



HRF Secretariat Report

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

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

In order to support these activities, the Secretariat also incurs expenses related to office management and travel. This report briefly summarizes the Secretariat's work in these areas since the last HRF Steering Committee Meeting (April 9, 2011).

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

Since the last SC meeting, the Secretariat has facilitated the processing of six projects for HRF approval, allocation and final approval by the IHRC. This entailed following up with partner entities on the final project documents, communicating approval requests to the SC and IHRC, following up with Partner Entities on comments received from the SC and IHRC, and informing the Trustee and Partner Entities of final project approvals such that project funds could be transferred. The projects that were approved since April 9th (Targeted budget support operation, Earthquake prevention plan for the North of Haiti, IHRC capacity building program, Development of milk production and processing in Haiti, Demolition and debris removal with heavy equipment, Housing and neighborhood reconstruction support program) represent \$93 million of financing from the HRF. Following confirmation by the Secretariat that projects were approved, the Trustee transferred \$46 million to Partner Entities for project implementation.

To assess the efficiency of the HRF grant approval process, the Secretariat prepared an analysis of the performance of the HRF's overall grant approval process. On average, the full process took 105.6 days from receipt of a project concept note from the IHRC to transfer of funds to a

Partner Entity¹. Summary information on the time required for each step of the process, along with options for improving performance, is provided in Attachment 1.

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

The Secretariat has undertaken all necessary preparations for the twice-postponed Steering Committee meeting scheduled for July 22, 2011; disclosed the Trustee and Secretariat reports and minutes from the Fifth SC meeting on the HRF website and drafted and circulated minutes from the Sixth SC meeting; communicated the funding decisions made at the Sixth SC meeting to the Trustee and Partner Entities; followed up with Partner Entities on the preparation of full project documents; liaised with the IHRC on forthcoming project proposals for HRF financing; facilitated the processing of the International Finance Corporation as a new Partner Entity; and responded to a variety of member requests for information.

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

Since the last SC meeting, the Secretariat has:

- Finalized the design of the input tracking system in partnership with the IOM Communications Section. As part of this process, the secretariat has held consultations with all partner entities. The mechanism is now in the process of being tested for final implementation.
- Released press announcements on the April 9th financing decisions by the HRF Steering Committee and the new contributions from Thailand and Nigeria;
- Jointly with IOM developed a set of mass media products for radio broadcasting to inform Haitian citizens of key aspects of the reconstruction. These radio programs have been distributed through community radios, CDs played in tap-taps, and with the support of MINUSTAH radio and its national network. Out of a series of nine programs, five have been produced and three are currently being broadcasted.
- Prioritized an active engagement with the IHRC to develop common messages. As part of this activity, the secretariat participated in a joint IHRC-HRF seminar with government

¹ The average includes only those projects (10) which have completed all steps, i.e. funds have been transferred to the PE.

counterparts from various ministries to present the HRF grant approval process and how it aligns with the new IHRC project review process.

- Briefed the previous candidate for Prime Minister on the status of the HRF;
- Finalized and disclosed the HRF communications strategy;
- Disseminated HRF materials (reports, calendars, stickers, polo shirts, caps) to project managers within the Partner Entities for HRF visibility.
- Made in-situ presentations on the HRF to, amongst others, the ECOSOC ad hoc group, the UN Special Rapporteur for Adequate Housing, and the Harvard Kennedy School of Government.

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

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

The Secretariat drafted, circulated, revised, and finalized the first HRF Annual Report for launching on July 22nd. It worked with the Trustee to prepare the proposal for FY12 administrative budgets which has been subsequently approved by the SC. The Secretariat also worked with the IHRC's PAO and the Partner Entities to develop a standard project reporting format as requested at the Sixth Steering Committee meeting. Reports were also prepared on performance of the HRF grant approval process (Attachment 1) and the role of the HRF in overall reconstruction finance (Attachment 2). Finally, the Secretariat worked with the International Organization for Migration to finalize the Input Tracking System for public complaints and suggestions concerning HRF-financed activities.

5. **Office and travel:** In order to fulfill its responsibilities, the Secretariat is responsible for: equipping and maintaining an office; renting a vehicle and driver; financing the communications strategy; printing reports and items for Steering Committee meetings; and translating communications materials, reports and Steering Committee documents. During the period covered by this report, the HRF program manager traveled to Europe to discuss potential contributions from the European Commission and Germany, and to represent the HRF at the World Reconstruction Conference.

6. **Secretariat Administrative Budget.** The HRF Steering Committee approved an Administrative Budget of \$1,685,000 to cover the operating expenses for the Trustee and Secretariat from July 1, 2010 until June 30, 2011 (FY11). At the end of the fiscal year, the HRF Secretariat and Trustee had incurred cumulative actual expenses of \$1,639,500, \$45,500 less than the approved budget (see Table 1). The remaining funds will be returned to the Trust Fund.

Table 1: Total FY11 Approved and Actual Budget (US\$)			
	FY11 Approved Budget	FY11 Actual Budget	Remaining FY11 Budget
Secretariat	1,097,000	1,054,000	43,000
Trustee	588,000	585,500	2,500
Total	1,685,000	1,639,500	45,500

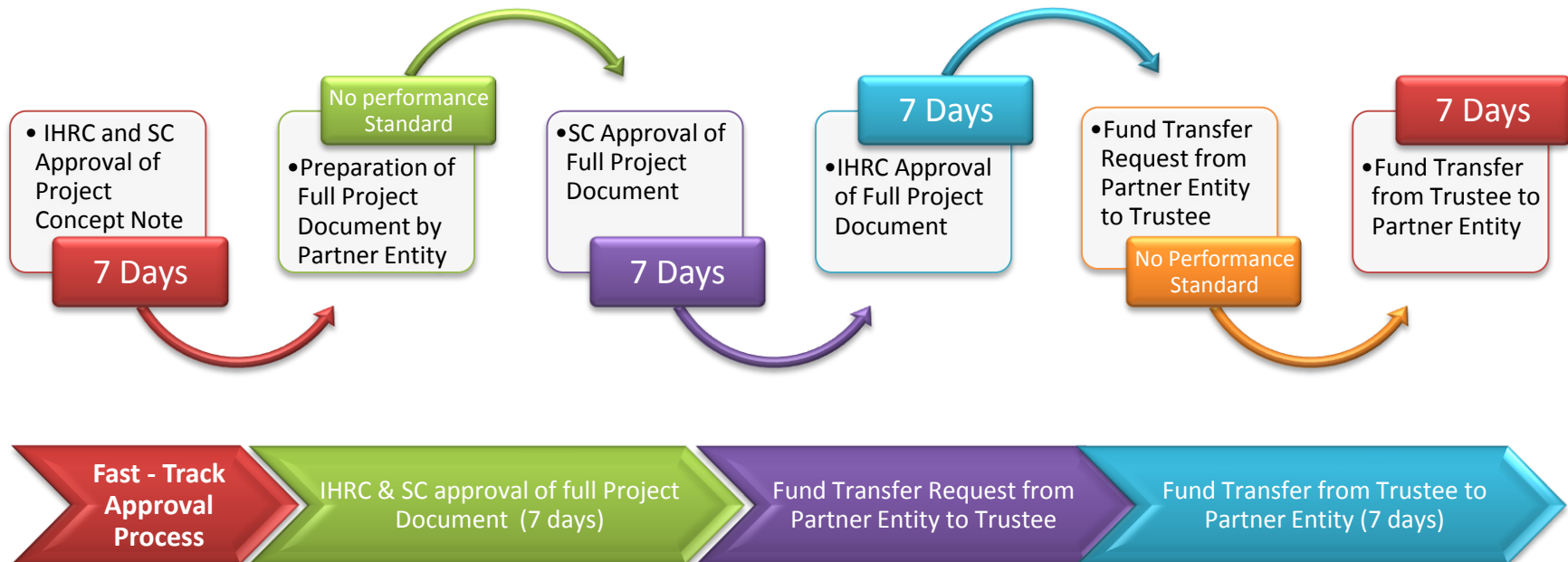
On June 16, the Steering Committee approved a proposed administrative budget for the Trustee and Secretariat of \$1,294,000 for FY12 (July 1, 2011 until June 30, 2012), representing a reduction of 23 percent compared to the total FY11 approved budget.

ATTACHMENT 1

Performance of HRF Grant Approval Process

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

Figure 1: HRF Project Processing Steps



2. Average processing time - As of July 15, the average processing time for the **IHRC and SC approval of a project concept** note is 8.6 days² (range 1 – 19 days). This is 19 percent longer than the performance standard and up from 8.1 days in mid-February. A more thorough project review process put in place by the IHRC should ensure that projects are not submitted for IHRC and HRF approval until the quality of the concept note has been vetted. Partner Entities are encouraged to immediately submit full project documents in order to cut out the concept approval stage. **Partner Entity preparation of the full project document** took on average 55 days (range 0 – 107 days). This is on average 12 days longer than in mid-February. The time required for the preparation of full project documents in part reflects the complexity of operations being financed and the time required to consult with all stakeholders involved. Although the initial emergency phase has passed, Partner Entities are encouraged to continue to apply accelerated processing procedures and to submit fully developed project documents right away instead of a concept note first. The **SC and IHRC approval of the full project document** took on average 7.9 days each with a range of 1 to 12 days and 0 to 21 days respectively. For the IHRC approval of the full project document this is an improvement of on average 1 day since mid-February and only slightly longer than the performance standard. The additional step to seek IHRC approval of the full project document could possibly be removed as this step may no longer be necessary given the thorough review of the project concept note by the IHRC prior to submission of the project to the HRF. Following the final approval of the full project document by the IHRC, the **Partner Entities** took on average 28 days (range 1 – 90 days) to **submit the fund transfer request** to the Trustee. The average time between final approval and the submission of the fund transfer request has decreased by 5 days since mid-February. The **Trustee** responded to **fund transfer** requests by transferring funds within 3.8 days on average (range 0 – 7 days), a performance 46% faster than the set standard.

3. Project processing time - Figure 2 provides an overview of the project preparation and implementation time for each project. On average, the full project preparation process took 105.6 days from receipt of a project concept note from the IHRC until the transfer of funds to the relevant Partner Entity³.

² Throughout the report days refers to calendar days.

³ The average includes only those projects (10) which have completed all steps, i.e. funds have been transferred to the PE.

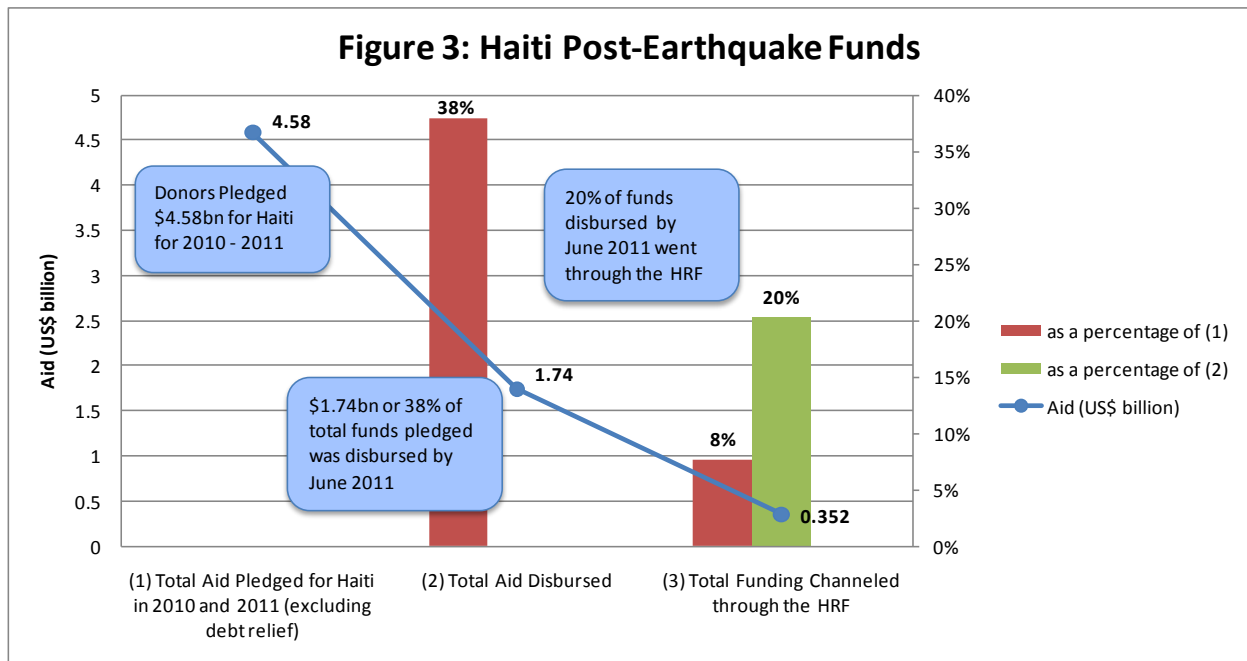
Figure 2: HRF Project Preparation and Implementation Timeline
 (Number of Days)
 Data as of July 15, 2011



ATTACHMENT 2

Role of the HRF in Overall Reconstruction Finance

1. Post-Earthquake Aid for Haiti – In March 2010, donors pledged \$4.58 billion in funds to be committed in 2010 and 2011 to rebuild Haiti⁴. Of this, as of June 2011, donors had disbursed \$1.74 billion, representing 38 percent of total funds pledged to Haiti for 2010 and 2011. Out of the 38 percent of funds that were disbursed, 20 percent was channeled through the Haiti Reconstruction Fund which, as of July 15, 2011, had received commitments totaling \$352 million.



2. Filling Sectoral Financing Gaps – The funds channeled through the Haiti Reconstruction Fund have made a significant contribution to addressing the financing needs identified by the Government of Haiti in the March 2010 Action Plan for the National Recovery and Development of Haiti. Figure 4 provides an overview of the key sectors supported by the HRF and details the total HRF and other donor contributions to the funding need identified for each sector and the remaining financing gap. Most notably, the HRF has contributed to the GOH’s 18 month budget by contributing 22 percent of needed funds for Disaster Risk Reduction and 17 percent for Reconstruction, including housing.

⁴ Funds Pledged by national governments and multilateral organizations, excluding debt relief

