\$274 million for reconstruction activities are expected to result in a total project funding of \$503 million. This means that, on average, each HRF project consists of 45% co-financing (see Table 4.3). With US\$229 million in co-financing, each HRF dollar leveraged almost one dollar of additional resources.

TABLE 4.3 Additional Funding Leveraged

(listed in descending order of Steering Committee approval date)

Project Name	HRF Contribution (US\$ million)	Total Project Amount (US\$ million)	Additional Funds Leveraged (% of total project amt.)
IHRC Capacity Building Program	1	1	0%
Haiti Emergency Development Policy Operation (Budget Support)	25	55	55%
Debris Management Project	16.95	16.95	0%
Disaster Risk Reduction in the South Department	8	11	27%
Haiti Southwest Sustainable Development Program	8	12.55	36%
Capacity Building for Disaster Risk Management	2	2	0%
Demolition and Debris Removal with Heavy Equipment	25	25	0%
Program to Establish a Partial Credit Guarantee Fund - RESTRUCTURED	12.5	35	64%
Natural Disaster Mitigation in the South Department - RESTRUCTURED	14	34	59%
Reconstruction of the Education Sector (1)	10	81	88%
Port-au-Prince Neighborhood Housing Reconstruction Project - RESTRUCTURED	65	65	0%
Housing and Neighborhood Reconstruction Support Program	24.67	30.77	20%
Earthquake Prevention Plan for the North of Haiti	9.96	9.96	0%
Targeted Budget Support Operation	15	15	0%
16 Neighborhoods/6 Camps	30	51.5	42%
Development of Milk Production and Processing in Haiti	2	2	0%
Reconstruction of the Education Sector (2)	5	55	91%
Average Additional Funding Leveraged	274.08	502.73	45%

Project Processing Speed

Over the life of the Fund, the average project processing speed, from concept note to the transfer of funds to the Partner Entity, was 115 days<sup>6</sup>. More than half of this time (60 days) was spent in the preparation of the full project document, including consultations with stakeholders and beneficiaries. With the Steering Committee having requested an extension of the no-objection approval period from 5 working days to 10 working days, the average time required to process funding requests is expected to increase.

6 The average project processing speed includes only those 16 projects that have completed the full project cycle.



## PROJECT RESULTS

The portfolio of reconstruction projects financed by the HRF is diverse and corresponds to priority areas for Haiti's development, including the rehabilitation of neighborhoods affected by the earthquake, disaster risk management, reform and renewal of the education system and services, and strengthening the private sector. Emergency programs such as debris collection and recycling are now finalized or near-completion. Out of the 17 reconstruction projects financed by HRF, seven are completed and nine are ongoing<sup>7</sup> (of which three were restructured in the past year).



Earthquake and hurricane-resistant house in Morne Hercule. **16 Neighborhoods/6 Camps Program**  
*Photo courtesy of the UN*

## Housing

The largest sector financed by the HRF is housing. 48% of HRF allocations for projects, or approximately US\$132 million, were disbursed for housing sector activities, of which the largest are the Neighborhood Reconstruction Project for Port-au-Prince, the 16 Neighborhoods/6 Camps Program and the Housing and Neighborhood Reconstruction Support Program. These activities leveraged US\$27.6 million of additional funds for the sector.

### A. Relocation: A first step toward social rehabilitation

As a result of the projects financed by the HRF in the housing sector, families were able to leave extremely fragile social, sanitary and security conditions in IDP camps to settle in rental accommodations that they select, often in the neighborhoods where they resided before the earthquake. An allocation is granted to beneficiaries covering a year's rent as well as funds to cover the cost of moving. Psychological and medical support is also given to the displaced participants who are moving from the camps. Compared to the high number of forced evictions, these governmental projects offer a positive alternative to thousands of displaced people.

An example of the relocation process:

The relocation of the Pétion-Ville and Cite Maxo Camps' residents is being accomplished through the following activities:

1. Collaboration with partners (community leaders, mayor's office)
2. Registration of residents/beneficiaries using Last Mile Mobile Solutions and IPods
3. Launching of a relocation process (Communication and relocation preparation)
4. Validation of the beneficiaries' relocation (after they have left the camp and found new housing in nearby neighborhoods)
5. Camp closure (dismantling of camp infrastructure and restitution of the land to its owners).

### B. Neighborhood rehabilitation: facilitate the return from camps while enhancing housing, jobs and infrastructure

#### 1. Repairing damaged houses

Thanks to the activities of the 16/6 Project, residents from targeted neighborhoods were able to benefit from housing solutions that are in accordance with the construction safety norms established by MTPTC. Beneficiaries of repaired houses also received training on safe construction methods provided by qualified members of the MTPTC team responsible for housing repairs. At the end of the project, the positive impacts on the economic and social level were noticed in the communities where the project was implemented.

### Results:

- Almost 11,000 families were relocated to safe rental housing and 50 camps were closed with HRF financing through the 16/6 Project (including co-financing from Canada);
- Over 6100 families (of 13,000 targeted) have benefited from rental subsidies to leave the camps through the Neighborhood Reconstruction Project;



Earthquake resistant house in Carrefour Feuilles made out of recycled debris. **Debris Management Project**  
*Photo courtesy of HRF*

<sup>7</sup> The 17<sup>th</sup> project was a targeted budget support operation, for which the preparation was not feasible. One part of the funds have been re-allocated to an energy project and the other part will be re-allocated towards an education project (school feeding), which is pending the steering committee approval.





Rue de la paix before and after the project.

#### 16 Neighborhoods/6 Camps Program

Photo courtesy of the UN



Before

### Results:

The repair of “yellow houses” (houses tagged yellow are inhabitable if repaired), an activity of the 16/6 project, allowed:

- The creation of more than 9,500 paid working days of which 75% of the salaries were paid to the local population of the targeted neighborhood.
- Hiring of six local construction companies.
- Repair of 827 damaged houses repaired for 1307 families.

The Neighborhood Reconstruction Project allowed an additional 333 households to benefit from support for repairs.

### 2. Building community infrastructure

Building community infrastructure encourages the inhabitants to stay in their neighborhoods and participate in upgrading.

#### Selected Results:

- **Nérette:** The 1.1km of road built in the neighborhood of Nérette allows up to 1002 households to benefit from the economic and social outcomes of the road. Pedestrian safety has been enhanced by the construction of 2.2 km of sidewalks.
- **Lighting:** 492 solar lamps were installed in eight neighborhoods of the 16/6 Project. Solar lighting increased the safety conditions of the targeted neighborhoods.
- **Drinking water:** Two Haitian firms are implementing construction and rehabilitation work of 11 public water sources in three neighborhoods of the 16/6 Project.

- **Employment:** Over 2036 jobs were created to build infrastructure in the eight neighborhoods

### C. Risk reduction: reinforcing local capacities and implementing earthquake- and cyclone-resilient methods

#### 1. Diplomas for earthquake-resilient construction

The 16/6 Project, which provides state certified diplomas to semi-skilled workers in the construction sector, produced the following results:

- Directly qualifying the workers so that they can safely rebuild their neighborhoods;
- Giving pride and social status to workers who have never received a state certified diploma;
- Supporting the Government in implementing a certification system for semi-skilled workers (98% of the labor force in Haiti is classified as semi-skilled or unskilled);
- Contributing to the economic recovery of affected neighborhoods;
- Creating a pool of qualified workers in the construction sector to ensure safe reconstruction over the long run in Port-au-Prince;
- The training approach for earthquake-resilient construction, validated by INFP and MTPTC, has now become the standard in Haiti;
- The newly certified trainers are sought by other institutions to work in their reconstruction projects.



Earthquake and hurricane-resistant house in Morne Hercule.

#### 16 Neighborhoods/6 Camps Program

Photo courtesy of the UN

### 2. Rebuilding destroyed houses and new homes

In *Morne Hercule*, the 16/6 project raised public awareness in the community on the reasons why houses collapsed during the January 12<sup>th</sup>, 2010 earthquake through “open construction sites” - opening up the construction site to the general public one day per week, in order for local residents and beneficiaries to ask the construction crew questions regarding the choices made, the quality of the materials used etc..., in They also educated the local population on important aspects of earthquake-resilient construction. This project has been systematized and can be replicated on a large scale through the 16/6 Project in areas where significant demolition of condemned houses is required. Duplicating the project would result in raising the awareness around disaster risk prevention of thousands of people in the targeted communities.

*“After the earthquake, I went to live with my son since I had nowhere to go. The project rebuilt my house and allowed me to work and make some money on the reconstruction sites. Soon I will be living in a comfortable house made of recycled debris that meets all the earthquake resistant construction requirements.”*

**DADIE JOSEPH**

In *Carrefour Feuilles*, nine earthquake-resilient housing units were built, each averaging 30 square meters. The main feature of this type of house is that the structure is made of wood filled with recycled debris. The design was inspired by traditional Haitian “gingerbread” architecture. This was the only type of construction with recycled debris that was approved by MTPTC.

*“I am the foreman for this construction. I was able to manage this building site because of the training I received at Entrepreneurs du Monde. This training session gave me the tools necessary to handle such a construction site (four rooms and a bathroom). I also have the capacity to handle hurricane and earthquake resistant construction.”*

**RICHARD**

*A young entrepreneur, trained by Entrepreneurs du Monde.*

The construction of this earthquake-resistant house was managed by an entrepreneur trained by *Entrepreneurs du Monde* over a one-year period. The entrepreneur received both business management and technical training. With HRF financing, the NGO was able to complete the training of 30 professionals of which three now have the capacity to be contracted as entrepreneurs.

### 3. Community centers: support to communities that want to rebuild

12 Community Resource Centers (CRC) were created, facilitating coordination between the community leaders, access to information within the community and the dissemination of information from the municipality and the central government to the people. For example at the Canaan CRC, which covers Canaan, Jerusalem and Croix des Bouquets, activities are being planned to benefit masons. Such activities will provide information and technical advices for people who wish to build their homes in the area covered by the project as well as coordinate all partners who would like to implement support projects in the community.





Training on best practices techniques for earthquake resistant construction.

#### Housing and Neighborhood Reconstruction Support Project

Photo courtesy of HRF

#### D. Reinforcing municipal capacity

Ten technical agencies were created for the ten municipalities most affected by the earthquake the ability to manage their urbanization process. These agencies, placed under the authority of the Mayor are sustainable entities that are integrated in the management and budget of the municipalities. Each consists of four technical staff amongst the following profiles: an urban planner, an engineer, a GIS Officer, a social mobilization officer, a program development officer and a lawyer; and two support staff: administrative assistant and a driver-messenger. For the first time, these municipalities have access to technical capacities that enable them to coordinate partners' activities, plan, monitor local reconstruction and development, and communicate with communities. The Local Technical Agencies (LTA) and the Community Resources Centers (CRC) are coordinated by the Ministry of Interior and Local Authorities (MICT).

*"I was very pleased to participate in this program. As you may know, many people died during the earthquake and the majority of casualties happened because of bad construction practices. It was a pleasure for me to learn about the best practices of earthquake resistant construction, to share them with others and to ask my neighbors to apply those guidelines in order to build stronger houses that will protect them in case of another earthquake."*

#### ETIENNE

*A young civil engineer, trained by the 16/6 Project, working in Canaan's CRC.*



Bridge construction in Delmas 64. 16 Neighborhoods/6 Camps Project

Photo courtesy of the UN

## Debris management

Fifteen percent of HRF allocations, or US\$42 million, was invested in two activities for debris removal and management. During the 2012-2013 period, the emphasis of the two debris projects were on recycling and management of debris. Both projects were completed by the end of the June 2013. They have allowed for the creation of thousands of temporary jobs to collect debris from neighborhoods, produce construction material out of recycled debris and use this material to rehabilitate neighborhoods. The projects have also encouraged the creation of small enterprises.

#### Results:

##### Job creation

- Creation of 24,363 short-term jobs in the areas most hit by the earthquake. 8,320 of the workers were women (34%)

##### Debris removal and recycling

- Removal of 914,537 cubic meters of debris from difficult-to-access areas in Pétiön Ville, Turgeau, Bel Air, Fort National, and Carrefour Feuilles
- Production of at least 366,899 paving stones and 17,836 tiles with recycled debris coming from these neighborhoods
- Building nine housing units using recycled debris (the only construction project using recycled debris that was approved by the MTPTC)
- Rehabilitation of 450 m<sup>2</sup> of lanes in Pétiön Ville and Turgeau with recycled debris
- Rebuilding seven additional lanes in Carrefour Feuilles using paving stones made out of recycled debris

#### Knowledge sharing

- 10 training documents on debris recycling were created covering themes such as: production of tiles and paving stones from recycled debris, health and security in the workplace and how to set up a debris recycling workshop.
- Nine training manuals on management and Techniques were developed
- A video was produced "From Debris to Development: Short stories"
- A book "Collier de Débris" was written by the well-known Haitian writer, Gary Victor, on debris removal and its impact on post-earthquake Haiti which was launched in June 2013.

#### Micro entrepreneurship

- Five micro-enterprises for recycling were set up and 390 workers were trained in business management
- 358 workers and entrepreneurs were trained in recycling and construction techniques
- 60,000 paving stones were ordered from the of micro-entrepreneurs of Morne Hercule and Turgeau by the municipality of Petiön Ville, in addition to orders from the private sector
- 10 work groups are preparing to enter the market as recycling enterprises.





Soil conservation and reforestation in Port-Salut. **Disaster Risk Reduction in the South Department Project**

Photo courtesy of HRF

# Disaster risk management

Haiti is still one of the world’s most vulnerable countries to natural hazards. The HRF has financed five projects with US\$42 million that have helped the Government to increase its civil protection capacity to prepare for and respond to emergency situations.

Two of these projects, the Haiti Southwest Sustainable Development Program and the Capacity Building for Disaster Risk Management, are now completed. Two other projects are still ongoing: the Disaster Risk Reduction in the South Department and the Earthquake Prevention Plan for the North of Haiti. The Natural Disaster Mitigation in the South Department has been restructured following a request from the Government. HRF co-financing for this Project is being redirected from reducing flooding risks to the management of the environment, the preservation of the Macaya National Park and a clean energy program.

## A. Temporary shelters

The Capacity Building for Disaster Risk Management Project built a total of four new temporary shelters and rehabilitated ten others throughout the country. These temporary shelters increased the “safe space” capacity of the country by 2000 people, making it possible to serve the most vulnerable communities in case the country is affected by violent storms or hurricanes. Given the urgent need to provide shelters, rehabilitation of existing structures was preferred over new construction as rehabilitation is quicker to execute and less complicated in terms of land tenure problems.

## B. Strengthening riverbanks, cleaning drainage canals and conserving soil

The town of Chantal, not far from Les Cayes, would have been flooded by the Acul River during Hurricane Sandy

without the gabion walls that were built by the Disaster Risk Reduction in the South Department Project. The project financed 17 activities for reforestation, riverbanks strengthening, riverbed cleaning, gully control, soil conservation, and reduction of flooding risks.

A Representative of the Ministry of Environment in the South Department testifies: *“Before, people panicked during floods. The test came with Hurricane Sandy. People were calm and less fearful. People living in Coteaux were extremely happy due to the fact that, during Sandy, things were calm in their area.”*

### Results:

- 3600 temporary jobs were created per month in the areas where the projects were implemented;
- 730 linear meters of canal were drained, including 430 linear meters in Torbeck and 300 linear meters in Coteaux;
- 1300 acres were reforested with different tree species;
- 1320 linear meters of riverbanks were protected with gabion walls to reduce disaster risks in nearby communities;
- 13,949 linear meters of gullies and water retention dikes were built;
- 30,550 meters of irrigation and drainage canals were cleaned; and
- 144,000 banana seedlings were distributed to farmers in order to improve food security.



Students returning home on the gabion walls built to protect the Torbeck community. **Disaster Risk Reduction in the South Department Project**

Photo courtesy of HRF

## C. Building earthquake resilience in the North

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 the population.

### Results:

- Quantifying the seismic threat by micro-zoning four major cities of the North, Northeast and Northwest: Port-de-Paix, Cap Haitian, Fort Liberté, and Ouanaminthe). The final geological mapping and interpretation have been presented to the national authorities for their use in regional planning programs.
- Informing citizens, builders and the local governments about seismic risk and the possible solutions to prepare for and adapt to this risk - a national exhibition of stakeholders in the seismic field was held from May 7 to 10, 2013 in Cap Haitian, with the assistance of the Civil Protection Department (DPC), with the active participation of more than 10,000 students, lifeguards, representatives of the Red Cross, construction professionals, civil protection authorities, experts and educators

### Immediate next steps include:

- Training professionals in the construction industry on earthquake practices : 30 engineers in the public sector and 30 engineers and architects in the private sector will be trained and certified in earthquake-resistant construction will be trained in the third quarter of 2013
- Assessing the vulnerability of buildings and infrastructure and classifying them according to the degree of risk (economic, human, strategic)





Students receiving HRF-financed school kits in Kenscoff. **Reconstruction of the Education Sector Project**  
 Photo courtesy of HRF

# Education

Two projects have received HRF financing in the education sector: Support to Education Reform and Reconstruction of the Education Sector. The closing date for the Support to Education Reform Project has been extended by one year to June 14<sup>th</sup>, 2014. HRF funds were made available for activities to improve the quality of education through rehabilitation centers, reconstruction, purchase of equipment, and reengineering of programs. HRF financing also helps to reinforce the governance of the sector.

## Results:

- Seven sites have been identified for rebuilding schools. International competitive selection is ongoing for the construction of the schools. Awarding of contracts and beginning of works is planned for October 2013.
- For the 2012-2013 school year, 80,000 uniforms, 52,484 student school kits, 143 teachers kits, and 50,000 textbooks were distributed. Distribution was abruptly interrupted due to Hurricane Sandy. The items that were not distributed during 2012-2013 will be distributed in the fall, at the beginning of the following school year.
- Important next steps for these projects are the training of 77 middle school teachers during the 2013-2014 school year and the construction of the seven schools.

# Private Sector Development

The HRF has financed two projects that support private sector development, with a focus on small and medium size businesses, which are the engines of economic growth and job creation in Haiti. They are: (i) a Partial Credit Guarantee Fund with US\$12.5 million of HRF co-financing, which has been restructured as three small projects (a Pilot Program to Support Small-Scale Businesses, a Pilot Fund for Leasing Facilities and a Support Program to Small Agricultural Producers) and (ii) The Development of Milk Production and Processing in Haiti Project with HRF financing of US\$2 million.

## Partial Credit Guarantee Fund (PCGF)

The PCGF allowed 253 small and medium-size businesses affected by the earthquake to restructure their debt repayments following the earthquake, thus preventing the liquidation of viable businesses. The PCGF was co-financed by the World Bank, the IDB and the HRF. Under the PCGF, guaranties were issued for US\$3,333,289 in order to guarantee US\$10.6 million of loans.

## Development of Milk Production and Processing in Haiti

The second private sector project supported by the HRF is the Development of Milk Production and Processing in Haiti which is executed by the Ministry of Agriculture and supervised by the FAO. It aims at improving the working conditions for small farmers and developing the production of the dairy sector in Haiti.



Paving stones made out of recycled debris.  
**Demolition and Debris removal**  
 Photo courtesy of HRF

## Results:

- Selection and installation of beneficiary associations
- Construction of three dairies and service centers at Côte-de-Fer, Torbeck and Thomazeau is being completed and buildings should open in September 2013
- Launch of a tender for the purchase of dairy equipment
- Identification of beneficiary schools in the target areas where 45,000 liters of milk will be distributed to 3000 students three times per week during three school years
- Training sessions for 30 members of the dairies management committees and 300 farmers / producers on improved techniques of production are almost completed.

The immediate next step will be the official launch of the processing of milk, the inauguration of the dairies and tasting days, planned for October 2013

*«Without this credit, those businesses would have closed their doors and banks would have registered losses but with the Guarantee Fund, those businesses were able to resume their activities and reimburse their loans... We saved a lot of jobs within those businesses...They are small businesses in the service and agro-industry sectors. The financial impact was satisfactory as no businesses went bankrupt other than a few micro-enterprises that were already facing difficulties prior to the credit guarantee. The rate of loss is inferior to the rate of the guarantee fee deducted. We have less than 1% of loss.»*

**MR. LHERMITE FRANCOIS,**  
 General Manager of the Industrial Development Fund (IDF)





Road rehabilitation in Morne Lazaar. **Housing and Neighborhood Reconstruction Support Project**  
 Photo courtesy of the UN

## V. COMMUNICATIONS

During FY13, the HRF strengthened its communications tools. In order for the HRF to be more locally visible, key messages had to be delivered to the beneficiaries of the programs financed by HRF and information needed to reach the donors, the international stakeholders and other development partners. The population needed to be made aware of the existence and use of HRF resources, progress reports needed to reach the HRF donors in a reasonable time and beneficiaries needed a tool to give feedback on HRF-financed projects. Thus, the HRF developed a more structured and aggressive communications campaign and the tools to attain higher visibility and dissemination of information to its stakeholders.

### COMMUNICATIONS TOOLS

#### New radio and TV products

- One of the central communications tools developed during the year was an animated video, the first of its kind to be produced in Haiti. It presents the HRF story in a simple and colorful way, including the results of the past three years [link]. A second video will follow during the first quarter of FY14. In contrast with the first video, it will focus solely on the results of the different programs.
- HRF has also developed two new radio announcements - a two minute-long radio spot about the results of the projects financed by the Haitian Reconstruction Funds and another two minute-long public service announcement encouraging the beneficiaries of the projects financed by the Fund to send a free text to 3747 to give feedback on the different programs supported by HRF.
- In April 2013, the Fund Manager was interviewed in Radio Métropole's *Le Point*, one of the highest-rated morning radio shows in Port-au-Prince and, in June 2013, TV Scoop FM aired a show recorded with the Fund's Operations Officer. Both discussed the HRF's financing, activities and results.

#### A simple and free communications tool for beneficiaries.

- A free text number (3747) now exists for beneficiaries and stakeholders to send their comments and/or questions on HRF-financed activities. Using this service, anyone with a Digicel phone can dial 3747 to send feedback to the HRF and get a timely response. All communications activities developed since March 2013 promote this service. It will also be part of the communications campaign which will be launched during the third quarter of 2013.

#### An improved website

- During the year, many pages of the current HRF website were reconfigured in order to provide information on the HRF in a clearer and more accessible way. A new website has also been designed and should be launched as part of the new HRF image during the fourth quarter of 2013.



A professional photo exhibit

- In February 2013, twenty professional photos of HRF projects were exhibited at the French Institute in Port-au-Prince. The exhibit, followed by a concert, was organized with the ultimate goal of bringing awareness about the HRF and the projects that it finances. Participants at the event included the Minister of Culture, Ambassadors, Development Partners, Haitian stakeholders, and members of the Haitian media.
- A young Haitian professional photographer was contracted to take pictures of the different HRF-supported projects. More than a 100 professional pictures were delivered for use in the 2013 HRF calendar, this annual report, the HRF Quarterly Updates, and the photo exhibit.
- At the beginning of 2013, 500 calendars with pictures and details of HRF-financed projects were printed and distributed to the private sector, the stakeholders, the partners, the NGO sector, and government officials.
- Three HRF Quarterly Updates were produced and distributed to stakeholders to keep them abreast of the progress of the different projects financed by the Fund.
- Promotional materials such as t-shirts, stickers, banners, pens, and memo pads were designed and ordered in the second quarter of 2013 and will be distributed throughout FY14.

MANAGING INFORMATION FLOWS

The Secretariat plays the role of facilitator between the international community, the Government of Haiti and the civil society. It facilitated the dissemination of important decisions such as the allocation of available funds in the HRF and the restructuring of projects. Press briefings for the two Steering Committee meetings were organized, one of which was held at the Ministry of Planning.

The financial status, projects portfolios and procedures have been the regular subject of communications with the Prime Minister’s Office, the President’s Office, the Ministry of Finance and the Ministry of Planning and External Cooperation of the last two administrations. To ensure continuity of the information flow, the HRF Secretariat has held meetings with donors, media representatives, non-governmental organizations, and other interested parties, at their request, in order to explain HRF operations and provide information.

SHARING LESSONS LEARNED

During the year, the Fund Manager shared HRF experience and lessons learned in forums and other meetings around the world:

- October 2012: a presentation was made at a forum for HRF stakeholders organized by the Government of Brazil, in Brasilia;
- November 2012: HRF experience was shared with Indonesians working on post-disaster reconstruction and climate change during events organized by the Indonesian Government and the World Bank in Jakarta;
- March 2013: lessons learned by the HRF were shared at the Aid and International Development Forum in Bangkok;
- May 2013: the HRF experience was presented at the Forum on Fragile and Post-Conflict States organized by the World Bank in Washington/ Nairobi / Juba / Harare / Kabul / Islamabad / Jakarta;
- June 2013: the Fund’s context and results were presented at the Haiti Renewal Alliance’ conference in Washington, DC.

NEXT STEPS

In order to increase its visibility, strengthen its relationship with the beneficiaries of its various projects and maintain a good flow of communication with its stakeholders, the HRF Secretariat hired a full-time Communications Officer in July 2013 to lead a comprehensive communications campaign throughout FY14.



Parc Jean-Marie Vincent before and after the project. **Port-au-Prince Neighborhood Reconstruction Project (PREKAD)**  
Photo courtesy of IOM & HRF





Engineers explaining the best practices for earthquake resistant construction. **Housing and Neighborhood Reconstruction Support Project**  
 Photo courtesy of HRF

## VI. HRF: LESSONS LEARNED AND NEXT STEPS

### LESSONS LEARNED

In its third year of operations, the following lessons were learned and/or reconfirmed by the HRF community:

- **A return to “normal” arrangements was warranted** – the lengthy process of agreeing on a new counterpart and procedures resulted in a system that relies on normal Government procedures and institutions. While more time-consuming than the initial arrangements with the IHRC, this should strengthen GOH capacity as well as the legitimacy and ownership of financing requests to the HRF.
- **Working through Partner Entities ensures that funds are effectively spent** – the HRF’s Partner Entities apply international standards of good practice in financial management, procurement, environmental and social safeguards, project design, and monitoring and evaluation for the use of HRF financing.
- **An efficient structure minimizes administrative costs** – the HRF has one of the lowest total expense ratios (under 5%) of any post-disaster multi-donor trust fund. This can be attributed to well-established Partner Entities, a modestly-sized Secretariat, an efficient Trustee, and a clear division of labor between them.
- **Donor preferencing poses tradeoffs** – on the positive side, the expression of preferences by some donors about the use of their contributions has contributed to a higher level of confidence among donors that HRF funds would be used for purposes of specific interest to donors. This has helped facilitate approval of HRF contributions within donor capitals and therefore possibly increased the total amount of funding available to the HRF. On the downside, reserving funds in order to guarantee that preferences are met has reduced the flexibility and availability of HRF financing, and is at odds with the goal of enhancing Government ownership as well as alignment with Government priorities.
- **An independent governance structure is invaluable** – the HRF has been able to continue operations, despite this instability, in part because it has a governance structure that is independent. Thus, while the GOH began to implement the new procedures and counterpart arrangements, the HRF Steering Committee, Secretariat, Trustee, and Partner Entities continued to operate.

### NEXT STEPS

The coming year represents the midpoint in the HRF’s operations and is an opportunity to evaluate performance as well as to explore options for the future. A review will assess the HRF’s efficiency and effectiveness both in terms of development impact and operational performance, generating lessons and recommendations in the process. The outcome of this exercise will be summarized in the next HRF annual report.



Youth playing basketball at night thanks to the installation of solar lamps in Morne Hercule. **16 Neighborhoods/6 Camps Program**  
*Photo courtesy of the UN*

ANNEX 1: PROJECT SUMMARIES

HAITI EMERGENCY DEVELOPMENT POLICY OPERATION  
(BUDGET SUPPORT) – COMPLETED

AMOUNT	US\$55 million	PROGRAM DESCRIPTION
FUNDING SOURCES	World Bank (\$30m) and HRF (\$25m)	The objective of the Development Policy Operation is to support enhanced accountability and transparency in the management of public resources in the context of Haiti’s reconstruction. The operation supports the government’s capacity to manage public resources efficiently and transparently. More specifically, the operation supported the following measures: (i) increasing transparency in budget transfers to the electricity sector; (ii) reinstating budget controls and external and internal audit processes; (iii) improving enforcement of the Law on Declaration of Assets; and (iv) reinforcing public procurement regulation and enhancing transparency in procurement practices.
APPROVAL DATE	June 17, 2010	
CLOSING DATE	September 31, 2011	
SECTOR	Central Government Administration & Energy	
PARTNER ENTITY	World Bank	
IMPLEMENTING AGENCY	Ministry of Economy and Finance	

RESULTS TO DATE

HRF contribution has been fully disbursed and the Haiti Emergency Development Policy Operation provided much-needed funding to fill the 2009-2010 fiscal budget gaps. In addition, the operation contributed to the following achievements:

- Putting in place a framework to monitor the transfers from the Ministry of Economy and Finance to the Independent Power Providers and EDH
- Data on payments to IPPs and EDH has been reconciled by the MPTCE and MEF and is being published;
- Improving compliance of audits of government accounts and budget review Law. The Treasury submitted to the Court of Accounts the 2009-10 government accounts within the statutory time – less than 8 months. The 2009-10 audits of government accounts have been submitted and a preliminary audit report is being finalized.
- IGF activities comply with its Action Plan. Selected reports include: (i)completion of NGOs inventory; (ii) Distribution of final reports of education transfers; (iii) CSCCA’s audit reports have been reviewed by IGF for follow-up with relevant entities; (iv) interim reports of accountants activities in MEF have been sent to Treasury;
- The compliance rate with the Declaration of Assets Law of the members of the executive branch increased from 87 percent (as of May 2010) to 100 percent; and,
- The Prime Minister confirmed by that he had given prior authorization to all contracts awarded based on the Emergency Law accelerated procedures.

EVALUATIONS, LESSONS LEARNED AND BEST PRACTICES

The Bank has not organized a survey or a workshop with stakeholders but many supervision missions were done in Haiti by project team and on the field, the Bank Economist worked with the Ministry of Finance and the Prime Minister to permanently emphasize the pending actions, bottlenecks and next steps. The Government had full ownership of the program and remained committed to its implementation despite impact of the political situation.

Since the preparation and design of this operation, a number of substantial risks (macroeconomic framework stability, political and security situation, natural disasters, institutional capacity constraints) were identified that could affect the success of development outcomes. From the several actions undertaken to achieved results while overcoming those risks, lessons were learned that could be useful in the future for Haiti as well as for other small countries:

- Policy based program need to be simple and straightforward in small countries with high risk of major natural disaster in order to support reform implementation.
- Policy actions need to recognized country difficult environment and history. They should address institutional building and strengthening of legal and regulatory frameworks to ensure proper management of aid inflows.
- Countries that have experiences major natural disasters need strong institutional support to back up critical reforms aiming to restore institutional functions. Technical assistance is vital for that support.

The Program Policy Matrix should be concise, with few measures and outcomes indicators clearly defined, that are within government control with strong support from donors and that show prioritization of the reform in a reasonable timeframe. A sustained dialogue between Government and donors’ community could help to address this.



DISASTER RISK REDUCTION IN THE SOUTH DEPARTMENT COMPLETED

AMOUNT	US \$ 11 Million
FUNDING SOURCES	WFP (US\$2m), UNDP (US\$1m), HRF (US\$8m)
APPROVAL DATE	October 21, 2010
CLOSING DATE	August 31, 2012
SECTOR	Agriculture, Farming & Fishing, Disaster Management and Prevention, Watershed Management and Local Development
PARTNER ENTITY	UN
IMPLEMENTING AGENCY	UNDP, WFP, FAO

RESULTS TO DATE

HRF contribution has been fully disbursed. This project has been completed and was executed by many UN agencies with the following results achieved through those agencies:

- With UNDP:
- 3600 temporary jobs created every month on targeted areas;
  - 730 linear meters of drainage canal built including 430 and 300 respectively in Torbeck and Coteaux;
  - 1300 ha of land reforested with different species of trees;
  - 1.5 million of seed under preparation to reforest 1000 ha of land in Saint-Louis with the South Department Direction of the Ministry of Environment;
  - 400 workers trained on implementing gabion structures in order to increase capacity of community members on the job market;
  - 9 strategic seedling infrastructures implemented to support reforestation project in targeted areas (1.4 million of seedling);
  - 1320 linear meters of banks protected by gabions;
  - 13,949 ml of sills and dykes built to retain water;
  - 30,550 meters of irrigation canal and drains cleaned;
  - 20 thematic maps developed,
  - 1 methodology guide prepared for watersheds management planning;
  - 42 agronomists and technicians working in agriculture have been certified for their continuous participation to training sessions on developing and implementing farm plans in Cayes on September 2012;
  - 12 technical staff members have been trained in Costa Rica during March 2012 on Capacity Building of Management of Watersheds including 5 from the Ministry, 5 from UNDP and 2 Departmental Directors of Ministry of Planning and Agriculture;
  - 35 engineers, agronomists or artisans were trained on “Conception of Works to protect rivers banks and to prevent land falling”.

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.

To address these issues the project activities focus on:

- The development of tools, such as geographic information systems, for the development and participatory management of watersheds at the national, regional and local levels.
- 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.
- 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.
- Capacity building at the national, regional and local levels through workshops on disaster risk and watershed management.

DISASTER RISK REDUCTION IN THE SOUTH DEPARTMENT COMPLETED

With FAO:

- 227 ha of land have been reforested by 250,119 seedlings of fruits trees of which 225,000 were obtained after bids and 25,119 were produced locally by community organizations partners;
- Eleven (11) seedlings structures were implemented in Aquin and Saint Louis du Sud;
- Thirteen (13) Farmer Cams Schools (CEP) were implemented;
- One training module for facilitator-producers and two training modules for trainers were prepared with the participation of agronomists of the projects and the BAC;
- 6 training sessions were organized with 66 staffs from Ministries, farmers, NGOs and OCB on Farmers Camps Schools (CEP);
- 52 producers facilitators received training sessions;
- 10 Community Based Organizations (CBO) supported in agriculture products transformation (Women Assoc iations);
- 1000 households directly affected by hurricane Emily were supported with tools and seeds;
- 144,000 bananas drageons vitro plants distributed to farmers.

EVALUATION, LESSONS LEARNED AND BEST PRACTICES

This program has identified new challenges in the context of reducing vulnerability. These challenges include:

- Creating opportunities for success by integrating authorities with the establishment of the Steering Committee to facilitate the appropriation;
- Identification of the majority of the vulnerable pockets in the Southern Department;
- Inventory or prior identification of supplier capabilities on the ground for the goods and services to apply for the program;
- Development of better information on the response capacities of local organizations;
- Preparation of a tool (the methodological guide for watershed management) better suited to the realities of the communities that could be offered to partners;
- Participation in capacity building of country local staff (89) in some areas like watershed management, setting up agricultural Farm Plan, design protection works along river banks and against the landslide, etc.;

The program has known assessments at different levels depending on the responsibilities of organizations / institutions that led these assessments:

- At internal level, monitoring and evaluation were conducted regularly by UNDP missions, and civic activities were organized to sensitize the administrative staff to a better appreciation of the work done in the field;
- At donor level (HRF, UNDP, CSI, DSRSG / RC / HC, Norway), individual or regular joint missions took place in a continuous manner;
- In parallel, an assessment mission by an independent firm, the International Law and Policy Institute - ILPI was conducted between May 28 and June 9, 2012;
- A team of evaluators from CATIE evaluated protective structures, projects correction gullies, soil conservation and reforestation at the time of hurricane SANDY. This has led to relevant findings as well as some recommendations for improving the quality of the work and ensures the sustainability of projects implemented.

For reproduction in the future, the strategy could be adapt in the following areas in order to keep the use of the lessons learned from this project:

- Knowledge of the intervention program area;
- Communication with other organizations and funding agencies on the ground;
- Good design program document to implement;
- Proximity relationship development with both local authorities and communities;
- Need to support and / or enhance teamwork synergy with partner institutions in establishing prior provisions for possible difficulties;
- Organization of working sessions with senior partner institutions on the direction to be taken to facilitate effective project management;
- Periodic and mid-term evaluation of the program;
- Ensuring regular monitoring with implementing partners;
- Communication with the public on the activities of the program and the broad guidelines of the organization responsible for the implementation.



CAPACITY BUILDING FOR DISASTER RISK MANAGEMENT COMPLETED

AMOUNT	US \$ 2 million
FUNDING SOURCES	HRF (US\$ 2m)
APPROVAL DATE	December 15, 2010
CLOSING DATE	January 31, 2012
SECTOR	Disaster Management and Prevention
PARTNER ENTITY	UN
IMPLEMENTING AGENCY	IOM, Department of Civil Protection, Ministry of Public Work, Transport and Communications, Ministry of Social Affairs and Labor (MAST), National Department for Water and Sanitation (DINEPA), Red Cross

RESULTS TO DATE

- HRF contribution has been fully disbursed and project has been completed with the following results:
- Project successfully completed by March 2012
  - 4 new shelters built and 10 others repaired increasing the safe space capacity of the country to 2000 people.
  - Guide on Evacuation Shelter Managements prepared
  - Structural Evaluation of 500 potential shelters in Port au Prince
  - Mapping of 600 more shelters
  - Support to Thematic Committee on Evaluation Shelter Management
  - Workshop with local authorities of the metropolitan area on planning and organization of a evacuation in case of a cyclone
  - Field level training to improve resiliency of the population in case of Natural Disaster (400 beneficiaries)
  - Training for DPC in Evaluation Shelter Management (100 participants)
  - Training for DPC, MAST, Haitian Red Cross, DINEPA in Evacuation Shelter Surveying (50 participants)

PROGRAM DESCRIPTION

- 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 capacity of the Government of Haiti and the Haitian people to prepare for and manage disaster risk was increased 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;
  - Increasing the resilience of vulnerable population groups;
  - Increasing the availability of temporary shelters.

EVALUATION, LESSONS LEARNED AND BEST PRACTICES

- During this project, many evaluations and assessments were conducted which led to: structural evaluations of buildings potentially usable as evacuation shelters, update DPC list of evacuation shelters in all ten departments, identification of gap on the evacuation systems, preparation of the work plan for the thematic committee as well as identification of needs for evacuation process.
- The program overcome many challenges that had an direct impact on project implementation:
- Difficulty in land tenure for certain buildings that could not be clarified through GoH mechanisms;
  - Delays in various capacity building initiative due to a long government transition period;
  - Complexity of the use of evacuation shelters and the problematic of their maintenance;
  - Utility of basic first aid training not only for potential natural disasters but also for other every day events such as car accidents where emergency services are needed and very limited in some areas;

- In the future, any project targeting evacuation process or shelters should take into consideration the following:
- Continuation of structural and functional evaluation outside of Port-au-Prince;
  - Expansion of the diffusion of the Guide on Evacuation Shelters as well as trainings for communities;
  - Development of technical standards for shelters physical infrastructure (wind-load, structural standards, location and proximity to hazards, etc.);
  - Continuation of the sensitization process with the community about evacuation procedures and use of shelters.

IHRC CAPACITY BUILDING PROGRAM COMPLETED

AMOUNT	US \$ 1 million
FUNDING SOURCES	HRF (US\$1m)
APPROVAL DATE	April 5, 2011
CLOSING DATE	June 30, 2012
SECTOR	Capacity Building
PARTNER ENTITY	UN
IMPLEMENTING AGENCY	IHRC

RESULTS TO DATE

HRF contribution has been fully disbursed.

- Reinforcement of IHRC Communication Office;
- Sensitization of the public on IHRC actions and realizations;
- Sensitization campaign with national coverage;
- Capacity building of IHRC Legal Services
- Establishing of a strong legal and administrative framework to facilitate competencies and resources transfer;
- Implementation of an automated process of review and follow up for projects submitted to IHRC;

The remaining funds of HRF contribution were used to transfer responsibilities and competencies to GoH, specifically to HRF new Counterpart, Ministry of Planning and External Cooperation (MPCE), particularly with the conception and management of a data centralized database (MGAE) which will allow follow up on all projects, not only those approved by IHRC, allowing more capacity building for GoH to follow up external aid implementation in the country.

PROGRAM DESCRIPTION

- 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 through: 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.
- Modeling the process of review and monitoring of projects: implementation of the second phase of the modeling of project review process.
  - 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.
  - 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.

EVALUATION, LESSONS LEARNED AND BEST PRACTICES

- No assessment was conducted during IHRC mandate. As the transition was implemented at the end of the project, no evaluation or study was realized on the overall program.
- The main challenge was uncertainty about the IHRC mandate expansion. As this uncertainty was kept during a long period, until the end of the project, there was no possibility to establish continuous and systematic transfer of responsibilities from IHRC secretariat to identified government agencies who are entitled for those functions.
- After conflict or disaster, it is common to witness establishment of a joint donor and government association to address the urgent needs of a country. However, two weaknesses are generally observed:
- Inadequate consideration of integrated and immediate aspects of building sustainable national capacities
  - Financing aspects of coordination and efficiency of assistance

It is essential to remember that support for the effectiveness of aid, which is a collective responsibility of donors without exception, must be funded, for example as a percentage, from the funds made available to the vulnerable country. That could be a way to raise awareness and systematically empower all partners in the areas of effective management assistance.

DEMOLITION AND DEBRIS REMOVAL WITH HEAVY EQUIPMENT  
(DEBRIS 2) – COMPLETED

AMOUNT	US\$25 million	PROGRAM DESCRIPTION
FUNDING SOURCES	HRF (US\$25m)	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.
APPROVAL DATE	April 7, 2011	
SECTOR	Housing	
PARTNER ENTITY	UN	
IMPLEMENTING AGENCY	UNDP (in partnership with UN-Habitat, ILO, MTPTCE, Municipality of Port-au-Prince, municipality of Pétion Ville)	

RESULTS TO DATE

- The HRF contribution has been disbursed.**
- 536,179 cubic meters of cleaned in four areas in Port au Prince and Pétion Ville;
  - 16,163 short term jobs were created of which 37.8% were held by women.
  - The community platforms were validated by the authorities and are operational. In the Champ de Mars project, the community platform of Fort National is under creation as well as the urban diagnostic for this community.12 facilitators of that community were trained in mapping and topography.
  - All products for community planning (urban diagnostic, projects technical cards and restructuring plan) are completed for the 9 targeted intervention areas. The plan identifying projects using debris recycled and technical operational factors is also completed.
  - 390 people were trained in business management.
  - 10 micro and small local enterprises were trained and reinforced in recycling techniques and business management and are ready to launch themselves in the market as recycling social enterprises.
  - At least 366,899 paving stones and 17,836 tiles were produced with recycled debris coming from Pétion Ville, Turgeau, Bel Air, Fort National, and Carrefour Feuilles and part of them were used to rehabilitate 7 additional corridors in that last area.
  - 9 Housing units were built using recycled debris. This project is the unique construction project made of recycled debris that was approved by the MTPTC.
  - 450 meters square of corridor were rehabilitated in Pétion Ville and Turgeau with recycled debris.
  - UCLBD and the municipality of Pétion Ville ordered 60,000 paving stones from the of micro entrepreneurs of Morne Hercule and Turgeau
  - The micro enterprises of Morne Hercule and Turgeau also received paving stones orders from the private sector.

HAITI SOUTHWEST SUSTAINABLE DEVELOPMENT  
PROGRAM COMPLETED

AMOUNT	US\$12.55 million	PROGRAM DESCRIPTION
FUNDING SOURCES	UNEP, Norway (US\$ 0.55 M), Catholic Relief Services, USAID (US\$4M), HRF (US\$ 8M)	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 km² area of Tiburon- Port Salut and Ile à Vache, reaching an estimated 205,000 beneficiaries.
APPROVAL DATE	October 21, 2010	
SECTOR	Nature Resource Management, Social Services, Economic Development and Infrastructures, Governance and Disaster Risk Reduction, General	
PARTNER ENTITY	UN	
IMPLEMENTING AGENCY	UNEP, UNOPS, CRS, Eastspark	

RESULTS TO DATE

- The HRF contribution has been disbursed.
- The Government of Haiti has officially endorse the planning (sector studies, strategic plans) completed by the project. Dissemination of plans and strategies allowed to secure financing for five multiannual programs of the South Coast Initiative:
- South Sea: Marine ecosystems and integrated coastal management (MDE, MARNDR, MDT)
  - South Land: Land ecosystems and watershed management (MDE, MARNDR)
  - South Road: Roads, bridges and landing stage (MTPTC)
  - South Energy: Energy safety and renewable sources (MSE)
  - Governance Platform: Support to multisectoral planning at Department and Municipal levels (South Delegation, MPCE, Municipalities).
- A lot of challenges have been identified that require synergies with other UN agencies in order to achieve success in the implementation stage of the project. After securing finances for the programs, discussions have started (UNICEF, WFP, FAO) in order to cover social sectors such as education, health, sanitation, food security and also to create other strategic and strong partnership for the success of the program.



16 NEIGHBORHOODS/6 CAMPS ONGOING

AMOUNT	US\$78,930,791
FUNDING SOURCES	HRF (US\$30m); Korea (US\$1.5m); Canada: (C\$20m)
APPROVAL DATE	September 21, 2011
SECTOR	Housing
PARTNER ENTITY	UN
IMPLEMENTING AGENCY	ILO, IOM, UNDP, UNOPS

- RESULTS TO DATE
- 69% of the HRF contribution has been disbursed(US\$20,537,279)

  - Registration of resident's beneficiaries and validation of their relocation with high collaboration with local authorities and camp committees. Training sessions were held for all people displaced about their rights and responsibilities referring to national and international laws
  - A total of 10,987 families received help for housing solution (of which 5,411 received cash transfer).
  - Local authorities and privates owners were officially informed of the closing of the camps (a total of 50 camps were closed).
  - Follow up visits were executed with the families that were removed from sites (between 6 and 12 weeks after their removal from the camps).
  - A Communication strategy for 24 months was developed including community mobilization, public campaign and information broadcasting:
    - 16/6 calendar for 2013
    - Short and long films including script preparation and staging (2 movies were prepared)
    - Informative and awareness session for projects beneficiaries in camps and targeted communities
    - Project album with all pictures of project activities
    - Creation of accounts on social media website and update on regular basis (accounts created on Twitter and Facebook. Website is under construction).
    - Conferences and other press activities targeting both local and international media (2 success stories)
    - Dissemination of pamphlets and bulletins (as BD novels – Chimen Lakay) in French and Haitian Creole, according to targeted public
    - Visibility material to prepare (banners, billboards, t-shirts,) for the project activities.
    - Rehabilitation of community informative kiosk: 10 kiosks have been repaired so far.
  - Launching of pictures contest on the 16/6 theme with young people in vulnerable areas. The contest first started with a two-weeks training session on photography for 10 young people. The best pictures were used to prepare the 16/6 calendar for 2013.
  - 11 water fountains are currently being rehabilitated by two local firms in the following areas: 1 in Morne Lazare, 5 in Morne Hercule, and 5 in N  rette.
  - 492 solar lamps were installed in Morne Hercule, Morne Lazare, N  rette, Bois Patate, Canap   Vert, Morne Hebo, Villa Rosa. Work is currently being done to install 13 power plants in N  rette and Bois Patate after consultation with community members.
  - 1 of 4 neighborhoods (N  rette) has been cleaned. Sanitation works are still undergoing on the three others (Morne Hercule, Morne Hebo and Bois Patate).
  - 2 community spaces rehabilitated in Morne Lazare and N  rette.
  - 3205 meters of road in Morne Hercule, Morne Lazare N  rette and Canap   Vert, 3228 meters of sidewalks in Morne Hercule, N  rette and Morne Lazare, 307 meters of retaining walls built in Morne Hercule and N  rette which lead to more than 2036 jobs created in infrastructure works on 8 neighborhoods.

PROGRAM DESCRIPTION

Rehabilitation of 16 neighborhoods to improve the basic conditions through community participation and close six priority camps.

16 NEIGHBORHOODS/6 CAMPS ONGOING

- RESULTS TO DATE
- A system was created to verify technical and legal aspect of all proposed rented properties.
  - 63 trainers were trained and received an AAP certification from INFP.
  - 570 workers received training on paraseismic construction and after 900 hours of work on the project, under the supervision of the trainers, they will be eligible for a CAP certification from INFP. They will be able to work for other agencies and institutions.
  - 16 trainers were trained with the ASECO's module which addresses the reinforcement of construction enterprises, 7 entrepreneurs received that training and 15 enterprises directly benefit from that reinforcement.
  - 4,307 technical evaluations of damaged houses were performed to date.
  - 1,307 families benefited repairing solutions for damaged houses and a total of 827 houses were repaired of which 729 were agency-driven) and 98 were owner-driven. Another group of 106 houses (owner driven) are currently being repaired at Villa Rosa in Canap   Vert;
  - Six local companies were hired to repair damaged houses and 52 red houses were rebuilt (19 in Morne Hercule, 25 in Morne Lazare and 5 in N  rette). 60 houses are currently under construction in 4 neighborhoods: Morne Hercule (10), N  rette (24), Morne Lazare (16) and Jean Baptiste (10).
  - 87 workers were trained in collaboration with MTPTC, 100 beneficiaries were trained on construction techniques in Morne Hercule via a collaborative process with ILO, 1207 families received training on best practices for construction and 382 temporary jobs were created by repairing houses of which 38 were held by women.
  - Eight community platforms were established, validated by local authorities and the Ministry of Social Affairs and are operational in Morne Lazare, Morne Hercule, N  rette, Jalousie, Villa Rosa, Jean Baptiste, Bois Patate and Morne Hebo.
  - 13 training sessions were given to the community platforms members to enhance their capacity to support and lead the communities.
  - 14 small projects were identified with the Community platforms. Up to 20,000 USD is available to implement those projects which will be managed directly by the platforms.
  - 7 sites were identified for the construction of community centers. Legal process is currently undergoing with Municipalities in order to purchase the lands and to move on with construction.
  - Throughout the year a lot was achieved for sanitation, water, electrification, community infrastructures, roads, job creation:
    - 11 water fountains are currently being rehabilitated by two local firms in the following areas: 1 in Morne Lazare, 5 in Morne Hercule, and 5 in N  rette.
    - 492 solar lamps were installed in Morne Hercule, Morne Lazare, N  rette, Bois Patate, Canap   Vert, Morne Hebo, Villa Rosa. Work is currently being done to install 13 power plants in N  rette and Bois Patate after consultation with community members.
    - 1 of 4 neighborhoods (N  rette) has been cleaned. Sanitation works are still undergoing on the three others (Morne Hercule, Morne Hebo and Bois Patate).
    - 2 community spaces rehabilitated in Morne Lazare and N  rette.
    - 3205 meters of road in Morne Hercule, Morne Lazare N  rette and Canap   Vert, 3228 meters of sidewalks in Morne Hercule, N  rette and Morne Lazare, 307 meters of retaining walls built in Morne Hercule and N  rette which lead to more than 2036 jobs created in infrastructure works on 8 neighborhoods.
  - An assessment of micro financing sector was finalized and 170 small businesses benefited from loans through a partnership between ILO and ACME which allowed creating and reinforcing up to 340 jobs.
- EVALUATION, LESSONS LEARNED AND BEST PRACTICES
- Some highlights:

  - Communication campaign with the community
  - Participatory process to identify priority projects with the community according to their needs through the presentation by the community platforms
  - First systematization workshop was held on February 26, 2013, another one will be held on July 2013.
  - Restitution Workshop held on January 17 and 18, 2013 on project results and realizations
  - A satisfactory survey on repaired houses was performed and finalized during May 2013
  - Sharing of lessons learned with other partners for replication of the housing component of the project.

RECONSTRUCTION OF THE EDUCATION SECTOR  
ONGOING

AMOUNT	US\$81 million
FUNDING SOURCES	IDB (US\$50 m), CIDA (US\$20m), First Citizen Bank T & T (US\$1m), HRF (US\$10m)
APPROVAL DATE	December 15, 2010
SECTOR	Education
PARTNER ENTITY	IDB
IMPLEMENTING AGENCY	Ministry of Economy and Finance, Ministry of Education and Professional Formation, Social and Economic Investment Fund (FAES)

- RESULTS TO DATE
- 61% of HRF contribution has been disbursed (US\$6,080,749)
- Following identification of 7 sites to build schools, an international competitive selection process was launched for the construction of the schools. The attribution of contracts and beginning of work is planned for October 2013.
  - 52,484 student school kits, 143 teacher kits, 80,000 uniforms and 50,000 school books have been distributed. Due to Hurricane Sandy, the distribution was interrupted but the remaining will be distributed at the beginning of next school year.
  - Under the second component of the project, part of HRF funds was used to support the training of MENFP teachers (77 middle school teachers) additional to the ones trained on IDB component. The remaining will be used during next year to maintain teachers training.

PROGRAM DESCRIPTION

- 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 Program has two components:
- 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.
  - 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.

HOUSING AND NEIGHBORHOOD RECONSTRUCTION SUPPORT  
PROGRAM - ONGOING

AMOUNT	US\$30.941 million
FUNDING SOURCES	HRF (US\$24.67m); MPCE (US\$5.7m); UNDP (US\$0.4m)
APPROVAL DATE	March 1, 2011
SECTOR	Housing
PARTNER ENTITY	United Nations
IMPLEMENTING AGENCY	ILO, UN-Habitat, UNDP, UNPF, MPCE, MICT, MTPTCE, CNIGS, IHSI

RESULTS TO DATE

- 56% of the HRF contribution has been disbursed (US\$ 13,467,666)
- Census Methodology was finalized last year as well as training of staff. Data collection, with use of this methodology is ongoing. The work has been completed for 590 SDE (Pétion Ville, Port au Prince, Delmas, Tabarre) and the data is being processed. Reports will be available soon.
  - To date, mapping and inventory of the building of 2,467SDE have been completed in Pétion Vile, Port-au-Prince, Delmas, Tabarre, Cité Soleil, Croix-des-Bouquets and Carrefour. Mapping for 1,935 SDE are available and the process is continuing.
  - A SIG local consultant from CNIGS has been hired and is currently working at IHSI, allowing an improvement in the SIG unit at IHSI. Regular training sessions are offed to strengthen SIG unit at IHSI and a quality control process has been established for data collection.
  - 100% of equipment were purchased and are being used. Additional equipment (6 vehicles) was delivered to IHSI in April 2013. Other will follow until end of September 2013.
  - Data sharing between IHSI and CNGIS is ongoing. Appropriate mechanism has to be established.
  - SILQ platform (Housing and Neighborhoods Information System) is currently being tested and deployed in order to make adjustments. The platform was installed on CNGIS server for test before final deployment.
  - Training of SILQ technician started in June 2013 and will be completed mid-July. Web mapping concept and SILQ functions were understood by developers so that they can train future platform users. User manual and training manual will be given at the end of training session.
  - All ATL teams are completed (60 technical and administrative staff were recruited). A training program has been established in coordination with MICT Training Direction after assessing training needs for those staff.
  - Recruitment process for 4 CRC 9Tabarre, Cite Soleil, Carrefour and Croix-des-Bouquets) are completed and agents were selected and hired. Recruitment for Port au Prince and Pétion Ville CRC are currently ongoing. For St Marc, Miragoane and Leogane, they are being installed (selection was completed). An area was identified for Jacmel, the administrative process is ongoing with DGI. In Delmas, there is no progress in space identification to date.

PROGRAM DESCRIPTION

- The Housing and Neighborhood Reconstruction Support Program is intended to provide some of the basic tools and systems that the central and local government 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.
- The project comprises the following components:
- 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.



DEVELOPMENT OF MILK PRODUCTION AND PROCESSING IN HAITI  
ONGOING

AMOUNT	US\$ 17 million	PROGRAM DESCRIPTION
FUNDING SOURCES	HRF (US\$2m); TBD (US\$15m)	The project objective is the creation of 30 milk processing plants (6 of them with cheese production units), managed by farmers' organizations. In addition, the project will provide milk and cheese for school feeding programs.
APPROVAL DATE	October 31, 2011	
SECTOR	Agriculture, Farming and Fishing, food assistance	
PARTNER ENTITY	UN	
IMPLEMENTING AGENCY	FAO, Ministry of Agriculture, Natural Resources and Rural Development (MARNDR)	The project activities will include: <ul style="list-style-type: none"><li>Organizational strengthening;</li><li>Improving the productivity of cattle;</li><li>Support for the processing and marketing of milk.</li></ul>

- RESULTS TO DATE**
- 56% of the HRF contribution has been disbursed at (US\$1,097,704)
- Beneficiaries associations based on project criteria were developed and installed.
  - Agreements between partners and milk producers associations on dairies management are currently being discussed.
  - Construction of three dairies and services centers are currently undergoing and should be operational by September 2013 (Cote de Fer, Torbeck and Thomazeau)
  - Equipment for the three dairies and material for milk producers are identified. A call for proposal at the International Level is prepared and launched. Selection process is currently ongoing.
  - Training needs are currently being identified and according training plans will be prepared.
  - Logo and stickers, site web, t-shirts, advertising panels for commercialization are currently being prepared.
  - Business plans for the three dairies are being prepared that will target the following areas: operations, administration and financial management, market analysis, marketing plan, financial plan, etc.
  - Purchase of glass fridge, freezers and isothermal truck is currently undergoing (completed at 70%).
  - Beneficiary schools in targeted areas are identified.
  - Awareness and training sessions on dairies management as well as improved technique of production are almost completed for committee members and milk producers (30 committee members and 300 farmers).

EARTHQUAKE PREVENTION PLAN FOR THE NORTH OF HAITI  
ONGOING

AMOUNT	US\$9.96 million	PROGRAM DESCRIPTION
FUNDING SOURCES	HRF (US\$9.96m)	The objective of the project 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.
APPROVAL DATE	May 26, 2011	
SECTOR	Disaster risk reduction	
PARTNER ENTITY	UN	
IMPLEMENTING AGENCY	UNDP	

- RESULTS TO DATE**
- 24% of the HRF contribution has been disbursed (USD \$2,273,514)**
- Members of Council Committee for seismic risks were identified in the three departments of the North and there are operational. TORs were approved for all committees.
  - Continuation of micro-zoning activities in Cap Haitian, Fort Liberté, Port-de-Paix and Ouanaminthe. National workshop was held on June 25, 2013.
  - Experts have made studies missions on MASW in order to characterize the soil.
  - Interpretation of maps has allowed pointing out some breaks. Completed maps were submitted to National Authorities for use in regional planning programs.
  - Research and analysis work on seismic vulnerability has started by planning workshops and data collection. Technical visits to assess public infrastructures in targeted cities have started in order to classify them according to the stakes involved. First training sessions for engineers are planned for next quarter (30 in the public sector and 30 in the private sector). They will be trained and certified in earthquake-resistant construction.
  - Awareness campaign was continued and several activities were organized from May 7 to May 10, 2013 in Cap Haiti, Port-de-Paix and Fort-Liberté (march, national exhibit of stakeholders, interschool's contest, etc). More than 10,000 people (students, lifeguards, representatives of Red Cross, construction professionals, civil protection authorities, experts and educators of SEMANAH) attended those activities.
  - NGO's office in Cap Haitian is operational. This institution, specialized in seismic risk will be implementing inventory, vulnerability analysis, building reinforcement, etc.).

PORT AU PRINCE NEIGHBORHOOD HOUSING RECONSTRUCTION PROJECT - ONGOING

AMOUNT	US\$65 million	PROGRAM DESCRIPTION
FUNDING SOURCES	\$65m (HRF)	This grant allows for the broadening and expansion of a \$30 million IDA-funded program already underway to repair and rebuild damaged (yellow tagged) and severely damaged (red tagged) housing in several neighborhoods in Port-au-Prince, including Delmas, Carrefour Feuilles and others.
APPROVAL DATE	December 15, 2010	
SECTOR	Housing	
PARTNER ENTITY	World Bank	More specifically the project aims to help residents of selected Port-au-Prince Neighborhoods severely affected by the Earthquake return to their communities by supporting them to repair and/or reconstruct their houses and by improving basic community service infrastructure.
IMPLEMENTING AGENCY	Bureau de Monétisation des Programmes d'Aide au Développement (BMPAD)	

- RESULTS TO DATE
- 22% of HRF contribution has been disbursed (US14 Million).
- Two contracts have been signed and activities have started in two neighborhoods after facing some delays with the approval of the work program and security issues in one neighborhood.
  - Repairs programs are being carried out as well as the transformation and consolidation of selected high quality shelter to permanent housing. 333 households have benefited from support for repairs and reconstruction.
  - 200 households received rental subsidies in neighborhoods and 6,121 received subsidies to return from camps.
  - Two contracts to support safe return of 13000 families in their neighborhoods have been signed and are under implementation in two large camps.
  - 6,420 cubic meters of debris were removed.
  - 183 houses were repaired/ retrofitted.
  - 150 housing units were transformed.
  - 2 CRC were established in the two targeted neighborhoods.
  - Technical assistance is being provided to both UCLBP (who plays a leading role in supervising and promoting the reconstruction projects as well as ensuring proper consideration of social aspects and impacts in the implementation process) and BMPAD to improve implementation capacity and prepare guidelines.

PROGRAM TO ESTABLISH A PARTIAL CREDIT GUARANTEE FUND RESTRUCTURED

AMOUNT	\$35M	PROGRAM DESCRIPTION
FUNDING SOURCES	HRF (\$12.5m); IDB (US\$20 m); WB(US\$2.5m)	The objective of this operation is to contribute to the rehabilitation of the Haitian productive sector which has been negatively affected by the earthquake, in particular those enterprises that remain viable. This was partly achieved by establishing a Partial Credit Guarantee Fund (PCGF) to allow such enterprises to restructure bank-debt obligations they are currently unable to meet, preventing viable enterprises from going into liquidation and, furthermore, facilitating their continued access to finance to rebuild and operate their businesses.
APPROVAL DATE	August 27, 2010	
SECTOR	Private Sector Development	
PARTNER ENTITY	IDB	
IMPLEMENTING AGENCY	Industrial Development Fund	

RESULTS TO DATE

HRF contribution to the project was not disbursed. The operation allowed issuance of guarantees equal to

(US\$3,333,289) for 8 enterprises and 245 micro-enterprises, concentrated in 3 Banks and guaranteeing USD 10.6 million in loans.

An informal assessment in February 2012 had helped determined that further guarantees were no longer needed. As such, upon request of the Government, IDB has put on efforts to develop two subprograms under this project (business acceleration and agricultural credit facility/leasing capital facility) in which the remaining funds will be used to support creation of private sector jobs. The overall objective of this reformulation is to support development of productive small-scale firms as a source of sustainable economic growth and employment generation



SUBPROGRAM 1 – EXTENSION OF THE PILOT PROGRAM TO SUPPORT FOR SMALL-SCALE BUSINESSES (US\$7.96M)

RESULTS TO DATE

No disbursements or activities as implementation has not started.

PROGRAM DESCRIPTION

This program is intended to provide additional resources to finance the following activities under two component:

**Component 1** – Business Accelerator: This component will finance the preparation and funding of business plans through an expanded business accelerator mechanism that will provide technical, managerial and financial support to MSMEs. It will provide funds to identify, select and contract program managers on a part-time basis to support implementation of selected business plan, contract technical consultants to address needs that arise as the business plans are implemented and fund seed capital to finance productive activities that will be repaid five years after the enterprises have ceased to received direct support from the business accelerator.

**Component 2** – Microparks: Under this component, the program will target microenterprises that can benefit from co-locating production in a micropark. This concept leverages entrepreneurial skills with capital investments to make beneficiaries more productive. Key pillars to this concept are:

- Provision of basic infrastructure and site services

Improved coordination of production, greater organizational capacity of producers, and access to training to improve technical and management skills.

SUBPROGRAM 2- PILOT FUNDING FOR LEASING FACILITIES (US\$2.25M)

RESULTS TO DATE

No disbursements or activities as implementation has not started.

PROGRAM DESCRIPTION

This subprogram will finance both technical assistance to banks that are interested in establishing leasing companies and a pilot program to capitalize leasing companies. This pilot is intended to demonstrate the financial viability of leasing activities in Haiti and encourage entry of new firms in the sectors. The program will be implemented via two components:

**Component 1** – Leasing technical assistance: this component aims to complement IFC and BRH work to improve the legal, regulatory and tax framework for lease financing. IFC is currently consulting with the government on the design of a leasing law that will provide greater legal certainty regarding tax issues and improve regulatory and supervisory authorities. The program will support advisory work for commercial banks that are interested in establishing leasing operations under the current regulatory framework.

**Component 2** – Pilot program for leasing finance: this component will award up to US\$ 1 million in loans for the creation of new leasing companies. The Executing Agency will publicize request for proposals that target MSMEs, including smallholder farmers and will award funds to projects that show solid financial projections and a large expected impact on beneficiary firms.

NATURAL DISASTER MITIGATION IN THE SOUTH DEPARTMENT RESTRUCTURED

AMOUNT

US\$34 Million

FUNDING SOURCES

IDB (US\$20m), HRF (US\$14m)

APPROVAL DATE

October 21, 2010

SECTOR

Budget Support, Agriculture, Farming & Fishing, Disaster Management and Prevention, Watershed Management and local development

PARTNER ENTITY

IDB

IMPLEMENTING AGENCY

Ministry of Agriculture, Natural Resources and Rural Development (MARNDR)

RESULTS TO DATE

HRF funds were transferred to IDB in 2011. These funds were intended for watersheds management in Cavaillon and Ravine du Sud, direct financing to farmers and capacity building on sustainable watershed management at the Departmental Direction of Agriculture. Nonetheless, they weren't used as planned as the program suffered from some delays on disbursements with IDB and through the mechanism established with the Ministry of Agriculture. In fact, none of HRF contribution (US\$14m) has been disbursed. As such, GOH has revised its priorities for the use of those funds and jointly with IDB and Norway Government, they have decided in the second quarter of 2012 to reallocate the funds and restructure the project in three other projects which will be considered as sub-components of the initial program:

- Environmental Protection of the Macaya National Park;

- Sustainable Energy for Haiti;

- Institutional Transformation and Modernization of the Energy Sector III.

PROGRAM DESCRIPTION

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 activities 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 :

(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.

PROJECT 1: ENVIRONMENTAL PROTECTION OF THE MACAYA NATIONAL PARK (US\$ 9M)

RESULTS TO DATE

No disbursements or activities as implementation has not started.

PROGRAM DESCRIPTION

The objective of this project is to contain the rapid environmental degradation in the upper watershed of the southwestern part of Haiti. It will promote sustainable natural resources management and watershed protection in order to prevent deforestation, soil erosion and related natural disasters. The project will be implemented through two components. 5000 households and 3000 producers will directly benefit from this program.

**Component 1** – Institutional and Local Governance Strengthening: this component aims to strengthen the environmental governance of the Macaya area, by financing:

- Complementary training on natural resources management and environmental education intended to local population to raise further awareness around sustainable natural resources management;
- Strengthening the environmental surveillance corps that monitors Macaya Park area;
- Providing adequate management infrastructure to the Park (unit building, control stations).

**Component 2** – Enhancement and restoration of ecosystem services: this component will help enhance and restore the critical ecosystem services provided by the Macaya area, particularly the provisioning and regulating functions the area fulfills by storing water, retaining soils, preventing flooding and mitigating the impact of climate events. The component will finance investments in:

- Forest restoration (around 1,500 ha)
- Watershed protection infrastructure to prevent economic damages due to soil erosion and flooding, and to enhance water storage and retention capacity;
- Flooding management system in the main rivers coming from Macaya Park area.

These investments will be defined and prioritized in accordance with communal land use planning schemes and should decrease the pressure on the Park’s resources by contributing to maintain alternative source of living for local residents.

PROJECT 2: SUSTAINABLE ENERGY FOR HAITI (US\$ 2M)

RESULTS TO DATE

No disbursements or activities as implementation has not started.

PROGRAM DESCRIPTION

The general objective of this program is to support the GoH in developing a sustainable energy matrix that promotes access to electricity through Renewable Energy sources and Energy Efficiency measures, as a way to reduce Haiti’s dependency on fossil fuels especially oil. Specific objectives are articulated through four components of the project with their stated outcomes as follow:

**Component 1** - Improve access to electricity through renewable energy demonstrative projects and feasibility studies: those studies will facilitate information on the potential of using renewable energy to satisfy GoH goal to bring electricity to rural and non-rural area in the country. This component will finance the following activities:

- Solar alternatives for rural electrification
- Hybrid Models
- Sustainable biomass
- Feasibilities studies for small scale hydro projects

**Component 2** - Efficient use of fossil fuels: this component will analyze the potential of incorporating natural gas in Haiti’s energy matrix to reduce country’s dependency on diesel and heavy fuel and therefore reduce electricity costs. There will be two main activities under this component:

- Analyze the scale of the demand and transportation of natural gas
- Prepare pre-feasibility analysis of importing natural gas

**Component 3** - Support to a reform of the regulatory framework and the development of a sustainable energy action plan to successfully introduce cleaner and more efficient energy sources. As such, this component will finance the following activities:

- Identification of the potential for Renewable Energy and Energy Efficiency
- Support in the development of a regulatory framework

**Component 4** – Capacity building and institutional strengthening: under this component, the program will finance the preparation of recommendations for the followings:

- Institutional strengthening and capacity building for key public entities of the energy sector and the creation of a rural electrification office

Supporting public education and awareness to promote renewable energy.



PROJECT 3: INSTITUTIONAL TRANSFORMATION AND MODERNIZATION OF THE ENERGY SECTOR III (US\$ 3M)

RESULTS TO DATE

No disbursements or activities as implementation has not started.

PROGRAM DESCRIPTION

The overall objective of this program is to support the GoH in developing an energy sector framework that will contribute to modernize the sector and increase the availability and affordability of energy in order to satisfy the population's needs and foster competitiveness. Two specific objectives are identified:

Support GoH institutional capacity to define an energy policy and perform the planning and oversight of the energy sector

Turn EDH into a viable financial and operational company

The program will be structured through 3 components:

**Component 1** – Macroeconomic Sustainability: this component seeks to ensure that the GoH maintains a solid macroeconomic framework that is consistent with the objective of the proposed operation.

**Component 2** – Energy Sector Reform: this component aims to support GoH institutional capacity to define an energy policy and perform a planning and oversight of the energy sector with the following activities:

- Legal and Regulatory Framework through an energy policy draft bill to be endorsed by Parliament. All actions in Energy sector to be coordinated by the new Ministry of Energy Security which was appointed in 2012
- Guarantee mechanism created to backstop PPA payments for small hydro projects
- Control Panel of the power sector (with well-defined indicators) is prepared and published each quarter on Ministry of Finance webpage to increase transparency of financial transfers within the energy sector.
- Bill of Law penalizing electricity theft submitted to Parliament for endorsement.

**Component 3** – Modernization of EDH: this component aims to improve oversight of corporate governance at enterprise level to transform EDH into a viable operational and financial company by focusing on the following activities:

- Engagement of an audit firm for independent verification of EDH annual financial reports
- Quality of services standards and performance criteria for electricity providers established

Adoption and maintenance of new corporate management standards.

TARGETED BUDGET SUPPORT (under preparation)

AMOUNT	US\$15 million
FUNDING SOURCES	HRF (\$15m)
APPROVAL DATE	April 27, 2011
SECTOR	Agriculture & Education
PARTNER ENTITY	World Bank
IMPLEMENTING AGENCY	Ministry of Economy and Finance

RESULTS TO DATE

The preparation of this project was not feasible. The funds that were to be allocated to this project may be re-allocated towards an education project (school-feeding), which is pending Council of Ministers decision.

PROGRAM DESCRIPTION

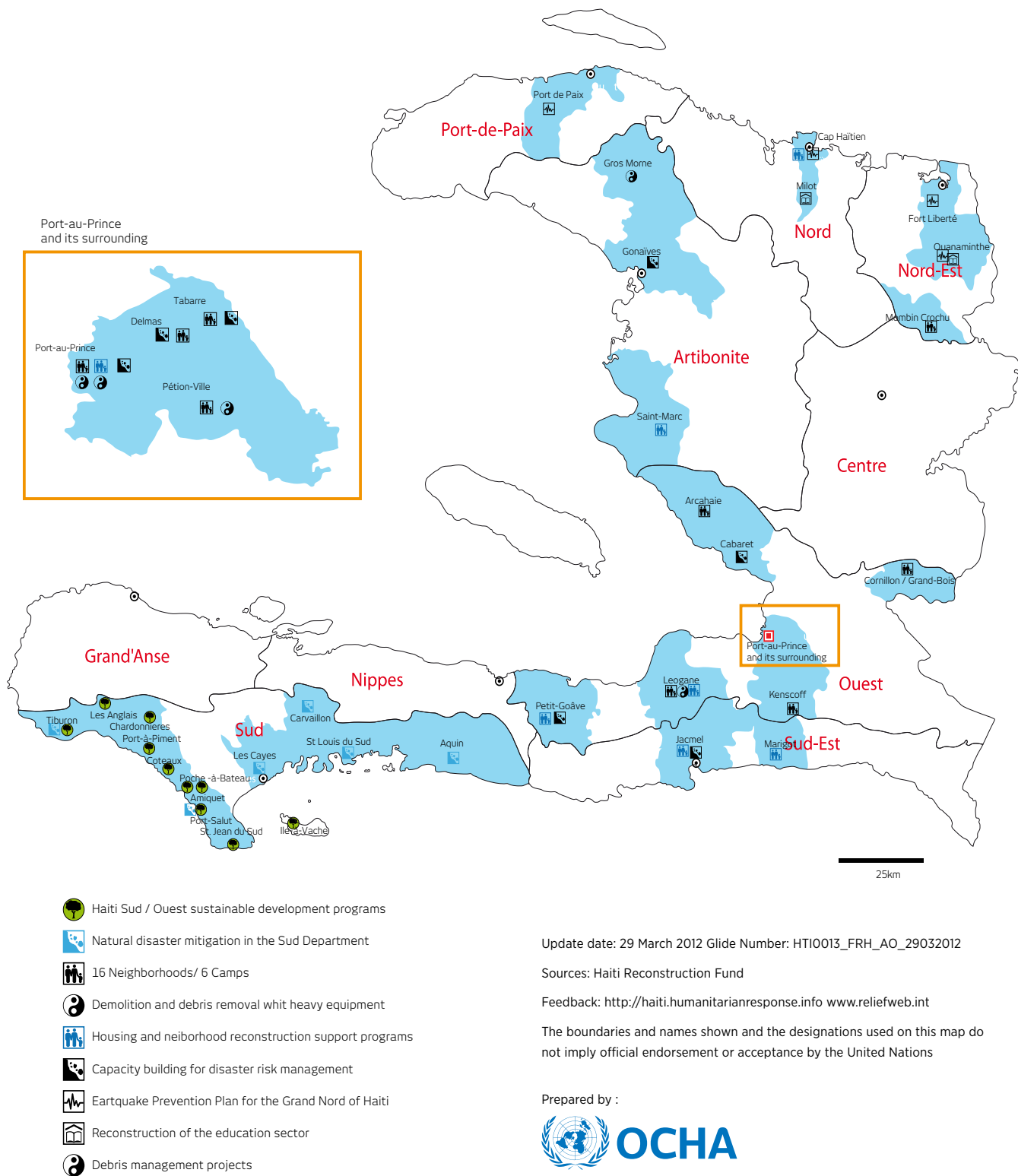
This Budget Support operation would provide resources to finance key budgetary expenditures in the education and agriculture sectors. The budget support would be channeled through the budget, and would reimburse specific pre-identified expenses.

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). In the education sector, the operation would support essential activities identified in the National Strategy for Action on Education for All (SNA-EPT) in September 2007.The budget lines considered in the context of this operation include (i) the construction of semi-permanent, fully equipped schools, (ii) financing 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.

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

# ANNEX 2: MAP OF PROJECT LOCATIONS

## HAITI: GEOGRAPHIC COVERAGE OF HAITI RECONSTRUCTION FUND ACTIVITIES (AS OF 29 MARCH 2012)



# ANNEX 3: HRF SECRETARIAT

During the course of its third year, the Secretariat hired a new Communications Officer to replace the outgoing one. The personnel, still eager to pursue HRF goals and contribute to Haiti's reconstruction process, is presented below:



**Joe Leitmann**  
U.S. national, is the HRF Manager with responsibility for all aspects of the Fund's Secretariat. He has 30 years of experience on the international development field with the World Bank, the U.S. Peace Corps and as a consultant in reconstruction, climate change, environment, forestry, urban development, clean energy, appropriate technology, and agriculture. Joe has a PhD in city planning from UC Berkeley and a Master's in Public Policy from the Harvard Kennedy School.



**Bertrovna Bourdeau Grimard**  
Haitian National, is our new HRF Communications Officer with responsibility for all communication regarding the Fund, coordination with partners and liaison with the media. Bertrovna previously worked in Haiti as the marketing director for the NGO PSI-Haiti, the Comme Il Faut Company, and Comcel-Voila and as a consultant in the private sector. She holds an MBA from the University of Miami in Florida. Bertrovna's assignment is effective July 2013 and she will be replacing Berdine Edmond who is transitioning to a new assignment.



**Maria Deborah Kim**  
Canadian national, is the HRF Operations Officer with responsibility to support all aspects of the Secretariat, preparation of the Steering Committee meetings, preparation of the HRF reports, and acting on behalf of the Manager. Maria has been working in Haiti since 2008, first with the Canadian International Development Agency (CIDA) then with the World Bank since 2010 in the areas of economic policy, private sector development and project implementation. Maria holds a Master's Degree in Public Policy and Administration from Carleton University.



**Anne Marie Gabrielle Dujour**  
Haitian national, is the HRF Team Assistant with responsibility for assisting the Secretariat team to perform their functions. She has 4 years of experience working with LOKAL, a Local Governance Strengthening project funded by USAID and has also worked with IDB and UNDP. She holds a diploma on Development Economics.



**Jean Yves St-Dic**  
Haitian national, is the HRF Logistician with responsibility for transportation and information technology. He has two years of experience with the World Bank, Sourire Rent-a-Car and Aproco. Jean Yves has a certificate in Computer Sciences from INUQUA, a private university in Haiti.



**Berdine Edmond**  
a French national, is (the outgoing) HRF Communications Officer with responsibility for all communications regarding the Fund and coordination with partners, donors, and the media. Berdine has previously worked in Haiti as a Communications Director for a Brazilian NGO, Viva Rio. She has also worked with the International Crisis Group and UNIDIR. She holds a Master's Degree in International Relations from the Graduate Institute of International and Development Studies in Geneva.





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# Haiti Reconstruction Fund

A fund for Recovery, Reconstruction and Development of Haiti



One of the 60 fishing boats repaired in Les Cayes Region. **Haiti Southwest Sustainable Development Project**

Photo courtesy of the UN

**Haiti Reconstruction Fund Secretariat**  
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