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INTERNATIONAL FINANCE CORPORATION  
AND MULTILATERAL INVESTMENT GUARANTEE AGENCY**

**PERFORMANCE AND LEARNING REVIEW  
OF THE COUNTRY PARTNERSHIP STRATEGY  
FOR**

**THE REPUBLIC OF HAITI  
FOR THE PERIOD FY16-FY19**

**May 31, 2018**

**Haiti Country Management Unit  
Latin America and Caribbean Region**

**The International Finance Corporation  
Latin America and the Caribbean Region**

**The Multilateral Investment Guarantee Agency**

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The date of the last Country Partnership Strategy was September 29, 2015 (Report No. 98132)

### FISCAL YEAR

October 1 – September 30

### CURRENCY EQUIVALENTS

(Exchange rate as of May 2, 2018)

1 US Dollar = Haitian Gourde 64.2

### ABBREVIATIONS AND ACRONYMS

ASA	Advisory Services and Analytics
CAT-DDO	Catastrophe Deferred Drawdown Option
CCPC	Commune-Level Civil Protection Committees ( <i>Comités Communaux de Protection Civile</i> )
CDB	Caribbean Development Bank
CPF	Country Partnership Framework
CMAW	Creating Markets Advisory Window
CPPR	Country Portfolio Performance Review
CRW	Crisis Response Window
CSO	Civil Society Organization
CTF	Clean Technology Fund
DHS	Demographic and Health Survey
DINEPA	Water and Sanitation Utility ( <i>Direction Nationale de l'Eau Potable et de l'Assainissement</i> )
DRM	Disaster Risk Management
DSA	Debt Sustainability Analysis
EDH	Public Electricity Company ( <i>Electricité d'Haïti</i> )
FY	Fiscal Year
GBV	Gender Based Violence
GDP	Gross Domestic Product
GEF	Global Environment Fund
GNI	Gross National Income
GRM	Grievance Redress Mechanism
HRITF	Health Results Innovation Trust Fund
ICT	Information and Communication Technology
IDA	International Development Association
IDB	Inter-American Development Bank
IFC	International Finance Corporation
IHSI	Haitian National Institute of Statistics and Information ( <i>Institut Haïtien de la Statistique et de l'Information</i> )
IMF	International Monetary Fund
IPF	Investment Project Financing
MIGA	Multilateral Investment Guarantee Agency
MINUJUSTH	United Nations Mission for Justice Support in Haiti
MINUSTAH	United Nations Stabilization Mission in Haiti
MSP	Ministry of Public Health and Population ( <i>Ministère de la Santé Publique et de la Population</i> )

MTEU	Millions of Twenty Foot Equivalent Units'
NDC	National Defined Contribution
ODA	Official Development Assistance
PAHO	Pan-American Health Organization
PFM	Public Financial Management
PLR	Performance and Learning Review
PNH	Haitian National Police ( <i>Police Nationale d'Haiti</i> )
PPCR	Pilot Program for Climate Resilience
PPP	Public Private Partnership
PSW	Private Sector Window
RE	Renewable Energy
RRA	Risk and Resilience Assessment
SCD	Systematic Country Diagnostic
SMEs	Small and Medium Enterprises
SMP	Staff Monitored Program
SORT	Systematic Operations Risk Rating Tool
SREP	Scaling up Renewable Energy Program
TA	Technical Assistance
UN	United Nations
US	United States
USAID	United States Agency for International Development
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNOPS	United Nations Office for Project Services
WB	World Bank
WBG	World Bank Group
WFP	World Food Program
WSS	Water and Sanitation Services

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## I. INTRODUCTION

**1. This Performance and Learning Review (PLR) summarizes progress in the implementation of the FY16-FY19 Haiti Country Partnership Framework (CPF), discussed by the World Bank Group's (WBG) Executive Directors on September 29, 2015.** The CPF was designed to: (i) enhance inclusive growth; (ii) build human capital; (iii) strengthen resilience; and (iv) improve governance.

**2. The CPF period was marked by: (i) acute political uncertainty due to a lengthy presidential electoral process starting in October 2015 and ending in February 2017, and (ii) by the devastating impact of Hurricane Matthew, a category 4 storm that struck Haiti in October 2016, causing loss of life and damages and losses of 32 percent of GDP<sup>1</sup>.** Although the WBG's program was designed to be executed in a context of high volatility and limited capacity, implementation was slowed by these events, delaying the achievement of some results.

**3. The PLR validates the WBG's overall strategy and finds mixed progress toward the achievement of the CPF outcomes.** Anticipated results were achieved in building human capital, calling for further investment in the long-term benefits of education and health and the continuation of efforts to control cholera. However, political uncertainty delayed activities aimed at strengthening inclusive growth, enhancing economic opportunities, improving electricity access, and improving the competitiveness of ports. Significant improvements were achieved in terms of the financial inclusion of Small and Medium Enterprises (SMEs) and persons. The program also delivered substantial results in Disaster Risk Management (DRM) and strengthened resilience across sectors, though lessons from Hurricane Matthew demonstrate that a further sharpening of local level capacity for DRM is needed. Only modest improvements in transparency and accountability to underpin better governance were recorded. IFC committed US\$10 million over the period, chiefly in the garment sector. The program also contributed substantially and in several sectors to the development of new data, to support evidence-based policy making.

**4. The CPF's areas of focus and objectives remain highly relevant to Haiti's development challenges and fully aligned with the priorities of the Government of Haiti.** Proposed adjustments to the WBG's Strategy include: (i) the introduction, where relevant, of a territorial approach to investments, to foster economic opportunities outside of Port-au-Prince, and more equitable and balanced growth, in collaboration with the private sector; (ii) an increase in the targets for Human Capital outcomes and additional funding for Health and Education; and (iii) further strengthening of the program's robust approach to Resilience by increasing funding, improving targeting to high risk areas, and sharpening its focus on local capacity to prepare for and respond to disasters, as well as mainstreaming disaster risk management in other sectors. The PLR calls also for the creation of opportunities for WB/IFC collaboration in support of renewable energy, urban development, Public Private Partnerships (PPPs), and agribusiness. The PLR streamlines and simplifies the results framework based on these adjustments and on an extended CPF timeline, bringing into focus what the Program can realistically achieve.

**5. The CPF is extended to June 2021, aligning its implementation period with Haiti's political cycle (Presidential elections are scheduled for December 2020).** This extension will also allow additional time for the program to achieve some significant results, following delays in

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<sup>1</sup> Haiti – Hurricane Matthew, Crisis Response Window Paper, January 26, 2017.

program implementation caused by the political transition of 2015-2017. The CPF will cover the remaining IDA18 implementation period, and the first year of IDA19 (which will start in June 2020).

## II. MAIN CHANGES IN COUNTRY CONTEXT

### A. Political developments

**6. The first years of CPF implementation were marked by political uncertainty.** A sixteen-month electoral process for the Presidency and the very limited mandate of the Interim Government<sup>2</sup> charged with completing presidential, legislative and local elections caused political uncertainty. Limited confidence in Haiti's electoral institutions, coupled with the very lengthy process, provided ample opportunity for political speculation during the period, effectively stalling reform and sustainable policy- and decision-making and causing significant delays in the implementation of domestic and externally-financed development programs, including those of the WBG.

**7. However, the completion of elections and the seating of a new Government in February 2017, restored Haiti's electoral cycle.** With an elected President with a five-year mandate, a fully-seated Parliament, and elected mayors running Haiti's 140 communes for the first time since 2006, better conditions have emerged for the implementation of the WBG's portfolio. The return of elected officials at the head of local governments provides a new opportunity for the Government to strengthen trust and accountability with its citizens at the local level. Nevertheless, tensions between the executive and the legislature persisted during the new Government's first year in office, hampering the adoption of a heavy docket of legislation<sup>3</sup> which would foster growth.

**8. The new Government's objectives are to sustainably reduce poverty, promote economic growth, and create jobs all over Haiti's territory.** Government has articulated its program around seven priority areas, with emphasis on reform of the state; private sector investment; agriculture; energy; education; health, water and sanitation; and social programs. Like many of its predecessors, the new Government faces substantial constraints in addressing the drivers of poverty and fragility in a context of very limited resources. However, in a country where wealth and decision-making have remained highly centralized, its efforts to reach out to citizens across the country are notable.

### B. Security

**9. The 2017 departure of the United Nations (UN) stabilization force, MINUSTAH<sup>4</sup>, after more than a decade in the country, marks a new era in Haiti's security set-up.** MINUSTAH is succeeded by MINUJUSTH<sup>5</sup>, a much smaller international police force with a two-year mandate to support the Haitian National Police (PNH) and strengthen the justice system.

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<sup>2</sup> Headed by the President of the Senate, an arrangement unforeseen by the Haitian Constitution.

<sup>3</sup> Including Business environment legislation currently pending in the House and Senate.

<sup>4</sup> The United Nations Stabilization Mission in Haiti (MINUSTAH), a force present in the country from 2004 to 2017 with over 9000 men-at-arms at its peak.

<sup>5</sup> The United Nations Mission for Justice and Stability in Haiti (MINIJUSTH).

The Government has decided to begin reconstituting the Haitian Army, which was disbanded in 1995 to shore up democratic civilian rule<sup>6</sup>. It is too early to assess the impact of these changes on the overall security situation. Data gathered by the PNH over the last six months points to a significant decrease in civil unrest. Violent crime also appears to have diminished when compared with previous years, but more data will be needed to confirm this trend, once data gathering systems have been fully taken over by the PNH.<sup>7</sup> The bulk of violent crime occurs in Port-au-Prince, where gang-related violence plagues poor urban neighborhoods. While the capacity of the PNH to ensure security is developing and the justice system remains extremely weak, security issues continue to impact investor confidence and to present constraints for the implementation of the WBG's portfolio.

### C. Recent economic developments and prospects

**10. GDP growth was disappointing over 2015 to 2017 due to a drought and high political uncertainty.** GDP growth dropped to 1.2 percent in 2017 against the 2.2 percent 2014-2017 average, with virtually no growth in *per capita* income over the period. Consumption was the main driver of growth and was supported by a significant rise in remittances, which now total over 30 percent of GDP. In October 2016, Hurricane Matthew (a devastating category 4 storm) affected over 2 million people in the South of the country, causing loss of life and damages and losses equivalent to 32 percent GDP<sup>8</sup> chiefly in the Agriculture and Transport sectors. Despite donor support for reconstruction, including immediate response under existing WBG operations and US\$100M in grants from IDA's Crisis Response Window (CRW), Matthew exacerbated the country's fragility and weakened its macroeconomic outlook.

**11. Haiti's fiscal stance deteriorated over the CPF period.** Following a sharp decline in foreign aid and concessional financing through Petrocaribe<sup>9</sup>, capital spending was cut, while the state-owned electricity utility (EDH) continued to require transfers of 1.8 percent of GDP to cover its losses. Although the fiscal deficit narrowed, it was at the cost of investment, with negative impacts on growth. Central Bank monetization of the fiscal deficit and political uncertainty put pressure on the exchange rate, accelerating the depreciation of the gourde against the US dollar and pushing inflation into double digits. Haiti's external position remained stable. The current account deficit (excluding grants) narrowed slightly and gross international reserves increased to five months of imports. Following Hurricane Matthew, Haiti's risk of debt distress increased from moderate to high.<sup>10</sup>

**12. Haiti's fiscal deficit is expected to widen substantially this FY (from 1.5 to about 3.2 percent of GDP).** Public expenditure is on the rise to meet operating outlays, subsidies, public debt servicing and post-hurricane reconstruction. Resource mobilization remains a challenge with domestic tax revenue reaching only 14 percent of GDP in FY17. Foregone revenue on petroleum product prices (implicit subsidies) amounted to 1.9 percent of GDP. In addition, EDH continues

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<sup>6</sup> Starting with a small force to patrol borders and support disaster response.

<sup>7</sup> Report of the Secretary General of the United Nations to the Security Council, Mission of Justice Support to Haiti, Report S/2018/241, March 20, 2018. Data on crime and violence was previously gathered by MINUSTAH.

<sup>8</sup> Hurricane Matthew, Haiti -Crisis Response Window Paper, January 26, 2017.

<sup>9</sup> PetroCaribe is an oil alliance between Venezuela and some Caribbean Countries, allowing these countries to purchase oil on preferential terms.

<sup>10</sup> Haiti Debt Sustainability Analysis, January 16, 2017.

to drain public finances with budgetary transfers of 1.8 percent of GDP in FY17. GDP growth has been projected at a modest 1.2 percent for FY17, insufficient to generate significant changes in poverty levels.

**13. The Haitian authorities reached an agreement with the IMF in late February 2018 on a six-month Staff Monitored Program (SMP)<sup>11</sup>.** The SMP program aims at a fiscal deficit of 2.4 percent of GDP this FY (3.2 percent of GDP with an adjuster for reconstruction spending related to Hurricane Matthew). This is contingent on reforms to improve the commercial viability of EDH *and* reduce budgetary transfers, and the full operationalization of an existing automatic fuel price adjustment mechanism that reflects international oil price changes and eliminates implicit consumer fuel subsidies.

**14. Outlook.** In the medium term, economic recovery is likely to see GDP growth increase to the range of 2.0 to 2.5 percent. To achieve and sustain such growth, it will be essential: to establish a sustainable macroeconomic framework to limit uncertainty, including reducing inflation and mobilizing domestic resources; to create a business-enabling environment conducive to private sector investment and firm creation and growth; and to free up resources to finance necessary public infrastructure investments and accompanying social programs to build human capital. To revive growth in the short term, economic reforms aimed at limiting unproductive expenditures such as budgetary transfers to EDH and consumer fuel subsidies will be critical, as will taking steps to improve the environment for private sector investment. Government's efforts, including a May 2017 fuel price adjustment and the renewal of the cash management agreement between the Ministry of Finance and the Central Bank of Haiti in October 2017, will need to be sustained to contribute to a more positive macroeconomic framework. Political stability will also be key for results.

#### **D. Poverty and shared prosperity**

**15. Poverty gains accrued since the start of the millennium are likely at risk, due to a worsening macroeconomic context and repeated climatic shocks.** Between 2000 and 2012, while six out of 10 Haitians remained moderately poor, extreme poverty declined substantially from 31 to 24 percent. Extreme poverty diminished most in Port-au-Prince (from 20 to 5 percent) and in urban areas (from 21 to 12 percent) due to increases in nonagricultural labor income from an expansion in construction, telecommunication and transport, but stagnated at 38 percent in rural areas, where livelihoods that are chiefly derived from agriculture. However, with the end of post-earthquake reconstruction, increases in labor income have slowed, in an environment of rising inflation and prices for commodities and food. Drought caused agricultural growth to contract by 5.4 percent in 2015 and Hurricane Matthew halted a budding recovery of agriculture in 2017 (0.8 percent growth). Today, the livelihoods of 70 percent of agricultural workers are under threat and food insecurity is likely to have increased for rural households<sup>12</sup>.

**16. Other dimensions affecting poverty, including access to education and to an improved water source, as well as some health outcomes, have seen improvements.** Primary-age children (6-11) are in school in greater numbers than ever before (90 percent) and, 3 out of 4 Haitians have

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<sup>11</sup> The SMP runs from April-August 2018. Haiti's Extended Credit Facility (ECF) with the IMF lapsed in 2016.

<sup>12</sup> *Coordination Nationale de la Sécurité Alimentaire* (National Center for Food Security).

access to an improved water source, against 2 out of 3 in 2012<sup>13</sup>. Most pregnant women (90 percent) report attending prenatal consultations and maternal mortality has fallen from 389 maternal deaths per 100,000 live births in 2010 to 359 in 2015<sup>14</sup>, though this rate remains the highest in the Americas.

**17. However, progress is disproportionately urban and access to sanitation and adequate nutrition remain very limited overall.** Only 60 percent of the rural population has access to an improved water source against 95 percent in cities, with much of the improved water supply coming from costly bottled water unaffordable for low income households. Also, access to improved sanitation facilities remains very limited (33 percent overall and only 23 percent in rural areas) and 36 percent of the rural population practice open defecation, a critical obstacle in fighting cholera. Chronic malnutrition still affects 1 out of 5 children under five and child mortality has not decreased since 2012, with 58 deaths for 1000 live births (and one third of children in the poorest quintile)<sup>15</sup>.

**18. Addressing sharp declines in funding for basic services and improving the resilience of vulnerable populations to large covariate shocks are key to sustaining poverty and service delivery gains.** Weather related shocks cause large and recurrent damages and losses, estimated at 1.7 percent of GDP on average per year, and rapid urbanization drives growing vulnerability<sup>16</sup>. Due to a steep decline in domestic and international financing for health, significant efforts have had to be made, including by IDA, to prevent an interruption in the supply of basic vaccines and a decrease in the rate of fully vaccinated children under two. Also, poor households lack appropriately targeted social protection services and access to formal insurance schemes, increasing their vulnerability to frequent shocks and further deepening poverty, when they cope by selling productive assets, reducing consumption, or taking their children out of school. Vulnerability overall remains high, with large numbers of households vulnerable to shocks hovering just above the poverty line.

**19. Generating better poverty data is central to raising the effectiveness of domestic and international spending to reduce poverty.** The upcoming Fifth Populations Census supported by IDA will finally allow existing poverty data<sup>17</sup> to be disaggregated below the department level. Anonymized census data will be analyzed to identify vulnerability clusters (of about 200 households) and construct a poverty map, allowing for better targeting of service delivery and poverty reduction activities by Government and development partners. Together, high-frequency data and qualitative analysis will be used to generate more frequent updates on the living conditions of the poor between household surveys. With census data, the program can begin to monitor the poverty impacts of operations through innovative tools such as *Iterative Beneficiary Monitoring*.<sup>18</sup>

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<sup>13</sup> MSPP (2016), *Enquête Mortalité, Morbidité et Utilisation des Services*, DHS, EMMUS VI, 2016.

<sup>14</sup> World Bank, World Development Indicators (2017), Maternal mortality ratio (modeled estimate).

<sup>15</sup> MSPP (2016), *Enquête Mortalité, Morbidité et Utilisation des Services*, DHS, EMMUS VI, 2016.

<sup>16</sup> See Annex 9 – Country Risk Profile

<sup>17</sup> World Bank and IHSI, Haiti Poverty Assessment, 2015 (Based on 2012 Household Survey data)

<sup>18</sup> Iterative Beneficiary Monitoring allows projects to track impacts on beneficiaries by level of poverty.

### III. SUMMARY OF PROGRAM IMPLEMENTATION

#### A. Progress toward achieving CPF objectives

**20. Execution of the WBG's program was affected by political uncertainty and Matthew.** The CPF period was marked by acute political uncertainty due to a lengthy electoral process starting in October 2015 and ending in February 2017, and by the devastating impact of Hurricane Matthew, a category 4 storm that struck Haiti in October 2016. Although the program was flexibly designed to dampen the impacts of high volatility and assume limited capacity, implementation was slowed by these events, delaying the achievement of some results.

**21. Although results achieved are mixed, progress underway toward achieving the CPF's objectives is promising. Some targets will be fully met by the original CPF end date of June 30, 2019, while others can be achieved within the extended CPF period.** Of the 23 outcome indicators, 69 percent (16) have been fully achieved (chiefly in Health and Education), partially achieved (mostly in DRM and Governance), or are on track for achievement (mostly to enhance income opportunities in Tourism, Agriculture, and Connectivity). Targets for water and sanitation are lagging, and energy access targets have been revised. In an effort to sharpen the program's focus, the results framework has been streamlined to 14 indicators, which best illustrate progress under the program and remain highly relevant. Of the nine outcome indicators that have been dropped (seven under Area of Focus 1 one under Area of Focus 2 and one under Governance) many will continue to be monitored at the project or sectoral level and more than half are likely to be achieved over the extended CPF period. Key achievements and highlights of the implementation of the CPF program for each Area of Focus are discussed below. Annex 3 details the progress achieved under each objective and updates related indicators.

#### *Area of Focus 1: Inclusive Growth*

**22. Efforts to enhance Inclusive Growth have delivered mixed results.** This Area of Focus encourages inclusive growth while rebalancing economic activity and its benefits more evenly across the country. Its objectives are to contribute to: (1) *enhancing economic opportunities*, (2) *increasing access to finance*, (3) *increasing energy access and supporting renewable energy*, and (4) *increasing capacity and competition in the port sector*.

**23. Long implementation delays and persistent weak capacity hindered efforts to contribute to *enhancing economic opportunities outside Port-Au-Prince*.** Delays have particularly affected World Bank (WB) investments aimed at generating jobs in specific value chains and improving access to markets. Although global value chain analyses are being carried out, in line with the IDA18 commitment to analyze such chains and understand how they can contribute to economic transformation and job creation, investments in selected value chains have yet to return positive outcomes, with targets still at baseline values. Efforts to increase the participation of smaller firms and economic actors in the tourism sector and in support of farmers and agricultural cooperatives have started to return nascent results (almost US\$2 million in grants provided to farmers and for community event and tourism development). Some of the targets remain relevant and achievable under the CPF, albeit with significant delay. Labor standards in the garment industry have improved supported by IFC's Better Work Program, with substantial benefits for women, whose economic participation is pursued through all projects, including

through positive discrimination mechanisms<sup>19</sup>. The bulk of IDA commitments in FY17-FY18 have consolidated the approach of enhancing economic opportunities outside the capital. In addition, IFC has initiated stakeholder engagement activities around the industrial parks of *Caracol* and *Codevi*, as a first step toward an integrated approach to its investments. This approach would rely on private and public investments in social infrastructure and services such as affordable housing, clean energy, and agriculture to improve livelihoods in the northern corridor.

**24. Activities aimed at increasing Access to Finance have generated substantial results.** IFC's investments and advisory services from IFC and the WB have helped achieve positive outcomes *on access to finance* for SMEs and promote financial inclusion. A Financial Inclusion Strategy, developed with WB support, was adopted by Government in 2017 drawing on lessons from international experience. Over US\$94 million in financing (triple the original CPF target of US\$33.6 million) was extended to SMEs by IFC and more than 27 percent of Haitian adults secured access to a financial account. WB technical support to the Central Bank for the implementation of the national financial inclusion strategy and the setting up of a Credit Bureau complements these efforts. IFC support has led to the opening of Haiti's first leasing company, *Ayiti Leasing*, which provides financial services to SMEs. However, substantial additional benefits could be derived from the adoption of draft legislation to allow incentives for leasing.

**25. Renewed Government interest in developing clean energy and lagging electricity sector reforms have led to a shift in the WBG's implementation approach to increasing energy access and supporting renewable energy.** EDH continued to experience very high losses (around 2 percent of GDP per annum), and reforms to improve the company's commercial viability did not materialize. As a result, investments to expand the EDH grid could not proceed, as they would have increased losses with negative impacts on Haiti's macroeconomic performance<sup>20</sup>. The program cancelled IDA US\$25 million allocated to such investments<sup>21</sup>, while investing in the expansion of access through off-grid renewable energy, in line with the IDA18 commitment to support increasing the installed capacity of renewable energy in IDA countries<sup>22</sup>. Investments in renewable energy and the development of a market for renewable energy driven by the private sector are supported by IDA (US\$21 million in existing funds), IFC investments, and two Climate Investment Fund grants (CTF: P154351 and SREP: P156719 for US\$35 million). Targets for energy access have been revised to match the expansion achievable with renewables and the original timeline to achieve outcomes for off-grid renewable energy has been revised to account for delays in approval of CTF funds and their impact on what is achievable during the CPF period. This shift in approach to energy will cause benefits to accrue to poorer populations, who are hard to reach through the national grid, and will substantially improve the climate-friendliness of WBG energy investments and of the portfolio.

**26. Unexpected and significant construction challenges and delays have hindered progress on targets to increase capacity and competition in the Port sector,** through the Lafite private Port, and facilitate finance for the associated Economic Investment Zone. These targets

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<sup>19</sup> Such as reserving over 50% of spots for cooperatives receiving support from the project for women's cooperatives.

<sup>20</sup> The Government's reform agenda includes measures to address the commercial viability of EDH and competitiveness of IPPs.

<sup>21</sup> Resources cancelled were originally financed by the IDA 16 CRW for the PRELEN (P127203) and are being reallocated to the Improving Resilient and Disaster Risk Management Project under preparation for FY19.

<sup>22</sup> IDA18 Commitment to support the addition of five GW in renewable energy generation.

will not be met within the revised CPF implementation period. Although competition levels remain below target, improvements in port performance and capacity are expected with the restructuring of IFC's Port Lafito loan and IFC's advice to the Government on the rehabilitation of the port of Cap Haïtien.

### ***Area of Focus 2: Human Capital***

**27. This Area of Focus aims to: (1) continue supporting access to quality education, (2) increase access to health services for mothers and children, and (3) control cholera in priority communes.**

**28. Results achieved under this Area of Focus have been satisfactory.** With the objective of generating long-lasting effects on well-being and growth, the WB program invests substantially in primary education and basic health. Key investments, analytical work, and policy dialogue to *improve access to quality primary education* have helped expand access to quality education for over 240,000 children cumulatively over the period, of which 50 percent are girls. This is approximately the number of children that are thought to be out of school at any given time. Big strides have been taken to put in place a Quality Assurance System, implemented and measured at the school level, which are building blocks to improve the quality of education and to begin measuring learning outcomes. Analytical work has focused on filling knowledge gaps pertaining to gender roles and gender perceptions in curricula, safe schools, and sector governance. Targets will be increased to account for additional implementation period of the CPF as well as additional investment in the sector and indicators will be revised to capture and report on the quality aspect of the learning.

**29. Outcomes have also been achieved in increasing health services for mothers and children.** Results Based Financing has proven effective in four Departments<sup>23</sup> where the share of pregnant women receiving prenatal care rose from 25 percent to 31 percent and the percentage of fully vaccinated children under five from 41 percent to 50 percent between 2015 and 2017<sup>24</sup>. Flexible design allowed the Improving Maternal and Child Health Project (P123706) to finance the reestablishment of the medical cold chain for the entire southern region in the wake of Hurricane Matthew, as well as the purchase, for two Haitian fiscal years, of basic vaccines required to fully immunize Haiti's entire population of 437,000 children under two years old. Sharpening the strategy's focus on reducing maternal mortality, targets for the remainder of the CPF will be revised to track births in health facilities in a larger geographical area, including southern departments struck by Hurricane Matthew.

**30. Cholera is being controlled.** The epidemic is at its lowest point since its inception in October 2010. Efforts on water and sanitation have expanded access to improved and safer water sources for over 218,000 people, helped curb cholera incidence and maintain the case-fatality-ratio for hospitalized cholera cases below one percent. The number of suspected cases has dropped below 100 in 2018, against 1500 recorded after Hurricane Matthew in October 2016, making the end-2018 targets for incidence (1 case per 1000) and for new infections (10,000 cases or less) set by the Medium-Term Cholera Elimination Plan achievable. However, these gains may be at risk

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<sup>23</sup> Northeast, Northwest, South and Center departments.

<sup>24</sup> Haiti, Health Management Information System (HMIS), *Système d'Information Sanitaire National Unique d'Haïti* (ISNUH).

unless solid progress is achieved on improving sanitation. Substantial support is also provided by IDA (US\$70M) to improve long-term sustainable access to potable water and improved sanitation, a critical basic service for human capital development and productivity overall, which also remains the only avenue to durably eliminate the threat of cholera resurgences.

### ***Area of Focus 3: Resilience***

**31. This Area of Focus aims to: (1) *strengthen natural disaster preparedness, and (2) improve disaster prevention and strengthen climate resilience.***

**32. Progress under this Area of Focus has been on track.** *The early warning and disaster preparedness capacity of the Government (local and central) has been considerably strengthened, with over 77 percent (more than 8 million people) covered by a certified “level 2” or higher local civil protection committee. The Government’s approach has shifted from installing emergency radio systems in all departments (4 of 10 radio systems planned under the CPF were installed) to installing emergency radio capacity along the coast. Together the two systems currently cover 80 percent of Haiti’s population, with a target of 100 percent under this CPF. Substantial results were achieved in *strengthening climate resilience* through investments and technical support. The program reacted flexibly and restored access of over 2 million people to all-weather roads following Hurricane Matthew and reduced risk in the transport sector by retrofitting critical infrastructure, such as bridges and roads. Knowledge and tools to better understand risks and vulnerability, apprehend and prevent disaster risk, and increase early warning capacity and response were developed such as: high-resolution digital elevation models, flood models, the first Atlas of multi-hazard maps, and data to track population movements. The program trained 15,000 masons in para-seismic and para-cyclonic construction and strengthened the capacity of the National Geo-Spatial Institute<sup>25</sup>. These tools are shared on an open access platform. To underpin future prevention, a comprehensive Urbanization Review identified and widely disseminated key risks and opportunities of rapid urbanization, as well as policies and actions for the sustainable and inclusive development of Haitian Cities.*

### ***Cross-Cutting Theme: Governance – Transparency, Accountability, Sustainability***

**33. Activities under the Governance theme aim to: (1) improve transparency and accountability in Public Financial Management (PFM), and (2) improve capacity for sustainable basic service delivery.**

**34. Progress under this cross-cutting theme has been modest.** *Improvements in transparency and accountability in PFM remain critical to strengthening Haiti’s macroeconomic performance, encouraging private sector investment, and maximizing the impact of public spending on growth. Technical advisory work has helped implement a Single Treasury Account (replacing 240 Central Bank accounts by 15 accounts centrally managed by the Treasury) and support the publication of Haiti’s fiscal data in 2017, a first for countries in the Caribbean. However, despite longstanding investments and technical assistance, the lack of an integrated management system does not allow Government to account for its financial operations from allocation to payment and to systematically provide information on public investment expenditure. Government spending is only partially captured in audited Government accounts. Progress toward*

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<sup>25</sup> Centre National de l’Information Géospatiale (CNIGS).

the objective of *Improving Capacity for Sustainable Basic Service Delivery* was uneven across sectors, a risk foreseen by the CPF, and broad outcomes were not achieved<sup>26</sup>. Setbacks were experienced in implementing a private school accreditation system during early CPF implementation, but substantial progress has recently been made by the Government toward developing a national Quality Assurance System for all schools. A Study of Health Financing (2017) made key recommendations to improve health service delivery and sustain outcomes. However, domestic financing for health has been further reduced and policies leading to high inefficiency (such as the building of too many hospitals) remain<sup>27</sup>.

**35. Elevated levels of political volatility and weather shocks, combined with a rise in food and oil prices, generated an environment unfavorable to reform.** Intensive policy dialogue resulted in a one-time significant adjustment of fuel prices in May 2017 under the newly elected Government. However, lack of progress on energy sector reform over the period and its impact on Haiti's macroeconomic situation has hampered the delivery of planned budget support. Nonetheless, the context for budget support could improve once Government's commitment materializes to raise EDH billing and collection rates and introduce competition in the renewal of electricity generation contracts, as agreed under the IMF SMP, and once the macroeconomic framework is deemed adequate.

## Gender

**36. The CPF's approach of mainstreaming gender considerations and activities in WBG programs has begun to yield outcomes.** All projects approved or restructured over the period incorporate the specific needs of women and track gender related progress. For example, key interventions have expanded access to: (i) quality education for over 120,000 girls; (ii) electricity services for over 80,000 women; (iii) prenatal care to over 20,000 women (or one third of pregnant women in the selected departments); and (iv) clean water after Hurricane Matthew for over 135,000 women<sup>28</sup>. Activities to improve economic opportunities and outcomes for women and girls and their participation in private sector activities are also embedded in several projects as are activities to improve access to services through a new or improved road network<sup>29</sup>. Several projects proactively focus on women's inclusion, including through positive discrimination and the building of financial literacy and food security education<sup>30</sup>. In addition, Canada and IDA together have focused sharply on gender under the Education Project PEQH (P155191), which supports boys and girls clubs, builds gender informed infrastructure, and promotes gender equality in teacher training.

**37. New initiatives under the CPF program will combat Gender Based Violence (GBV) in line with the recent Global GBV Task Force Report.** For instance, contractual obligations are being introduced which require contractors to establish and enforce sexual harassment policies and Codes of Conducts for workers under several projects. In the transport sector, new operations will build capacity to prevent, respond to and monitor Sexual Exploitation and Abuse (SEA), map

<sup>26</sup> The World Bank, *Haiti Country Partnership Framework FY2016-FY2019*, September 2015, p 40.

<sup>27</sup> The World Bank, *Republic of Haiti -Better Spending, Better Care – A look at Health Financing*, March 2017.

<sup>28</sup> Under the following projects: (i) EPT II-P124134, PEQH-P155191; (ii) PRELEN-P127203, (iii) PASSMISSI-P123706, and (iv) SWSP-P148970,

<sup>29</sup> RESEPAG II-P126744; BDI-P123974, PRGRD – P126346

<sup>30</sup> RARP-P163490; RESEPAG II- P126744.

services for SEA survivors and enhance the project's Grievance Redress Mechanism (GRM) to facilitate reporting of SEA.

### **Climate Change and Climate Co-Benefits**

**38. Haiti is the third country hardest hit by climatic events in the world<sup>31</sup>.** As a party to the Paris Climate Change Agreement, Haiti has committed to reduce its emissions by 31 percent (5 percent unconditional and 26 percent conditional) with a National Defined Contribution (NDC) action plan of US\$25 billion (8 for mitigation, 17 for adaptation) despite being an extremely low emitter at country and per capita level. Haiti faces heavy adaptation challenges considering its elevated level of exposure to climate change impacts. WBG portfolio reflects this vulnerability by investing substantially in resilience across sectors and in DRM, with US\$67 million aimed specifically at improving climate resilience (from CTF, SREP, PPCR, and GEF). Fifty percent of the WB's Haiti portfolio will generate climate co-benefits in FY18. This is an increase of 4 percent compared to FY17 and an increase of 35 percent compared to the average of FY14-16 (15 percent). The WBG program invests in many key elements of Haiti's NDC plan, which calls for an increase in renewable energy to 47 percent of the energy mix and forest and biodiversity preservation (9 MW and biodiversity fund planned under SREP and CTF), risk reduction strategies (under several IDA projects), resilient infrastructure (IDA financed transport and DRM infrastructure), and flood mitigation investments (US\$45 million in Cap-Haïtien) and resilient agricultural practices and integrated watershed management (US\$15 million in Nippes), increased access to water and sanitation (US\$70 million nationwide), and increased investments in health centers (US\$90 million nationwide).

### **Knowledge Program**

**39. Knowledge products and activities play a vital role in achieving CPF objectives and underpin most investments, in the form of just-in time advice, studies, and capacity building.** Three major analytical pieces were delivered: *A Public Expenditure Review, a Health Financing Review, and Urbanization Review (including Urban Mobility)*. Other analytical products informed sectoral reforms and strategies for instance, *School mapping, Strengthening Sector Management for Sustainable, Quality Education for All in Haiti; Health center sample assessment; Resilient Productive Planning Methods; and Budget Transparency Support*. Support to the *Census* and the development of a *social registry*, as well as *analyses of public sector programs*, are key building blocks toward understanding vulnerability and future WB support for social service delivery. *High frequency data and qualitative analysis*, including *studies on the intersection between services (WASH) and poverty*, provide updates on poverty in the absence of large survey data. IDA supports the development of a social registry, a necessary tool for the targeting of social programs to the most vulnerable. Robust data has been developed, promoted understanding of multi-hazard risks, and shared through an open data platform (*Haitidata.com*), which provides tools for the Government, development partners, and the private sector to analyze localized flood, seismic, and hurricane risks for their projects, among others.

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<sup>31</sup> The World Bank, *Haiti - Country Disaster Risk Profile*, updated 2017; [http://www.inform-index.org/Portals/0/Inform/2018/country\\_profiles/HTI.pdf](http://www.inform-index.org/Portals/0/Inform/2018/country_profiles/HTI.pdf)

## Portfolio Performance and Issues

**40. The WBG provided substantially higher levels of financing to Haiti over the last three fiscal years than originally planned under the CPF** (US\$236<sup>32</sup> million in grants, against the US\$81 million planned), despite a hiatus in new commitments under the interim Government. Eleven grants (4 new investment grants, 5 additional financing grants, and 2 trust-funded projects) were approved. Commitment growth is due chiefly to US\$100 million provided by the CRW to respond to Matthew and to Trust Fund mobilization, and is expected to continue given the steep increase in Haiti's notional IDA allocation, which more than doubled under IDA18<sup>33</sup>. IDA funding is currently provided to Haiti in the form of all grants, due to the country's high risk of debt distress<sup>34</sup>. Over the same period, IFC's committed investment portfolio increased to US\$123.6 million, including US\$54 million in mobilization from third parties.

**41. Despite a substantial increase in funding, the number of projects in the portfolio remained stable.** CRW financing built on existing IDA operations in the form of additional financing. Efforts to consolidate the portfolio will continue in a context of larger IDA allocations. The WB's active portfolio comprises 17 projects, including 14 investment grants and 3 trust-funded grants, for US\$811.47 million in commitments, of which US\$406.67 (50 percent) are undisbursed<sup>35</sup>, with average project size rising. Despite a slowdown in implementation speed, the disbursement ratio has improved, rising from 16.2 percent in FY16 to 17.55 percent in FY17, and is expected to remain in the same range for FY18.

**42. All projects in the WB portfolio are rated moderately satisfactory or better towards meeting their development objectives.** However, implementation progress is rated moderately unsatisfactory for 4 projects, and 66.13 percent (US\$552.80 million) of commitments are considered at risk, due chiefly to the challenging country environment and weak country record (two ratings applied to all projects in the portfolio regardless of performance). Delays stem chiefly from two challenges: (i) slow decision making by Government entities, whose appropriation of projects is hampered by high turnover; and (ii) stringent capacity limitations and heavy Government processes resulting in frequent delays, including long effectiveness delays, poor adherence to timelines for financial management actions, and slow procurement processing. Investment projects take six years on average to implement, leading frequent extensions of five-year projects.

**43. The strategy to improve the performance of the WBG portfolio includes:** (i) for project preparation: increasing selectivity, intensifying the dialogue with the client, ensuring simplicity of design (particularly for institutional arrangements) and, *where appropriate, making use of supplemental capacity to deliver* (international agencies, private sector, contract management support, international fund managers), improving project readiness, and setting a realistic timeline for project implementation in Haiti at 6 years. For project implementation: increasing face time with the client through country-based task team leaders (in line with the IDA18 commitment to increase face-time in fragile countries), strengthening institutional capacity, including embedding tailored TA component (or subcomponent) in projects, intensive and targeted fiduciary and

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<sup>32</sup> As of end April 2018.

<sup>33</sup> See Annex 5 for IDA Commitments and Tentative Pipeline.

<sup>34</sup> Haiti Debt Sustainability Analysis, January 16, 2017. Grant eligibility is assessed annually based on an updated DSA.

<sup>35</sup> As of end April 2018.

safeguards' training for implementing entities, avoiding extensions of closing dates, intensifying scrutiny on portfolio performance with monthly Haiti Management Team reviews and quarterly light Country Portfolio Performance Reviews (CPPRs) with the Government, to lift bottlenecks and improve results.

**44. Despite political uncertainty (2016-17) and decreased private sector confidence, IFC has financed and provided advisory services to a few private sector clients in the priority sectors.** IFC committed US\$8 million (including US\$ 4 million mobilization) in FY16 and US\$2 million in FY17 in the garment sector, generating over 5,000 jobs in support of Government employment objectives. Loan prepayments and cancelations amounted to US\$28 million for the same year due to superior performance of investee companies. IFC investment and advisory teams welcomed the launch of the IDA Private Sector Window (PSW) in FY18, allowing them to explore riskier transactions and provide local currency financing in Haiti. Two projects in the financial services and beverage industries totaling US\$14 million are currently being processed. A trade line of US\$10 million to support one of the local banks' issuance of letters of credit to its existing and new market segments is also under consideration. One of these projects will allow the expansion of credit specifically to SMEs. As of March 19, 2018, IFC's portfolio comprised 8 projects with an initial commitment of US\$123.6 million (including US\$54 million mobilization). Aside from one problem loan which is being restructured, portfolio performance remains solid. IFC's advisory services have been effective over the CPF period with strong results (i.e., credit bureau, groundwork for the rehabilitation of the Cap Haïtien port, and launch of Ayiti Leasing which will lead to follow-up investments). Under the recently launched Creating Markets Advisory Window (CMAW) in July 2017 under IDA18, additional advisory programs have been approved in IFC priority sectors including solar energy, agribusiness, capital markets, SME value chain and construction.

**45. MIGA does not currently have any exposure in Haiti.** However, in coordination with IDA and IFC, MIGA continues to seek opportunities through the IDA18 IFC-MIGA PSW to support private sector investments in areas where the need to mobilize significant foreign investment may be particularly high, such as the infrastructure and energy sectors.

## **B. Evolution of Partnership and Leveraging**

**46. The WBG has expanded its technical and financial cooperation with Haiti's key development partners during the CPF period.** These partnerships have allowed the WBG to successfully leverage financing, coordinate action, and maximize comparative advantage in key sectors. For instance, parallel financing partnerships have allowed: (i) the financing by the WB, Canada, USAID, and the IDB of the Fifth General Population and Housing Census (the first census in 13 years); (ii) the expansion of water and sanitation coverage in Haiti with IDB (IDB covers urban water supply while the WB focuses on small towns and rural areas); (iii) the enhancement of health service delivery and rapid response mechanisms for cholera in collaboration with UNICEF, PAHO, USAID, and *Agence Française de Développement* (AFD); (iv) the expansion of access to quality education with IDB (IDB builds the bulk of new schools while the WB focuses on improving access and quality) and school feeding with Canada, the Caribbean Development Bank (CDB) and the World Food Program (WFP); and (v) Regular and joint monitoring of progress of the Government's public financial management plan by eight development partners since late 2017.

**47. Co-financing partnerships and trust-funds have extended the reach of WBG in Haiti in key sectors.** Around US\$100 million in co-financing have been integral to advance the Bank’s programs on health, education, agriculture, resilience, and flood mitigation and deepen joint action on these priority programs. Similarly, trust funds have supported the preparation and implementation of key programs, in an environment of limited international resources, and are fully supporting the Bank’s shifting strategy on renewable energy in Haiti.

**48. Dialogue with a variety of stakeholders and civil society actors has allowed a deeper understanding of country development issues and helped tackle governance challenges within projects.** WBG engagement with stakeholder groups has yielded valuable inputs, for instance to understand health financing challenges and the impact of Haiti’s rapid urbanization. Through the BOOST ASA activity and the Census and Education projects, engagement with non-state actors have helped address governance issues and strengthen demand-side approach for better fiscal reporting and greater accountability. For the remainder of the CPF implementation period the program aims to study and test new entry points at the level of municipalities to strengthen service delivery by local governments with the participation of communities, improve their resilience by championing a “human behavior based” approach, and better understand the opportunities that exist to channel WBG financing and to promote good governance at the local level.

#### **IV. EMERGING LESSONS**

**49. Hurricane Matthew generated lessons regarding disaster prevention and response.** The loss of life resulting from people’s refusal to leave their homes or their inability to find safety demonstrated: (i) the lack of designated safe havens to protect people during emergencies (as distinct from shelters to house people after emergencies); and (ii) the need to increase the effectiveness of local civil protection committees in helping people to safety in high-risk areas. Also, as future disasters like Matthew are likely<sup>36</sup>, significantly increasing the resilience of agriculture is urgent. This would require the broader adoption of resilient practices and crop varieties, and to minimize flood, erosion, and other risks in high-risk watersheds. The Hurricane underlined Haiti’s limited access to own resources in the wake of disasters<sup>37</sup>. It is therefore critical to continue to include emergency components (CERCs) in investment projects (a common practice in the portfolio). The activation of these components in three of four heavily affected sectors allowed the WB to respond immediately, to save the winter crop where possible, repair water systems and health centers in the presence of high cholera risk, restore the cold chain for medicines in affected departments, and restore connectivity between two million people in the affected region and the rest of the country by replacing a bridge washed away by the disaster.

**50. International experience points to local governments as a key entry point to strengthen the social contract at the local level, including in fragile environments.** In other countries, local governments have successfully hired community members, including youth and women, to implement demand-driven local development projects financed by IDA<sup>38</sup>. This approach has allowed mayors with very limited resources to build trust with their community,

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<sup>36</sup> Matthew destroyed over 80% of crops in some affected areas.

<sup>37</sup> Budget resources and payouts to Haiti by the Caribbean Catastrophe Risk Insurance Facility remain limited

<sup>38</sup> For instance, Central African Republic, the LONDO Project (P152512). Extensive experience with conditional cash transfers through local governments exists in other countries (including West Bank and Gaza, Uganda, Macedonia and Liberia).

while injecting cash into their local economy, delivering infrastructure and services, and developing their own capacity to manage projects prioritized by their constituents. Such approaches could usefully be explored with newly elected mayors and local councils in Haiti based on further analytical work.

**51. Efforts at improving governance through systemwide reform have generated incremental results and limited impacts.** Drawing on international experience, new entry points are needed to address governance and government effectiveness challenges, while continuing to press for key reforms. Data and knowledge development including sector level governance analysis (as being carried out in Education), just-in-time advice on governance challenges, and citizens' engagement, are being developed as entry points to improve governance.

**52. The program should privilege simple project design and streamlined implementation arrangements, which fully engage the relevant institutional counterparts in the Government of Haiti.** Projects requiring decision-making involving Haitian institutions across sectors have experienced the longest delays and most salient bottlenecks in decision-making.

**53. Government contracting of private sector parties and of other institutions with execution capacity has achieved concrete results,** particularly where activities require many retail transactions. For instance, Government has contracted UNOPS to carry out cash for work and UNFPA to provide support to the Haitian Statistical Institute (IHSI) to carry out the Census. Similarly, the WBG program is strengthening its delivery through the private sector. For instance, to develop the market for and expand renewable energy supply, with complementary funding to private and public-sector entities from IFC, IDA, SREP and CTF.

**54. Strong Government commitment is essential to expand the role of the private sector and attract private investment.** Greater mobilization of private investment and the long-term encouragement of stakeholders, including by IFC and MIGA, would be facilitated by the sharpening and strengthening of Government's private sector agenda and dialogue and require continued improvement in the business environment, including through policy reform. Continued positive signals from Government such as commitment to improvements in judicial system and efforts to fight corruption will be critical to underpin private sector-driven growth. IFC will continue to support targeted reforms and regulatory agenda that could contribute to improved private sector investments.

## V. ADJUSTMENTS TO COUNTRY PARTNERSHIP STRATEGY

**55. The CPF remains a strong framework for partnership with the new Government.** Its areas of focus remain highly relevant to achieving poverty reduction and promoting inclusive growth in the country. The Program, together with planned WBG financing, aims to achieve objectives which remain critical to improving Haiti's development outcomes. However, the PLR also aims to begin consolidating the large and wide-ranging portfolio inherited from post-earthquake reconstruction. In an effort at consolidation, the results framework has been simplified and streamlined, particularly for area of focus 1. For the remainder of the CPF period, the Program will direct new IDA18 financing and efforts to areas of focus 2 and 3, where better results have been achieved. Beyond the IDA18 period (in FY21), additional projects would be chosen to best meet evolving needs and situation in Haiti, and contribute to CPF results.

**56. It is proposed that the CPF period be extended from June 2019 to June 2021 to align the CPF with the Haitian political cycle.** Extending the period of the CPF will allow more time for the program to achieve some significant results, given the slow start to CPF implementation after a protracted election process.

**57. Further analysis is needed to better understand fragility, conflict and violence risk and to identify effective operational mechanisms to address these risks.** Building on the conclusions of the 2015 Haiti Systematic Country Diagnostic (SCD), the CPF rests on a solid analysis of the characteristics of inequality and of economic power distribution in the country. However, the program would benefit from further analysis of the drivers and potential triggers of fragility, conflict, and violence under current circumstances and of available resilience factors to cope with fragility risk. A Fragility Assessment/Risk and Resilience Assessment (FA/RRA) will be conducted. It will focus on specific drivers of fragility relevant to the WBG Program, include operational recommendations, and feed into the next SCD. In addition, an assessment of municipal leadership models and social networks will be undertaken to inform the design of local development investments. The above analyses are scheduled to be completed during the remaining CPF period.

**58. Area of Focus 1: Inclusive Growth -** Building on the dynamism witnessed in and around some of Haiti's secondary cities, where a critical mass of economic activity is beginning to emerge, the strategy will, where relevant and useful, promote an integrated territorial approach. For instance, by identifying and actively exploiting synergies between respective WBG investments, and between the activities of the WBG and those of other partners in the larger agglomeration around Cap Haïtien. The synergies between these investments will benefit a region that already possesses a unique cultural heritage with the potential for growth around tourism. Further financing to support the urban renewal of Cap Haïtien is being considered at the Government's request. Substantial and coordinated investments in the same region, including by other partners, are expected to generate more substantial benefits collectively within a given space. In addition to the impact on the population, this approach could also increase the efficiency of implementation. This proposed territorial approach will be progressive and could apply to other regions as appropriate, for instance in the broader northern corridor around IFC investments. The maturing of this approach over the remaining CPF period may allow for some measure of regional growth, employment, or service delivery in the next CPF.

**59. CPF implementation points to the need to create rather than seek opportunities for WB/IFC collaboration to add more value to public and private sector clients.** A joint WB/IFC roadmap has been developed to: (i) *deepen collaboration on renewable energy*, to simultaneously address the need for private sector financing and for improved regulation of RE investments; (ii) *assess urban challenges* around IFC investments in secondary cities; (iii) *identify possible PPPs between municipalities and private operators* to deliver water and solid waste services and potentially health services; (iv) explore the use of the IDA18 IFC-MIGA PSW to support Agribusiness and SMEs, consider Capital Markets development, and explore affordable housing. MIGA would look to support this road map through both its traditional political risk insurance guarantees as well as through the IDA18 IFC-MIGA PSW as private sector demand materializes. Concrete steps to advance this agenda have been identified and progress will be tracked jointly by IDA, IFC and MIGA. This stronger internal collaboration combined with a strengthened external collaboration with the Government will contribute to support both public and private sector investments. This WBG initiative is consistent with a December 2017 CPPR, conducted jointly

with IDB, which recommended broadening the range of implementation models, including by expanding the role of the private sector and other actors in delivering program results. Engagement with the diaspora will also be explored.

**60. Area of Focus 2: Investments in Human Capital will be stepped up with a focus on quality and efficiency in the use of scarce resources.** In a context of declining overall financial resources (ODA and domestic), new IDA financing for health (estimated US\$40 million, which may leverage funding from the Global Financing Facility) will build on the Health Financing Report of 2017 and focus on improving the organization of the health sector and the efficiency of service delivery system. Planned financing for education (estimated US\$30 million), which will leverage financing from Canada and CDB, will deepen IDA's focus on quality and learning conditions. The Program will continue to generate basic sector data wherever possible. To prepare the ground for future investment in social protection activities in Haiti, WB support will continue to help put in place minimum conditions for the effectiveness and good governance of social protection programs, by identifying vulnerability clusters with census data and continuing to build a social protection registry.

**61. Area of Focus 3: The Strategy will strengthen its already robust approach to Resilience.** Lessons from Hurricane Matthew point to the need to increase and sharpen support for strengthening resilience, disaster preparedness, and response. Building on lessons from long-term engagement in the sector, IDA18 supports three new operations to strengthen Resilience in: Disaster Risk Management (DRM and Resilience Project, estimated US\$35 million), Agriculture (Resilient Productive Landscapes Project, US\$15 million) and Transport (Rural Connectivity and Resilience Project, US\$75 million). These operations will target activities more sharply to high-risk areas and aim to develop more effective mechanisms to improve resilience and reduce risk at the local level. This will be achieved by focusing on practical and effective local response capacity in high-risk coastal and flood prone areas, where populations are most vulnerable, including by better understanding social capital building opportunities in these communities, while continuing to build national institutional capacity to respond. New indicators for the development of local DRM plans and the improvement of resilience in key sectors have been introduced. The Program will continue and amplify its investments in improving resilience through new investments (all weather roads) and existing programs (safe schools and clinics, schools as shelters, basic service continuity, resilient agriculture, and urban planning/flood mitigation). New IDA18 instruments such as the IDA Catastrophe Deferred Draw Down Option (CAT-DDO) can also be explored, as appropriate, to round out Haiti's toolkit to build resilience.

**62. Governance. The program will continue to pursue key reforms in the energy sector, particularly the raising of the billing and collection rates of EDH and transparency and accountability in public finance.** The former will be achieved through policy dialogue and, as appropriate, budget support, and the latter by putting in place an integrated financial management information system (IFMIS) to enhance transparency and limit discretionary use of funds. External and internal control institutions will be strengthened and enabled to better use newly available financial data and reports to discharge their oversight responsibilities. The IFMIS is supported by IDA for US\$15 million. The Program will also explore sectoral entry points for improved governance, some of which are already the subject of sustained policy dialogue (in energy, health, and education for instance). Engagement with local governments will provide new opportunities

to study and support local social capital building to underpin increased transparency and accountability.

**63. In addition to the above-mentioned changes, the results framework has been revised.** Adjustments have been introduced drawing from lessons learned on implementation pace and reflecting the introduction of recent programs and the extension of the CPF period. Table 1 summarizes the changes introduced. Annex 3 provides the full picture of the changes to the CPF results framework

**Table 1. Summary of main changes to the CPF Results Framework**

<b>Focus Areas, Objectives, and Indicators</b>				
	<b>Unchanged</b>	<b>Dropped</b>	<b>Revised (definition and/or target date/value)</b>	<b>New</b>
Focus Areas	4	0	0	0
Objectives	5	1	5	0
Indicators	1	9	6	7

## **VI. RISKS TO CPF PROGRAM**

**64. The overall risk to the achievement of the CPF program remains substantial as assessed using the Systematic Operations Risk-Rating Tool (SORT, see Table 2 below).** Two of the risks identified are rated High while five are rated Substantial. Except for the Political and Governance risk, which has slightly receded, and the Macroeconomic risk, which has increased, the assessment for all the other risks remain consistent with the analysis at the launch of the CPF. The mitigation measures identified also remain relevant.

**Table 2. Risks to the Haiti CPF Program**

<b>Risk Categories</b>	<b>Rating</b>
1. Political and governance	Substantial
2. Macroeconomic	High
3. Sector strategies and policies	Substantial
4. Technical design of program	Moderate
5. Institutional capacity for implementation and sustainability	High
6. Fiduciary	Substantial
7. Environmental and social	Substantial
8. Stakeholders	Moderate
9. Other (High vulnerability to natural disasters)	Substantial
<b>Overall</b>	<b>Substantial</b>

**65. Political and governance risks have somewhat receded but remain substantial.** Haiti's electoral process is back on cycle and the new Government's stated priorities are aligned with the CPF program. The Government's ownership for the program is strong. Despite these positive developments, chronic fragility characterized by socio-political volatility and weak governance

and institutional capacity continue to constrain the Government's effectiveness and may result in adverse effects on the implementation of the CPF program. The planned Risk and Resilience Assessment (RRA) will contribute with specific operational recommendations, address key drivers and triggers of fragility in Haiti and outline resilience factors to cope with such risks. These could include urban-social divide issues for instance. Political and governance risks will also be mitigated by deepening sectoral engagement with counterparts and maintaining intensive focus on implementation of the CPF program. Building on the experience of rapid response (in the face of recurrent natural disasters) the WBG will make necessary adjustments to the CPF program in response to the changing environment, thanks to the flexible designs embedded in the program. Nonetheless, residual risk to the CPF program remains.

**66. Despite longstanding investments and technical assistance, weak governance, transparency, and accountability persist and threaten reform and investment under the program.** To manage these risks, the WBG will continue to promote demand for good governance, public financial management and transparency. The program will also engage with new stakeholders, including newly elected local officials and other non-state actors, through financing and technical assistance. However, some residual risk cannot be mitigated.

**67. Macroeconomic stability and sustainability risks have increased, as macroeconomic performance has deteriorated.** The sharp decline in Official Development Assistance (ODA) falling from 19 percent to 3.8 percent between FY11 and FY17 and the interruption of support from PetroCaribe, are compounded by low domestic resource mobilization (14 percent of GDP), low growth (1.2 percent in FY17), and a widening of the fiscal deficit (3.2 percent of GDP projected for this year), putting pressure on public investment and on the fiscal balance. Risks will increase if domestic funding cannot be mobilized to offset ODA decline. Macroeconomic risks will be mitigated by the implementation of the SMP for improved fiscal balance, especially by stemming losses and reducing transfers to EDH. Residual risk remains that Development Policy Financing may not materialize, if the macroeconomic environment is not adequate or a sound matrix of actions cannot be agreed with the Government. In this case, resources would be reallocated to IPFs with tangible benefits for the population, particularly the most vulnerable and the poor.

**68. Institutional capacity for implementation and sustainability risks remain high.** Institutional capacity remains a key weakness in the face of chronic fragility, political instability, and a frequent turnover of senior civil servants. Poor technical and project management continue to hinder the implementation of the program. This risk is partially mitigated by simplified project design, streamlined implementation arrangements, and the embedding of capacity building in project design. Substantial efforts will be deployed to strengthen institutional capacity, including intensive implementation support, the in-country management of operations, as well as intensive and targeted training on project management, procurement and financial management, monitoring and evaluation, and safeguards for implementing entities. The WBG will also step up its efforts to enhance communication and awareness at the highest level of supervision and control issues. Given the persistent weak capacity, fiduciary, environmental and social risks remain substantial.

**69. Recurrent extreme weather events and the high vulnerability of Haiti to natural disasters continue to affect the implementation of the program.** Over the last decade, recurrent catastrophic events have resulted in loss of life and damaged livelihoods. Disasters also destroyed services, washed out infrastructure, and severely impacted Haiti's economy: 15 percent loss of

GDP from Hurricane Fay and Tropical Storms Gustav, Hannah, and Ike (2008), 120 percent loss of GDP from the 2010 earthquake, and 32 percent loss of GDP following Hurricane Matthew in 2016. The proposed WBG program helps mitigate these risks through technical assistance and financing to strengthen disaster risk prevention and management and to build resilience (in agriculture for instance), limit the fiscal impact of disasters, and explore risk hedging instruments. The WBG program continues to embed flexibility in projects by addressing emergencies through contingency financing components.

**ANNEX 1: REPUBLIC OF HAITI UPDATED CPF RESULTS FRAMEWORK (FY16-FY21)**

CPF Objectives and Indicators	Indicative Milestone	WBG Program
<b>Focus Area 1: Increasing Inclusive Growth</b>		
<p><b>Objective 1: Contribute to Enhancing Economic Opportunities (<i>Reformulated</i>)</b></p> <p><b>Indicator 1.1:</b> Share of rural population with access to an all-weather road in the Center Artibonite loop (<i>existing</i>)  <i>Baseline:</i> 39% (2015)  <i>Actual:</i> 39% (2018)  <i>Target:</i> 51% (2021)</p> <p><b>Indicator 1.2:</b> Number of new loans and outstanding portfolio/SME (#) (<i>existing</i>):  <i>Baseline:</i> 496 (2014)  <i>Actual:</i> 675 (2018)  <i>Target:</i> 675 (2021)</p> <p><b>Indicator 1.3:</b> Percentage of adults (age 18+) with a financial account at a formal institution (bank, credit union, mobile) (<i>existing</i>)  <i>Baseline:</i> 20% (2014)  <i>Actual:</i> 27.5% (2018)  <i>Target:</i> 30% (2021)</p> <p><b>Indicator 1.4:</b> Volume of matching grants provided for regional development through portfolio (RESEPAG II, RPL, BDI, and Cultural Heritage projects) (<i>revised</i>)  <i>Baseline:</i> 0 (2015)  <i>Actual:</i> 1.98 (2018)  <i>Target:</i> US\$ 18 million (2021)</p>	<p><b>1.2.1</b> Volume of new loans and outstanding portfolio/SME (<i>existing</i>):  <i>Baseline:</i> US\$16.7 million (2013)  <i>Actual:</i> US\$ 94.8 million (2018)  <i>Target:</i> US\$ 33.6 million (2021)</p> <p><b>1.3.1</b> Percentage of adult women (age 18+) with a financial account at a formal financial institution (bank, credit union, mobile) (<i>existing</i>)  <i>Baseline:</i> 17% (2014)  <i>Actual:</i> 25.7 (2018)  <i>Target:</i> 28% (2021)</p>	<p><b>Financing</b></p> <p><i>Ongoing:</i></p> <ul style="list-style-type: none"> <li>• HT Center and Artibonite Regional Development (P133352)</li> <li>• IFC: Sogebank (P26167)</li> <li>• HT Business Development and Investment Project (P123974)</li> <li>• HT Cultural Heritage Preservation and Tourism Sector Support Project (P144614)</li> <li>• HT Relaunching Agriculture: Strengthening Agriculture Public Services II (P126744)</li> <li>• HT Resilient Productive Landscapes (P162908)</li> </ul> <p><i>Pipeline:</i></p> <ul style="list-style-type: none"> <li>• Urban Restructuring Cap Haïtien (FY19)</li> </ul> <p><b>ASA</b></p> <p><i>Ongoing:</i></p> <ul style="list-style-type: none"> <li>• HT Increasing Access to Responsible Financial Services (P155910)</li> <li>• HT Complement: Strengthening Competitiveness Implementation Capacities (P147205)</li> </ul> <p><i>Pipeline:</i></p> <ul style="list-style-type: none"> <li>• HT Increase Competitiveness (FY19)</li> </ul>

CPF Objectives and Indicators	Indicative Milestone	WBG Program
<p><b>Objective 2: Increase Energy Access, Support to Renewable Energy, and Mobilization of Private Capital</b> <i>(Reformulated)</i></p> <p><b>Indicator 2.1:</b> Number of direct beneficiaries with electricity Services financed by World Bank Group operations (disaggregated by gender) <i>(revised)</i>  <i>Baseline:</i> 18,000 (2015)  <i>Actual:</i> 184,000 (2018)  <i>Target:</i> 365,000 (2021)</p> <p>Of which female beneficiaries:  <i>Baseline:</i> n/a (2015)  <i>Actual:</i> 80,000 (2018)  <i>Target:</i> 187,500 (2021)</p> <p><b>Indicator 2.2:</b> Overall available capacity of renewable energy installed <i>(revised)</i>  <i>Baseline:</i> 18 MW (2015)  <i>Actual:</i> 18.2 MWp (2018)  <i>Target:</i> 27 MWp (2021)</p> <p><b>Indicator 2.3:</b> Private and Commercial Financing leveraged through CTF funding <i>(New)</i>  <i>Baseline:</i> 0 (2018)  <i>Target:</i> 10.00 million (2021)</p>	<p>2.2.1: Number of households, businesses and social services provided with renewable energy <i>(revised)</i>  <i>Baseline:</i> 0 (2015)  <i>Actual:</i> 400 (2018)  <i>Target:</i> 37,200 (2021)</p>	<p><b>Financing</b>  <i>Ongoing:</i></p> <ul style="list-style-type: none"> <li>• HT Rebuilding Energy Infrastructure and Access (P127203)</li> <li>• HT Modern Energy Services for All (P154351)</li> <li>• Renewable Energy for All (P156719)</li> </ul> <p><b>ASA</b>  <i>Ongoing:</i></p> <ul style="list-style-type: none"> <li>• HT Energy Policy Dialogue (P165941)</li> </ul>

CPF Objectives and Indicators	Indicative Milestone	WBG Program
<b>Focus Area 2: Enhancing Human Capital</b>		
<p><b>Objective 3: Improve Access to Quality Primary Education (Existing)</b></p> <p><b>Indicator 3.1:</b> Development of QAS standards and assessments by MENFP and application in schools supported by the Program (Text) (New)</p> <p><i>Baseline:</i> Minimum norms, standards, and assessments for school learning conditions do not exist (2015)</p> <p><i>Actual:</i> Student learning assessments and Learning conditions assessments developed and piloted (2018)</p> <p><i>Target:</i> Student learning assessments and Learning conditions assessments applied in schools supported by the Program (2021)</p>	<p><b>3.1.1</b> Number of primary students attending effective non-public schools (<i>existing</i>)  Baseline: 100,000 (2015)  Actual: 240,000 (in 2018 school year)  Of which women: 50%  Target: 270,000 (2021)  Of which women: 50%</p> <p><b>3.1.2</b> Number of children enrolled in primary school through the provision of community education grants for school access (<i>existing</i>)  Baseline: 6,000 (2015)  Actual: 19,000 (expected in 2018 school year)  Target: 34,000 (2021)</p>	<p><b>Financing</b> <i>Ongoing:</i></p> <ul style="list-style-type: none"> <li>• Providing an Education of Quality in Haiti (P155191)</li> <li>• HT Education for All Project - Phase II (P124134)</li> <li>• Education for All Fast-Track Initiative Catalytic Fund (P114174 - Closed)</li> </ul> <p><b>ASA</b></p> <ul style="list-style-type: none"> <li>• HT Education NLTA (P153557 - Closed)</li> <li>• HT Haiti Social Sectors Knowledge (P148438 - Closed)</li> </ul> <p><i>Pipeline:</i></p> <ul style="list-style-type: none"> <li>• AF to Providing an Education of Quality in Haiti Project (P165507)</li> </ul>
<p><b>Objective 4: Increase Access to Health Service for Mothers and Children (Existing)<sup>39</sup></b></p> <p><b>Indicator 4.1:</b> Percentage of pregnant women having births at health institutions, in the Program’s four main target Departments (Northwest, Northeast, Center and South) (New)</p> <p><i>Baseline:</i> 30%</p> <p><i>Actual:</i> 38%</p> <p><i>Target:</i> 41% (2021)</p>		<p><b>Financing</b> <i>Ongoing:</i></p> <ul style="list-style-type: none"> <li>• HT Improving Maternal and Child Health (P123706)</li> </ul> <p><i>Pipeline:</i></p> <p>Enhancing Health Service Delivery on the Path to Universal Health Coverage in Haiti (P167512)</p>

<sup>39</sup> All data tracked through Haiti’s Health Management Information System.

CPF Objectives and Indicators	Indicative Milestone	WBG Program
<p><b>Indicator 4.2:</b> Percentage of children that are fully immunized, in the Program’s four main target Departments (Northwest, Northeast, Center and South) (<i>New</i>)  <i>Baseline:</i> 41%  <i>Actual:</i> 50%  <i>Target:</i> 53% (2021)</p>		<p><b>ASA</b>  <i>Ongoing:</i></p> <ul style="list-style-type: none"> <li>• Universal Health Coverage and Pandemic Preparedness in Haiti (P164060)</li> <li>• HT Using Innovative Mechanisms in the Health Sector to Reduce Gender Inequalities and Enhance Economic Opportunities for Women (P164065)</li> <li>• HT Health Financing ESW - (P152367-Closed)</li> <li>• HT Social Sectors Knowledge (P148438 - Closed)</li> </ul>
<p><b>Objective 5: Control Cholera in Priority Communes</b> (<i>Existing</i>)</p> <p><b>Indicator 5.1:</b> Case-Fatality Ratio for hospitalized cholera cases (<i>existing</i>)  <i>Baseline:</i> 1% (May/June 2015)  <i>Actual:</i> 0.99 (2018)  <i>Target:</i> &lt;1% (2021)</p> <p><b>Indicator 5.2:</b> Increase in the number of people with access to improved water &amp; sanitation (<i>existing</i>)  <i>Baseline:</i> 0 (2015)  <i>Actual:</i> 172,000 (2018)  <i>Target:</i> 241,000 (2021)</p>	<p><b>5.2.1.</b> Increase in the number of people with access to improved water (<i>existing</i>)  <i>Baseline:</i> 0 (2015)  <i>Actual:</i> 168,000 (2018)  <i>Target:</i> 218,000 (2021)</p> <p><b>5.2.2</b> Increase in the Number of people with access to improved sanitation (<i>existing</i>)  <i>Baseline:</i> 0 (2015)  <i>Actual:</i> 4,000 (2018)  <i>Target:</i> 23,000 (2021)</p>	<p><b>Financing</b>  <i>Ongoing:</i></p> <ul style="list-style-type: none"> <li>• HT Improving Maternal and Child Health (P123706)</li> <li>• HT Sustainable Rural and Small Towns Water and Sanitation Project (P148970)</li> </ul> <p><i>Pipeline:</i>  Enhancing Health Service Delivery on the Path to Universal Health Coverage in Haiti (P167512)</p> <p><b>ASA</b>  <i>Ongoing</i></p> <ul style="list-style-type: none"> <li>• Haiti water and sanitation sector reform consolidation support (P143604)</li> <li>• Support on groundwater resources to Haiti's Water and Sanitation Directorate (P160532)</li> <li>• HT Country WASH Poverty Diagnostic (P150705 - Closed)</li> </ul>

CPF Objectives and Indicators	Indicative Milestone	WBG Program
<b>Focus Area 3: Strengthening Resilience and Reducing Vulnerability to Natural Disasters</b>		
<p><b>Objective 6: Strengthen Natural Disaster Preparedness and Response (<i>Reformulated</i>)</b></p> <p><b>Indicator 6.1:</b> Number of CCPC with comprehensive emergency response plans developed (<i>New</i>)</p> <p>Baseline: 0 (2018) Actual: 0 (2018) Target: 20 (2021)</p>	<p><b>6.1.1</b> Percentage of population covered by an emergency radio-communication network (<i>existing</i>)</p> <p>Baseline: 0 out of 10 departments covered (2015) Actual: 4 Departments and coastal equipment installed equivalent to 80% population (2018) Target: 100% (2021)</p>	<p><b>Financing</b> <i>Ongoing:</i></p> <ul style="list-style-type: none"> <li>• HT Disaster Risk Management and Reconstruction (P126346)</li> <li>• HT Infrastructure &amp; Institutions Emergency Recovery (P120895)</li> </ul> <p><i>Pipeline:</i></p> <ul style="list-style-type: none"> <li>• Strengthening DRM &amp; Resilience (P126346)</li> <li>• Urban Restructuring Cap Haïtien (New)</li> </ul> <p><b>ASA</b> <i>Ongoing:</i></p> <ul style="list-style-type: none"> <li>• Building Disaster and Climate Resilience in Haiti (P155084)</li> </ul>
<p><b>Objective 7: Improve Disaster Prevention and Strengthen Climate Resilience (<i>Existing</i>)</b></p> <p><b>Indicator 7.1:</b> Number of people protected by new investments in flood mitigation and other climate resilient infrastructure, including drainage, reinforced bridges, all weather roads (<i>existing</i>)</p> <p>Baseline: 0 (2015) Actual: 2 million (December 2018) Target: 3 million (2021)</p>	<p><b>7.1.1</b> High resolution digital elevation models, hazards maps and data collected from hydro-met networks are accessible on a centralized online geo-spatial data management platform (<i>existing</i>)</p> <p>Baseline: No (2015) Actual: Achieved (December 2018) Target: Yes (2021)</p> <p><b>7.1.2</b> Number of people benefiting from investments to improve resiliency to natural disasters and climate change impacts of the primary and secondary road network (<i>existing</i>)</p>	<p><b>Financing</b> <i>Ongoing:</i></p> <ul style="list-style-type: none"> <li>• HT Disaster Risk Management and Reconstruction (P126346)</li> <li>• HT Infrastructure &amp; Institutions Emergency Recovery (P120895)</li> <li>• HT Strengthening Hydro-Met Services (P148259)</li> <li>• HT Cultural Heritage Preservation and Tourism Sector Support Project (P144614)</li> <li>• HT Center and Artibonite Regional Development (P133352)</li> <li>• HT Improving Maternal and Child Health (P123706)</li> <li>• HT Sustainable Rural and Small Towns Water and Sanitation Project (P148970)</li> </ul>

CPF Objectives and Indicators	Indicative Milestone	WBG Program
<p><b>Indicator 7.2:</b> Number of direct beneficiaries of World Bank Group recovery operations after Hurricane Matthew (<i>New</i>)</p> <p>Baseline: 0 (FY17) Actual: 2,462,446 (FY18) Target: 4 million (2021)</p>	<p>Baseline: 0 Actual: 2 million (December 2018) Target: 3 million (2021)</p> <p><b>7.1.3.</b> Number of people provided with improved urban living conditions in Cap Haïtien (<i>new</i>) Baseline: 0 Actual: 0 (2018) Target: 250,000 (2021)</p> <p><b>7.2.1 Water:</b> Number of people in rural areas provided with access to improved water sources in zones affected by Hurricane Matthew (<i>new</i>) Baseline: 0 Actual: 270,019 (2018) Target: 385,000 (2021)</p> <p><b>7.2.2 Agriculture:</b> Number of people who received support to restore agricultural livelihoods in zones affected by Hurricane Matthew (<i>new</i>) Baseline: 0 (2017) Actual: 12,446 (2018) Target: 50,500 (2021)</p> <p><b>7.2.3 Transport/DRM:</b> Number of people provided with access from rehabilitated and/or reconstructed roads and bridges damaged by Hurricane Matthew (<i>new</i>) Baseline: 0 (2018) Actual: 2 million (2018) Target: 2,5 million (2021)</p>	<ul style="list-style-type: none"> <li>• HT Relaunching Agriculture: Strengthening Agriculture Public Services II (P126744)</li> <li>• HT Municipal Development and Urban Resilience (P155201)</li> </ul> <p><i>Pipeline:</i></p> <ul style="list-style-type: none"> <li>• HT Urban Resilience Project (P163490)</li> <li>• Urban Restructuring Cap Haïtien (New)</li> </ul> <p><b>ASA</b></p> <p><i>Ongoing:</i></p> <ul style="list-style-type: none"> <li>• Building Disaster and Climate Resilience in Haiti (P155084)</li> <li>• HT Municipal Urbanization Review (P156561)</li> </ul>

CPF Objectives and Indicators	Indicative Milestone	WBG Program
	<p><b>7.2.4 Health:</b> Number of people in the Hurricane-affected areas provided with access to health services (<i>new</i>)</p> <p>Baseline: 0 (2018) Actual: 450,000 (2018) Target: 1,5 million (2021)</p>	
<b>Cross Cutting Theme – Governance, Transparency and Sustainability</b>		
<p><b>Objective 8: Improve Fiscal Reporting and Accountability (<i>Existing</i>)</b></p> <p><b>Indicator 8.1:</b> All financial operations of the Government go through a Single Treasury Account (<i>existing</i>)</p> <p>Baseline: 451 accounts for central government entities (2015) Target: A Single Treasury Account including a set of no more than 15 bank accounts is used to process all government financial and banking transactions (2021)</p>	<p><b>8.1.1</b> Preparation of comprehensive Government Annual Financial Statements (<i>existing</i>)</p> <p>Baseline: 2013-2014 Loi de Règlement does not include actual capital spending (2015) Actual: Procedures for capital spending accounting have been designed and started to be implemented (2018) Target: Loi de Règlement covers all government spending, including capital expenditure (2021)</p> <p><b>8.1.2</b> A consolidated fiscal database (BOOST) is kept up to date and made publicly accessible (<i>existing</i>)</p> <p>Baseline: No (2015) Actual: Yes (2016) Target: Yes (2021)</p>	<p><b>Financing</b> <i>Ongoing:</i></p> <ul style="list-style-type: none"> <li>• HT Infrastructure &amp; Institutions Emergency Recovery Project (P120895)</li> <li>• HT Statistical Capacity Building Project (P157531)</li> <li>• HT Improving Maternal and Child Health (P123706)</li> </ul> <p><i>Pipeline:</i></p> <ul style="list-style-type: none"> <li>• Additional Financing to STATCAP (P164093)</li> <li>• Fiscal Reform and Economic Growth DPL (P162452)</li> </ul> <p><b>ASA</b> <i>Ongoing:</i></p> <ul style="list-style-type: none"> <li>• Supporting budget transparency in Haiti (P160322)</li> </ul>

CPF Objectives and Indicators	Indicative Milestone	WBG Program
<p><b>Objective 9: Improve Data for Increased Evidence-Based Policy Making</b> <i>(Reformulated)</i></p> <p><b>Indicator 9.1:</b> Completion of Census and publication of census results, including gender disaggregated data <i>(new)</i> Baseline: No (2018) Target: Yes (2021)</p>	<p><b>9.1.1</b> Preparation and publication of vulnerability indicators for the entire national territory to inform basic service delivery policies Baseline: No (2018) Target: Yes (2021)</p>	<p><b>Financing</b> <i>Ongoing:</i></p> <ul style="list-style-type: none"> <li>• HT Statistical Capacity Building Project (P157531)</li> <li>• HT Improving Maternal and Child Health (P123706)</li> </ul>

**ANNEX 2: SUMMARY OF CHANGES TO ORIGINAL HAITI CPF RESULTS FRAMEWORK**

<b>Original CPF Objectives and Indicators</b>	<b>Change</b>	<b>Rationale for Change</b>
<b>Focus Area: Inclusive Growth</b>	<b><i>Revised Focus Area: Increasing Inclusive Growth</i></b>	
<b>Objective 1:</b> Contribute to Enhancing Income Opportunities	<b><i>Merged with Objective 2 and Reformulated. Revised Objective:</i></b> Contribute to Enhancing Economic Opportunities	This new objective merges income opportunities and access to finance into one economic opportunity objective and streamlines outcomes, dropping some indicators no longer relevant. (See Annex 1).
<b>Indicator 1.1:</b> Number of jobs created in targeted value chains (disaggregated by gender) <i>Baseline:</i> 0 (2015) <i>Target:</i> TBD end 2015 (2019)	<b><i>Dropped</i></b>	This indicator was dropped as part of the restructuring of the BDI Project in FY16.
<b>Indicator 1.2:</b> Number of small businesses activities supported by tourism development grant (disaggregated by gender and youth) <i>Baseline:</i> 0 (2014) <i>Actual:</i> 0.002 (2017) <i>Target:</i> 100 (2019)	<b><i>Dropped</i></b>	Will be tracked at the project level and achieved within CPF period. Dropped due to small scope of investments and limited impact on overarching objective.
<b>Indicator 1.3:</b> Increase in sales by supported producer organizations <i>Baseline:</i> US\$0 (2012) <i>Actual:</i> N/A (2017) <i>Target:</i> US\$10 million (2018)	<b><i>Dropped</i></b>	Indicator 1.5 better captures the overall objective of enhancing income opportunities.
<b>Indicator 1.4:</b> Increase in number of producers, retailers, and traders with access to improved markets in Centre-Artibonite Loop <i>Baseline:</i> 0 (2015) <i>Actual:</i> 0 (2017) <i>Target:</i> 25% (2019)	<b><i>Dropped</i></b>	Investments to support this indicator were substantially scaled down as part of the restructuring of the Center and Artibonite Regional Development Project. Results will be too granular to illustrate impact.
<b>Indicator 1.5:</b> Share of rural population with access to an all-weather road in the Centre-Artibonite loop <i>Baseline:</i> 39% (2015) <i>Actual:</i> 39% (2017) <i>Target:</i> 51% (2019)	<b><i>Revised numbering (becomes 1.1) and target</i></b>	Implementation delays will allow achievement of a target slightly more modest than initial target (55%)

Original CPF Objectives and Indicators	Change	Rationale for Change
<b>Objective 2:</b> Increase Access to Finance	<b>Merged with Objective 1 and Reformulated.</b> <b>Revised Objective:</b> Contribute to Enhancing Economic Opportunities	This <i>new</i> objective merges income opportunities and access to finance into one economic opportunity objective and streamlines outcomes, dropping indicators that are too granular or have become less relevant. See Annex 1
<b>Indicator 2.1</b> Number of new loans and outstanding portfolio/SME (#): <i>Baseline:</i> 496 (2014) <i>Actual:</i> 675 (2017) <i>Target:</i> 1,268 (2019)	<b>Revised numbering (becomes 1.2) and targets</b>	The initial target was revised downwards during CPF implementation. The new proposed target of 675 (2019) is what is currently being tracked by IFC in their DOTS system.
<b>Indicator 2.2</b> Percentage of adults (age 18+) with a financial account at a formal institution (bank, credit union, mobile) <i>Baseline:</i> 20% (2014) <i>Actual:</i> 27.5% (2017) <i>Target:</i> 30% (2019)	<b>Revised numbering (becomes 1.3)</b> (see Annex 1)	
<b>Indicator 2.3</b> Volume of matching grants provided for regional development through portfolio (Agriculture, BDI, and Cultural Heritage projects) <i>Baseline:</i> 0 (2015) <i>Actual:</i> US\$ 1.98 million (2017) <i>Target:</i> US\$ 16.5 million (2019)	<b>Revised numbering (becomes 1.4) and target</b>	Target increased to account for the new RPL project and the extension of the CPF
<b>Objective 3:</b> Increase Access to Electricity	<b>Reformulated</b> <b>Revised Objective:</b> Increase Energy Access, Support to Renewable Energy, and Mobilization of Private Capital	Reformulated to include a maximizing finance for development indicator
<b>Indicator 3.1</b> Number of new households electrified <i>Baseline:</i> 0 (2015) <i>Actual:</i> 36,800 (2017) <i>Target:</i> 100,000 (2019)	<b>Dropped</b>	Indicator being measured under 3.2.

Original CPF Objectives and Indicators	Change	Rationale for Change
<p><b>Indicator 3.2</b> Number of direct beneficiaries with electricity Services financed by World Bank Group operations (disaggregated by gender)</p> <p>Baseline: 18,000 (2015) Actual: 184,000 (2017/8) Target: 600,000 (2019)</p> <p>Of which female beneficiaries: Baseline: n/a (2015) Actual: 80,000 (2017) Target: 125,000 (2019)</p>	<p><i>Revised numbering becomes 2.1</i> (see Annex 1)</p>	<p>This indicator becomes now the first indicator in the objective and the target revised downwards to account for reduced financial engagement in the sector</p>
<p><b>Indicator 3.3</b> Overall available capacity of renewable energy installed</p> <p>Baseline: 18 MW (2015) Actual: 18.2 MWp (2017) Target: 27 MWp (2019)</p>	<p><i>Revised numbering becomes 2.2</i> (see Annex 1)</p>	<p>Target reduced due to long delays in commitment of resources to support renewables development. A supplemental indicator was added “2.2.1 Number of households, businesses and social services provided with renewable energy” (see Annex 1)</p>
	<p><b>New indicator</b> 2.3 Private and Commercial Financing leveraged through CTF funding Baseline: 0 (2018) Target: 10.00 million (2021)</p>	<p>New indicator included to capture Private Financing</p>
<p><b>Objective 4:</b> Increase Capacity and Competition in the Port Sector</p>	<p><i>Dropped</i></p>	<p>Project implementation faces a lot of issues and IFC engagement is being restructured</p>
<p><b>Indicator 4.1</b> Containers handled (TEU containers) through additional point financed– Containers transported</p> <p>Baseline: 0 (2013) Actual: 50,516 TEUs (2017) Target: 300,000 TEUs (2019)</p>	<p><i>Dropped</i></p>	<p>The project supporting this indicator is being restructured, due to significant unforeseen construction delays and issues. There is a risk that this project could be put off-track in case the restructuring is not conclusive within the CPF remaining period.</p>

Original CPF Objectives and Indicators	Change	Rationale for Change
<b>Indicator 4.2</b> Number of permanent jobs (#) Baseline: 0 (2013) Actual: 165 (2017/8) of which 18 women and 147 men Target: 160, of which 20 women (10% of women is typical in the sector) (2019)	<i>Dropped</i>	Same rationale for drop as Indicator 4.1.
<b>Indicator 4.3</b> Value of financing facilitated (\$ million) Baseline: 0 (2014) Actual: \$30 million (2017/8) Target: \$70 million (2019)	<i>Dropped</i>	Same rationale for drop as Indicator 4.1.
<b>Focus Area: Build Human Capital</b>	<b><i>Revised Focus Area: Enhancing Human Capital and Supporting Institutional Accountability</i></b>	
<b>Objective 5:</b> Improve Access to Quality Primary Education	<i>Revised numbering</i>	This objective now becomes Objective 3 with the streamlining of the results framework (see Annex 1)
<b>Indicator 5.1</b> Number of primary students attending effective non-public schools Baseline: 0 (2015) Actual: 240,000 (in 2017-2018 school year) Target: 90,000 (2019)	<i>Revised</i>	Demoted to a supplemental indicator
	<b>New Indicator 3.1:</b> Development of QAS standards and assessments by MENFP and application in schools supported by the Project (Text)  <i>Baseline:</i> Minimum norms, standards, and assessments for school learning conditions do not exist (2015) <i>Actual:</i> Student learning assessments and Learning conditions assessments developed and piloted (2018) <i>Target:</i> Student learning assessments and Learning conditions assessments applied in schools supported by the Project (2021)	New indicator introduced to better reflects the substantial progress made to date on the sector management and moving towards access to a quality education

Original CPF Objectives and Indicators	Change	Rationale for Change
<b>Objective 6:</b> Increase Access to Health services for Mothers and Children	<i>Revised numbering</i>	This objective now becomes Objective 4 with the streamlining of the results framework (see Annex 1)
<b>Indicator 6.1</b> Percentage of pregnant women having prenatal consultations before birth, among women living in the catchment areas Baseline: 0% (2015) <i>Revised Baseline 25%</i> (2015) Actual: 31% (2017) Target: 5% above baseline	<i>Dropped</i>	Replaced by a new more ambitious indicator (4.1). The Baseline was also revised based on newly available data. Progress under this indicator will continue to be tracked under the Maternal and Child Health Project, using data from the Health Management Information System rather than the DHS for added accuracy.
	<b>New indicator 4.1</b> Percentage of pregnant women having births at health institutions, in the Program's four main target Departments (Northwest, Northeast, Center and South). Baseline: 30% (2015) Actual: 38% (2018) Target: 41% (2021) (Values will be monitored using data from the Health Management Information System.)	New indicator introduced to measure births at health institutions, a more ambitious target as access to prenatal consultations continues to rise in the Program's target departments.
<b>Indicator 6.2</b> Percentage of children aged under five years that are fully immunized, among under-five children living in the catchment areas Baseline: 46% (2012 DHS) Actual: 44% (2016 DHS) Target: 13% above baseline value	<i>Reformulated (to measure program impact more accurately)</i>	<b>New indicator 4.2</b> Percentage of children that are fully immunized, in the Program's four main target Departments (Northwest, Northeast, Center and South). Baseline: 41% (2015) Actual: 50% (2018) Target for 2021: 53% (2021) (Values will be monitored using data from the Health Management Information System.)
<b>Objective 7:</b> Control Cholera in Priority Communes	<i>Revised numbering</i>	Becomes Objective 5 (see Annex 1)
<b>Indicator 7.1</b> Case-Fatality Ratio for hospitalized cholera cases Baseline: 1% (May/June 2015) Actual: 0.99 (2017) Target: <1% (2018/2019)	<i>Revised numbering</i>	Becomes Indicator 5.1 with the streamlining of the results framework (see Annex 1)

Original CPF Objectives and Indicators	Change	Rationale for Change
<b>Indicator 7.2</b> Number of people with access to improved water & sanitation Baseline: 0 (2015) Actual: 172,000 (2017) Target: 241,000 (2019)	<i>Reformulated and revised numbering</i>	<b>Revised indicator 5.2:</b> Increase in the number of people with access to improved water & sanitation
<b>Focus Area: Resilience</b>	<i>Revised Focus Area: Strengthening Resilience and Reducing Vulnerability to Natural Disasters</i>	
<b>Objective 8:</b> Strengthen Natural Disasters Preparedness	<i>Reformulated</i>	<b>Revised Objective 6:</b> Strengthen Natural Disaster Preparedness and Response
<b>Indicator 8.1</b> Share of population living in a municipality with a certified level 2 or higher local civil protection committee (CCPC)	<i>Changed</i>	Demoted to a supplemental indicator and target increased to 100%
	<b>New Indicator 6.1:</b> Number of CCPC with comprehensive emergency response plans developed Baseline: 0 (2018) Actual: 0 (2018) Target: 20 (2021)	To better align with current engagement and approach in the DRM sector
<b>Objective 9:</b> Improve Disaster Prevention and Strengthen Climate Resilience	<i>Revised numbering</i>	Becomes Objective 7 with the streamlining of the results framework (see Annex 1)
<b>Indicator 9.1</b> Number of people protected by new investments in flood mitigation and other climate resilient infrastructure, including drainage, reinforced bridges, all weather roads Baseline: 0 Actual: 2 million (December 2017) Target: TBD (2019)	<i>Revised numbering and targets</i>	Becomes Indicator 7.1 with the streamlining of the results framework (see Annex 1) Targets increased to account for new engagement on DRM, transport, and urban resilience
	<b>New Indicator 7.2:</b> Number of direct beneficiaries of World Bank Group recovery operations after Hurricane Matthew ( <i>new</i> )  Baseline: 0 (FY17) Actual: 2.4 million (FY18) Target: 4 million (2021)	Introduced to capture support after Hurricane Matthew

Original CPF Objectives and Indicators	Change	Rationale for Change
<b>Cross Cutting Theme – Governance, Transparency and Sustainability</b>		<b>Unchanged</b>
<b>Objective 10:</b> Improve Fiscal Reporting and Accountability	<i>Revised numbering</i>	Becomes Objective 8 with the streamlining of the results framework (see Annex 1)
<b>Indicator 10.1</b> All financial operations of the Government go through a Single Treasury Account Baseline: 451 accounts for central government entities (2015) Target: TBD with IMF	<i>Revised numbering</i>	Becomes Indicator 8.1 with the streamlining of the results framework (see Annex 1)
<b>Objective 11: Improve Capacity for Sustainable Basic Service Delivery</b>	<i>Reformulated</i>	<b>Revised Objective 9:</b> Improve Data for Increased Evidence-Based Policy Making
<b>Indicator 11.1</b> Sector policy (Education, Health, Social Protection, Water, Electricity) informed by and/or incorporate Sustainable Models for Service Delivery Baseline: 0 Actual: 0 (2017) Target: 4 out of 5 sectors	<i>Dropped</i>	Despite the completion of many sectoral knowledge products with key policies recommendations, the lack of appetite for meaningful reforms and long political transition hampered progress. Meaningful achievements across sectors are overly ambitious and other entry points are being pursued at the sectoral level.
	<b>New Indicator 9.1:</b> Completion of Census and publication of census results, including gender disaggregated data Baseline: No (2018) Target: Yes (2021)	Introduced to capture engagement on major data production through the Census

**ANNEX 3: ORIGINAL CPF RESULTS FRAMEWORK STATUS UPDATE**

CPF Objectives	CPF Indicators	Status of Indicators	Comments
<b>Focus Area 1: Inclusive Growth</b>			
(1) Contribute to Enhancing Income Opportunities	New economic opportunities have been generated as measured by progress assessed against 4 out of 5 of the indicators below:		
	1.1. Number of job created in targeted value chains (disaggregated by gender) <i>Baseline:</i> 0 (2014) <i>Target:</i> TBD (2019)	<i>Not on track</i>	This indicator was dropped as part of the restructuring of the BDI Project in FY16
	1.2 Number of small businesses activities supported by tourism development grant (disaggregated by gender and youth) <i>Baseline:</i> 0 (2014) <i>Target:</i> 100 (2019)	<i>Delayed but likely to be achieve -</i>	Slow progress stemmed from institutional challenges that bogged down implementation. Due to the scope of investments, impact on the overall objective is very minimal. Will be tracked at the project level.
	1.3 Increase in sales by supported producer organizations <i>Baseline:</i> 0 (2015) <i>Target:</i> 20% (2019)	<i>Not on track</i>	High risks that this outcome may not materialize even with the newly sought end of CPF period. In addition, indicator 1.5 better captures the overall objective of enhancing income opportunities.
1.4 Increase in number of producers, retailers, and traders with access to improved markets in the Centre-Artibonite Loop <i>Baseline:</i> 0 (2015) <i>Target:</i> 20% (2019)	<i>Not on track</i>	Investments to support this indicator are being substantially scaled down as part of the restructuring of the Center and Artibonite Regional Development project. Results will be too small to illustrate impact	

	<p>1.5 Share of rural population with access to an all-weather road in the Centre-Artibonite loop  Baseline: 39% (2015)  Target: 55% (2019)</p>	<b><i>Delayed but likely to be achieved with revised target</i></b>	Substantial delays have impeded the start of works, and investments are being scaled down. Revised target achievable within the extended CPF implementation period.
(2) Increase Access to Finance	<p>2.1 Number of new loans and outstanding portfolio/SME (#):  Baseline: 496 (2014)  Target: 1,268 (2019)</p>	<b><i>On track</i></b>	Initial target was deemed too aggressive given market conditions and revised downwards by IFC after the CPF was discussed by the Board. The new proposed target of 675 (2019) is what is currently being tracked by IFC in the DOTS system and is on track. The team would continue to report improvements in SMEs reached during the remaining CPF period.
	<p>2.2 Percentage of adults (age 18+) with an account at a formal financial institution  Baseline: 20% (2014)  Target: 30% (2019)</p>	<b><i>On track</i></b>	Target expected to be achieved by the end of the CPF period with the support FIRST (on payments and remittances), and IFC advisory services on credit bureaus, leasing and secured transactions.
	<p>2.3 Volume of matching grants provided for regional development through portfolio (Agriculture, BDI, and Cultural Heritage projects)  Baseline: 0 (2015)  Target: US\$ 16.5 million (2019)</p>	<b><i>Delayed but likely to be achieved</i></b>	Implementation delays ensuing from the long political transition have hampered progress on programs supporting this indicator. Pace of implementation has picked up, and the target is expected to be achieved by the extended CPF period.
(3) Increase Access to Electricity	<p>3.1 Number of new households electrified  Baseline: 0 (2015)  Target: 100,000 (2019)</p>	<b><i>Not on track</i></b>	Poor progress achieved due to lack of improvement in the energy sector, unsatisfactory performance of EDH, and absence of sector reform.
	<p>3.2 Number of direct beneficiaries with electricity Services financed by World Bank Group operations (disaggregated by gender)  Baseline: 18,000 (2015)  Target: 600,000 (2019)</p>	<b><i>Not on track</i></b>	Targets for this indicator have been revised downwards after a shift towards renewables and substantial scaling down of Bank engagement (US\$25 million cancelled) due to deep-rooted sectoral issues and little progress in the program supporting this indicator

	3.3 Overall available capacity of renewable energy installed <i>Baseline:</i> 18 MW (2015) <i>Target:</i> 58MW (2019)	<b><i>Delayed but likely to be achieved with revised targets</i></b>	Delays in the approval of the projects supporting this indicator (two years later than initially planned) hampered results on-off grid renewable energy. New renewable energy connections are expected in late 2019
(4) Increase Capacity and Competition in the Port Sector	4.1 Containers handled (M TEU containers) through additional point financed– Containers transported (millions) <i>Baseline:</i> 0 (2013) <i>Target:</i> 0.3 (2019)	<b><i>Not on track</i></b>	Construction is not complete at the Port site and substantial delays and other internal issues put this target in jeopardy. It will not be achieved as initially estimated. IFC is restructuring its loan.
	4.2 Number of permanent jobs (#) <i>Baseline:</i> 0 (2013) <i>Target:</i> 160, of which 20 women (10% of women is typical in the sector) (2019)	<b><i>Achieved</i></b>	60 new permanent jobs were created of which 18 were women and 147 were men.
	4.3 Value of financing facilitated (\$ million) <i>Baseline:</i> 0 (2014) <i>Target:</i> \$70 million (2019)	<b><i>Achieved</i></b>	Construction is still not complete at the Port Lafito site and so far, only US\$30 million were facilitated. It is unclear at the moment if there will be additional financing for capex and no further progress is expected to be achieved.
<b>Focus Area 2: Human Capital</b>			
(5) Improve access to Quality Primary Education	5.1 Number of primary students attending effective non-public schools <i>Baseline:</i> 73,000 (2015)  Of which women: <i>Target:</i> 90,000 (2019) Of which women: (2019)	<b><i>Achieved</i></b>	This target has been achieved and surpassed. As of this school year Bank programs have supported over 240,000 primary students in attending effective non-public schools, of which 50% are girls.
(6) Increase Access to Health services for Mothers and Children	6.1 Percentage of pregnant women having prenatal consultations before birth, among women living in the catchment areas <i>Baseline:</i> 0% (2015) <i>Revised Baseline</i> 25% <i>Actual:</i> 31%(2017) <i>Target:</i> 5% above baseline	<b><i>Achieved</i></b>	This target has been achieved. Access for prenatal consultations before birth has increased 6% for women living in the catchment area (the four departments where the program operates). Note that the Baseline was erroneous in the original CPF, Baseline was established by HMIS at 25% in 2015.

	6.2 Percentage of children aged under five years that are fully immunized, among under-five children living in the catchment areas  Baseline: TBD (2015) Updated 41% (2015) Target: 5% above baseline value	<i>Achieved</i>	This target has been achieved and surpassed. As of today, 50% of children under-five in the catchment area (the four departments where the program operates) are fully immunized. Please note that the Baseline data comes from HMIS.
(7) Control Cholera in Priority Communes	5.1: Case-Fatality Ratio for hospitalized cholera cases ( <i>existing</i> ) <i>Baseline:</i> 1% (May/June 2015) <i>Target:</i> <1% (2019)	<i>Achieved</i>	This indicator has been achieved with CFR currently at below 0.9% but will continue to be monitored for the remaining of the CPF period
	5.2: Number of people with access to improved water & sanitation ( <i>existing</i> ) <i>Baseline:</i> 0 (2015) <i>Target:</i> 241,000 (2019)	<i>Not on track</i>	There has been mixed performance under this indicator, access to water is progressing well while results to improved sanitation has been disappointing. With additional funding from the CRW and step up implementation support, progress is expected to pick up
<b>Focus Area 3: Resilience</b>			
(8) Strengthen Natural Disasters Preparedness	8.1 Share of population living in a municipality with a certified level 2 or higher local civil protection committee (CCPC) Baseline: 45% (2015) Target: 75% (2018)	<i>Achieved</i>	Target achieved with over 77 percent of the population (more than 8 million people) covered by certified level 2 or higher local civil protection committee
(9) Improve Disaster Prevention and Strengthen Climate Resilience	9.1 Number of people protected by new investments in flood mitigation and other climate resilient infrastructure, including drainage, reinforced bridges, all weather roads Baseline: 0 Target: TBD (2019)	<i>Achieved</i>	The target estimated at 1 million people has been largely surpassed thanks to progress on programs supporting this indicator. The bridge protection and reconstruction activities (including the reconstruction of the Ladigue Bridge), the protection and rehabilitation critical spots have contributed to drastically improving all-weather access especially in the southern peninsula with 2 million direct and indirect beneficiaries including in the rural areas.

**Cross Cutting Theme – Governance, Transparency and Sustainability**

<p>(10) Improve Fiscal Reporting and Accountability</p>	<p>10.1 All financial operations of the Government go through a Single Treasury Account                  Baseline: 451 accounts for central government entities (2015)                  Target: TBD with IMF</p>	<p><i>On track</i></p>	<p>Implementation of the Treasury Single Account (TSA) progressed substantially. In December 2015, 240 ministries and institutions accounts in the Central Bank were closed or made inactive and replaced by 15 new accounts centrally managed by the Treasury, through new Accounting Units. Since then, all budget expenditures, including investment spending, are processed and paid through the TSA. While Ministers continue to sign checks, these are only valid with the line ministry’s accountant signature. More importantly, the Treasury is moving ahead with a clear and gradual plan to cover all the remaining government entities financial transactions including government entities in the regions but also the local governments.</p>
<p>(11) Improve Capacity for Sustainable Basic Service Delivery</p>	<p>11.1 Sector policy (Education, Health, Social Protection, Water, Electricity) informed by and/or incorporate Sustainable Models for Service Delivery                  Baseline: 0                  Actual: 0 (2017)                  Target: 4 out of 5 sectors</p>	<p><i>Not on track</i></p>	<p>Despite the completion of many sectoral knowledge products with key policies recommendations, the lack of appetite for meaningful reforms and long political transition hampered progress. Meaningful achievements across sector are overly ambitious and as such, other entry points are being pursued at the sectoral level.</p>

## ANNEX 4: HAITI - SELECTED MACROECONOMIC INDICATORS

SELECTED INDICATORS*	Avg. '13-17	2013	2014	2015	2016	2017e	20178f
<b>INCOME AND ECONOMIC GROWTH</b>							
GDP growth (annual %)	2.2	4.2	2.8	1.2	1.5	1.2	1.8
GDP per capita growth (annual %, real)	0.9	2.8	1.4	-0.1	0.2	-0.1	0.6
GDP per capita (US\$, nominal)	736.0	727.7	738.1	737.4	738.7	738.3	742.7
GDP per capita, PPP (current international \$)		1686.3	1741.0	1757.4	..	..	
Private Consumption growth (annual %)	0.9	2.3	1.8	-0.6	0.8	-0.1	2.2
Gross Investment (% of nominal GDP)	39.6	36.7	38.2	41.1	38.7	43.4	43.7
Gross Investment - Public (% of nominal GDP) <sup>2</sup>	10.2	16.1	12.8	9.7	6.4	5.8	5.9
<b>MONEY AND PRICES</b>							
Inflation, consumer prices (annual %, MRV) <sup>1,3</sup>		3.4	6.4	12.5	14.1	..	
Inflation, consumer prices (annual %, period average) <sup>3</sup>	9.3	6.8	3.9	7.5	13.4	14.7	13.8
M2 (% of GDP) <sup>2</sup>		23.0	23.2	23.6	24.1	..	
Domestic Credit to the Private Sector (% of GDP) <sup>2</sup>		19.0	19.7	18.3	..	..	
10-year interest rate (annual average) <sup>3</sup>		..	..	..	..	..	
Nominal Exchange Rate (local currency per USD)	52.5	43.1	44.6	48.6	60.4	65.6	67.9
Real Exchange Rate Index (2010=100)	104.5	96.0	97.1	105.1	114.0	110.3	108.3
<b>FISCAL</b>							
Revenue (% of GDP)	19.6	21.0	19.2	19.7	19.0	19.2	19.3
Expenditure (% of GDP)	22.5	28.2	25.6	22.9	20.6	20.7	22.5
Interest Payments (% of GDP)	0.2	0.4	0.2	0.2	0.2	0.2	0.3
Non-Interest Expenditure (% of GDP)	23.6	27.8	25.4	22.7	20.4	20.5	22.2
Overall Fiscal Balance (% of GDP)	-4.0	-7.2	-6.4	-3.2	-1.6	-1.5	-3.2
Primary Fiscal Balance (% of GDP)	-3.8	-6.8	-6.2	-3	-1.4	-1.3	-2.9
General Government Debt (% of GDP)	19.6	11.4	17.0	22.3	20.8	20.6	25.3
<b>EXTERNAL ACCOUNTS</b>							
Export growth, f.o.b (nominal US\$, annual %)	4.8	17.9	6.7	8.3	-6.8	-2.2	6.1
Import growth, c.i.f (nominal US\$, annual %)	3.1	5.8	7.6	-2.6	-5.8	10.7	3.8
Merchandise exports (% of GDP)	11.6	10.8	11.4	12.1	11.8	11.7	12.4
Merchandise imports (% of GDP)	40.8	39.5	43.4	40.8	37.7	42.8	42.4
Services, net (% of GDP)	5.9	-5.6	-4.9	-5.1	-6.7	-7.2	-8.5
Current account balance (current US\$ millions)	-375.1	-560.8	-749.1	-265.7	-83.0	-216.9	-385.8
Current account balance (% of GDP)	-4.4	-6.6	-8.5	-3.0	-1.0	-2.6	-4.2
Foreign Direct Investment, net inflows (% of GDP)	2.0	1.9	1.1	1.2	1.3	4.4	1.3
External debt, total (% of GDP) <sup>2</sup>		18.4	22.1	23.8	..	..	
Multilateral debt (% of total external debt) <sup>2</sup>		5.0	4.1	3.9	..	..	
Debt service ratio (% of exports goods and services) <sup>2</sup>		0.7	1.4	2.0	..	..	

## ANNEX 4: HAITI - SELECTED MACROECONOMIC INDICATORS (Continued)

SELECTED INDICATORS <sup>‡</sup>	Avg. '12-16	2012	2013	2014	2015	2016 E	2017 F
<b>POPULATION, EMPLOYMENT AND POVERTY</b>							
Population, total (millions)	10.6	10.3	10.4	10.6	10.7	10.8	11.0
Population Growth (annual %)	1.3	1.4	1.4	1.3	1.3	1.3	1.2
Unemployment Rate <sup>2</sup>	13.7	14.1	14.0	13.9	13.5	13.2	..
Poverty rate (US\$1.86/day, 2011 PPP) <sup>7</sup>	..	23.8	..	..	..	..	..
Poverty rate (US\$2.42/day, 2011 PPP) <sup>7</sup>	..	58.5	..	..	..	..	..
Inequality - Gini Coefficient <sup>2</sup>	60.8	60.8	..	..	..	..	..
Life Expectancy <sup>2</sup>	62.6	62.0	62.4	62.7	63.1	..	..
<b>OTHER</b>							
GDP (current LCU, millions)	400959.8	328061	364517	394950	430730	486541	561153
GDP (current US\$, millions)	8424.7	7890.2	8452.5	8850.6	8870.6	8059.3	8629.1
GDP per capita LCU (real)	1443.7	1400.3	1439.6	1460.2	1458.3	1460.1	1458.0
Doing Business Rank <sup>4</sup>	..	..	..	..	180.0	181.0	..
Human Development Index Ranking <sup>5</sup>	163.3	163.0	163.0	164.0	163.0	..	..
CPIA (overall rating) <sup>2</sup>	2.9	2.9	2.8	2.9	2.9	..	..
Economic Management <sup>2</sup>	..	..	..	..	..	..	..
Structural Policies <sup>2</sup>	3.1	3.2	3.2	3.2	3.0	..	..
Policies for Social Inclusion and Equity <sup>2</sup>	2.7	2.6	2.6	2.7	2.7	..	..
Public Sector Management and Institutions <sup>2</sup>	2.4	2.5	2.4	2.4	2.4	..	..

Notes: ".." indicates not available. E = estimate, F = forecast. Data from MFMOD unless otherwise noted

1/ Used latest month available.

2/ World Development Indicators Database and World Bank Staff Estimates

3/ World Bank GEM database; MRV = Most recent value

4/ This indicator is ranked out of 175 countries in 2007, 178 in 2008, 181 in 2009, and 183 in 2010 and 2011.

5/ The HDI ranking in 2001 is in relation to 175 countries and in 2010 in relation to 169 countries. Methodological enhancements in HDI calculations have resulted in notable improvements in the countries' rankings.

6/ Fiscal data from 2013 do not include transfers from the Central Bank and ANSES.

7/ Most recent value (2012) using national poverty lines.

Sources: MFMOD Database, World Bank WDI and GEM databases, IMF.

**ANNEX 5: IDA COMMITMENTS AND TENTATIVE PIPELINE, FY17-FY19<sup>40</sup>**

<b>CPF Area of Focus</b>	<b>Project</b>	<b>Commitment (US\$ million)</b>
<b>FY17</b>		
2	Providing an Education of Quality in Haiti	30.00
3 & 4	AF to HT Infrastructure & Institutions Emergency Recovery Project	2.8
3	HT Urban Management and Resilience Project	48.40
4	HT Statistical Capacity Building Project	5.00
3	AF to HT Disaster Risk Management & Reconstruction Project	20.00
1	AF to HT Relaunching Agriculture RESEPAG II	35.00
2	AF to HT Improving Maternal and Child Health	25.00
2	AF to HT Sustainable Rural WSS Project	20.00
<b>Total</b>		<b>186.20</b>
<b>FY18</b>		
1	Resilient Productive Landscapes in Haiti	15.00
3	Haiti Rural Accessibility & Resilience Project	75.00
4	AF to Statistical Capacity Building Project	15.00
<b>Total</b>		<b>105.00</b>
<b>FY19</b>		
2	AF to Providing an Education of Quality in Haiti	30.00
2	Enhancing Health Service Delivery on the Path to Universal Health Coverage in Haiti	40.00
3	Strengthening DRM & Resilience in Haiti	35.00
3	Urban Restructuring Cap Haïtien	45.00
4	Fiscal Reform and Economic Growth DPL	30.00
<b>Total</b>		<b>180.00</b>
<b>Total</b>		<b>471.20</b>

<sup>40</sup> Actual PBA allocations will depend on: (i) the total IDA resources available; (ii) the country's performance rating, per capita GNI, and population; (iii) the performance and other allocation parameters for other IDA borrowers; and (iv) number of IDA-eligible countries." Commitment projections are tentative, leaving room for slippages into FY20 as necessary.

## ANNEX 6: ACTIVE IDA PORTFOLIO

(as of March 20, 2017)

Proj ID	Project Name	Date, Board App *	Rev Closing	Proj Age in Yrs	Lst DO	Lst IP	Net Comm Amt (\$m)	Tot Disb (\$m)	Tot Undisb Bal (\$m)	% Disb
<a href="#">P124134</a>	HT Education for All Project - Phase II	12/01/2011	06/30/2018	6.3	S	S	70.00	64.36	0.00	91.9%
<a href="#">P155191</a>	Providing an Edu of Quality in HT (PEQH)	11/10/2016	10/30/2022	1.4	S	MS	30.00	5.78	24.30	19.3%
<a href="#">P127203</a>	HT Rebuilding Energy Infrastr & Access	09/27/2012	11/29/2019	5.5	MS	MU	65.00	25.51	34.58	39.2%
<a href="#">P154351</a>	Modern Energy Services For All	10/25/2017	12/31/2024	0.4	S	S	15.65	0.00	15.65	0.0%
<a href="#">P156719</a>	Renew able Energy for All	10/25/2017	04/29/2028	0.4	S	S	19.62	0.00	19.62	0.0%
<a href="#">P126744</a>	HT Relaunching Agriculture: RESEPAG II	12/01/2011	12/31/2019	6.3	MS	MS	75.00	31.35	41.84	41.8%
<a href="#">P162908</a>	Resilient Productive Landscapes	03/01/2018	12/31/2023	0.0			15.00	0.00	15.00	0.0%
<a href="#">P123974</a>	HT Business Development and Investment	05/21/2013	11/30/2019	4.8	MS	MS	20.00	8.34	11.01	41.7%
<a href="#">P123706</a>	HT Improving Maternal and Child Health	05/21/2013	12/31/2019	4.8	S	MS	95.00	45.29	47.49	47.7%
<a href="#">P157531</a>	Haiti STAT CAP	03/24/2017	12/31/2021	1.0	S	S	5.00	2.50	2.87	50.0%
<a href="#">P126346</a>	HT Disaster Risk Mngmt & Reconstruction	12/01/2011	06/30/2020	6.3	S	MS	80.00	37.35	37.88	46.7%
<a href="#">P144614</a>	HT Cultural Heritage and Tourism Sector	05/19/2014	08/31/2020	3.8	MS	MU	45.00	5.85	35.08	13.0%
<a href="#">P148259</a>	HT Strengthening Hydro-Met Services	06/26/2015	06/30/2020	2.7	MS	MU	5.00	0.52	4.48	10.5%
<a href="#">P155201</a>	Urban Management and Resilience Project	06/20/2017	12/31/2023	0.7	S	S	48.40	0.00	51.52	0.0%
<a href="#">P120895</a>	HT MST Infra. & Instit. Emerg Recov.j	03/18/2010	06/29/2018	8.0	MS	MS	102.80	97.25	3.77	94.6%
<a href="#">P133352</a>	HT - Ctr & Artibonite Reg Dev.	05/19/2014	02/28/2020	3.8	MS	MU	50.00	4.50	41.04	9.0%
<a href="#">P148970</a>	HT Sustainable Rural WSS Project	05/26/2015	09/30/2021	2.8	S	MS	70.00	13.95	57.98	19.9%
<b>17</b>							<b>811.47</b>	<b>366.99</b>	<b>444.48</b>	<b>41.5%</b>

**ANNEX 7: ADVISORY SERVICES AND ANALYTICS DURING CPF PERIOD**

**Advisory Services and Analytics Delivered During FY16-18**

<b>Fiscal Year Delivered</b>	<b>Task ID</b>	<b>Task Name</b>	<b>Prod. Line</b>
<b>2016</b>	P158514	HT Resilient Landscapes Dialogue	TA
	P153557	Addressing Key Constraints to Sustainable Education.	TA
	P155701	Policy Note on Education in Haiti	ESW
	P153044	Haiti Energy Policy Dialogue	TA
	P144931	Haiti Mining Dialogue TA	TA
	P154467	Haiti Scaling Up Renewable Energy	TA
	P147295	Haiti Energy Policy Dialogue	TA
	P155967	Restoration Productive Landscapes Haiti	TA
	P156814	BOOST TA in Haiti	TA
	P155702	Policy Note on Health in Haiti	TA
	P151823	HT PE Analyses & Social Accountability	KP
	P156747	HT Poverty	TA
	P155703	Policy Note on Social protection in HT	ESW
	P149565	Moving toward a SP System in Haiti	TA
	P155704	Just in time advice and Policy dialogue	TA
	P148438	HT Haiti social Sectors Knowledge	PA
	P153191	Digital Jam Haiti	TA
<b>2017</b>	P157512	HT Education NLTA	TA
	P152055	Returns to Education in Haiti	RF
	P159837	Haiti Energy Sector Policy Dialogue	TA
	P152367	Haiti Health Financing ESW	ESW
	P151826	DTIS Implementation	TA
	P150705	Haiti Country WASH Poverty Diagnostic	TA
	P161594	Citizen Engagement	AA
<b>2018</b>	P162352	Resilient Productive Planning	TA
	P132514	Community-Level Interventions and Cholera Control in Haiti	TA
	P162926	Haiti Urban Mobility Diagnostic	ESW
	P160576	HT Education NLTA	TA

**ANNEX 7 (Continued): - Ongoing Advisory Services and Analytics**

<b>Expected Delivery Fiscal Year</b>	<b>Task ID</b>	<b>Task Name</b>	<b>Prod. Line</b>
<b>2018</b>	P163766	Haiti ICT Policy Dialogue	AA
	P147205	Haiti Complement: Strengthening Competitiveness Implementation Capacities	AA
	P159767	Enabling local private sector participation in water and sanitation service delivery in rural areas and small towns of Haiti	AA
	P160532	Support on groundwater resources to Haiti's Water and Sanitation Directorate (DINEPA)	AA
	P156561	Haiti Urbanization Review	AA
	P153043	Haiti Energy Integration and Trade Study	AA
	P165941	Haiti Energy Policy Dialogue FY18	AA
	P160322	Supporting budget transparency in Haiti	AA
<b>2019</b>	P131071	DIME GAFSP Staff and Operations Costs	AA
	P155910	Haiti #P11 Increasing access to responsible financial services	AA
	P147142	DIME GAFSP Haiti RESEPAG II IE	AA
	P144791	HT HRITF IE for the Improving Maternal and Child Health through Integrated Social Services Project	AA
	P143604	Haiti water and sanitation sector reform consolidation support	AA
	P164065	HAITI: Using Innovative Mechanisms in the Health Sector to Reduce Gender Inequalities and Enhance Economic Opportunities for Women	AA
<b>2021</b>	Pnew	Haiti – Local Development and Social Capital ASA	AA
	P155084	Building Disaster and Climate Resilience in Haiti	AA
	P164060	ASA on Universal Health Coverage and Pandemic Preparedness in Haiti	AA

TA: Technical Assistance ESW: Economic and Sector Work

IE: Independent Evaluation AA: Advisory Services and Analytics KP: Knowledge Product

**ANNEX 8: SUMMARY OF ONGOING RECIPIENT EXECUTED TRUST FUNDS**

(as of March 20, 2017)

<b>Proj. ID</b>	<b>Trust Fund</b>	<b>Grant Approval</b>	<b>Grant Closing</b>	<b>Amt. (\$million)</b>
P154351	HT Modern Energy Services for All	10/25/2017	12/31/2024	15.65
P156719	HT Renewable Energy for All	10/25/2017	04/29/2028	19.62
P148259	HT Strengthening Hydro-Met Services	06/25/2015	06/30/2020	5.00
<b>TOTAL</b>				<b>40.27</b>

## ANNEX 9: IFC ACTIVE PORTFOLIO AND ADVISORY

### IFC Investment Portfolio as of February 19, 2018

US\$m	IFC Own Account											Mobilization				Total			
	Equity			Loan				Total				Loan				Total			
	Comm.	Outs.	Undisb.	Comm.	Rep.	Outs.	Undisb.	Comm.	Rep.	Outs.	Undisb.	Comm.	Rep.	Outs.	Undisb.	Comm.	Rep.	Outs.	Undisb.
E-Power	-	-	-	17.00	6.06	10.94	-	17.00	6.06	10.94	-	25.73	5.95	19.78	-	42.73	12.01	30.72	-
Port Lafito	-	-	-	12.00	0.53	11.47	-	12.00	0.53	11.47	-	12.00	-	12.00	-	24.00	0.53	23.47	-
dloHaiti	0.85	0.85	-	-	-	-	-	0.85	-	0.85	-	-	-	-	-	0.85	-	0.85	-
CODEVI	-	-	-	13.00	7.46	5.54	-	13.00	7.46	5.54	-	3.00	2.75	0.25	-	16.00	10.21	5.79	-
Hansae	-	-	-	2.00	-	2.00	-	2.00	-	2.00	-	-	-	-	-	2.00	-	2.00	-
Marriott	-	-	-	13.25	2.30	10.95	-	13.25	2.30	10.95	-	13.25	1.15	12.10	-	26.50	3.45	23.05	-
Sogebank	2.99	2.99	-	-	-	-	-	2.99	-	2.99	-	-	-	-	-	2.99	-	2.99	-
Leopard Capital	8.50	5.14	3.36	-	-	-	-	8.50	-	5.14	3.36	-	-	-	-	8.50	-	5.14	3.36
<b>Total</b>	<b>12.34</b>	<b>8.98</b>	<b>3.36</b>	<b>57.25</b>	<b>16.35</b>	<b>40.90</b>	<b>-</b>	<b>69.59</b>	<b>16.35</b>	<b>49.88</b>	<b>3.36</b>	<b>53.98</b>	<b>9.85</b>	<b>44.13</b>	<b>-</b>	<b>123.57</b>	<b>26.20</b>	<b>94.01</b>	<b>3.36</b>

### IFC Advisory Portfolio as of February 19, 2018

Project Name	Company	Project ID	Sector	Description	Size (US\$)
Haiti CH Port	<u>Autorite Portuaire Nationale (APN)</u>	600407	PPP	PPP team is currently advising the <u>GoH</u> to structure the rehabilitation of the Port of Cap-Haitien in the North	3,664,185
FIG Haiti Leasing	<u>Ayiti Leasing</u>	601427	F&M	Development of the first leasing operation in Haiti	904,739
Haiti STCR	Secured Transactions & Collateral Registry	600288	F&M	Implementation of the electronic registry platform with the <u>GoH</u>	995,847
<u>dloHaiti</u>	<u>dloHaiti Advisory</u>	600982	SME	Increase the capacity of <u>dloHaiti</u> resellers to provide the local population with clean and affordable water	574,000
-	Better Work Haiti (BWH)		SME	International Labor Organization (ILO) and Better Work partnership to improve working conditions in the apparel sector	-