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Report No. 98132-HT

**INTERNATIONAL DEVELOPMENT ASSOCIATION
INTERNATIONAL FINANCE CORPORATION
AND MULTILATERAL INVESTMENT GUARANTEE AGENCY**

COUNTRY PARTNERSHIP FRAMEWORK

FOR

THE REPUBLIC OF HAITI

FOR THE PERIOD FY16-FY19

August 27, 2015

Haiti Country Management Unit
Latin America and the Caribbean Region
The International Finance Corporation
Multilateral Investment Guarantee Agency

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The Date of the last Interim Strategy Note FY13-14 was September 27, 2012

CURRENCY EQUIVALENTS

(Exchange Rate Effective as of August 20, 2014)

Currency Unit = Gourde (G)

51.54 G = US\$1.00

FISCAL YEAR

October 1 to September 30

ABBREVIATIONS AND ACRONYMS

ASA	Advisory Support and Assistance
CAF	Development Bank of Latin America
CCSA	Cross-Cutting Solutions Areas
CE	Citizen Engagement
CLR	Completion and Learning Review
CPF	Country Partnership Framework
CPPR	Country Portfolio Performance Review
DINEPA	Water and Sanitation Utility (<i>Direction Nationale de l'Eau Potable et de l'Assainissement</i>)
DPO	Development Policy Operation
DR	Dominican Republic
DRM	Disaster Risk Management
EDH	Public Electricity Company (<i>Electricité d'Haïti</i>)
ESMAP	Energy Sector Management Assistance Program
EU	European Union
FCS	Fragile and Conflict Affected States
FDI	Foreign Direct Investment
GASFP	Global Agriculture and Food Security Program
GDP	Gross Domestic Product
GFDRR	Global Facility for Disaster Reduction and Recovery
GNI	Gross National Income
GOH	Government of Haiti
GPE	Global Partnership for Education
HRITF	Health Results Innovation Trust Fund
ICT	Information and Communication Technology
IDA	International Development Association
IDB	Inter-American Development Bank
IFC	International Finance Corporation
IHRC	Interim Haiti Reconstruction Commission
IPCC	Inter-governmental Panel on Climate Change
IMF	International Monetary Fund
ISN	Interim Strategy Note
LAC	Latin America and the Caribbean
LNG	Liquid Natural Gas
MARNDR	Ministry of Agriculture and Rural Development (<i>Ministère de l'Agriculture, des Ressources Naturelles et du Développement Rural</i>)
MDGs	Millennium Development Goals
MEF	Ministry of Economy and Finance

MIGA	Multilateral Investment Guarantee Agency
MINUSTAH	United Nations Stabilization Mission in Haiti
MPCE	Ministry of Planning and External Cooperation (<i>Ministère de la Planification et de la Coopération Externe</i>)
MSME	Micro, Small and Medium Enterprises
MSPP	Ministry of Public Health and Population (<i>Ministère de la Santé Publique et de la Population</i>)
MTEU	Millions of Twenty Foot Equivalent Units'
OCHA	United Nations Office for the Coordination of Humanitarian Affairs
ONPES	National Observatory for Poverty and Social Exclusion (<i>Observatoire National de la Pauvreté et de l'Exclusion Sociale</i>)
PARDH	Strategic Action Plan for the Recovery and Development of Haiti (<i>Plan d'Action Stratégique pour le Redressement et le Développement d'Haiti</i>)
PEMFAR	Public Expenditure Management and Financial Accountability Review
PFM	Public Financial Management
PPCR	Pilot Program for Climate Resilience
PLR	Performance and Learning Review
PPA	Power Purchase Agreement
PPP	Public Private Partnership
PSDH	Strategic Development Plan for Haiti (<i>Plan Stratégique de Développement d'Haiti</i>)
RE	Renewable Energy
SCD	Systematic Country Diagnostic
SME	Small and Medium Enterprises
SREP	Scaling up Renewable Energy Program
TA	Technical Assistance
UN	United Nations
US	United States
UNDP	United Nations Development Program
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
WBG	World Bank Group
WSS	Water and Sanitation Services

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FY2016-2019 COUNTRY PARTNERSHIP FRAMEWORK FOR THE REPUBLIC OF HAITI

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**WBG COUNTRY PARTNERSHIP FRAMEWORK
FOR THE REPUBLIC OF HAITI
FY2016-2019**

I. INTRODUCTION

1. **Five years into Haiti's reconstruction following the devastating earthquake of 2010, the country is experiencing an economic and a political transition.** Although many challenges brought by the earthquake remain to be fully addressed, Haiti's focus has shifted from reconstruction to longer term development and to securing a more prosperous future for its people. This World Bank Group (WBG) Country Partnership Framework (CPF) for FY2016-2019 proposes to support Haiti's efforts to reduce poverty and boost shared prosperity, in line with the priorities of the Government of Haiti.

2. **Although significant challenges remain, Haiti has seen a number of positive developments since the earthquake.** These developments, some of which are significant, illustrate Haiti's potential and point to avenues for further progress. Extreme poverty has fallen over the last decade, especially in urban areas, and foremost in Port au Prince. Key investments in infrastructure have been realized: the main road network and connectivity between the country's key cities have been substantially improved with all major cities connected. Nearly 500km out of the 930km primary network has been built or rehabilitated. Airline traffic to Port au Prince has increased; a new airport in Cap Haitien is receiving domestic and international flights; and the rehabilitation of the Peligre Dam has begun.

3. **Private sector development has also taken place.** The tourism sector is growing with several new hotels in Port au Prince and an increase in international travelers by nearly 20% in the last couple of years. Access to finance, particularly of micro credit on offer, has increased. New investments in the manufacturing sector have increased formal employment opportunities, and private investment in port and electricity generation infrastructure hold the promise to enhance Haiti's competitiveness. Service provision in education has been expanded with 90% of children going to school, and significant reforms are being undertaken to improve accountability and quality in the sector. There have also been improvement in health. Between 2005 and 2012, the infant mortality rate decreased by 9%, under-five mortality rate dropped by 11%, institutional deliveries increased by 29%. Since 2013, hospital deaths from cholera have been maintained at under 1%. With regard to children, the Paternity and Maternity Law has been passed giving children born to unmarried parents the same rights to their father's name and their inheritance as children born to married parents. The impact from hurricanes Sandy and Isaac showed that the Government has improved its disaster response when compared with previous disasters. Plant coverage on the ground has increased from nearly 20% to approximately 30%. In terms of Governance, in 2014/2015 fuel subsidy reform began with the removal of subsidies and the objective of moving toward an automatic fuel price mechanism; and public accountants have been deployed to Ministries to increase controls over public spending. Finally, the security situation has remained relatively stable; nearly 12,000 trained police are increasingly taking on the task of ensuring security in the country as the UN Stabilization Force is drawn down. While recognizing Haiti's challenges and working together to address its biggest constraints, the World Bank Group and the Government of Haiti intend, in the context of this CPF, to build on these developments.

4. **Haiti stands now at a critical point in its political life.** The current transition government is tasked with organizing presidential, parliamentary and municipal elections, all in 2015. Municipal and legislative elections are overdue: mayors have not been elected since December 2006 and the mandates of two thirds of the Senate and the entire House of Representatives had lapsed by January 2015. The first round of legislative elections has taken place and presidential elections are on schedule: President Michel Martelly's term ends in early February 2016.

5. **This CPF follows two Interim Strategy Notes (ISNs), which framed the WBG's significant post-earthquake response over the FY2012-2015 period, financed by an exceptional allocation from the IDA 16 Crisis Response Window (US\$500M equivalent).** Over this period a substantially expanded WBG program supported reconstruction. However, the program was also designed to continue to help the country address its long term development challenges and capitalize on new opportunities as Haiti gradually transitioned out of the reconstruction phase. Today, a CPF aimed at long-term objectives is appropriate.

6. **The CPF is designed to flexibly adapt to uncertainty.** It includes a number of elements that would allow the Bank to adjust the program to new realities as circumstances evolve. First, new activities under this CPF take place against the backdrop of a large ongoing program focused on key challenges and objectives, certain to remain highly relevant for any incoming administration. Second, adjustments to the program can be made during the Program and Learning Review (PLR), which the team proposes to schedule in FY17 once Haiti's newly elected Government is in place. Third, this CPF programs IDA 17 resources, leaving IDA 18 resources to be allocated to new investments during the PLR.

7. **In establishing focus areas and setting objectives, the proposed WBG CPF uses selectivity filters,** including: (i) the Government's demand for WBG support along the lines of its *Plan Stratégique de Développement d'Haïti* (PSDH; Strategic Development Plan for Haiti); (ii) the priorities identified in the 2015 SCD to eliminate poverty and boost shared prosperity; and (iii) the WBG's comparative advantages in light of its expertise, the work of other donors, and the lessons learned from the implementation of earlier programs. The CPF is strongly aligned with the IDA 17 special themes of Inclusive Growth, Fragility, Gender and Climate Change and the Haiti program contributes substantially to meeting IDA 17 requirements in these areas, including the requirements for fragile states. The CPF proposes public and private financing coupled with knowledge and data development, based on global experience and local relevance.

II. COUNTRY CONTEXT AND DEVELOPMENT AGENDA

8. **Haiti's geography, people, and history provide it with many opportunities.** The third largest Caribbean nation by area and population (10.4 million), Haiti shares the island of Kiskeya with the Dominican Republic. In addition to an illustrious early history, as the first independent nation in the region and the first nation in the world to be led to independence by former slaves, Haiti benefits from proximity and access to major markets, a young labor force, a dynamic diaspora, and substantial geographic, historical, and cultural assets. The country possesses untapped markets and a pent-up demand for the private sector to explore, including agribusiness, light manufacturing, and tourism.

9. **The Haitian and Dominican economies are closely linked by trade, investments, and migration¹.** Trade chiefly consists of formal exports from the DR to Haiti (dominated by construction materials and consumer goods) and informal exports of agricultural products from Haiti to the DR. Trade numbers do not reflect that smuggled consumer products from the DR are widely available in Haiti. Dominican firms are very active in Haiti and have strengthened their position during the reconstruction period. Haiti is the source of important migration flows to the DR, providing a young lower-wage labor force to the Dominican economy, particularly in the tourism sector. It is estimated that 90% of the DR's foreign workforce is of Haitian origin and that half a million to a million people of Haitian origin live in the DR². Haitian migrants in the DR send home substantial remittances. Remittances have been demonstrated to be important to poverty reduction in Haiti.³

10. **Almost 60% of Haiti's population, 6.3 million people, remain poor,⁴ and 24% or 2.5 million, extremely poor, with poverty highest in rural areas. The poorest regions,** which are also the furthest from the capital, show extreme poverty rates exceeding 40% and very limited access to basic services. Like poverty, inequality is high with a Gini of 0.6 (highest in the Americas).

11. **On January 12, 2010, a catastrophic earthquake of magnitude 7.0 struck 25 kilometers west of Port-au-Prince, Haiti's capital.** The earthquake killed an estimated 230,000 people and displaced 1.5 million. It resulted in damages and losses of US\$7.9B (120% of GDP) and in US\$11.3B in estimated reconstruction needs. The disaster compounded Haiti's many preexisting development challenges, increasing poverty and vulnerability, threatening livelihoods, and hampering already weak service delivery and human development outcomes. The disaster also exacerbated Haiti's underlying socio-economic drivers of poverty, such as social divisions and inequity, the fragility of political mechanisms, the government's weak capacity, risks of political instability and persistent volatility. Compounding these challenges, cholera broke out in October 2010, sickening almost 760,000 people and killing almost 9000 to date.

12. **Though criticized for delays and inefficiency, post-earthquake reconstruction efforts have delivered visible results.** In the aftermath of the disaster, Government, development partners and private actors together made considerable headway in reconstruction, investing approximately US\$3B in Official Development Assistance (ODA) and much more from private flows⁵ mostly in Port-au-Prince and surrounding affected areas. Over 1.4 out of the 1.5 million people displaced have left the camps. Collapsed infrastructure and many affected neighborhoods have been rebuilt, education services have been re-established and extended, and despite resurgences of the disease, the cholera epidemic is being controlled (deaths have been driven down to below 1% of cases),

¹ The Dominican Republic is an upper-middle income country of 10.3 million and a GNI per capita of US\$5,850.

² The World Bank migration database shows 479,000 registered migrants from Haiti in the DR in 2013. However, various entities which include unregistered migrants cite numbers closer to 800,000 to 1 million.

³ Remittances from the DR represent 11% of remittances received in Haiti (second only to remittances from the US) and mostly benefit poorer rural households with over 40% going to the bottom two quintiles of income distribution. MPCE/ ONPES/World Bank; *Investing in People to Fight Poverty in Haiti*; May 2015.

⁴ Under Haiti's National Poverty Line of US\$1.98 per day, based on consumption.

⁵ Office of the UN Special Envoy; *Official figures/ODA to Haiti*. Flows from donations to private organizations are unknown but substantial amounts are reported by NGOs as having been spent in Haiti over the period.

and numerous safety net programs have been financed. The 2015 Poverty Assessment⁶ undertaken jointly by the Government and the World Bank shows that the percentage of extremely poor Haitians (those who cannot fulfill their nutritional needs⁷) fell from 31% to 24% between 2000 and 2012, with the drop being mostly urban and the largest drop occurring in the capital.

A. SOCIAL AND POLITICAL CONTEXT

13. **Post-earthquake politics were marked by the first peaceful handover of presidential power to an opposition candidate in the history of Haiti.** President Michel Martelly succeeded President René Prével on May 15, 2011. Though some electoral irregularities led to demonstrations, there was no widespread violence. Mr. Martelly's first two Prime Ministers, Gary Conille (October 2011-May 2012) and Laurent Lamothe (May 2012-January 2015), both focused the Government on reconstruction.

14. **However, strong tensions arose between the Executive and the Parliament, and legislative elections in 2012 and 2014 could not be organized causing the mandate of Parliament to lapse.** Political wrangling also hampered reconstruction. In December 2014, the opposition made clear it would not accept President Martelly governing by decree (as foreseen by the Haitian Constitution upon the lapsing of Parliament), unless a care-taker government responsible for organizing elections was nominated. In January 2015, Prime Minister Lamothe resigned and new Prime Minister Evans Paul (a member of the opposition) was charged with organizing elections.

15. **Presidential, parliamentary, and municipal elections are now scheduled to be held by end 2015.** The first round of parliamentary elections for two thirds of the Senate and the entire Chamber of Deputies were held August 9th, 2015. The second round of the legislative, the first round of the presidential, and the municipal elections are scheduled for October 25th. If necessary, a second round of the presidential election is slated for December 27th. Most political parties have registered and approximately 50 candidates are running for President. The new President is scheduled to be sworn in in February 2016.

16. **Historically, political violence and instability have been both a symptom and a driver of fragility in Haiti.** Political violence has occurred frequently, including during electoral periods. After the Duvalier dictatorships (1957-1986), Haiti had a succession of short-lived governments. Lacking sufficiently long periods of stability, the country has struggled to develop the institutional mechanisms, capacity, and policy fundamentals essential to economic development and the rule of law. Disenfranchised and without effective, legitimate channels to voice needs and demands and resolve conflicts, citizens have taken to the streets in protest, sometimes violently, particularly in cities. Although demonstrations have remained common, widespread expressions of political violence have been relatively rare since the 2010 earthquake. With impending elections, there has been an increase in political violence in recent months.

17. **The capacity of the Haitian State to maintain law and order and provide justice is increasing but the United Nations Stabilization Mission in Haiti (MINUSTAH) still plays an essential security role.** MINUSTAH has been in Haiti since 2004. With the ongoing phased

⁶ MPCE/ ONPES/World Bank; *Investing in People to Fight Poverty in Haiti*; May 2015.

⁷ Haiti's National Extreme Poverty line is US\$1 per day, based on consumption.

withdrawal of the force over the CPF period, the international community, including the United Nations (UN), the United States (US), and Canada are supporting police development, electoral capacity, the rule of law and human rights, and governance. However, the reduction and eventual departure of MINUSTAH could present risks for security and stability. Haiti's police force has nearly 12,000 trained officers and is increasingly taking on the task of ensuring security in the country. Continued training efforts are needed to reach the target of 15,000 for 2016. The recent drafting of a new penal code and the launching of a vetting process for magistrates are advances in the justice system, but substantial challenges remain to build State capacity in the sector.

18. **Armed gangs and criminal networks are a further destabilizing factor.** Haiti has made considerable progress in recent years in dismantling major gangs. Nevertheless, gangs are thought to be a significant force (although there is little data), particularly in marginal urban communities with little state presence and few formal institutions or social groupings. This has also been enabled by two major prison outbreaks in the last couple of years that have resulted in the escape of several well known gang and criminal leaders.

19. **Deeper challenges to the social fabric also exacerbate Haiti's fragility.** The Haitian social order is highly vertical and hierarchical, based primarily on bilateral patron/client relationships. This pattern of social organization has been identified as an obstacle to collective action and to cooperation for effective service-delivery. This pattern also characterizes many urban neighborhoods, where small groups based in individual 'blocks' compete with rivals in neighboring blocks over scarce resources. Some of the urban violence perpetrated by youth gangs is partially a manifestation of these local rivalries.

20. **As the SCD underlines, the social contract between the Haitian State and its citizens remains weak.** Over long periods of time, Haiti's poor have seen very little improvement in their prospects and living conditions, while the Haitian State has struggled to raise revenues, provide services and enforce the rule of law. Limited government effectiveness, weak institutions, strong concentration of productive assets in the hands of a few, and high inequality, have generated neither the economic opportunities sufficient to reduce poverty nor productive channels for the population to engage the State and the elites. This has led to low levels of trust between State and citizens, further heightening the likelihood of conflict and violence. Taking these elements of historical fragility into account is critical to achieving the poverty reduction and shared prosperity objectives of WBG's program.

21. **The WBG classifies Haiti as a fragile state due to its low Country Policy and Institutional Assessment (CPIA) rating⁸ for economic, social and public sector policies and institutions.** Fragility can be broadly seen as the weakness of the country's institutions and its corresponding vulnerability to instability, conflict and violence. The World Bank's approach to Fragility and Violence will be to selectively and pragmatically engage where possible through operations, while also supporting the building of the social contract. With other donors heavily engaged in security, including the training of police, and strengthening the criminal justice system, the Bank is also not planning to engage in these sectors. However, the Bank may explore specific entry points such as gender-based violence, for which there has been a piloted support services for victims in the context of displacement camps, and security in schools. The upcoming Urban Review will also explore entry points for conflict reduction. The CPF program will also contribute

⁸ The 2014 CPIA for Haiti is 2.9 with countries rated under 3.2 considered fragile.

to reducing fragility and conflict by helping to build trust between citizens and the state, by supporting citizen engagement and the building of the social contract.

B. TRENDS IN GROWTH AND RECENT ECONOMIC DEVELOPMENTS

22. **Per capita growth has been positive since FY2011, however, higher sustained growth rates will be needed to reduce poverty.** After a 5.3% contraction in GDP in 2010 due to the earthquake, Haiti experienced from 2011 to 2014 a real growth rate averaging 3.8% and a per capita GDP growth of 2.4%, spurred in part by high levels of reconstruction aid and remittances. This is Haiti's best performance in decades: historically, GDP per capita has fallen by 0.7% per year on average between 1971 and 2013, driven mostly by labor force expansion, but hampered by political instability and natural disasters. These economic growth rates will, however, not be enough to reduce poverty. The SCD has illustrated that both faster and more inclusive growth (i.e. achieving faster income growth for the bottom income quintiles) will be needed, for Haiti to achieve the target of a 3% extreme poverty rate by 2030.

23. **The country has experienced a return of donor assistance and greater access to concessional financing over the past decade.** Haiti has long been characterized by its very low fiscal revenue mobilization, seriously constraining its ability to carry out needed developmental spending (infrastructure, health, education). A lot of basic services are provided in Haiti by non-State actors. Following the 2010 earthquake, the budget has benefitted from exceptional donor assistance with external grants increasing from 2% of GDP in 2004 to 8.1% in 2013, peaking at 12.1% of GDP in 2010. Meanwhile, in addition to benefiting from the Heavy Indebted Poor Country initiative and the Multilateral Debt Relief Initiative, Haiti received additional debt cancellation in the aftermath of the earthquake, reducing its total external debt to 8.9% of GDP in 2011 and providing borrowing space that the country used for concessional financing from Venezuela through the PetroCaribe program, which allows Haiti to import oil, convert a substantial part of its cost into long-term concessional loans, and sell the oil on the national market to finance Haitian public investments.

24. **These resources have allowed Haiti to finance an expansion in priority spending.** Available evidence suggests that the increase in donor assistance and availability of concessional financing have been channeled to the reconstruction and social sectors, consistent with the decline in poverty and improvements in some human development indicators (such as education access) observed over the same period. The share of public investment, for instance, has grown: in 2014, it represented more than half of total public spending compared with a third in 2005.

25. **Haiti now needs to adjust to tighter budget constraints.** An expansion of aid and concessional borrowing have allowed Haiti to increase public spending. Donor assistance and concessional financing represent about 70% of the financing for public capital spending. Social sectors including health, education and social protection relied on donor assistance for 45% of their financing in 2012. This heavy reliance on donor and concessional financing makes these spending items particularly vulnerable to the decline in aid and in international oil prices (which affect the availability of concessional resources from Venezuela). These tighter constraints could put into question some of the recent progress achieved in poverty reduction and human development, making the country's balancing act between developmental needs and fiscal sustainability even more challenging.

26. **Maintaining macroeconomic stability and economic growth will also be a challenge.** Since 2011, the Government has succeeded in preserving macroeconomic stability, building up international reserves to adequate levels, containing deficits, and controlling inflation, which was brought down to single digits. However, Government revenues remain low, stagnating at around 12% of GDP. As the exceptional level of aid following the 2010 earthquake rapidly declines, additional fiscal revenue have not been mobilized nor public spending cut to offset fully this substantial decline in resources, eroding government deposits, increasing central bank financing, and putting pressure on the exchange rate. The recent decline in international oil prices is further tightening fiscal resources through lower revenues generated by sale of oil from PetroCaribe. As a result, growth is expected to slow down substantially in 2015, as public investment is cut. These developments further underline the importance of mobilizing greater domestic revenue and substantially improving the efficiency and effectiveness of public spending.

27. **Although debt stock is on the rise, Haiti's risk of debt distress is assessed as moderate.** After debt relief (2009) and the cancellation of remaining debt by donors and most Paris Club creditors following the earthquake, external debt to GDP ratio had fallen to 9% in FY11. The country has taken the opportunity of its greater borrowing space to continue borrowing on concessional terms under the PetroCaribe arrangement. For FY14, external debt is projected to reach 21% and domestic debt 4% of GDP. These projections improved as the price of oil fell and concessional financing through PetroCaribe also declined. The May 2015 World Bank/IMF Debt Sustainability Analysis assesses Haiti's risk of debt distress as Moderate, down from Substantial.

28. **Throughout the post-earthquake period, Haiti has met its quantitative targets under an IMF Extended Credit Facility (ECF), albeit with some delay.** However, progress related to structural reforms has been slow, and particularly weak in the critical electricity sector. Attempts to improve the commercial viability of Haiti's electricity utility, *Electricité d'Haïti* (EDH) and reduce large losses due to low billing and recovery, as well as, theft have been unsuccessful, requiring large subsidies from the Treasury to EDH. Limited access to reasonably priced and reliable electricity supply remains a critical obstacle to growth and investment. A new Three-Year ECF Arrangement, concluded on May 18, 2015, contains measures to progressively address these challenges. If significant improvements in the commercial performance of EDH materialize, the ECF could provide a framework for World Bank support. Over US\$300M in grants have been mobilized for the post-quake reconstruction of the energy sector and joint policy advice made available to GOH for the energy sector from the World Bank, the IDB, and the US Government, as well as from KfW, OFID, and Norway through UNEP. This includes a US\$90M IDA grant. Other policy reform areas include Public Financial Management, and in particular Public Investment Management. The Government of Haiti has requested Development Policy Financing from the World Bank during the CPF period.

Table 1 : Haiti Selected Indicators, 2012-2019

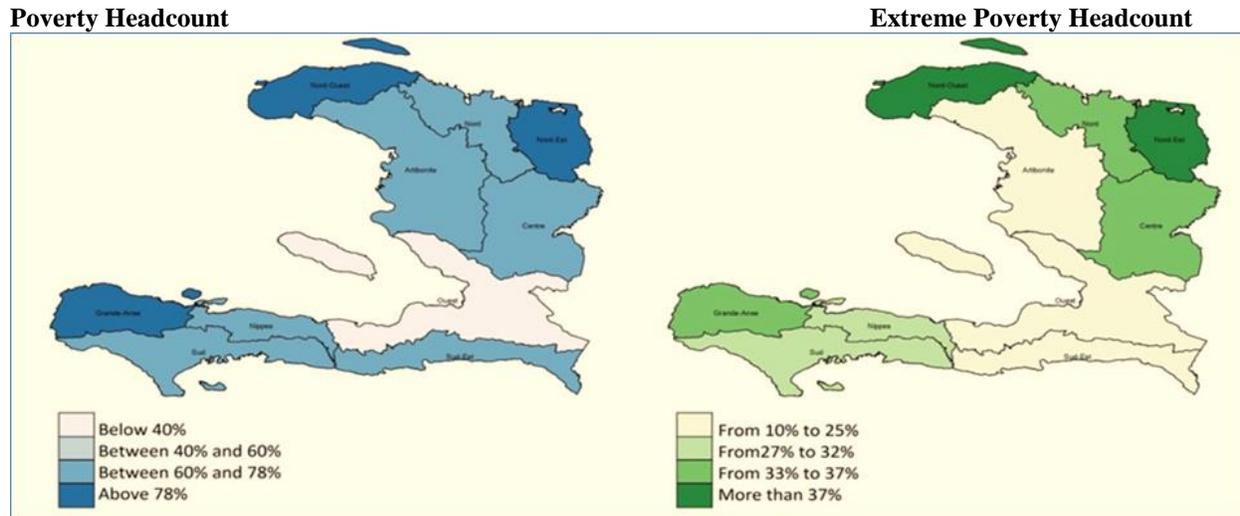
	2012	2013	2014e	2015f	2016f	2017f	2018f	2019f
National income and prices	<i>Annual percentage changes, unless otherwise indicated</i>							
Real GDP	2.9	4.2	2.8	1.7	2.5	2.8	3.0	3.0
Exports, goods and Services	2.1	5.0	4.5	8.0	6.0	5.5	5.0	4.5
Imports, goods and services	-5.7	3.2	2.6	3.0	2.2	2.5	3.0	3.0
Inflation (average)	6.8	6.8	3.9	7.2	6.8	6.2	6.0	6.0
Selected Monetary Accounts								
Base money (eop)	-3.7	15.1	0.8	19.0	..	..	..	..
Interest (key policy interest rate, eop)	3.0	3.0	5.0	16.0	..	..	..	..
Fiscal Accounts	<i>percentage of GDP, unless otherwise indicated</i>							
Total revenues	23.4	20.9	19.1	19.6	19.5	19.4	19.4	19.3
Total expenditures	28.2	28.1	25.3	24.0	23.1	22.0	21.6	22.2
Fiscal balance	-4.8	-7.2	-6.3	-4.4	-3.6	-2.6	-2.2	-2.9
Public debt	15.8	19.1	24.1	25.5	26.4	27.2	28.2	28.9
Balance of Payments								
Current account balance	-5.7	-6.3	-6.3	-4.8	-3.8	-4.1	-3.8	-3.8
Exports, goods and Services	16.8	18.6	19.0	20.8	22.6	22.4	22.2	21.8
Imports, goods and services	53.2	52.3	51.8	54.0	58.2	57.4	57.1	56.0
Foreign Direct Investment	2.0	1.9	1.1	1.2	1.6	1.8	2.0	2.1
Gross reserves (US\$ millions)	2,346	2,384	1,914	1748.9	1741.7	1758.6	1802.8	1852.9
Exchange rate (GDS/USD, average)	41.6	43.1	44.6	49.0	..	..	..	..
Other memorandum items								
Nominal GDP (US\$ millions)	7,890	8,453	8,713	8,641	8,119	8,407	8,728	9,220

Sources: Ministry of Economy and Finance, Bank of the Republic of Haiti, IMF and World Bank staff calculations.

29. **The first Poverty Assessment (2015) in over a decade provides new insights on the nature, distribution, and evolution of poverty in Haiti.** Poverty rates remain very high with 60% of the population under the Haitian poverty line of US\$1.98 per day (based on consumption). However, extreme poverty has declined over the last decade from 31% in 2000 to 24% in 2012 using the Haitian extreme poverty line of US\$1.00 per day (based on consumption) on the back of an increase in non-agriculture employment (related to reconstruction and aid) and domestic and international remittances (internal migration is twice as large as international migration). There has been some narrowing of inequality in urban areas. Improvements are chiefly urban and sharpest in Port au Prince where the extreme poverty rate is now estimated at around 5%.⁹

⁹ These numbers are illustrative of the difference between Port au Prince and the rest of the country but may be underestimated as poverty measurements do not take the differential in cost of living in various areas of the country into account when defining minimum consumption levels in Haiti.

Figure 1 : Poverty and Extreme Poverty are largely a rural phenomenon in Haiti



Sources: ECVMAS 2012; World Bank and ONPES (2014).

30. **Poverty incidence is highest and poverty deepest in rural areas.** The poorest regions, which are also the furthest from the capital, show extreme poverty rates exceeding 40%. Like poverty, inequality is high with a Gini of 0.6 (highest in the Americas). Although it has narrowed slightly in cities, inequality has widened in the countryside, likely driven down by aid and job creation in Port au Prince and up in rural areas due to poor agricultural performance in recent years. In 2012, the top one percent of the population lived on almost 50 times the resources of the bottom 10 percent.¹⁰

31. **Poor people also continue to face significant barriers to access infrastructure and services.** For example, cost is cited as the main reason for keeping children out of school (83%). It is also the most often cited reason for not consulting a doctor (49%).

32. **As the SCD shows, to reduce extreme poverty to under 3% by 2030, Haiti would either have to consistently grow at double digit rates (about 3 times as fast as its best growth years in the last three decades) or at over 7% overall with incomes for the bottom 40% growing much faster than the rest.**¹¹ In the absence of a huge jump in growth, or of a significant jump with much stronger distribution of benefits toward the bottom 40%, poverty is likely to stagnate and, as many reconstruction and social programs launched after the earthquake close due to lack of financing, extreme poverty could worsen again. Quantitative analysis shows that income growth for the poorest 40% would be positively impacted by improvements in health status and education access, with school enrollment having the largest impact on the lowest quintile. Whereas mean growth is strongly correlated with infrastructure access and political stability.

¹⁰ Based on per capita income data.

¹¹ The World Bank; Haiti - Systematic Country Diagnostic, p. 52.

Table 2 : Access to Basic Services Coverage Rates (2001-2012) (In Percent)

Indicator	National		Urban		Rural	
	2001	2012	2001	2012	2001	2012
School-age children in school	78	90	84	93	74	87
Under-5 mortality (per 1'000 live births)	137.7	92	111.7	88	149.4	99
Children (12-23 months) fully vaccinated	33.5	45.2	33.6	44.5	33.5	45.6
<i>Access to improved drinking water sources</i>						
WHO definition ^a	—	53	—	55	—	52
Access to tap water (in house)	7	11	13	18	3	5
Expanded definition ^b	—	73	—	91	—	56
Treated water (purchased)	—	20	—	36	—	4
Access to energy ^c	32	36	62	63	11	11
Rate of open defecation ^d	63	33	44	11	76	53
Access to improved sanitation ^e	—	31	—	48	—	16
Habitat, nonhazardous building materials	48	60	71	81	33	41

Sources: ECVH 2001; ECVMAS 2012; World Bank calculations.

Note: — = not available. WHO = World Health Organization.

a. According to the international definition (WHO), access to improved drinking water is the proportion of people using improved drinking water sources: household connection, public standpipe, borehole, protected dug well, protected spring, rainwater.

b. The expanded definition includes the international definition (WHO), plus treated water (purchased).

c. Includes electricity, solar, and generators.

d. Rate of open defecation refers to the proportion of individuals who do not have access to improved or unimproved sanitation.

e. Improved sanitation is access to a flush toilet or an improved public or private latrine.

C. DRIVERS OF POVERTY AND DEVELOPMENT CHALLENGES

Interrelated and Mutually Reinforcing Constraints

33. **One of the key findings of the SCD is that Haiti's development outcomes are hampered by sets of interrelated and mutually reinforcing constraints that often require multisectoral approaches, rather than by distinct bottlenecks.** The SCD validates former assessments that institutions, human capital, and infrastructure all matter for Haiti's economic growth and shared prosperity. It agrees that economic progress requires improvement in educational quality and access, that Haiti faces a substantial infrastructure gap, that migration to urban areas has increased urban vulnerability, and that these problems cannot be tackled effectively without improving governance and strengthening institutions. Faced with many constraints, Haitian institutions, including line ministries and service delivery agencies, are largely unable to address grievances over the distribution of resources that erodes trust and fuels conflict and violence. This vicious cycle undermines progress toward poverty reduction and shared prosperity. The box below lists the priorities which emerged from the key constraints identified in the SCD.

Box 1 : SCD Priorities for Haiti

Maintaining macroeconomic stability and increasing fiscal space for development spending call for immediate attention. The decline in donor assistance and lower availability of concessional financing raises concerns about the sustainability of social programs and of the recent progress in improving access to some basic services. In this regard, greater mobilization of own fiscal revenue and improved efficiency in public expenditure management are critical.

Strengthening state capacity is essential. Some of Haiti's partners work through non-State actors rather than the State to facilitate implementation of their programs, however this practice undermines the public sector and does not contribute to strengthening government capacity and institutions in the long-term.

Strengthening the social contract is particularly important. Most modern democracies use fiscal revenue to finance the State, regulate private activity, and redistribute wealth. In return, the State is expected to provide key services and a level playing field for the private sector. In Haiti, both sides of this contract are weak – few people or businesses pay taxes, and the State struggles to provide services and appropriate regulation.

Removing barriers to market entry, enhancing competition, and supporting a greater variety of private sector actors will accelerate growth. Market concentration in the formal private sector, limited investment in productive activities, weak business environment, and lack of competition due to poor regulation, and a patronage system, have limited the expansion of the formal private sector, hampered the entry of new actors, and led to high prices for consumers.

There is a need to generate more and better jobs. The private sector is limited to a few large enterprises. Most people are occupied in a less visible private sector: the agriculture and other informal sectors. For poverty to diminish, agricultural productivity and rural incomes need to increase, including through the informal sector, and the formal sector needs to expand.

Reducing vulnerability is critical. Haiti remains one of the most exposed countries in the world to natural disasters and the flood of migrants into the cities has increased the population living in vulnerable areas. In the face of recurring shocks and vulnerability, better risk management strategies and targeting in social protection are a priority to protect households and individual livelihoods.

Better evidence is needed to inform planning and targeting of policies and programs. Without key national and sectoral data and analytics, it is difficult to prioritize, and carry out efficient and effective public policy or development programs, which is critical given limited resources

Migration and Urbanization

34. In addition, the SCD underlines the significant role of internal and external migration in shaping Haiti's economy and poverty outcomes. Migration has accelerated over the last two decades, as people seek economic opportunities and services where they are available (mostly in Port-au Prince). Domestic transfers from the city to families in the countryside and remittances from the Haitian diaspora abroad are large. Together with aid flows, they are believed to have played a key role in boosting consumption, particularly in the city, leading to a 7% drop in extreme poverty between 2000 and 2012. Increases in remittances also appear to reduce conflict intensity, possibly by raising the opportunity cost of participating in violent activities. However, unfettered urban growth, particularly in precarious areas, has also increased the vulnerability of urban populations to natural disasters and caused pressure on coastal ecosystems.

35. **Haiti's large diaspora has enabled growth in remittances and improved the livelihoods of many families.** However, migration to the Dominican Republic has also resulted in increased tensions between the two countries, particularly in the past year. Since a June 17 deadline

set by the Dominican Republic for Haitians living in the DR to regularize their status and obtain legal residency, the Organization for International Migration estimates that close to 8,000 Haitians and Dominicans of Haitian descent have voluntarily and involuntarily¹² returned to Haiti, and that some settlements and small camps have been established along the border¹³. This situation could put considerable pressure on Haiti's limited resources.

36. The potential impact of rapid urbanization on conflict and violence calls for further analysis of urbanization patterns. As the SCD points out, urban centers are by far the arrondissements with the largest number of conflict events per capita. Rapid migration of youth to urban neighborhoods associated with poverty, unemployment, political and social marginalization, and limited access to services further increases risks of conflict and violence. New migrants have limited access to the economic and social support of traditional social networks (family and kin) this combined with negative shocks, may make youth more likely to join gangs.

Economic Inclusion Challenge

37. In order for Haiti to have the higher growth rates necessary to significantly reduce poverty and instability, there is a critical need for spatial “rebalancing” of the overly centralized economy.¹⁴ In 2010, 65% of Haiti's GDP and, in 2012, 22% of Haiti's labor force was estimated to be in Port au Prince, earning the country the nickname of “*la République de Port au Prince*.” The economic concentration fuels a deep sense of exclusion that can be mobilized by power interests. With 73% of the poor living in rural areas, Government envisages the development of regional growth poles by attracting domestic and international investments, actively managing territorial development, investing in connectivity, transport, and infrastructure, providing inclusive financial services, and education and training, which would provide much needed opportunities. Such regional development would help remove barriers to market entry, enhance competition, provide more opportunities for the excluded segments of the population, and support a broader range of private sector actors.

38. The private sector is characterized by high degrees of concentration, hampering the entry of new actors and resulting in high prices for consumers. From the beginning of the twentieth century, autocratic leaders in Haiti have traded economic advantages for political support from the elite. Though publicly available information on privately held businesses is limited, many of the families who dominated the Haitian economy in the 1970s and 1980s appear to remain in control of large segments of the economy, resulting in high levels of market concentration in key industries, distorted competition, and often non-transparent business practices. Several key food products in the Haitian consumption basket are imported under only 1 or 2 licenses, and a preliminary analysis indicates that the prices of these products are substantially higher (30 to 60%) in Haiti than in neighboring countries. This structure translates into limited opportunities for a substantial expansion of the formal private sector across most sectors. The entry of new actors in key markets would be a critical step towards more inclusive growth.

¹² Voluntary or involuntary return self-described by returnees in the context of OIM interviews.

¹³ International Organization for Migration; Border Monitoring Sit Rep; August 21, 2015,

¹⁴ Government of Haiti; *Plan Stratégique de Développement d’Haïti* ; Mai 2012; Chapter 1, p 35.

39. **Improving the country's unfavorable business environment is one avenue to encourage more investment and foster greater competition.** The transparent and competitive allocation of government contracts would be another vector to maximize private sector efficiency and lower prices for government. In addition, better regulation is needed to encourage competition and make Haitian markets more attractive to investors. Greater competition and transparency in regulation would encourage new investors to participate and could accelerate growth and promote innovation in markets dominated today by a few.

40. **To increase the dynamism of the private sector, formal firms need to develop management expertise and skills to add more value to the Haitian economy.** A handful of large Haitian firms are sophisticated businesses that operate internationally. However, with the exception of these, despite access to credit, assets, and markets, many firms lack modern management tools, financial knowledge, and the technical expertise required to develop and market competitive products or invest in longer-term, capital intensive activities. Improving the appetite and ability of these actors to invest in productive ventures, which add value to the Haitian economy, and developing a vocationally and entrepreneurially skilled labor force is essential to developing Haiti's economy.

41. **A large part of the Haitian economy is informal.** With a relatively small public sector (13%), the labor market is also mainly informal. Only 30% of youth manage to secure formal jobs, with the rest finding their livelihood mostly in the informal markets. Most working Haitians (87% of the labor force) are occupied in the agriculture (formal and informal) sector and the non-agricultural informal sector¹⁵.

42. **Although formal jobs and employment need to increase, poverty reduction in Haiti requires increases in income from the informal sector, as well as, increases in agricultural productivity.** Although the formal sector has the potential to create jobs, it is unlikely to become the main employer in Haiti in the near term. Furthermore, workers in the non-agricultural informal sector earn less than 50% of the earnings of those in the formal sector. In addition, in the rural environment, less than 20% of the earnings of farmers come from on-farm agricultural activity¹⁶, indicating that earnings from farming do not sustain rural families and that off-farm activities have become central to rural incomes. Greater focus on enhancing the productivity and earnings of those already employed in agriculture and in the informal sector are critical to overall poverty reduction. Government and donor support for vocational training coupled with better access to finance would encourage entrepreneurial initiatives and self-employment in urban and rural settings.

43. **Another result of economic exclusion is that the lack of economic opportunities seems to be driving violence and conflict.** Economic shocks and economic exclusion correlate with pattern of conflict in Haiti. Violence and conflict in turn hampers economic opportunities and growth. It is not uncommon in Haiti for protests to shut down business and cities. A number of observers have pointed to the need for the country to break out of a cycle in which unemployment, inequality, and poor education feed into instability, violence and uncertainty, making it difficult for the economy to grow and create jobs, thus perpetuating further unemployment and inequality.

¹⁵ MPCE/ONPES/WB; Investing in People to Fight Poverty in Haiti; May 2015.

¹⁶ Ibid.

Inclusion of Women and Girls

44. **Though Haiti is close to achieving gender equality in primary and secondary education, women and girls fare much less well than their male counterparts in access to justice, economic opportunity, maternal health, and gender based violence.** Evidence from the 2015 Poverty Assessment shows that women and girls in Haiti face significant obstacles when accumulating assets (women are 20% more likely to be unemployed, face greater economic insecurity and earn 32% less than men). Women also are more likely to be illiterate and register lower education and health outcomes. Gender-based violence is far too prevalent, with 13% of Haitian women having experienced sexual violence, and 29% of women who have ever been married having experienced spousal violence. Only 4% of all parliamentary seats are occupied by women, placing Haiti 136th of 142 countries. Government's recently published gender assessment and policy, and the gender related activities foreseen under this CPF are outlined in Annex 8.

45. **By mainstreaming gender in investment projects, the WBG program addresses the key challenges to women's economic opportunity, as well as, education and health, while ensuring that infrastructure projects address gender specific issues where possible and promote the inclusion of women in participatory decision-making.** The WBG will continue to support the economic participation of women in private sector promotion and agricultural activities. Joint Bank-IFC efforts through investment generation and Better Work projects and IFC investment in the Codevi Special Economic Zone have helped improve labor standards. The Business Development and Investment project has specific targets for the participation of women in training and SME support. The agriculture project includes specific measures to enhance female participation and benefits flowing to women, including financial literacy training. The Education project finances equal access for girls to primary education. A large program for the delivery of a basic package of reproductive, maternal and child health services is supported by IDA. The Water and Sanitation project also incorporates gender appropriate access to water and sanitation solutions. Neighborhood reconstruction projects include measures to enhance the safety of women and girls such as street lighting and has specific targets for women in leadership positions in decision-making in community based organizations (CBOs) and projects submitted by women's CBOs. All of the projects will also collect gender disaggregated data on beneficiaries. In addition, the gender specific results are tracked through disaggregated indicators in the results framework. Planned efforts to build evidence and data on public spending for improved service delivery will also support the collection of sex-disaggregated data and the strengthening of government's statistical capacity to analyze the incidence of public spending on males and females.

Vulnerability is Exacerbated by Climate Change

46. **Climate change is expected to exacerbate the risk of hydro-meteorological hazards by increasing the frequency and/or intensity of extreme events and thus further increasing Haiti's vulnerability.** Temperatures in the Caribbean region could rise from 1.2°C to 2.3°C by 2100, with a median increase of 2.0°C during the 21st century.¹⁷ In addition to claiming human lives, climate-related hazards may take a heavy toll on all sectors of the Haitian economy. Climate change may reduce agricultural productivity and, in conjunction with the volatility of global food prices, pose a significant threat to food security. Extensive use of wood fuels has caused massive deforestation and soil erosion, worsening the impacts of disasters related to climate change, though

¹⁷ Inter-governmental Panel on Climate Change (IPCC); Fifth Assessment Report; 2014.

recent data may indicate that vegetation coverage has improved from previous dismal levels. Understanding hydro-meteorological and climate risks is imperative to assess social and economic impacts and to develop adequate policy responses to support Haiti's sustained development, as is a multi-sectoral approach to tackling disaster risks and the effects of climate change.

III. WORLD BANK GROUP PARTNERSHIP STRATEGY

A. LESSONS FROM THE 2009-2014 COUNTRY PARTNERSHIP STRATEGIES

47. Program implementation over the last five years has generated lessons. These are captured in the Completion and Learning Review (CLR) in Annex 2 and echoed in the SCD analysis and incorporated into the CPF. They include:

- **Policy dialogue around increasing resilience and reducing vulnerability requires long term Bank engagement with both citizen and the state**, including knowledge development on risk and impact, increasing urban resilience, and building capacity to mainstream disaster risk prevention and management into sector policies.
- **In a context of chronically weak governance, as is particularly the case in the electricity sector in Haiti, reform requires a long-term approach, which includes institution building, and an understanding of the political economy environment of reform.** With these in place and strong coordination among donors, concrete progress can be achieved if incentives and resources are aligned. In the absence of traction on reform, an alternative is to focus on basic service delivery while pragmatically promoting policy improvements.
- **Budget support operations need to be programmatic to continuously push for reform over time.** Single tranche Development Policy Operations (DPOs) do not provide sufficient leverage to consolidate reforms. However, it remains a challenge to develop programmatic budget support and maintain momentum for reform in a context of persistent political instability.
- **Improving governance requires the development of accountable and effective Haitian institutions.** Projects with institutional capacity objectives should be clear and simple in design. While multiple instruments (investment operations, TA, budget support) can be used to improve governance, building institutions with capacity takes a very long time – 10 to 15 years—so results should not be expected early in implementation.
- **A sharp focus on sustainability and effectiveness of public programs is particularly important in Bank support to aid-dependent countries, particularly those coming out of massive emergencies.** As international resources for Haiti shrink and large needs persist, the Bank has comparative advantage in being able to support development of better data, analytics on effective and affordable programs, improved targeting mechanisms, and monitoring to maximize impact and improve the efficiency of public spending.
- **In fragile states where large knowledge gaps can exist, catalytic investment in knowledge can be leveraged for better results with little financial investment.** In the

context of declining resources, evidence based policy making is crucial to effective delivery of basic services. In Haiti, the first Poverty Assessment in twelve years is allowing the Bank to engage more strategically through investment projects to have a greater impact on the poor. In addition, a comprehensive Public Expenditure Review is allowing the Bank to work with the Government to improve the efficiency of public investment.

- **Implementation of the program has shown that promoting multi-sector interventions and synergies across the World Bank Group will generate better results.** Health, water, sanitation and communication interventions are needed to fight cholera; improved education quality is supported by better trained teachers, improved curriculum, data on learning outcomes, as well as, electricity, water, and sanitation in schools; and improved road connectivity and markets are needed to support agricultural value chains. IFC investments in electricity production and telecommunications also show the importance of private sector investment facilitation in both of these sectors.
- **Building flexibility into the program through contingency financing has proven crucial in supporting a country that is vulnerable to natural hazard.** Projects must be flexible enough to accommodate shocks in a disaster prone environment, through flexible reallocation, as well as, emergency components, which allows the Bank to respond more rapidly than by reallocating funds, which can take time. Nearly all new projects during the ISN period incorporated contingency financing for eligible emergencies, which have allowed the Bank to be responsive to a number of emergencies.
- **In a weak capacity context, project management continues to be a significant bottleneck to timely execution of activities,** particularly for projects implementing through Ministries but also in implementing units. To mitigate this, priority was given in the budget for close and intensive implementation support, as well as, additional training on procurement, financial management, safeguards, and monitoring and evaluation.

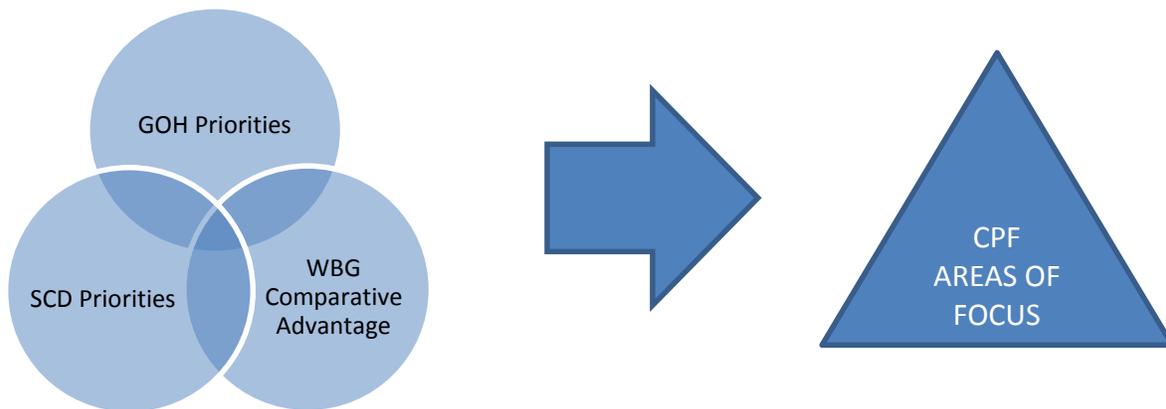
B. OVERVIEW OF WORLD BANK GROUP STRATEGY

Selectivity Filters

48. **The areas of focus of the proposed WBG CPF were selected based on the following filters for selectivity:** (i) alignment with the Government's Program and demand for WBG services; (ii) SCD analysis and priorities; and (iii) the WBG's comparative advantage in the specific context of Haiti.

49. The new WBG Strategy proposed in this CPF will reinforce the achievement of objectives under the ongoing WBG program, while adapting to the evolution of the Government's priorities (particularly with regard to the sustainability of public investments and service delivery), the SCD analysis (sharpening the focus of the program on inclusion and tools to sustainably reach the poor and on providing a better information basis for development related decision-making) and the WBG's comparative advantage.

Figure 2: CPF Selectivity Filters



GOH Priorities

50. **The World Bank Group’s program is closely aligned with Government’s priorities, including as expressed in the 2012 Strategic Development Plan for Haiti (PSDH), which builds on the 2010 Action Plan for National Recovery and Development of Haiti (PARDH).** The Government aims to achieve a modern, diversified, resilient, competitive and inclusive economy, respectful of its environment and in which people’s basic needs are met, and are articulated around four major areas of work: Territorial Rebuilding; Economic Rebuilding; Social Rebuilding, and Institutional Rebuilding. The Government of Haiti has also identified Information Communication Technology (ICT) as a key sector for territorial reconstruction and more recently as a priority for investment. While the PSDH is comprehensive and focuses on job creation, basic service provision, regional development, social inclusion, sustainable growth, and a decentralization of the state, lack of prioritization and effective sector strategies for many sectors remains a considerable challenge. The Government has further detailed its more recent priorities in a May 2015 **Memorandum of Economic and Financial Policies for 2015-2018**¹⁸, which emphasizes the need to maintain macroeconomic stability by raising domestic revenue and improving public financial management and the execution of public spending to meet infrastructure and social needs. It also aims to address barriers to domestic and foreign investment, by supporting private sector development. The memorandum recognizes the critical importance of reducing fiscal deficits and, in particular, of reducing subsidies to the electricity utility in the short term.

SCD Priorities

51. **The recent SCD, underpinned by data from the 2012 Household Survey, developed jointly by the World Bank and the Haitian National Institute of Statistics and Information (IHSI), and the 2015 Poverty Assessment, the first poverty assessment in 12 years, provide new insights on the status of poverty in Haiti and a new articulation of binding constraints and priorities for sustained, inclusive growth and poverty reduction.** The analysis calls attention to five priority areas to address key constraints to reducing poverty and boosting shared prosperity (see Box 1). In the short-term, maintaining macroeconomic stability, while meeting

¹⁸ IMF; Haiti – Staff Report for the 2015 Article IV Consultation and Request for a Three-Year Arrangement under the Extended Credit Facility; May 2015, Annex 1.

developmental needs and improving statistics and analytics. And, in the medium-term, creating greater economic opportunities and better jobs, including through infrastructure and human capital, (re)building the social contract, and reducing vulnerabilities and building resilience. The SCD analysis also underlines the need for better understanding of emerging demographic patterns caused by rural urban migration, sharpening the WBG program to better reach the poor in terms of geography (outside of Port-au-Prince) and demographics, as well as, improving the sustainability and effectiveness of service and infrastructure delivery, developing a more explicit path to promoting the emergence of new economic actors and activities, and engaging citizens more actively in the program and in development debates.

WBG Comparative Advantage

52. **The WBG provides Haiti with a unique package of services including substantial concessional financing, high levels of technical assistance, private sector financing and investments, advisory services in key sectors, data development and analysis, and convening power.** Over the last 18 months, the World Bank has invested heavily in data development (the first Household Survey in 12 years and Public Financial Data developed with the BOOST tool). This data has underpinned detailed and multifaceted analyses (a 2015 Poverty Assessment, a Public Investment Management Diagnosis and Assessment, and a Public Expenditure Review), contributing substantially to the ability of the Government to develop, and of partners to support, evidence-driven policies. In a very fragmented environment, the Bank has a strong comparative advantage in providing analytics focused on the sustainability and effectiveness of public programs and their interaction with external finance. Finally, the World Bank's sustained engagement in some sectors has generated deep knowledge, continuity of support, and trust (PFM, Health, Electricity, DRM, Education, Transport and Urban) and strengthened the WBG's convening ability. All of the above puts the WBG in a unique position to articulate and convey policy options based on robust analytical work to the Government and the Haitian civil society, thereby enhancing the public debate around critical subjects of importance to citizens.

53. **With the entire exceptional allocation for the earthquake committed and under implementation, the current World Bank program of US\$757.5M (US\$648.2M from IDA and US\$109.3M from major Trust Funds), is the most significant instrument in the CPF program.** This includes large investments in Education (\$130M), Regional Development (\$95M), Health (\$90M), Electricity (\$90M), DRM (\$60M), Agriculture (\$50M), Water (\$50M), and Private Sector Development (\$20M).

54. **Having provided about 30% of Haiti's FDI inflows since 2006, IFC is also well placed to address financial constraints to private sector growth and support GOH's jobs and growth agenda, together with the WBG's advisory services on Trade and Competitiveness.** The IFC's committed portfolio stands at US\$89M with a main focus on infrastructure, manufacturing, and MSME financing through its partnership with Haiti's commercial banks. IFC's ability to provide long-term financing on its own account, as well as, to mobilize third party financing has proven critical in catalyzing private investment in Haiti. Combined with technical assistance and advisory services through the WBG's Global Practices, IFC is expected to continue to play an essential role in improving economic opportunities through continued growth of Haiti's private sector. IFC, in line with the WBG's inclusive approach to infrastructure and value chain development, will specifically aim to support agribusiness and other products whose exports can be enhanced with private sector investment in improved logistics and market connectivity for farmers.

Selectivity and Evolution of the Program

55. **With a large legacy portfolio and IDA allocations returning to normal, the bulk of the engagement is already defined.** The most important instrument for implementing the CPF remains the existing portfolio. The current program is broad, and the Bank will be more selective going forward. So as not to diffuse effectiveness, the CPF recognizes but does not address some of the priorities identified by the Government or areas of importance in the SCD at this time. These include land titling and cadaster organization and mining. With regard to the latter, the exploitation of Haiti's mineral potential will require a much more concerted effort to put in place an appropriate policy, regulatory and institutional framework and an open and transparent engagement with communities and stakeholders, to manage the environmental and social impacts and ensure that affected local communities can help shape operations and benefit from them. The political will and the leadership necessary for extensive land reform or on such inclusive development of the mining sector is not clear. In addition, over the CPF period, the Urban Reconstruction and Transport projects are exiting the portfolio and renewed engagement is not foreseen at this time. The Government's priorities are shifting away from reconstruction and emergency response and in Transport the World Bank is moving out of financing main roads, in which IDB and the EU have large programs, to focus on increasing resiliency and addressing rural connectivity gaps. Although there are large needs in social protection, with financing limited for a meaningful social protection program, Bank support is focused on the development of a National Registry and analytics. With the UN, US, and Canada engaged heavily in security, including the training of police, and criminal justice, including the training and equipping of judges, the Bank is also not planning to engage in these sectors. However, the Bank may explore specific entry points to support the reduction of violence and improved security where it has a comparative advantage, such as gender-based violence and security in schools. The World Bank will not finance vocational education with the exception of training included in sector investments. The Bank is financing limited teacher training and facilities for an agronomy school, which are specific entry points related to World Bank programs in those sectors.

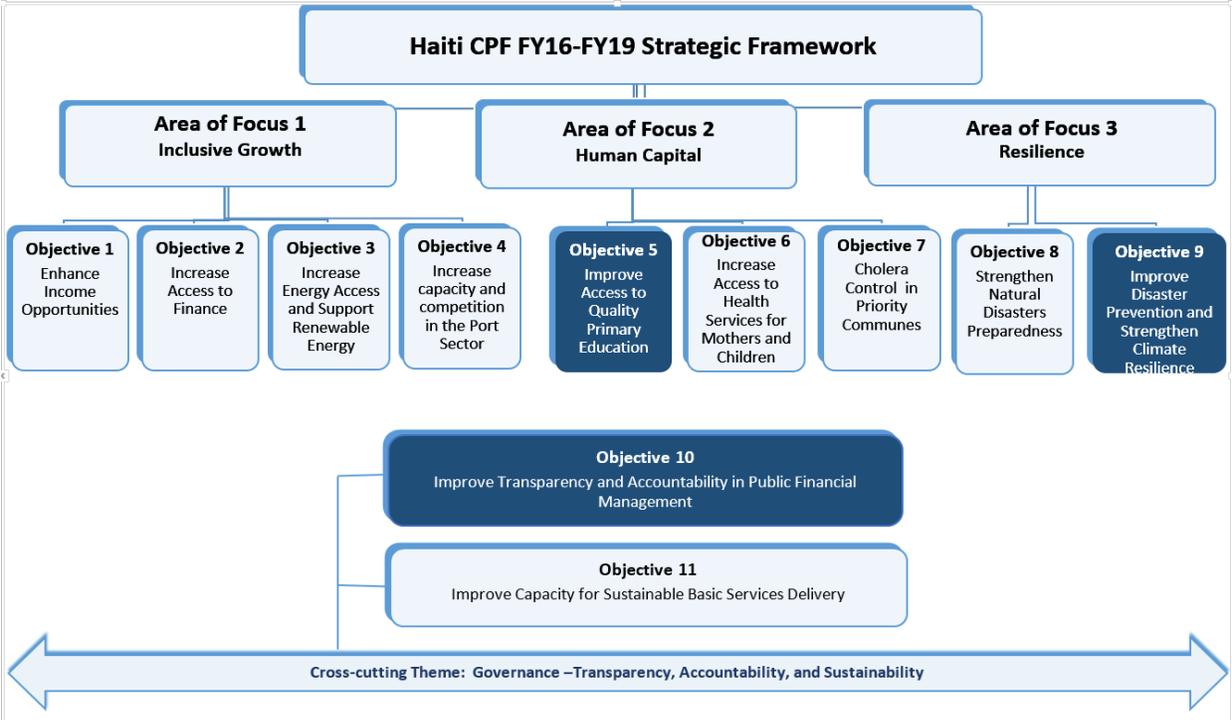
56. **During the CPF period, the program will be shifting toward a more focused approach that aligns with the SCD analysis.** This will be accomplished partly through the programming of new IDA 17 resources in a few key areas flagged as priorities in the SCD. Given the importance of maintaining macroeconomic stability, while sustainably increasing development spending and improving its efficiency, a Development Policy support is envisioned if improvements can be achieved in the performance of the electricity utility, the largest drain in the Government's budget. The SCD also points to investment in human capital, education in particular, as a priority to increase incomes and improve development outcomes. With financing for primary school tuition waivers set to expire after the coming school year, a new operation is foreseen to support access to quality education. The SCD highlighted increasing urbanization and the vulnerability of Haitian city dwellers to natural disasters and potentially to violence, as crowded cities lack the ability to meet demands of the population and weaker social networks makes youth susceptible to gangs. In this context, an Urbanization Review is foreseen to better understand the dynamics and impact of urbanization on economic and social development, and to underpin the emerging agendas around urban infrastructure financing and urban mobility and services. A new Urban Resilience project is also proposed to build capacity for resilient city planning and finance critical investments in Cap-Haïtien and surrounding towns, as a northern growth pole. Finally, the SCD underlines that improving the transparency and accountability of public financial management and developing

statistics and analytics to underpin sustainable and effective policies, including the planning and targeting of programs, are priorities. To support this objective, a project to strengthen statistical and PFM capacity is planned. The program will also align with the SCD by supporting the building of the social contract and encouraging citizen engagement. The program will also support a greater variety of private sector actors, both in terms of geography and type. Finally, it will invest in data and analytics to support the Government in setting efficient and effective policies and programs.

Proposed WBG Country Partnership Framework

57. **The World Bank Group Country Partnership Framework will have 3 Focus Areas:** 1) Inclusive Growth; 2) Human Capital; and 3) Resilience. It will also include a cross-cutting theme: Governance (see Figure 3 below). These areas of focus encompass the large ongoing WBG program and incorporate new programming.

Figure 3: Haiti CPF Strategic Framework



* Objectives shaded in dark blue include new operations programmed under this CPF.

- **Area of Focus 1, Inclusive Growth:** With intensive concentration of capital and high inequality, the aim is to catalyze inclusive economic growth by supporting the development of greater economic opportunities beyond Port au Prince, increasing energy access and supporting the development of renewable energy, increasing access to finance and promoting financial inclusion, and supporting Haiti’s competitiveness and productivity and private sector driven growth, through public and private infrastructure projects in energy and ports.

- **Area of Focus 2, Human Capital:** The aim is to support poverty reduction through investments in education and health, with the objective of closing geographical and income gaps in service delivery. Addressing cholera will continue to be an objective, through combined health and water interventions.
- **Area of Focus 3, Resilience:** The aim is to help Haiti prepare for and prevent natural disasters and strengthen climate resilience, which disproportionately affect the poor.
- **Cross-cutting Theme, Governance: Transparency, Accountability, and Sustainability:** To improve the effectiveness of the State, the transversal aim of the CPF is to support transparency, accountability, including in public financial management, and strengthen institutions and Government capacity to produce key data, manage sectors, set evidence based policy priorities. The CPF also aims to improve fiscal sustainability in the context of rapidly declining external financing through strengthening fiscal reporting and accountability and increasing the capacity to finance basic service delivery.

58. **In implementing the CPF, the WBG also seeks to promote a productive dynamic between the State and Citizens to contribute to reducing fragility.** WBG program will support the Government of Haiti in developing and disseminating key data and analysis, stimulating debate between stakeholders around key development challenges and policies. The CPF program will also aim to strategically increase Citizens' Engagement (CE) particularly in infrastructure and service delivery projects, including through increased consultation and participation, feedback mechanisms, and the building of citizen capacity to engage with the State, where appropriate. In infrastructure and service delivery project design, implementation and/ or monitoring in collaboration with key project stakeholders/beneficiaries will be encouraged. ICT-based platforms which have been proven effective as to inform and empower citizens and as feedback channels as well as the use of Open Data principles will be explored.

59. **In line with the World Bank's regional strategy, the CPF brings the World Bank Group's comparative advantages to its partnership with Haiti.** A combination of IDA, Trust Fund, IFC resources and MIGA guarantees (based on demand) will be provided. A suite of financial and knowledge services will be used to implement the program, including IDA financing, guarantees, analytical work, just-in-time advice, short-term technical assistance, IFC investments and advisory services, as well as investment climate support. The Bank's support will be leveraged and synergies with other donors maximized. The WBG will continue to make use of its convening power to improve donor coordination.

60. **The proposed program will maintain a degree of flexibility over the four-year period covered by the CPF - within the framework of the selectivity filters.** If conditions change, the WBG can adjust the proposed program accordingly, for instance upon the election of a new Government, the evolution of implementation feasibility, government requests, or the availability of enhanced knowledge. Such adjustments would be made in line with the overall framework of the selectivity filters and prioritization under the SCD and Government Priorities. The Progress and Learning Review will provide a key opportunity to make adjustments in the program, but changes can also be considered as needed.

61. **The selectivity of the CPF is also reflected in the Results Framework.** The targets balance realism given the fragile context with ambition considering the great needs. Furthermore, the expected results of the proposed WBG program are commensurate with the scope of supported interventions and the country development challenges described in the SCD.

62. **Consultation.** The CPF was developed in collaboration with the Government of Haiti (Ministry of Finance, Ministry of Planning and relevant technical Ministries) and the Economic and Social Council. Representatives from the private sector, civil society, youth and women's groups, religious organizations, academia, and key development partners were also consulted. Given the absence of a sitting Parliament, consultation with parliamentary representatives took place with the remaining sitting Senators. When a new Government is in place, consultation will take place in the context of a PLR in FY17.

Area of Focus 1: Inclusive Growth

63. **The Government of Haiti aims to encourage growth at all levels and in all sectors, while rebalancing economic activity and its benefits more evenly across the country's territory.** Private economic activities are the engines for faster and more inclusive growth, and will be critical for creating greater opportunities to escape poverty.

64. **One key avenue for Haiti to create more job and income opportunities is to expand the formal economy.** This means attracting foreign investors into larger investment opportunities in the country, as well as, continued efforts to professionalize and strengthen the business practices of the existing formal sector. Foreign direct investment, encouraged by a more favorable business environment, could provide new players and enhance competition. Haiti has had a limited, but broadly positive experience with FDI, especially in infrastructure. The entry of Digicel in the telecommunication sector in 2006 has resulted in widening access to 2.4 million people. The E-Power project introduced a lower cost producer, while increasing power generation capacity in Port-au-Prince by 35%. These successes are few, unfortunately, hampered by a lack of transparency in existing sectoral policy and regulatory environments, and limited institutional capacity in Haiti's public sector, further compounding the overall difficult business environment.

65. **In an environment of highly concentrated markets, high barriers to entry, and against a backdrop of economic exclusion, inclusive growth that will generate better economic opportunities for the poor will also require a much broader participation in and contribution to the Haitian economy by smaller firms and economic actors in the agricultural and informal sectors.** This means generating new growth opportunities and improving productivity through agricultural services, value chain development, and market access through road connectivity and access to markets for the sizable informal economy. This also includes facilitating access to finance, stronger business management capacity, better linkage of producers to markets, and improved infrastructure, including ICT infrastructure, to support such links.

66. **The development of better economic opportunities is still hampered by the poor level of basic infrastructure such as water, energy and connectivity, especially outside of Port au Prince and in rural areas.** The quality of transport and logistics services is low and hampers overall competitiveness and endogenous economic development and raises costs of imports and exports. Haiti scores 144th out of 160 countries on the Logistical Performance Index, 142nd for international shipments and 151st for infrastructure. Though tangible progress has been achieved

over the last decade with the extension of primary road network and a new international airport at Cap-Haïtien, large parts of the territory are still poorly connected. Only 38% of people living in rural areas have access to all-weather roads, and the cost of freight remains very high (up to US\$ 0.48 T/km compared with US\$0.15 in the Dominican Republic).

67. In light of Haiti's rapid urbanization over the last decades (60% of Haitians now live in cities), the CPF foresees further analysis of urban migration patterns and urban environments, as well as a new operation in urban management and resilience. Each year an additional 133,000 people (about the population of Cap-Haïtien) become city dwellers and it is expected that by 2050, 3 out of every 4 Haitians will live in cities. In order to assess how Haiti could invest in secondary cities to accommodate increasing demand and address the increase in vulnerability and congestion caused by urbanization; an Urbanization Review is proposed to analyze urbanization, its consequences, challenges and opportunities and identify policy and institutional challenges according to city size and characteristics. Emerging or new cities may need to emphasize planning to face mounting demand for services. Small secondary cities could require a focus on developing agriculture, tourism, and manufacturing. Medium to large secondary cities, which may have attracted investments are still grappling with planning and service delivery issues related to a sudden influx of activity and people. The CPF foresees a new IDA investment in municipal development and urban resilience during the IDA 17 period, proposed to build capacity for resilient city planning and finance critical investments in Cap-Haïtien and surrounding towns, as a northern growth pole. Economic zones that could trigger growth-pole development may require early public-private planning to avoid slum development around large scale private investments.

68. To reduce poverty and increase productivity in a more balanced manner across Haiti's territory, a multipronged approach is critical. Opportunities and advantages presented by various regions outside of the capital should be developed. This approach would aim to broaden the pool of economic actors and support their contribution to productive activities and growth, in an environment encompassing most of the poor and the poorest. Multipronged investments in physical and service connectivity between rural communities and producers, and small and regional town markets and consumers, would add value to the local economy, help limit post-harvest production losses, reduce the isolation of local populations and their disconnection from the State, and stimulate economic activity. If conceived as a set of investments in a given geographical space, together with the support to agricultural productivity discussed above and the expansion of services discussed below, such an approach would provide an avenue for accelerating growth for the bottom 40%, for building greater confidence of the poor in a better future, and, in the medium term, possibly provide alternatives to migration.

69. Addressing these challenges with limited resources, will also require a concerted approach that brings together other development players and the private sector. In light of the issues faced by secondary cities, opportunities exist for a dialogue around Public Private Partnerships (PPPs) and other forms of private involvement to address urban challenges, such as affordable housing and social service delivery, for instance around the Codevi economic zone in Ouanaminthe (an IFC investment) or the Lafito IEZ and Port on the outskirts of Port-au-Prince (also an IFC investment), where sustainable social development would complement planned investments in the new port and the free zone that will likely generate new jobs. In the context of its urban work, the World Bank will share the knowledge developed in the context of the Urban

Review with other partners and bring to bear its convening power to promote solutions to the challenges associated with sustained private sector development faced by secondary cities.

70. **Finally, to underpin inclusive growth, Haiti's electricity and port infrastructure need to be considerably strengthened.** Infrastructure financing and management are key bottlenecks to growth and poverty reduction. In particular, the CPF seeks to improve infrastructure service delivery in the electricity sector and the port sector. The broader availability of reliable energy services is critical to competitiveness, growth, and opportunity at all levels of the economy and for all consumers, from large companies down to households, affecting productivity and innovation, but also human capital development and skills. Also, island economies are extremely dependent on the quality, frequency and cost of the means of transport that link them to markets which represent both outlets for their products and supply sources for imports. The efficiency and effectiveness of transport, whether by road, by sea, or by air, therefore strongly affects competitiveness as well as the cost of imported goods.

71. **Under this area of focus the WBG CPF will aim to: 1) Enhance Income Opportunities, 2) Increase Access to Finance, 3) Increase Access to Electricity, and 4) Increase Capacity and Competition in the Port Sector.**

Objective 1: Contribute to Enhancing Income Opportunities

72. **The CPF aims to foster job creation by further strengthening the country's formal economy.** Through IFC, the WBG aims to support the expansion of Haiti's manufacturing and services industries, including apparel which exports around US\$300M per annum and employs an estimated 30,000 workers, as well as, exploring opportunities in other light manufacturing value chains such as electronics. A key challenge will be to promote value-addition and upgrading, generate employment opportunities and higher wage levels based on increased productivity. Joint Bank-IFC efforts through investment generation and Better Work projects and IFC investment in the Codevi Special Economic Zone will continue to help improve labor standards, including for women. MIGA will explore opportunities to support productive foreign investments that boost growth and jobs through provision of its political risk insurance products, and will coordinate its efforts with those of IFC and World Bank. Opportunities to support ICT development will be explored.

73. **The CPF will also support a number of economic activities which aim to generate jobs, and provide finance outside of Port au Prince.** Promising value chains in Haiti's 10 departments, as well as, in Tourism around world class cultural heritage sites are being pragmatically supported by IDA with a view to removing the bottlenecks to their development and connecting them to markets (internal or external). For these new growth opportunities (many of which lie in the agriculture sector and include coffee exports, mango production, manufacturing, and tourism) to become competitive, stronger connectivity and infrastructure services, as well as, expanded access to financing (also supported by the WBG) will be critical.

74. **The WBG program also aims to improve agricultural productivity** by strengthening the Government's capacity to provide services to 300,000 farmers, improve their access to domestically grown and manufactured inputs and fertilizers, and by reinforcing the ability of farmer's cooperatives to bring quality products to market, including post-harvest processing.

75. **The CPF program will also invest in lifting bottlenecks to growth and connectivity in the Centre and the Artibonite departments, which are considered the breadbasket of Haiti.** Investment in connectivity between rural agricultural production areas and local markets both within and between the two departments, improvement in market infrastructure and information, accompanied by capacity building for territorial planning at the regional and municipal levels will reduce isolation and rural poverty.

76. **The outcome of this objective will be the creation of jobs in selected value chains, grants provided to small businesses in the tourism sector, an increase in agricultural production in a project area, an increase in the number of producers and merchants with access to market infrastructure, and an increase in the percentage of the population having access to all weather roads** in the North, North East, South, Centre and Artibonite Departments. Not all elements under this objective will be strengthened in all departments, but in the Centre and Artibonite departments as well as the North, several of activities will overlap. Success will be measured by the achievement of 4 of the 5 dimensions measured under this objective, as indicative of a critical mass of improvements.

Objective 2: Increase Access to Finance

77. **A key objective of the WBG strategy is to improve Access to Finance and Financial Inclusion.** To substantially increase access to finance and promote economic inclusion, the Government of Haiti has launched a National Financial Inclusion Strategy, which the WBG will support through analysis and investment. Access to finance is very low in Haiti with Banks having limited branches outside cities, deep-seated mistrust of financial institutions by households, and only 27% of adults holding accounts at a formal financial institutions. The financial industry suffers from lack of competition with three firms controlling over 80% of the market and high fees. This absence of savings and investment services severely limits the participation and initiative of economic actors, hampers household and small business investment, and results in sub-optimal economic outcomes and large opportunity costs. The CPF aims to support financial inclusion by reducing the cost of remittance transfers, extending service points outside of cities and educating consumers, helping GOH coordinate financial inclusion initiatives, and by seeking avenues to apply new international knowledge on financial access mechanisms to reach the poor. The WBG will also expand its engagement in MSME financing through IFC investments with Haitian commercial banks, which already reaches about 1,300 MSMEs in the country. The WBG program will consider opportunities to support Mobile Money, Agency Banking, and other alternative channels for financial inclusion. . Given the high cost associated with small direct investments, IFC's experience has been that the most effective way to channel funds to MSMEs is through financial intermediaries. In addition, IFC is supporting the broader space of access to finance for smaller participants in the economy through leasing program efforts and enabling the role of credit rating agencies, credit bureaus and a collateral registry as components of the necessary platform to expand the space for SMEs and small borrowers to thrive.

78. **The outcome of this objective will be (i) an increase in the percentage of the adult populations holding an account at a formal financial institution, (ii) an increase in the number and volume of new and outstanding loans to MSMEs/SMEs, (iii) an increase in access to finance in the tourism, agriculture, and manufacturing sectors through grant facilities within World Bank projects.**

Objective 3: Increase Energy Access and Support Renewable Energy

79. **The Government's vision for the energy sector is articulated in the PSDH**, which sets a path for Haiti to become an emerging economy by 2030 and envisages strengthening the private sector and providing basic services (including access to electricity) to the population. As numerous analyses, as well as Government and partner programs have underlined, Haiti's critically low level of access to electricity severely hampers growth and poverty reduction. Charcoal remains the main energy source for 75% of the population, generating both important revenues and significant negative impacts on the environment and on climate vulnerability in rural areas.

80. **Over the last decade, the dialogue and programs of the WBG and key Partners (IDB and the US mainly, and more recently the IMF) with Government have focused on reforming, modernizing, and expanding the services of *Electricité d'Haïti (EDH)*, the public electricity utility, while trying to reduce large transfers needed from the budget to cover EDH losses.** IFC has supported the expansion of national generation capacity by investing in E-Power, one of Haiti's largest Independent Power Producers (IPPs). The partners have chiefly focused on the challenge of sustainably expanding electricity services in the long term in the presence of a commercially non-viable utility and of highly resilient special interests present throughout the sector, from fuel supply to distribution. Poor market fundamentals have led to structurally high power generation prices, and the market power of IPPs within and outside of the power sector weakens the Government's ability to take corrective action. Broader sector reforms and energy matrix diversification are needed to help expand the investor base and make power generation more cost-competitive. Over the last 5 years, partners have provided every technical input available in support of greater transparency and better outcomes: substantial concessional and grant financing to address important investment shortfalls, support to reconstitute company accounts, technical assistance to improve commercial viability, least cost expansion plans, advice on human resource management, and the long term support of external firms and expert individuals to help improve management practices. These efforts have generated few positive results. EDH's commercial losses have grown and the quality of electricity services has not improved. Efforts to improve the management and governance of EDH have been systematically undermined by corruption and a lack of political will. Also, the sector continues to suffer from lack of transparency overall, including with regard to fuel supply circuits, the volumes of energy supplied by Haiti's IPPs and their billing of the utility. Government transfers to EDH continue to amount to around one third of Government revenues, electricity service supply remains low (16 hrs. a day on average) and unreliable and electricity prices remain among the highest in the world (see Box 2). In May of 2015, Government committed to a substantial reduction in transfers to EDH in the context of a new three year IMF ECF. Meeting lower transfer targets will help reduce fiscal deficits but substantial structural reform remains necessary to improve the utility's commercial viability. In late July, 2015 the Government requested Bank support for a number of immediate measures which could constitute a first but important step toward serious reform. Such support has been made available, but progress even on short term measures can likely only be assessed by end 2015.

Box 2 : Haiti's Electricity Sector Challenges

1. Haiti's energy sector is characterized by low access to basic electricity services, intensive use of biomass (over 75% of total primary energy consumption in 2013) and reliance on imported fossil fuels (21% of primary energy and more than 80% of the electricity mix). Total energy and electricity consumption per capita are amongst the lowest in the world.
2. Only a third of Haitians have access to electricity (less than 10 percent in rural areas). Despite low electrification rates, power demand has been growing rapidly, while on-grid generation capacity has increased only marginally, resulting in unmet demand, deteriorating reliability on the grid, and the informal development of auto-generation as back-up. An IFC investment in E-Power (2009), one of Haiti's Independent Power Producers (IPPs), now generates about one fourth of the energy available on the Port-au-Prince grid; opportunities are being explored to provide additional power generation capacity to paying customers. However, overall, energy access rate has expanded very little over the last thirty years while prices remain high and electricity reliability on the grid has drastically decreased due to the numerous governance challenges faced by the sector.
3. The public utility Électricité d'Haïti (EDH) is by law the unique provider of electricity services to end-users in Haiti. Installed generation capacity of about 302 MW (of which only 176 MW is currently available) is insufficient to meet an estimated peak demand surpassing 500 MW, resulting in planned load-shedding and unreliable service for EDH customers. Over 80% of the power delivered to the grids is supplied through thermal generation, with hydropower contributing to the remaining 19%, mostly from the Péligre hydropower plant (54 MW), currently under rehabilitation. The majority of power (60%) is provided by three IPPs, with the remainder coming from EDH and Tripartite (Haiti/Cuba/Venezuela) thermal generation units. Only one power purchase agreement (PPA) between EDH and the IPPs was awarded competitively and all current PPAs include high cost take or pay clauses when compared with industry standards. This leads to Haiti having the highest electricity costs in the Northern hemisphere.
4. EDH operates one main grid covering the metropolitan area and five secondary grids, serving about 250,000 paying customers nationally, most on the main grid. Average daily electricity service of only 16 hours compels industries and large customers to self-generate, for back-up generation or permanently, and at higher costs than on-grid tariffs; lack of reliable electricity supply is the most binding constraint to doing business in Haiti, according to business owners. The cumulative capacity of diesel generators in the country is estimated at over 200 MW, operating without formal framework or monitoring. Solar photovoltaic (PV) power has recently emerged as an alternative source of self-supply (mostly in health institutions), but is still in a very early development stage.
5. EDH faces considerable challenges. Its total losses stand at 65% - world's highest rate in 2014 - due to weak commercial performance, important illegal connections and fraudulent sales of electricity from the grid, and poorly maintained outdated public generation and network infrastructure. EDH recovers only 22% of the value of the electricity it pays for and cannot cover its operating costs. Over the last years, it has received annual budgetary transfers of about US\$200 million (about 4% of the national budget).
6. To address EDH's precarious financial situation, Government has committed to:
 - *Implement a comprehensive commercial and financial performance improvement plan* (currently supported by the World Bank, the IADB and the IMF).
 - *Increase the access and reduce the cost of power supply*, by enabling the integration of more renewable energy in the power generation mix (supported by the recently approved Renewable Energy Investment Plan, under SREP program).
 - *In the longer term, reform the legal, institutional, and regulatory framework* so as to catalyst private sector investments in energy access expansion, renewable energy development and energy efficiency (currently supported by World Bank technical assistance to the Government).
7. However, implementation of these profound reforms will take time, as governance challenges continue to plague attempts at sector reform. Fuel purchase and distribution remain opaque, wood fuels and self-generation markets remain informal, influential special interests dominate current and new power generation, impunity prevails for the selling of electricity off the EDH grids through illegal connections, and as does the lack of transparency with regard to financial flows between stakeholders. This situation continues to provide broad scope for corruption at all levels. Despite high level sector intensive dialogue between key partners and government and substantial external financial resources, performance improvement remain stubbornly limited and insufficient to address Haiti's large unmet energy demand.

81. **The 2013 Rebuilding Energy Infrastructure and Access project, a US\$ 90M IDA grant, will continue to provide support to EDH in sustainably improving its commercial performance, supporting the development of GOH's electricity sector master plan (2015-2030) and carrying out on-grid investments to reduce technical losses.** It will also provide TA to and institutional capacity building to reform the regulatory framework and promote renewable energy and finance off-grid investments in rural areas, including household electrification using renewables and involving the private sector, and developing mini-grids. The project will also

continue to finance energy access in synergy with other IDA projects, such as: solar street lighting to spur urban neighborhood improvement and violence reduction (CDD), illumination of the tourist attraction *Citadelle Laferrière* in the North of the country and of the *Champ de Mars* national esplanade in Port-au-Prince (tourism), electrification of rural schools (education), and expansion of the grid in the Centre and Artibonite (regional development).

82. **The sustainable expansion of access to energy services remains central to any growth and inclusion strategy.** The Government is promoting renewables and new financing is available to tap into Haiti's important renewable energy potential. To support this, the WBG will also explore new avenues to achieve sustainable expansion of access for businesses, service providers, and households, using dialogue, TA and public and private investment in renewable energy. The country has received financing of US\$23M from the Scaling up Renewable Energy Program (SREP) to develop renewable energy and energy access on and off grid and support from the Clean Technology Fund in the amount of US\$12M to develop off-grid renewables with the private sector through credit to investors. These funds aim to boost the emergence of local service providers, especially for solar energy, with a potential for job creation. In addition, the Agriculture, Environment and Energy Global Practices together are seeking to complement the efforts of other donors in the household energy sector through TA with the financial support from the Energy Sector Management Assistance Program (ESMAP) Trust Fund.

83. **IFC has contributed significantly to energy supply, by financing the 32 MW E-Power thermal plant commissioned in 2010,** and continues to explore opportunities to finance the development of on-grid and off-grid generation capacity (LNG and solar distributed generation projects selling to industrial and commercial off takers). Mobilizing private financing for the sector remains challenging however and linked to the improvement of sector governance and financial sustainability of the utility.

84. **Outcomes under this objective include (i) 100,000 new households electrified, (ii) direct beneficiaries of electricity services increased from 18,000 to 600,000; and (iii) overall renewable energy capacity installed reaches 40MW. A joint World Bank-IFC Implementation Plan (JIP) is envisaged (see section IV below).**

Objective 4: Increase Capacity and Competition in the Port Sector

85. **As in most island economies, the overall competitiveness of the country is driven by the efficiency of the port sector and the costs of import/export.** The situation is exacerbated in Haiti with the very high level of imports of food and basic goods (75%). Haiti is also less integrated into the global shipping line network than many developing countries, and the costs of loading and unloading a standard container in Port au Prince are by far the highest of the Caribbean ports.

86. **In light of this, the WBG aims to increase the capacity of the port sector through IFC's investment in the development of a private port and associated economic zone at Lafito, in the Port au Prince area and through the provision of IFC advisory services to USAID for a PPP to rehabilitate and manage the Port of Cap Haïtien.** By developing additional port capacity, the former project will help improve transport logistics for Haiti and, in doing so, contribute to improving efficiency and competitiveness of the Haitian economy. This investment will also increase competition and put a downward pressure on port costs, although it is difficult to ascertain today whether this result will be achieved as it is linked to the success of

the improvement of the governance of the sector and the port reform (supported by IDB financing). By facilitating a PPP with investors in the port of Cap Haïtien, IFC aims to also contribute to increased private investment in infrastructure with local content and to the development of the northern part of the country in line with Objective 1. Both at Lafito and Cap Haïtien, IFC expects more competitive prices and services with increased traffic and volumes plus other ancillary benefits to the free zone at Lafito, and better and more reliable logistical infrastructure to move goods and services for the country.

87. The outcomes expected for this objective include: 1) an increase of 310,000 metric tons in bulk cargo capacity; 2) an increase in 300,000 MTEU containers transported; 3) 160 permanent jobs created, and 4) US\$70M in financing facilitated for the Cap Haïtien Port.

Area of Focus 2: Human Capital

88. The progress achieved in recent years in human development indicators needs to be protected and services expanded. Since 1990, Haiti's human development indicators have improved and some differences in outcomes by income groups or geographical location have also narrowed (see a summary of Millennium Development Goals (MDG) progress in Table 3). The critical role played by effective social service delivery in improving longevity, income, productivity, and opportunities for the poor and the extreme poor cannot be overemphasized. Both the quantitative and qualitative analyses carried out under the SCD point to important and long-lasting effects of investing in human capital on well-being and growth. The Haiti Poverty Assessment and the Public Expenditure Review, as well as, ongoing analytical and technical assistance work on quality education, health financing and service delivery analysis, all underline that service delivery needs to be increased, and that being poor and isolated has a disproportionate negative impact on access to and use of services.

89. When compared with other countries, Haiti is exceptional in that the bulk of social service provision is non-public, and public spending on service delivery is low. Only 12% of schools and about 35% of health facilities are public. Private sector actors, including for profit entities and NGOs, provide the bulk of education and health services. Households have been contributing over 50% of national education spending, for instance, and donors 20%, with public spending at 8%. Programs are not sufficiently targeted to the poor and cost remains the key reason cited for not sending children to school. Also, pre-payment mechanisms for health are weak for the vast majority of Haitians and out-of-pocket costs are disproportionately high for the poor.

90. In the face of these challenges, the WBG program aims to continue supporting improvement in access to quality education, with a focus on disadvantaged populations, to extend services and reduce the cost of health services, and to lay the foundation for a social protection system. There are three dimensions to the WBG strategy for building human capital: (i) increasing access to quality services (Education and Health) for the poor; (ii) developing a better information base for policy development; and (iii) increasing sustainability and efficiency of service delivery through analysis and technical assistance. All these dimensions are inextricably linked, as efficiency gains require an examination of how the service delivery models themselves can be improved to achieve desired access and quality outcomes. Work to better identify avenues to improve the equity, sustainability and efficiency of services in these sectors has been initiated in the 2015 Poverty Assessment and Public Expenditure Review. This work is used as a basis for further analysis and used to sharpen the focus of ongoing and future investments. Diagnostic work

on ICT connectivity also shows that most of the population has a cell phone and almost the entire population has mobile telephony coverage, which lays the foundation for affordable and innovative ways to deliver basic public services with transformational impact.

Objective 5: Improve Access to Quality Primary Education

91. **The SCD identified education as a key avenue for social mobility and poverty.** Yet, the World Bank Poverty Assessment shows that in Haiti, 45.7% of the adult population has never attended school or has not completed primary education. This is one of the determinants of unemployment and underemployment, particularly in urban areas, where unemployment is associated with poverty and vulnerability. Completing primary education can translate into an increase of 25% in earnings for adults living in urban areas. Although there have been considerable efforts to expand access in education, since the earthquake, efforts are needed to maintain access and improve quality. Even when children go to school, many students learn little. According to assessments administered in early grades in selected schools, basic skills are acquired slowly or not at all, particularly in schools in poor communities. Weak learning outcomes are not surprising because instructional quality and the provision of learning materials are limited. Yet, households spend a substantial amount of money to send children to school. Among all households with children aged 6–14 in school, 93% report education expenditures. These expenditures are substantial on average with households spending 10% of total annual household consumption on education during the 2011/12 school year. Regardless of the type of school their children attend, households also spend substantial amounts on uniforms, books, and transportation. These expenditures represent a particular burden for poor households, with cost cited by households as the primary reason why children are out of school.

92. The Government has prioritized universal, free education and developed a Three-Year Plan to rebuild the education system, which IDA and other donors are co-financing. The strategy aims to improve access to and the quality of primary education, strengthen the Government's institutional capacity and reinforce its stewardship. The key constraints to better education outcomes for Haiti are financing access and ensuring the quality of instruction in schools. Combining these elements, the World Bank Objective is to Improve Access to Quality Education. The existing World Bank program, which consists of the Education for All Adaptable Program Grant II (US\$70M equivalent from IDA and US\$39M in trust funds, including from the Global Partnership for Education), will continue to finance a tuition waiver program set up by the World Bank and now also financed by other donors (IDB, CDB, Canada). It also aims to improve education quality by providing support to improve teaching methods, learning assessments, as well as, a quality assurance system for the sector to strengthen governance and improve learning outcomes. The program also supports improvement in the public education system, including by providing education services in poor, rural communities, where there are often no other schools. The program finances the government's school feeding program (along with large programs by Canada and the World Food Program). To continue to support and improve tuition waivers, for which financing is set to run out in 2016, the project under preparation will merge access and quality by financing access to "effective" schools. A Public Expenditure Review of the sector underpins TA to support GOH move towards a medium term expenditure framework and help develop a model for the long-term financial sustainability of the sector and the integration of donor and government financing. The WBG program will also support improvements in governance for education, including improving regulation, enhancing the capacity for planning and sector data generation and analysis at the central level and school supervision at the decentralized level.

Table 3 : Haiti – Millennium Development Goals Indicator

Millenium Development Goal	Indicator	Baseline	Current Status	2015 Target
1. Eradicate extreme poverty and hunger	Proportion of people living on less than on \$1.25 a day	61.7	58.6	30.9
	Proportion of people living under extreme poverty (\$1, PPP)		24.7	No target
	Employment to population ratio	50.2	30.0	No target
	Prevalence of underweight children under five years of age	23.7	11.4	11.9
2. Achieve universal primary education	Literacy rate in the age group of 15-24 years of age	32.3	85.1	100
	Proportions of pupils starting grade 1 who reach last grade of primary	68.0	66.2	100
	Net enrollment rate in primary education	47.0	88.0	100
3. Promote gender equality and empower women	Ratio of girls to boys in Primary education		0.9	1.0
	Secondary education	1.0	1.1	No target
	Proportion of seats held by women in national parliament	2.7	4.3	300
	Share of women in wage employment		44.2	No target
4. Reduce child mortality	Under-five mortality rate	156.1	88.0	50.4
	Infant-mortality rate	109.1	59.0	36.4
	Proportion of one-year-old children immunized against measles	25.8	85.0	100
5. Improve maternal health	Proportion of births attended by skilled health personnel	24.2	37.3	100
	Maternal mortality rate (per 100,000 live births)		157.0	No target
6. Combat HIV/AIDS, malaria, and other diseases	People living with HIV, 15-49 years old (percentage)	2.9	1.8	No target
	Prevalence of HIV/AIDS aged 15-24 years old	1.0	0.9	No target
	Malaria death rate (per 100,000 population)		5.0	No target
7. Ensure environmental sustainability	Proportion of land areas covered by forests (percentage)	5.5	3.7	No target
	Proportion of population using an improved drinking water source	36.5	64.8	72.7
	Slum population as percentage of urban	93.4	70.1	Min. 62
8. Global partnership for development	Internet users per 100 inhabitants	0.2	10.6	No target

Source: United Nations: MDG Indicators, 2013 Report

Last updated: 07/07/2014

93. **In line with the SCD recommendation, in order to reinforce the progress being made at the sectoral level, the CPF program also leverages its interventions in other related sectors.** The Water and Sanitation project is being used to improve access to sanitation and potable water in schools. And, through the Electricity project, 500 schools are being electrified using solar power. Efforts are also being made to link nutrition sensitive agriculture under the Agriculture Project with the school feeding program.

94. **The Expected Outcomes of this objective will be access maintained and quality improved through 90,000 tuition waivers, school feeding for 80,000 children, increased availability of data and key tools for Ministry to improve learning outcomes.**

Objective 6: Increase Access to Health Services for Mothers and Children

95. **The SCD highlighted that closing the gaps in health (along with education and infrastructure) have the highest potential for income growth and poverty reduction.** Yet, the World Bank Poverty Assessment shows that despite health outcomes that have improved over the last decade, maternal and child health service utilization rates are among the lowest in the region. Although maternal mortality rate (MMR) fell by 43% between 1990 and 2013, the MMR in Haiti is more than five times higher than the regional average of 68. And, the prevalence of health facility delivery is much lower in Haiti relative to all lower-middle-income countries in the region. The under-5 mortality rate is nearly six times the regional average of 16 with child health service coverage much lower in Haiti than in other lower-middle-income countries in the region. The poorest exhibit systematically worse health outcomes and health service utilization rates. For instance, child mortality in the highest income quintile was 62 deaths per 1,000 live births, while among the lowest income quintile it was 104. Compared with the highest quintile, the number of stunted children was four times greater in the lowest quintile in 2012. And, the share of assisted births in institutions was eight times greater among the highest wealth quintile (76%) than among the lowest wealth quintile (9%) in 2012¹⁹.

96. **The key constraints are the limited supply of services and lack of financial resources.** In 2013, the top reason nationally for not seeking care among the entire population suffering from a health problem was lack of money (49%)²⁰. The poorest suffer even more from the financial constraint: 65% did not consult a health provider because of lack of money.

97. **In this context, the country development objective is to improve access to healthcare services for mothers and children under the pillar of Social Rebuilding.** To support this aim, the World Bank objective is to increase access to health services, by financing maternal and child health services. The Improving Maternal and Child Health through Integrated Social Services Project (\$70M IDA and \$20M Health Results innovation TF) finances delivery of a well-defined package of evidence-based, high-impact, cost-effective maternal and child health services provided at the facility and community level and directly to vulnerable households. At the institutional level, public and non-public providers are contracted, through a results-based financing model, to provide the package of services. These service providers are incentivized for performance based on the quantity and quality of services delivered. The project also aims to lay the foundation for a sector wide approach in health through better donor coordination and

¹⁹ MPCE/ONPES/World Bank; Investing in People to Fight Poverty in Haiti; May 2015.

²⁰ Ibid.

alignment with Government priorities. The project also supports capacity building in the Ministry by strengthening stewardship and regulatory functions at the central and decentralized levels. The Bank is an active partner in the donor coordination group collaborating on implementation of the national health policy while working closely with a large USAID program in health to ensure that the results-based financing mechanism developed under the project is used as a first step towards a national harmonized, programmatic approach and a virtual pool of financing partners.

98. The Expected Outcomes of this objective will be increased access to pre- and postnatal care for a total of 420,000 women and to health and immunization services for a total of 170,000 children under five.

Objective 7: Cholera Control in Priority Communes

99. Since the outbreak of the cholera epidemic in October 2010 on the heels of the catastrophic earthquake, Haiti has faced one of the most severe cholera outbreaks in modern history, and despite the significant reduction in the new number of cases and deaths, the disease remains endemic. The epidemic has cost nearly 9,000 lives and infected over 800,000. Since the outbreak, concerted national and international efforts have cut the number of new cases and deaths considerably each year. The number of cases declined from a monthly average of 29,336 in the first full year of the epidemic (2011), to 1,240 through 2013. The number of deaths decreased correspondingly, from 4,101 in 2010 to 304 in 2014²¹. However, efforts are needed to continue to strengthen health and water and sanitation systems in order to sustain the gains achieved. Since Cholera transmission has not been eliminated in an environment of very limited access to clean water (62%) and sanitation (31%)²², cholera still poses a significant threat.

100. The Government developed a “10 year plan to Eliminate Cholera in Haiti” in 2012 and has launched its Total Sanitation Campaign in 2014. Key partners have coalesced around Haiti’s fight against cholera, including Canada, EU, US, UNICEF, OCHA, IDB and the World Bank. The World Bank has supported this effort by convening a conference of global experts in April 2014 to bring cutting edge knowledge to GOH and partners on fighting the epidemic and another High-level Conference in October 2014 to bring key partners together around an integrated health and water and sanitation approach to tackle 16 priority communes. The SCD identified the need for a multi-sectoral approach to critical development challenges, emphasizing the importance of: (i) investing in human capital (particularly in health) to consolidate Haiti's recent poverty gains; and (ii) sustainably improving access to basic services, especially in rural areas and small towns, which experience deep and stagnating poverty. The World Bank objective is to maintain cholera control in priority communes through a joint health and water and sanitation approach. US\$20M in the health project is dedicated to activities to combat cholera, including treatment, prevention education (World Bank and UNICEF are splitting the coverage with each working in five out of the ten Departments), and continue capacity building in surveillance. A recently approved Sustainable Rural and Small Towns Water and Sanitation Project (\$50M) will increase access to clean water and improved sanitation in the priority communes, build capacity in the water authority for planning, budgeting, and management of the sector and improve the coordination of disease surveillance between Haiti and the DR. Given its regional dimensions, this Project leveraged

²¹ MSPP; National Cholera Data; 2014

²² DINEPA; National Data for Water and Sanitation; 2015.

US\$20M from IDA's Regional Allocation, Haiti's first access ever to regional IDA funds, thereby increasing Haiti's total access to IDA during the CPF period.

101. The Expected Outcomes of this objective will be 200 medical personnel trained, 1 million people in the catchment areas with available cholera services (including prevention education and hygiene promotion), hospital case-fatality ration maintained at or below 1% and access to improved water sources for 220,000 and access to improved sanitation for 23,000.

102. Under this Focus Area, with the SCD highlighting the need to reduce vulnerability through better targeting of social programs, the World Bank will also continue to engage in Social Protection. In Haiti, social Protection Programs are insufficient to provide a true safety net for the extreme poor and need to be better targeted. Haiti's high levels of poverty and vulnerability call for social protection policies and programs that can directly address extreme poverty and help households manage shocks and invest in their children, and their assets. In the face of large numbers of vulnerable people and financing constraints, targeting tools are critical to make the most effective use of social protection resources. The challenge facing Haiti is to balance and sequence targeted social protection for the extreme poor with the expansion services and opportunities for all of Haiti's poor while promoting growth and employment policies which also reach the bottom 60%.

103. The WBG Strategy aims to support the Government's efforts to develop a Social Protection Strategy, which it set out in the 2014 Three Year Action Plan for Extreme Poverty Reduction. The Bank's programmatic technical assistance aims to help GOH rationalize the fragmented, project-based, social programs developed during the post-earthquake period and address issues of sustainability and efficiency, with emphasis on targeting. To underpin this effort, partners (USAID, UNDP, UNICEF, ILO, WFP) have coalesced around the creation of a national registry of beneficiaries, which will identify the most vulnerable and can serve as a basis for the development of a social protection service delivery model. The development of tools for appropriate targeting and support to the most vulnerable will be an important step in addressing a key driver of fragility in Haiti.

104. The Expected Outcomes are knowledge development and technical assistance in support of a long-term social protection strategy to underpin an efficient and effective Social Protection System.

Area of Focus 3: Resilience

105. As underlined in the SCD, Haiti is one of the countries most exposed to natural disasters in the world, including hurricanes, floods and earthquakes. In addition, rapid urbanization has increased the population in precarious areas exacerbating vulnerability. Over 96% of the population is at risk for 2 or more natural disasters and, on average, disasters cost the country 2% of GDP per year, excluding the 2010 earthquake. The World Bank Poverty Assessment shows that there is a direct relationship between a Department's vulnerability to natural disasters and the level of poverty among the population. Haiti's hazards have larger consequences for people and the economy not only because of the country's geological, geographical, and developmental challenges, but also because of institutional weaknesses,

including inadequate planning for disasters, and lack of regulatory enforcement of building codes and deficient urban planning. The SCD pointed out that in the face of recurring shocks and vulnerability, better risk prevention and management and building of resilience is needed to protect household and individual livelihoods so that lives and assets can be protected and poverty can be reduced and sustained.

Objective 8: Strengthen Natural Disaster Preparedness

106. **The Action Plan for National Recovery and Development of Haiti presents “preparation for the hurricane season and disaster risk management” as a priority under Territorial Rebuilding.** This objective will be supported through the existing Disaster Risk Management and Reconstruction Project (\$60M), which focuses on reducing disaster impacts, including loss of life, by improving disaster response capacity by strengthening communal civil protection committees (CCPC), knowledge creation on risk and impact and dissemination, and exchanges with other countries exposed to high levels of natural disasters. A key objective of the policy dialogue has been to encourage Government and donors to better understand risk, its impacts, and tools available for its mitigation.

107. **Mainstreaming disaster prevention measures into other sectors is a prominent part of the World Bank’s approach. This includes policies, codes, and in some cases construction of safer housing, schools and health centers, as well as, the training of personnel at the electricity utility (EDH) on hurricane preparedness and response.** The DRM project also pays special attention to gender. Having learned the lesson from the previous DRM project that civil protection committees were not represented by a large number of women, the current project has actively supported the recruitment of women, which is also intended to lead to better incorporation of the unique needs of women in emergency preparedness and response. In addition, in the emergency shelter assessment part of the project, shelters will be assessed based upon their structural, functional and geographic characteristics to identify specific shelter rehabilitation and construction needs, including gender specific bathrooms and separate dormitories for female merchants in markets that are used as shelters.

108. **Expected outcomes are 2,300 civil protection staff trained and certified, a doubling to 150 of communal civil protection units across the country that are operational, support to the annual national disaster simulation exercise, and 100% of Haiti’s provinces covered by an emergency radio-communication network.**

Objective 9: Improve Disaster Prevention and Strengthen Climate Resilience

109. **Climate change is expected to further exacerbate the risk of hydro-meteorological hazards by increasing the frequency and/or intensity of extreme events.** According to the Inter-governmental Panel on Climate Change (IPCC) models²³, temperatures in the Caribbean region could rise from 1.2°C to 2.3°C by 2100, with a median increase of 2.0°C during the 21st century. In addition, an increase of ocean surface temperature (1.2°C to 2.3°C projected by 2100 compared to a 1986–2005 baseline) may threaten marine ecosystems and particularly coral reefs, which provide natural protection to the Haitian coastline. These changes will harm the fishing

²³ Inter-governmental Panel on Climate Change (IPCC); Fifth Assessment Report; 2014.

harvest, which is relatively small, as well as affect coastal tourism. Sea level rise, which could reach 60cm by 2100 according to some studies²⁴, may pose a serious threat to coastal areas where the majority of Haiti's population and assets are concentrated. In addition to claiming human lives, climate-related hazards take a heavy toll on all sectors of the Haitian economy. In agriculture, climate change may reduce productivity and, in conjunction with the volatility of global food prices, pose a significant threat to Haiti's food security. Serious droughts have reduced production in the past two years, and while it is impossible to link this directly to climate change, it has demonstrated the vulnerability of Haitian agriculture. The energy sector's vulnerability to the effects of climate change is exacerbated by the extensive use of wood fuels, which creates deforestation and soil erosion worsening the impacts of disasters related to climate change. For Haiti to attain its economic development objectives in a context of increasing vulnerability, there is an urgent need for strengthening resilience and adapting to climate change.

110. The Action Plan for National Recovery and Development of Haiti highlights the needs for risk prevention policies under Territorial Rebuilding. As the SCD points out, the initial step involves improving the identification and understanding of disaster risks by quantifying and anticipating the potential impacts of natural hazards on society and the economy. It is critical to reduce existing risks and avoid the creation of new risks by integrating risk awareness in public policies and investments, particularly at the level of ministries and government agencies responsible for key sectors. In this context the World Bank objective is to improve disaster prevention and strengthen climate resilience. Because mainstreaming is critical across multiple sectors, the Bank's approach to tackling disaster risks and the effects of climate change is also multi-sectoral in nature, through inter-related IDA interventions in the transport, water and energy sectors.

111. Through a multipronged approach, the WBG Program aims to improve the institutional capacity of GOH to consider vulnerability and risk in its public policy and investment decisions. Entry points include: (i) supporting the development hydro-meteorological capacity to help farmers reduce annual productivity losses in the agriculture sector due to extreme meteorological events and increase accuracy of forecasting and effectiveness of early warning systems through the recently approved Strengthening Hydro-Met Services Project (\$5M from Pilot Program for Climate Resilience (PPCR)); (ii) reducing vulnerability to climate change in the Centre Artibonite region, by strengthening the resilience of infrastructure and surrounding communities to weather risk, through the existing Center and Artibonite Regional Development Project (\$58M, including PPCR co-financing); (iii) increasing resilience of secondary cities through delivery of resilient infrastructure and support to resilient urban planning and management, the proposed urban resilience project; (iv) exploring source protection, land management practices, and environmental services to address the water availability and scarcity challenges in the context of WSS delivery, through the Sustainable Rural and Small Towns Water and Sanitation Project (\$50M); (v) studying avenues for urban resilience to relieve pressures and increase the potential for resilient development in small cities to better absorb migration, through the Urbanization Review ESW under preparation; and (vi) analysis of land management practices and definition of entry points for investment in the promotion of resilient productive landscapes, through the Relaunching Agriculture: Strengthening Agriculture Public Services II Project

²⁴ A sea level rise of 61 cm is estimated for the bay of Port au Prince; World Bank; Turn Down the Heat III: Confronting the New Climate Normal; 2014.

(\$50M). The use of Big Data can also be instrumental in DRM to track population movements and its health and service impacts. The program will also aim to continue building risk awareness and understanding of Resilience at the level of Government institutions.

112. Mitigation measures under the WBG CPF include supporting the Government of Haiti to reach a greener energy mix by using indigenous renewable resources, although Haiti's energy consumption and greenhouse gas emissions are the lowest in the Northern Hemisphere and some of the lowest in the World (50 times lower than the regional average). A key part of the energy expansion strategy (see focus area 3) lies in Haiti's May 2015 Renewable Energy Investment Plan under the Scaling-Up Renewable Energy Program (SREP). With World Bank and IFC support for its implementation, this Plan will diversify Haiti's energy generation sources away from diesel and heavy fuel-oil towards a variety of renewable and clean energy sources and technologies. Haiti is also in the process of developing its Intended Nationally Determined Contribution (INDC) to reflect the mitigation and adaptation actions for the coming years.

113. Expected Outcomes under this objective will include flood mitigation and other climate resilient infrastructures, including drainage, reinforced bridges, all-weather roads, high resolution digital hazards maps for the whole country, user-relevant data from hydro-met networks made accessible on a centralized platform for use by farmers and civil protection units.

Cross Cutting Theme: Governance – Transparency, Accountability, Sustainability

114. As the SCD and the CLR underline, improvements in governance and the strengthening of Haitian institutions is critical to achieving development outcomes. It also finds that improving governance requires the development of accountable and effective institutions and underlines that supporting the development of such institutions requires a long-term approach and commitment.

115. In supporting the accountability and effectiveness of public institutions, the WBG strategy will focus chiefly on economic governance and government effectiveness, in keeping with the institution's comparative advantage and expertise, as well as, building on longstanding dialogue with the Government on these topics. Specifically, in addition to supporting the Government's objective of raising revenues, to improve the effectiveness of the State, a transversal aim of the CPF is to support transparency and accountability in public financial management (PFM), with a sharp focus on improving transparency, accountability, and effectiveness in public investment. Another transversal aim is to strengthen the capacity of Haitian institutions to produce key data, manage sector data and resources, set policy priorities based on data and analytics, and implement efficient and effective basic service delivery programs that are sustainable. Given lack of transparency in the sector and the massive drain caused by EDH losses on Haiti's fiscal resources, electricity sector reform is also sought under the CPF in the context of improving governance.

Objective 10: Improve Transparency and Accountability in Public Financial Management

116. GOH has set a framework for PFM reform, including transparency, efficiency and effectiveness objectives. Slow progress, has been made and should be accelerated with partner support. The CPF seeks to promote greater transparency in the execution of the budget by

supporting the Government in preparing adequate and comprehensive annual financial statements. In particular, these should include information on capital spending, which is not included today. Indeed, by improving the transparency of public investment management, the CPF seeks to build greater accountability for the use of public funds and their impact, hoping to contribute to improvements in development outcomes, but also to building trust between the citizens and the State. The CPF will also support the public availability of Government's consolidated fiscal base, which the Ministry of Finance can maintain through the BOOST tool²⁵, which links the Budget to public spending and ultimately to results.

117. According to the SCD and many earlier analyses, poor financial management together with weak policies are at the root of the limited impact of public investments. A Public Investment Management Diagnostic Assessment (PIMDA) carried out by World Bank in 2014 showed that the existing regulatory framework for investments is not consistently applied and that there are major shortfalls along all steps of the public investment chain (project identification, planning, execution, and ex-post evaluation). In light of this, the WBG strategy will focus on: (i) developing basic foundational data, which would enable Government to spend better (for the National Census for instance) and building the statistical capacity of the Government; and (ii) working with GOH to improve the steps in the public investment chain through capacity building and technical assistance. Combined with policy dialogue in key sectors (*inter alia* water, health, education, social protection) to prioritize investments in support of Government objectives, public investment management reform will have a positive impact on the transparency of public finance and on Haiti's growth outlook and social spending outcomes.²⁶

118. To deliver the program under the cross cutting theme of governance, the WBG will also support Programmatic Budget Support (if appropriate), a new project to build statistical capacity and improve public financial management, Technical Assistance (TA), and Just-in-Time advice, as well as, donor coordination and convening in the context the Budget Support Coordination Group, which includes all partners providing policy-based support to Haiti. A programmatic approach to policy-based lending over several years, with clear triggers to move from one phase to another is likely to provide better results than single tranche operations have in the immediate post-earthquake years. Lessons from past experience underline: (i) that multi-tranche operations are needed to sustain reform efforts and prevent one time measures that can be reversed; (ii) the need for sustained technical assistance tightly aligned with the reform program supported by multi-tranche DPOs; and (iii) that measures to reduce electricity sector losses should both contribute to Haiti's macroeconomic stability and be consistent with a strategy to expand reliable energy services to those who do not have access (over 90% in rural areas) and reduce poverty. To maximize the impact of activities in this area of focus and their contribution to the social contract, the WBG will promote the publication and dissemination of reform agendas and timetables for expected completion. TA will be provided to support reform agenda objectives and help implement the Government's PFM Action Plan on a meaningful timeline, concentrating on achieving greater transparency and impact with resources.

119. Further strengthening coordination among donors in support of this agenda is critical to succeed. A Budget Support Group includes partners who provide budget support, as well as,

²⁵ BOOST (not an acronym) is the name of a new data tool developed at the World Bank to help enhance public sector performance.

²⁶ World Bank; *Toward Greater Fiscal Sustainability and Equity, A discussion of Public Finance*; July 2015.

technical assistance in sectors relevant for budget support. Alongside the World Bank, EU and the IDB provide substantial budget support and efforts to agree on a key set of priority actions for all to support are underway. Similarly, a survey of technical assistance on PFM and Governance had been carried out, and coordination will be strengthened around public financial management and public investment quality (by the IMF, EU, IDB, UNDP, Canada, France, World Bank).

120. The expected outcome of objective 10 is that the financial operations of the Government can be tracked from allocation to payment, including for public investment projects, for which improved technical information should become available.

Objective 11: Improve Capacity for Sustainable Basic Service Delivery

121. A key obstacle to building capable and effective institutions as identified by the SCD and CLR, is the need for sustained support over time. This requires a steady course and long-term investments in human and financial resources. The SCD also shows that political volatility negatively affects economic outcomes and government effectiveness, in part because, as the CLR concludes, it interrupts efforts to coherently implement policies over time and to build sustainable capacity.

122. A key cross-cutting objective of the WBG CPF is to help develop the data, analytical tools, policy options, financial models, and institutional capacity strengthening needed to underpin sector policies based on sustainable models for service delivery. In this regard, the WBG supports a range of analytical work aimed at improving the financial and technical sustainability of basic services in several sectors, particularly where there is traction with Government through investment operations. Two examples are given below, but other efforts are also being made in the water, social protection, and the energy sector.

123. Education - Following the earthquake, education access, championed by GOH, expanded considerably, however significant efforts will be needed to maintain access and sustain progress. The Government has raised special revenues by levying a fee on financial transfers and international phone calls and provided tuition waivers for over 1 million children to attend primary school, of which many are private. This contributed to increasing enrollments from 78% in 2009 to an estimated 90% in 2012. Efforts to clarify whether these revenues can continue to be collected and managed in legal and transparent manner with appropriate oversight, are critical to the sustainability of education financing. With 88% of schools private, to appropriately and effectively manage the sector and its resources, and sustainably promote education quality and equity in access, the Government needs to better understand the outlines of privately provided education services in the country (number of private schools, status of these schools, levels of quality, curriculum content, and details on the numbers and ages of their pupils, as well as, the level of fees they charge). The development of an effective set of measures to harness private sector education and sustainably deliver quality education services for primary students is needed and will be supported by the World Bank.

124. Health - Large volumes of external financing have expanded health services, however considerable efforts will be needed to maintain access and sustain progress. Large volumes of donor financing poured into the health sector to respond to the emergency and cholera epidemic, with positive impacts on health outcomes. However, the influx of donor funding has also resulted in a lower share of the domestic budget going to health. This share stands at around 6% today as

opposed to 10% prior to the earthquake²⁷. As donor financing declines, this trend has resulted in a lowering of the overall level of health spending. This underlines the need for continued efforts to raise domestic resources available for the sector. In addition, shrinking resources call for the harmonization of all interventions and the integration of all health services into the results and accountability framework set out in Haiti's national health policy and its 2012-2022 National Health Plan. The latter calls the application of the same management principles to all resources regardless of their source of financing. Indeed, maximum efficiency in the use of existing resources and appropriate policies and planning are critical to improving the efficiency of delivery systems, their effectiveness, and their sustainability. The CPF will support analytical work on service delivery models, costing, and efficiency.

125. Outcomes under this objective include improvements in the data and analysis available on financial and technical sustainability, to underpin sector policies in health, education, social protection, water, and electricity. Measuring whether progress has been made under this important objective will necessarily call for a subjective assessment of progress in the understanding and analysis of sustainability issues and options in these sectors by the Government and Partners. It is expected that progress on this front will be unpredictable and asymmetrical and that the WBG will need to seize opportunities for progress as they arise.

C. IMPLEMENTING THE FY14-FY19 COUNTRY PARTNERSHIP FRAMEWORK

Financial Envelope

126. IDA financing for Haiti is returning to non-crisis levels. Following an exceptional allocation of SDR 329M (US\$500M equivalent) under IDA 16's Crisis Response Window, Haiti's IDA 17 allocation amounts to 79.5M SDR, approximately US\$ 111M equivalent (which included the tail end of a reengagement top up).²⁸ Of this allocation, US\$30M has been committed under exceptional procedures to the Haiti Sustainable Rural and Small Towns Water and Sanitation Project, which focuses on combatting cholera. In light of the current electoral calendar, this CPF programs the remaining IDA 17 resources (US\$81M), leaving Haiti's IDA 18 envelope to be allocated with the new government during the 2018 PLR. With improvement in Haiti's debt sustainability status, IDA resources starting in FY16 will be in the form of a mix of IDA grants (45%) and IDA credits (55%). Haiti has received IDA grants only since 2005. Substantial resources in the form of recipient-executed Trust Funds will continue to complement IDA funding (GPE, GASFP, and HRITF funding are already in place for a total of over 50M and new funding from SREP and CTF for over US\$40 M are scheduled to become effective this FY).

127. The IFC program in Haiti is set to increase substantially. IFC's committed portfolio amounts to US\$112M, of which US\$89M is on IFC's own account and US\$23M is mobilized from other partners. Assuming normal market conditions and no deterioration in the overall investment environment in the country, IFC expects to commit financing of at least US\$25M per year on average, or a total of US\$100M during the CPF period. In line with this WBG strategy,

²⁷ World Bank; *Toward Greater Fiscal Sustainability and Equity, A discussion of Public Finance*; July 2015.

²⁸ These amounts are indicative only. Actual allocations are determined annually and vary based on: (i) Total IDA resources available; (ii) the country's performance rating, per capita GNI, and population; (iii) the terms of IDA assistance (grants/credits); (iv) the allocation deductions associated with MDRI annual debt service foregone as applicable; (v) the performance, other allocation parameters, and IDA assistance terms for other IDA borrowers; and (vi) the number of IDA-eligible countries.

IFC expects to focus its investment activities in particular in the areas of private infrastructure, access to finance, manufacturing, and with greater focus on agribusiness and value-added exports products, especially through targeted SME development, but always depending on private sector client demand and interest.

128. MIGA does not currently have any exposure in Haiti, but will coordinate efforts with the IFC and the World Bank to provide support to foreign private investment into the country, where possible, moving forward. MIGA will consider opportunities across all sectors, but would expect to focus on critical areas such as infrastructure and energy, where the need to mobilize significant foreign investment may be particularly high. As is the case for the IFC but perhaps to a greater extent, MIGA's activity is subject to demand from private sector clients.

129. The intent of the World Bank, IFC, and MIGA is to develop a targeted joint implementation plan in one sector such as energy, with the primary joint objective to make concrete advances in the development of renewable energy generation, energy access and energy efficiency. Such a plan would rest on the sequencing of regulatory changes in favor of renewable energy development, support to private sector actors, for instance in the solar energy sector, and activities to promote the access of businesses, service providers, and households to energy from renewable sources. Coordination within the WBG and with Government has started in the context of the SREP process. It is expected that the JIP can be developed over the coming months and solidified with the incoming Government.

Portfolio Performance

130. The exceptional IDA16 Crisis Response Window allocation provided to Haiti in response to the 2010 earthquake significantly increased the World Bank's portfolio, which continues to perform satisfactorily. The size of the portfolio more than tripled from US\$206.7M in FY09 to US\$757.5M (US\$648.2M in 15 IDA projects and major SU\$109.3M in major TF projects) as of August 2015, making the World Bank a substantial donor, behind the US, the IDB, Venezuela, and the EU. To manage this higher volume, the portfolio was consolidated to reduce fragmentation and increase impact, with average project size increasing from US\$13M in end FY09 to US\$50M in end FY15. The still relatively young portfolio (3 years on average) has \$312.88M in total disbursements. Annual disbursements, which have been high since 2012 supported by large contracts executed under emergency operations and payment of subsidies to primary school enrollment, have slowed but remain above the Bank's average. In light of the high volume of resources available, efforts are continuous to accelerate the pace of implementation. Due to the challenging country environment and weak country record, 53.33% of commitments in Haiti are considered at risk. There are five problem projects. Of these, one has recently been restructured, three are currently being restructured and one is being closed.

131. While the October 2014 Country Portfolio Performance Review recognized significant improvements in procurement, financial management and safeguards performance since 2012, due to increased Bank implementation support and training, project management capacity in implementing units continues to be a significant bottleneck to timely execution of project activities. Continuous attention to capacity issues and intensive training are being provided drawing on the expertise of the Fragility Violence and Conflict CCSA (procurement and monitoring & evaluation training has been and will continue to be provided to PIUs and Line Ministries). This includes strengthening monitoring and evaluation by better

defining indicators, developing missing baselines, and strengthening capacity for data collection to feed results frameworks. However, sustained attention to underpin the ownership of projects by Government authorities and a strong dialogue on the sustainability of results continues to be needed to speed up implementation and improve impacts.

Financial Management and Procurement

132. **The financial management environment in Haiti remains challenging.** Although the legal framework for the management of public finances is in place, its application is inconsistent. In addition, tools and procedures for the management of public resources do not ensure transparency or proper control over the use of resources. There is no unified accounting system to track and report transactions for public investment projects. Much remains to be done, to apply the regulatory framework and improve tools and procedures to strengthen the allocation and efficient use of public resources. To facilitate project implementation and ensure adequate management of fiduciary risk, developing country institutions and systems is a priority. With World Bank support, GOH has recently adopted a public finance reform program, which will significantly improve the system once implemented. The World Bank also continues to work intensively with key Ministries, such as Agriculture, Health, and Commerce, to augment their capacity and begin using their administrative systems for project financial management.

133. **Public procurement suffers from the limited use of competitive procurement processes, lack of capacity within the Government, excessive and inefficient controls, and lack of coherence in the application of procedures.** The World Bank's dialogue with GOH aims to streamline procurement procedures and increase competition and transparency. In the portfolio, the Bank continues to balance the need for speed in delivery with the building of lasting Government capacity for the management and implementation of resources. The flexible approach and simplification of procedures appropriate for fragile environments was put in place under the last ISN and has permitted significant progress in the implementation of projects. In particular, these procedures have facilitated implementation by Ministries (without or with more limited use of Project Implementation Units) for a limited number of recent projects, a process which builds ownership and capacity but also has been known to impact speed of implementation. Over 75% of contracts awarded under World Bank managed projects are attributed to local firms and local NGOs, although large contracts (above US\$5M) are more often awarded to international firms, reflecting the need for continued capacity strengthening of Haitian bidders.

Program Management

134. **In the context of program management, strengthening the implementation by Haitian institutions is being pursued with a focus on increasing the Government capacity and effectiveness.** This is the case at the Ministry of Agriculture and the water authority who directly implement IDA projects. In order to move toward direct implementation by ministries, stronger integration of PIUs with ministerial directorates is also being actively supported in the Ministries of Health and Commerce. Experience with these projects indicates that substantial human and financial resources remain necessary to build such capacity and anchor activities in the Ministries' work program. IDA support to strengthening planning units in line Ministries contributes to this approach. Supplemental support for procurement and financial management is being pooled with other donors in some cases, with positive outcomes. On the other end of the spectrum, in the case of the neighborhood infrastructure projects, which began implementation as part of the post-

earthquake reconstruction in an extremely capacity constrained context, the day to day management has been contracted to *Maîtres d'Ouvrage Délégué* (MDODs or third party implementers on behalf of GOH) to facilitate implementation. As in other FCS, flexibility in models of delivery remains necessary in the implementation of Haiti's program and the full range of implementation arrangements will continue to be used under the CPF for maximum impact.

Stronger Citizen Engagement in Support of the Social Contract

135. **The CPF aims to strengthen Citizen's Engagement in the WBG program to promote a more robust social contract.** CPF consultations revealed significant interest on the part of academia, civil society organizations, religions groups, women's groups, among others to have access to accurate sector data, analytics, and to increase their engagement with the State, facilitated by the World Bank, as well as, more engagement with the World Bank Group to better understand its activities. At the program level, CE will include: (i) the use of client surveys to assess the relevance, satisfaction, and impact of the WBG's work, (ii) the continued production of evidence-based knowledge products and their broad dissemination to encourage public debate and the dialogue between the State and citizens, and (iii) the training of journalists to improve the quality of reporting and by doing so increase citizens' ability to engage the State on economic and policy issues. At the portfolio level, CE will be mainstreamed in WBG projects. A review of the portfolio is being conducted to assess current CE efforts and identify actions to strengthen CE. All projects in the portfolio conduct beneficiary surveys and all recent projects contain Grievance Redress Mechanisms. In addition, recently approved operations have incorporated feedback loops in their design (WSS, Hydromet) and many projects include community consultation and participatory planning and decision-making (Neighborhood Reconstruction, Urban CDD, Cultural Heritage, Centre Artibonite Regional Development). Various tools will be explored to increase the CE content of the portfolio including: increasing consultation, collecting inputs from citizens to improve policy making and service delivery, including through the use of information and communications technology (ICT), inclusive decision-making particularly at the local level, encouraging citizen-led monitoring and evaluation, also possibility using ICT, and building citizen capacity to engage with the State through improved understanding of economic and policy issues, including through increased dissemination of analytics and other World Bank reports.

Coordination with Other Development Partners

136. **A multiplicity of development partners and actors are present in Haiti with still substantial resources.** Having reached a peak after the earthquake of over US\$3B from 37 multilateral and bilateral donors, funding for 2013 has gone down to US\$1B, which is still 3 to 5 times more donor financing than in the early 2000s. Most of Haiti's public capital investments are externally financed, with Government revenues financed by donors having reached a peak of 51% in 2010 but still significant at 36% in 2014²⁹. NGOs are active in large numbers, though many emergency oriented organizations have pulled out since the earthquake.

137. **Because partners' contributions represent such a large portion of Government resources and of available service delivery, fragmentation is a major challenge.** Partners' objectives are often not aligned with the Government's or with each other's and for the most part

²⁹ World Bank; *Toward Greater Fiscal Sustainability and Equity, A discussion of Public Finance*; July 2015. Historical aid flows based on data collected by the Office of the UN Special Envoy for Haiti.

partners do not implement through the Government. Haiti can only overcome donor dependency over time, if partners support the development of the Government’s own sector policies and programs and accept to work within that framework. In this context, the World Bank continuously works to bring donors together, leading several sectoral donor groups and often supporting the leadership of other partners, through analysis, sectoral dialogue, the alignment of instruments and/or financing where possible, as well as by supporting the Government’s efforts to encourage donors to support their objectives. The World Bank will also work with the authorities to strengthen Government’s capacity to coordinate donor interventions.

138. The level of existing coordination between the Government and major donors varies by sector. Overall, since the earthquake, many sectors have reinstated sectoral coordination mechanisms. Coordination is close among major partners in Education, Energy, Water, Health, and Budget Support. In Education, major donors (Canada, IDB, GPE, World Bank, EU, World Food Program) are working together to support the Ministry’s 3 year plan and reforms and bilateral coordination is used to fill gaps where there is lack of formal coordination. In Electricity, there is strong coordination among major donors (US, Canada, IDB, World Bank), who share information and hold joint meetings with Government to encourage EDH reform and improvement in the performance of the utility. Coordination in Health (Canada, IDB, UN, US, World Bank) has improved with the objective of supporting the Ministry with programmatic reform and financing. In the Water sector, all major donors (IDB, World Bank, Spain) coordinate investments and joint financing of institutional capacity building is in place, with IDB and Spain investing in urban water and sanitation and the World Bank financing access in rural and small towns. A Budget Support Working Group led by the EU brings together Canada, France, the IDB, the IMF, Spain, the US, and the WBG around a common matrix of Government policy actions, however, there is a need for stronger cooperation in pursuing common reform objectives.

IV. MANAGING RISKS TO THE CPF PROGRAM

Risk Categories	Rating (H, S, M or L)
1. Political and governance	H
2. Macroeconomic	S
3. Sector strategies and policies	S
4. Technical design of project or program	M
5. Institutional capacity for implementation and sustainability	H
6. Fiduciary	S
7. Environment and social	S
8. Stakeholders	M
9. Other	S
Overall	S

139. Based on the proposed program of engagement, the overall risk to achieving CPF Objectives is Substantial. The CPF is being implemented in an environment of considerable risk and some risks cannot be completely mitigated. However, despite these risks, given that Haiti is the poorest state in Latin America and the Caribbean, the upside of engagement for poverty reduction and shared prosperity is high.

140. **Political and Governance risks are the most salient.** The context continues to be one of chronic fragility characterized by socio-political volatility, political instability, and weak governance. The CPF begins implementation during an election year, which historically has seen civil unrest with periods of violence. The risks to the program is that ownership of programs and reforms may decline. The CPF mitigates this by maintaining intensive focus on implementation through close implementation support and intensive sectoral engagement with counterparts. There are also the longer term risk of chronic instability and inertia both in terms of reform and progress on implementation. Whether as a result of the electoral process or the drawdown of the UN peacekeeping forces, if the situation on the ground becomes highly unstable, implementation and supervision in the field may become difficult. To mitigate this risk, the CMU and a security advisor in Haiti closely monitor the security situation in coordination with MINUSTAH and advise teams on safety of movement. However, residual risk to the programs remains.

141. **To mitigate corruption risks for the program, at the macro level, CPF activities will aim to strengthen transparency, accountability across areas of engagement and support demand for good governance through citizen engagement.** In terms of implementation, mitigating corruption risks in Bank-financed projects includes effective reliance on the use of Project Implementation Units (PIUs) in the older projects. Ongoing projects are implemented by PIUs staffed by financial management and procurement specialists, many of whom have a strong track-record of managing Bank, IDB and other donor-funded projects. In newer projects that are implemented by Ministries, there is strong focus on capacity building in financial management and procurement to ensure that Bank standards are upheld. Bank technical and fiduciary support focuses on project implementation, procurement and financial management controls and records. The Bank financial management and procurement teams give close support and multiple training to ensure quality. During the prior ISN period financial management and procurement quality was generally rated as satisfactory. Nevertheless, there is residual risk that cannot be mitigated.

142. **The CPF will also be implemented in an environment of Substantial Macroeconomic Risk.** Although macroeconomic stability has broadly improved over the past decade, Haiti is vulnerable to decreasing external financing (which fell from 17% to 7% between 2010 and 2013). This is compounded by uncertainty over future availability of concessional financing from Haiti's partners, including from PetroCaribe. Under the current moderate level of debt distress, a little less than half of the program will continue to be provided in grants and the remainder on concessional terms. In sectors where outcomes are dependent on financing from other donors if their financing declines due to deterioration of macroeconomic stability, there is a risk of less impact. In order to mitigate these risks, the CPF aims to support macroeconomic stability through advice and financing for policy reform and by continuing to encourage government to improve the commercial viability of EDH to decrease the drain on fiscal resources, working very closely with key donors in policy dialogue and with the IMF. However, risks remain in light of uncertainty around the political feasibility of reform and Haiti's continued vulnerability to external weather-related and other shocks.

143. **The lack of prioritized sector strategies and policies continues to present a substantial risk to the CPF program.** While there has been some progress in setting policies and strategies in sectors such as Housing, Agriculture, and Water, other sectors including DRM, Electricity, Health, Social Protection, and Education do not yet have clear prioritized sector objectives and strategies to achieve them with accompanying policies and realistic costing to guide design of

Bank projects and implementation. This is exacerbated by the multiplicity of actors, including donors and NGOs, which often have their own agendas and do not align or coordinate their activities with the Government. This weakens the Government, diffuses momentum for reform, and can create chaos in the sector. The CPF program mitigates these risks by significantly supporting capacity building in relevant ministries to develop sector strategies and data and analytics to improve effectiveness and sustainability of programs, as well as, advocating and supporting sectoral donor coordination with donors and the Government as part of every supervision mission. However, residual risk remains.

144. **In particular, substantial risks to electricity sector outcomes remain.** In light of the importance of the sector to Haiti's development outcomes and the considerable investments and efforts provided by the WBG, every effort is being made to support commercial viability of the utility, improved governance, access, and private investment, particularly in renewable sources of energy. However, risks remain that the necessary political will and agreement on reform with domestic stakeholders, some of whom have strong interest in maintaining the status-quo, will not materialize, in which case the WBG could re-examine use and the orientation of undisbursed resources within the time frame of this CPF.

145. **Institutional capacity for implementation and sustainability is a high risk in this program.** In the context of chronic fragility and political instability risk, the sustainable building of institutional capacity has been a challenge. There are weaknesses in technical and project management skills across sectors. The program mitigates this by incorporating capacity building as an objective in project design. In this context, the program offers both technical tools (such as data and best practice mechanisms) for the use of partner institutions and training to individuals and units of institutions to utilize these tools. Several projects include pilots which serve to demonstrate how new mechanisms for service delivery can work while better understanding the challenges these mechanisms might face (for instance for the use of results based financing in health). This trial and error approach, although time consuming, allows the Government and the World Bank to tailor approaches to Haiti's needs and specificities while developing the underlying institutional structures needed for their sustainability. Nevertheless, in light of institutional capacity challenges, substantial and intensive supervision remains critical. Given weak capacity, fiduciary, environmental and social risks remain substantial. As recommended by recent Country Portfolio Performance Reviews, additional training and capacity is being put in place in project units and may need to be strengthened further as program implementation progresses. Given the high risk environment, there will continue to be strong and comprehensive implementation support in these areas.

146. **The other Substantial risk for the Haiti Program is Haiti's high vulnerability to natural disasters.** For example, when the earthquake of 2010 struck nearly all Ministry buildings were damaged along with paperwork and archives and one third of civil servants perished, which had significantly slowed implementation of the existing portfolio. It also destroyed services such as schools and clinics. Hurricanes and tropical storm, which are annual occurrences, also regularly wash out infrastructure and destroy crops. At a macro-level, the program aims to mitigate this risk by providing substantial investments to reduce the vulnerability of the population and increase public investment in disaster risk management, investing in knowledge on urbanization and vulnerability, and strengthening capacity to prevent and protect against natural disasters at the level of policy making. Advocacy for mainstreaming disaster risk prevention and management in

relevant sectors is included the DRM project. In terms of implementation, the program incorporates flexibility to address emergencies by including contingency financing components to allow resources to be brought on stream rapidly in case of unforeseen emergencies with minimal administrative processes and options for third party execution to facilitate a rapid response, while always giving priority to national systems and institutions. While measures are in place to enable the program to deal with vulnerability, this risk cannot be fully mitigated.

147. **Complex land titling issues and the lack of cadaster are also a significant risk.** It is often unclear who has title over land. It is not uncommon for multiple parties to have competing titles over the same piece of land. This presents a particular challenge for IFC in terms of attracting investors to Haiti. In the World Bank program this is mitigated by working with land that is provided by agreement of the community, whether it is for community schools or infrastructure. However, this remains a complex issue and the risk cannot be fully mitigated.

ANNEXES

Annex 1A: Results Monitoring Matrix

AREA OF FOCUS 1: INCLUSIVE GROWTH		
<p>Definition of Focus Area: Enhance Income Opportunities, by supporting the creation of jobs in targeted value chains in each departments and, in specific departments outside of Port-au-Prince, supporting small business activities around tourism sites (North and Artibonite), increasing agricultural productivity (North, North East, and South), improving access to markets and connectivity (Centre and Artibonite), increasing access to finance, increasing access to electricity, and competition in the port sector.</p> <p>Links between the Focus Area and the Twin goals: To accelerate inclusive growth and reduce poverty the SCD points to a need to enhance income opportunities in the formal and informal sectors (including agriculture), including outside of Port-au-Prince; increase access to finance of all economic actors; remove infrastructure bottlenecks to growth by improving access, particularly to energy services and connectivity, and improve the country's overall competitiveness by improving port capacity and competition in the port sector. Together these interventions aim to generate greater opportunities and enhance incomes for Haitians working in the formal and informal sectors, including outside of Port au Prince where most of Haiti's poor live, while sustainably addressing some of the infrastructure bottlenecks, which hamper the access of rural producers and economic actors to markets.</p> <p>Country Development Goals: The Objectives under this area of focus will contribute to the Territorial Rebuilding and Economic Rebuilding Action Areas of the Government's Strategic Plan for the Development of Haiti.</p>		
<p>CPF Objective 1 Contribute to Enhancing Income Opportunities</p>		
<p>Intervention Logic: A multi-pronged approach is recommended by the SCD to enhance income opportunities. This approach focuses on creating jobs and supporting private sector actors through public and private investment in off and on farm activities, while removing key infrastructure bottlenecks to market access. Outside of Port au Prince, WBG interventions will support smaller actors in the agricultural and tourism sectors through grants and know-how, and invest in connectivity and market infrastructure in a key agricultural area, removing some of the key barriers to markets faced by farmers and non-farm economic actors in that region, and increase access to finance. These interventions aim to support entrepreneurship, generate greater opportunities, improve incomes, and remove key constraints identified by the SCD in specific environments. IFC will continue to seek opportunities to contribute to employment and economic growth with sizable companies in the manufacturing and services sector as well as new sectors that are underserved such as infrastructure.</p>		
CPF Objective Indicators	Supplementary Progress Indicators	WBG Program
<p>New economic opportunities have been generated as measured by progress assessed against 4 out of 5 of the indicators below: 1.1 Number of jobs created in targeted value chains (disaggregated by gender) <i>Baseline:</i> 0 (2015) <i>Target:</i> TBD end 2015 (2019)</p>		<p><i>Ongoing:</i> HT Business Development and Investment Project (P123974) - \$20M HT Cultural Heritage Preservation and Tourism Sector Support Project (P144614) - \$45M</p>

<p>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)</p> <p>1.3 Increase in sales by supported producer organizations <i>Baseline:</i> \$0 (2011) <i>Target:</i> US\$10 million (2018)</p> <p>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>Targets:</i> 20% (2019)</p> <p>1.5 Share of rural population with access to an all-weather road in the Centre-Artibonite loop <i>Baseline:</i> 39% (2015) <i>Target:</i> 55% (2019)</p>		<p>HT Relaunching Agriculture: Strengthening Agriculture Public Services II (P126744) - \$50M HT Center and Artibonite Regional Development (P133352) - \$58M</p>
<p>CPF Objective 2 Increase Access to Finance</p>		
<p>Intervention Logic. Access to finance and financial inclusion are critical entry points for the WBG program, given that labor income and self-employment are the largest contributors to poverty alleviation in Haiti. To contribute to employment opportunities and economic growth, the WBG, specifically IFC, will support the Government in facilitating enhanced access to credit for micro, small and medium enterprises (MSME) by strengthening domestic financial institutions and improving access to finance, particularly for the most vulnerable and underserved segments of MSMEs. World Bank investments will help remove a key constraint faced by the smaller private sector actors, including outside of Port au Prince, for very small businesses, and for the self-employed with a particular attention to the access of women, by supporting the implementation of the Government’s Financial Inclusion Strategy, which aims to broaden access to formal banking services and to provide access to finance for investment in productive activities in agriculture, tourism, and other value chains through matching facilities under several operations.</p>		
<p>CPF Objective Indicators</p>	<p>Supplementary Progress Indicators</p>	<p>WBG Program</p>
<p>2.1 Number of new loans and outstanding portfolio/SME (#): <i>Baseline:</i> 496 (2014)</p>	<p>2.1 Volume of new loans and outstanding portfolio/SME: <i>Baseline (2013):</i> US\$16.7 million</p>	<p>IFC: Sogebank (P26167)</p>

<i>Target: 1,268 (2019)</i>	<i>Target (2018): US\$ 33.6 million</i>	
2.2 Percentage of adults (age 18+) with an account at a formal financial institution <i>Baseline: 20% (2014)</i> <i>Target: 30% (2019)</i>	2.2 Percentage of adult women (age 18+) with an account at a formal financial institution <i>Baseline: 17% (2014)</i> <i>Target: 28% (2019)</i>	<i>Ongoing:</i> HT Increasing Access to Responsible Financial Services (P155910) - \$1.6M
2.3 Volume of matching grants provided for regional development through portfolio (Agriculture, BDI, and Cultural Heritage projects) <i>Baseline: 0 (2015)</i> <i>Target: US\$ 16.5 million (2019)</i>	2.3.1 <i>Agriculture:</i> Volume of matching grants <i>Baseline: \$0 (2011)</i> <i>Target: US\$8.5 million (2018)</i> 2.3.2 <i>BDI:</i> Amount of matching grants provided <i>Baseline: 0 (FY14)</i> <i>Target: US\$ 8 million (TBD)</i> 2.3.3 <i>Cultural Heritage:</i> Amount of grants provided for Community Event & Tourism Development <i>Baseline: 0 (2014)</i> <i>Target: US\$1 million (2018)</i>	HT Relaunching Agriculture: Strengthening Agriculture Public Services II (P126744) - \$50M HT Business Development and Investment Project (P123974) - \$20M HT Cultural Heritage Preservation and Tourism Sector Support Project (P144614) - \$45M
CPF Objective 3 Increase Access to Electricity		
Intervention Logic: Lack of access to electricity services is a key bottleneck to growth, service delivery, and household living standards. By supporting the expansion of electricity services to new households, particularly off grid and from renewable sources, the WBG Program seeks to expand access while minimizing its impact on the poor commercial viability of EDH. Investments in this sector, particularly when not connected with the main grid, provide an opportunity to seek new avenues to sustainably provide electricity, without waiting for substantial governance issues at EDH to be resolved. The program also continues to promote comprehensive reform for the sector and concrete improvements in the commercial performance of EDH.		
CPF Objective Indicators	Supplementary Progress Indicators	WBG Program
3.1 Number of new households electrified <i>Baseline: 0 (2015)</i> <i>Target: 100,000 (2019)</i>	3.1 Number of people, businesses and social services provided with renewable energy <i>Baseline: 0 (2015)</i>	<i>Ongoing:</i> HT Rebuilding Energy Infrastructure and Access (P127203) - \$90M

3.2 Number of direct beneficiaries with electricity Services financed by World Bank Group operations (disaggregated by gender) <i>Baseline:</i> 18,000 (2015) <i>Target:</i> 600,000 (2019)	<i>Target:</i> 500,000 (2019)	HT Energy Policy Dialogue <i>Pipeline:</i> HT Modern Energy Services For All from Climate Technology Fund (P154351) Renewable Energy for All (P156719) to be financed by Scaling up Renewable Energy Program (SREP)
3.3 Overall available capacity of renewable energy installed <i>Baseline:</i> 18 MW (2015) <i>Target:</i> 58MW (2019)		
CPF Objective 4 Increase Capacity and Competition in the Port Sector		
Intervention Logic The Government intends to continue to encourage private sector investment in infrastructure for instance in the port sector. A new private port near Port au Prince at Lafito is being opened and will provide new options for shipping, while the International Port of Port au Prince, which was severely damaged in the 2010 earthquake is being rebuilt. The New Port Terminal will increase port capacity, enhance competition, and reduce congestion, improving efficiency and productivity. Advisory services to structure a PPP for the reconstruction of the Cap Haitien Port also aims to generate private participation by local investors in ports development.		
CPF Objective Indicators	Supplementary Progress Indicators	WBG Program
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)	4.1 Port Financed – Bulk cargo handled (Metric Tn) <i>Baseline:</i> 0 (2013) <i>Target:</i> 310,000 (2019)	IFC – Port Lafito – IS project (P34593)
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)		
4.3 Value of financing facilitated (\$ million) <i>Baseline:</i> 0 (2014) <i>Target:</i> 70 (2019)		IFC - HT Cap Haitien Port Rehabilitation (Advisory (AS) project) (P600407)

AREA OF FOCUS 2: BUILD HUMAN CAPITAL

Definition of Focus Area: Invest in human capital through support to education, health, and elimination of cholera.

Links between the Focus Area and the Twin goals: SCD pointed out that investing in social services—education, health, social protection—would accelerate increase in income of the bottom 40%.

Country Development Goals: The Objectives will contribute to the Social Rebuilding Action Areas of the Government’s Strategic Plan (PSDH).

CPF Objective 5

Improve access to Quality Primary Education

Intervention Logic: The Government has prioritized universal, free education and has developed a Three-Year Plan toward rebuilding the education system. The key constraints to better education outcomes for Haiti are financing access and quality of schools. Combining these elements, the World Bank Objective is to Improve Access to Quality Primary Education. The program aims to improve access to quality primary education, support the public education system, and strengthen the Ministry’s institutional capacity and reinforce its stewardship of the largely private sector.

CPF Objective Indicators	Supplementary Progress Indicators	WBG Program
5.1 Number of primary students attending effective non-public schools <i>Baseline:</i> 0 (2015) <i>Target:</i> 90,000 (2019) (disaggregated by gender) The target for this indicator is cumulative.	5.1 Number of primary students attending effective public schools. <i>Baseline:</i> 0 (2015) <i>Target:</i> 15,000 (2019) 5.2 Number of primary students enrolled in community schools. <i>Baseline:</i> 0 (2015) <i>Target:</i> 8,000 (2019)	<i>Ongoing:</i> HT Education for All Project - Phase II (P124134) - \$70M Education for All Fast-Track Initiative Catalytic Fund (P114174) - \$22M HT Education NLTA (P153557) HT Haiti Social Sectors Knowledge (P148438) <i>Pipeline:</i> HT Education Transformation Project (P155191)

CPF Objective 6

Increase Access to Health services for Mothers and Children

Intervention Logic: The country development objective is to improve access to healthcare services under the pillar of Social Rebuilding of the PSDH. To support this aim, the World Bank objective is to increase access to health services focusing on maternal and child health services. The health program will provide health services for mothers and children under five with a package of services and build capacity in the Ministry to plan and manage the sector.

CPF Objective Indicators	Supplementary Progress Indicators	WBG Program
6.1 Percentage of pregnant women having prenatal consultations before birth, among women living in the catchment areas		<i>Ongoing:</i> HT Improving Maternal and Child Health (P123706) - \$90M

<p><i>Baseline:</i> TBD (2015) <i>Target:</i> 5% above baseline value (2017/2018)</p>		<p>HT Health Financing ESW - (P152367) HT Haiti Social Sectors Knowledge (P148438)</p>
<p>6.2 Percentage of children aged under five years that are fully immunized, among under-five children living in the catchment areas <i>Baseline:</i> TBD (2015) <i>Target:</i> 5% above baseline value (2017/2018)</p>		
<p>CPF Objective 7 Control Cholera in Priority Communes</p>		
<p>Intervention Logic: The Government developed a 10 year plan to Eliminate Cholera in Haiti in 2012 and has launched its Total Sanitation Campaign in 2014. With the SCD identifying the need for a multi-sectoral approach to critical development challenges, emphasizing the importance of: (i) investing in human capital (particularly in health) to consolidate Haiti's recent poverty gains; and (ii) sustainably improving access to basic services, especially in rural areas and small towns which experience deep and stagnating poverty, the World Bank objective is to maintain cholera control in priority communes through a joint health and water and sanitation approach. The cholera activities under the health project includes training of medical personnel, treatment, prevention education, and continue to build capacity in surveillance. The water project will increase access to clear water and improved sanitation in the 16 priority communes and build capacity in the water authority for planning, budget, and manage the sector and improve the coordination of disease surveillance between Haiti and the DR.</p>		
CPF Objective Indicators	Supplementary Progress Indicators	WBG Program
<p>7.1 Case-Fatality Ratio for hospitalized cholera cases <i>Baseline:</i> 1% (May/June 2015) <i>Target:</i> <1% (2018/2019)</p>		<p><i>Ongoing:</i> HT Improving Maternal and Child Health (P123706) - \$90M</p>
<p>7.2 Number of people with access to improved water & sanitation <i>Baseline:</i> 0 (2015) <i>Target:</i> 241,000 (2019)</p>	<p>7.2.1. Number of people with access to improved water <i>Baseline:</i> 0 (2015) <i>Target:</i> 218,000 (2019)</p> <p>7.2.2 Number of people with access to improved sanitation <i>Baseline:</i> 0 (2015) <i>Target:</i> 23,000 (2019)</p>	<p>HT Sustainable Rural and Small Towns Water and Sanitation Project (P148970) - \$50M HT Country WASH Poverty Diagnostic (P150705)</p>

AREA OF FOCUS 3: RESILIENCE

Definition of Focus Area: Continue to strengthen disaster preparedness and response and increase resilience and adapt to climate change. Links between the Focus Area and the Twin goals: SCD pointed out that in the face of recurring shocks and vulnerability, better risk prevention and management and building of resilience is needed to protect household and individual livelihoods so that lives and assets can be protected and poverty can be reduced and sustained.

Country Development Goals: The Objectives will contribute to the Territorial Rebuilding and Social Rebuilding Action Areas of the Government’s Strategic Plan (PSDH).

CPF Objective 8 Strengthen Natural Disasters Preparedness

Intervention Logic: The Action Plan for National Recovery and Development of Haiti presents “preparation for the hurricane season and disaster risk management” as a priority under Territorial Rebuilding. To support GOH’s priority, the World Bank Objective is to strengthen natural disaster preparedness. This objective will be supported through the DRM program, which focuses on reducing disaster impacts, including loss of life, by improving disaster response capacity, knowledge creation and dissemination, and exchanges with other countries exposed to high levels of natural disasters.

CPF Objective Indicators	Supplementary Progress Indicators	WBG Program
8.1 Share of population living in a municipality with a certified level 2 or higher local civil protection committee (CCPC) <i>Baseline:</i> 45% of the population living in a municipality covered by a level 2 certified CCPC or higher (2015) <i>Target:</i> 75% of the population living in a municipality covered by a level 2 certified CCPC or higher (2018)	8.1 Number of Departments covered by an emergency radio-communication network <i>Baseline:</i> 0 out of 10 departments covered (2015) <i>Target:</i> 10 out of 10 departments covered (2018)	<i>Ongoing:</i> HT Disaster Risk Management and Reconstruction (P126346) - \$60M HT Infrastructure & Institutions Emergency Recovery (P120895) - \$100M

CPF Objective 9 Improve Disaster Prevention and Strengthen Climate Resilience

Intervention Logic: The Action Plan for National Recovery and Development of Haiti highlights the needs for risk prevention policies under Territorial Rebuilding. In support, the World Bank objective is to improve disaster prevention and strengthen climate resilience. Because mainstreaming needs to be across multiple sectors, the Bank’s approach to tackling disaster risks and the effects of climate change is also multi-sectoral in nature, through inter-related IDA and trust fund financed interventions in transport, hydromet, water and energy sectors.

CPF Objective Indicators	Supplementary Progress Indicators	WBG Program
<p>9.1 Number of people protected by new investments in flood mitigation and other climate resilient infrastructures, including drainage, reinforced bridges, all-weather roads <i>Baseline:</i> 0 (2015) <i>Target:</i> TBD (2019)</p>	<p>9.1 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>Baseline:</i> No (2015) <i>Target:</i> Yes (2018)</p> <p>9.2 Number of people benefiting from investments to improve resiliency to natural disasters and climate change impacts of the primary and secondary road network <i>Baseline:</i> 0 <i>Target:</i> 270,000 (2019)</p>	<p><i>Ongoing:</i> HT Disaster Risk Management and Reconstruction (P126346) - \$60M HT Infrastructure & Institutions Emergency Recovery (P120895) - \$100M HT Strengthening Hydro-Met Services (P148259) HT Cultural Heritage Preservation and Tourism Sector Support Project (P144614) - \$45M HT Center and Artibonite Regional Development (P133352) - \$58M</p> <p><i>Pipeline:</i> HT Municipal Development and Urban Resilience Project (Pipeline) (P155201) HT Municipal Urbanization Review</p>
CROSS-CUTTING THEME 4: GOVERNANCE – TRANSPARENCY, ACCOUNTABILITY AND SUSTAINABILITY		
<p>As the SCD underlines, improvements in governance and the strengthening of Haitian institutions is critical to achieving development outcomes. It also finds that improving governance requires the development of accountable and effective institutions and underlines that supporting the development of such institutions requires a long-term approach and commitment.</p> <p>In seeking to support the accountability and effectiveness of public institutions, the WBG strategy will focus chiefly on economic governance and government effectiveness. Specifically, to improve the effectiveness of the State, a transversal aim of the CPF is to sharply focus on improving transparency, accountability, and effectiveness in public investment. Another transversal aim is to strengthen the capacity of Haitian institutions to produce key data, set evidence based policy priorities, manage sector data and resources and implement efficient and effective basic service delivery programs that are sustainable. Given lack of transparency in the sector and the massive impact of EDH losses on Haiti’s fiscal space, electricity sector reform is also sought by the CPF in the context of improving governance.</p>		
<p>CPF Objective 10 Improve Fiscal Reporting and Accountability</p>		
<p>Intervention Logic: According to the SCD and many earlier analyses, poor financial management together with weak policies are at the root of the limited impact of public investments. Recent analytical work shows that the existing regulatory framework for investments is not consistently applied and that there are major shortfalls in all steps of the public investment chain (project identification, planning, execution, and ex-post evaluation). In light of this, the WBG strategy will focus on (i) developing basic foundational data which would enable the Government</p>		

to spend better (for the National Census for instance) and building the statistical capacity of the Government; and (2) working with the GOH to improve the steps in the public investment chain through capacity building and technical assistance. Combined with policy dialogue in key sectors (*inter alia* water, health, education, social protection) to prioritize investments in support of outcome objectives, public investment management reform will have a positive impact on the transparency of public finance and on Haiti's growth outlook and social spending outcomes.

CPF Objective Indicators	Supplementary Progress Indicators	WBG Program
<p>10.1 All financial operations of the Government go through a Single Treasury Account <i>Baseline:</i> 451 accounts for central government entities (2015) <i>Target:</i> TBD with IMF</p>	<p>10.1 Preparation of comprehensive Government Annual Financial Statements <i>Baseline:</i> 2013-2014 Loi de Règlement does not include actual capital spending (2015) <i>Target:</i> 2017-2018 Loi de Règlement covers all government spending, including detailed capital expenditure (2019)</p> <p>10.2 A consolidated fiscal database (BOOST) is kept up to date and made publicly accessible <i>Baseline:</i> No (2015) <i>Target:</i> Yes (2019)</p>	<p><i>Ongoing:</i> HT Infrastructure & Institutions Emergency Recovery Project (P120895) - \$100M PFM TA</p> <p><i>Pipeline:</i> HT Statistical Capacity Building and Public Financial Management Project</p>
	<p>10.3 95% of all projects financed by the Treasury have an identification and operation file (FIOP - Fiche d'Identification et d'Opération des Projets) <i>Baseline:</i> TBD <i>Target:</i> 100% of projects in the PIP have available FIOP (2019)</p>	

CPF Objective 11 Improve Capacity for Sustainable Basic Service Delivery		
Intervention Logic: A key cross-cutting objective of the WBG CPF is to help develop the data, analytical tools, policy options, financial models, and institutional capacity programs needed to underpin sector policies, which are based on sustainable models for service delivery. In this regard, the WBG supports a range of analytical work in a broad set of sectors aimed at improving the financial and technical sustainability of basic services.		
CPF Objective Indicators	Supplementary Progress Indicators	WBG Program
11.1 Sector policy (Education, Health, Social Protection, Water, Electricity) informed by and/or incorporate Sustainable Models for Service Delivery Baseline: 0 Target: 4 out of 5 sectors		<i>Ongoing:</i> HT Education NLTA (P153557) HT Health Financing ESW (P152367) HT Moving Toward a Social Protection System in Haiti- TA (P149565) HT Haiti Social Sectors Knowledge (P148438) HT Sustainable Rural and Small Towns Water and Sanitation Project (P148970) - \$50M HT Country WASH Poverty Diagnostic (P150705) HT Rebuilding Energy Infrastructure and Access (P127203) - \$90M Haiti Energy Policy Dialogue Enhancement (P153044)

Annex 1B: Monitoring and Evaluation of the CPF Results Framework

INDICATORS	OPERATIONAL DEFINITIONS AND SOURCES OF DATA
<p>New economic opportunities have been generated as measured by:</p> <p>1.1 Number of jobs created in targeted value chains (disaggregated by gender)</p>	<p>BDI: Number of Jobs created in targeted value chains <i>Definition:</i> This measures how many jobs were created in the participating firms through the intervention [value chain competitive reinforcement initiatives] in the targeted value chains. The targeted value chains are divided into three sub-categories: agriculture, light manufacturing and tourism. <i>Baseline:</i> 0 (2015) <i>Target:</i> TBD (2019) (Disaggregated by gender) <i>Source of data:</i> Doing Business team, WBG team, and SAEs (Enterprise Support Service Teams of the MCI)</p>
<p>1.2 Number of small businesses activities supported by tourism development grant (disaggregated by gender and youth)</p>	<p>Cultural Heritage: Number of small businesses activities supported tourism development grant <i>Definition:</i> Number of Activities, events and ventures supported by the Community Tourism and Events Fund disaggregated by female and youth. <i>Baseline:</i> 0 (2014) <i>Target:</i> 100 (2020) (disaggregated by female and youth) <i>Source of Data:</i> Regional Office of the Ministry of Tourism</p>
<p>1.3 Increase in sales by supported producer organizations</p>	<p>Agriculture: Increase in sales of supported by producer organizations <i>Definition:</i> Increase in sales of producer organizations supported by matching grant facility in the North, North East and South Departments under the “Relaunching Agriculture: Strengthening Agriculture Public Services II” <i>Baseline:</i> \$0 (2011) <i>Target:</i> US\$10 million (2018) <i>Source:</i> Baseline sales of each producer organization are determined each time a producer organization is selected through the competitive process and is monitored every six month by matching grant operation in each department.</p>
<p>1.4 Increase in number of producers, retailers, and traders with access to improved markets in the Centre-Artibonite Loop</p>	<p>Centre Artibonite: Increase in number of producers, retailers, and traders with access to improved markets <i>Definition:</i> Increase in the number of actors selling on the improved markets, whether producers, retailers or traders who sell other producers’ products. “Improve markets” means markets benefiting from Project investments with “improved infrastructure, management and/or hygiene, and/or adoption of climate proofing measures (as relevant)”. <i>Baseline:</i> 0 (2015) <i>Targets:</i> 20% (2019) <i>Source of data:</i> Surveys on the improved markets</p>

INDICATORS	OPERATIONAL DEFINITIONS AND SOURCES OF DATA
1.5 Share of rural population with access to an all-weather road in the Centre-Artibonite loop	As measured by an increase in the Rural Access Index for the Project area
2.1 Number of new loans and outstanding portfolio/SME (#) ³⁰	<p>Number of outstanding loans in the portfolio of a financial intermediary at the end of its fiscal year. This indicator includes the following aggregation categories: Microfinance/SME/Agribusiness/Energy Efficiency/ Renewable.</p> <p>Number (#) of new loans and outstanding portfolio/SME: <i>Baseline:</i> 496 (2013) <i>Target:</i> 1,268 (2018) <i>Source of data:</i> DOTS (Development Outcome Tracking System)</p>
2.2 Percentage of adults (age 18+) with an account at a formal financial institution	<p>The percentage of respondents who report having an account (by themselves or together with someone else) at a bank or another type of financial institution.</p> <p>% Individuals aged 18+ with a financial account = $\left[\frac{\sum_{i=1}^m [X_{withacct18+i}]}{[Prob.X18+i]} \right] / m \times 100$ </p> <p>Where, $[X_{withacct18+i}]_i$ = Individual i aged 18+ responding that he/she has an account with a financial institution. $[Prob.X18+]_i$ = Population probability to be an individual aged 18+ m = Total number of individuals aged 18+ in Haiti <i>Baseline:</i> 20% (2014) <i>Target:</i> 30% (2019) <i>Source of data:</i> World Bank, Global Findex 2014 (including a special estimation for adults 18+). For 2019, the source will most likely be a survey from the National Institute of Statistics from Haiti (INE). The next Global Findex surveys will be issued in 2017 and 2020.</p>
2.3 Volume of matching grants for regional development	<p><i>Agriculture:</i> This includes matching grants provided in the North, North East and South Departments under the “Relaunching Agriculture: Strengthening Agriculture Public Services II”.</p> <p><i>Baseline:</i> \$0 (2011)</p>

³⁰ Account at a financial institution includes respondents who report having an account at a bank or at another type of financial institution, such as a credit union, microfinance institution, cooperative, or the post office (if applicable), or having a debit card in their own name. It includes an additional 2.77 percent of respondents who report receiving wages, government transfers, or payments for agricultural products into an account at a financial institution in the past 12 months; paying utility bills or school fees from an account at a financial institution in the past 12 months; or receiving wages or government transfers into a card in the past 12 months. The Global Findex 2014 in Haiti is a face to face World Bank survey issued by Gallup, Inc. from Nov. 12th – Nov. 22nd, 2014 through nationwide probabilistic sample of 504 individuals and a marginal error of 4.8. at a 95% confidence level.

INDICATORS	OPERATIONAL DEFINITIONS AND SOURCES OF DATA
(Agriculture, BDI, and Cultural Heritage projects)	<p><i>Target:</i> US\$8.5 million (2018) <i>Source of data:</i> MARNDR, from bi-annual report from Matching Grant Operators</p> <p><i>Business Development & Investment:</i> <i>Baseline:</i> 0 (2015) <i>Target:</i> US\$8 million (2019) <i>Source of data:</i> Doing Business team, WBG team, and SAEs (Enterprise Support Service Teams of the MCI)</p> <p><i>Cultural Heritage:</i> Amount of grants for Activities, events and ventures supported by the Community Tourism and Events Fund <i>Baseline:</i> 0 (2014) <i>Target:</i> US\$1 million (2018) <i>Source:</i> DMO (Destination Management Organization)</p>
3.1 Number of new households electrified	<p>Households that have received electricity services for the first time either through the grid connection, mini-grid or stand-alone off-grid electricity system. <i>Baseline:</i> 0 <i>Target:</i> 100,000 (National Baseline, July 2015: approx. 25% of the Haitian HH are electrified) <i>Source of data:</i> Results frameworks of IDA, SREP and CTF projects</p>
3.2 Number of direct beneficiaries from electricity Services (of which are female)	<p>Beneficiaries of electrification projects including street lighting and public services (schools, health facilities). <i>Baseline:</i> 18,000 <i>Target:</i> 600,000 (National Baseline, July 2015: 30.2% of the population has access to basic electricity services) <i>Source of data:</i> Results frameworks of IDA, SREP and CTF projects</p>
3.3 Overall available capacity of renewable energy installed	<p>Total renewable energy capacity installed in the country. Renewable energy is any energy source that is naturally replenished, like that derived from solar, wind, geothermal, hydroelectric and biomass sources. This is calculated through the addition of MWs of renewable energy in the country. <i>Baseline:</i> 18 MW <i>Target:</i> 58 MW <i>Source of data:</i> National Baseline, July2015 based on staff calculations</p>

INDICATORS	OPERATIONAL DEFINITIONS AND SOURCES OF DATA
4.1 Containers handled (M TEU containers) through additional port financed – Containers transported (millions)	<p>Twenty foot equivalent units of cargo containers transported through the road/railway/port/airport over the last reporting period. <i>Baseline:</i> 0 (2013) <i>Target:</i> 0.3 (2019) <i>Source of data:</i> DOTS (Development Outcome Tracking System)</p>
4.2 Number of permanent jobs (#)	<p>Aggregation category – Direct Employment – Operations and Maintenance: Number of full-time equivalent employees as per local definition working for the client company or project at the end of the reporting period. This includes directly hired individuals and individuals hired through third party agencies as long as those individuals provide on-site services related to the operations of the client company. Also, this includes full-time equivalent work by seasonal, contractual and part time employees. <i>Baseline:</i> 0 (2013) <i>Target:</i> 160 of which 20 women (10% of women is typical in the sector) (2016) <i>Source of data:</i> DOTS (Development Outcome Tracking System)</p>
4.3 Value of financing facilitated (\$ million)	<p>This is a subset of “Value of financing facilitated by advisory services (US\$)” investment or financing from IFC Investment Services that the client was able to receive as result of the Advisory Services provided. The value includes the total amount of private investment (both loan and equity) mobilized to implement the project over the duration of contract. Donor/government portion of the financing is not counted. No private investment is mobilized prior to IFC advisory work; therefore the baseline is 0. <i>Baseline:</i> 0 (2014) <i>Target:</i> 70 (2016) <i>Source of Data:</i> ASOP (Advisory Services Operational Portal)</p>
5.1 Number of primary students attending effective non-public schools	<p>This includes enrolment in non-public schools through the provision of Tuition Waivers (improved program after EPT-II), enrolment of students in both public schools that receive programs aimed at increasing the quality of instructions and/or learning conditions, and community schools built with IDA financing in the most disadvantaged areas of the country, disaggregated by gender. An “effective school” is a school that shows improvements in learning and learning conditions through the implementation of a quality assurance system and the use of Result-based mechanisms. The targets for this indicator are cumulative. <i>Baseline:</i> 0 (2015) <i>Target:</i> 90,000 (2019) (disaggregated by gender) <i>Source of data:</i> Project M&E systems and MENFP. Data collected annually.</p>

INDICATORS	OPERATIONAL DEFINITIONS AND SOURCES OF DATA
6.1 Percentage of pregnant women having prenatal consultations before birth, among women living in the catchment areas	<p>Percentage of pregnant women having prenatal consultations before birth, among women living in the catchment areas of the health facilities in the RBF program.</p> <p><i>Baseline:</i> To be determined from data to be collected in late 2015 (2015)</p> <p><i>Target:</i> 5% above baseline value (2017/2018)</p> <p><i>Source of data:</i> RBF Impact Evaluation baseline and endline surveys, and routine quarterly data from RBF monitoring system.</p>
6.2 Percentage of children aged under five years that are fully immunized, among under-five children living in the catchment areas	<p>Percentage of children aged under five years that are fully immunized, among under-five children living in the catchment areas of the health facilities in the RBF program.</p> <p><i>Baseline:</i> To be determined from data to be collected in late 2015 (2015)</p> <p><i>Target:</i> 5% above baseline value (2017/2018)</p> <p><i>Source of data:</i> RBF Impact Evaluation baseline and endline surveys, and routine quarterly data from RBF monitoring system.</p>
7.1 Case-Fatality Ratio for hospitalized cholera cases	<p>Percentage of those hospitalized with cholera that die.</p> <p><i>Baseline:</i> 1% (May/June 2015)</p> <p><i>Target:</i> <1% (2018/2019)</p> <p><i>Source of data:</i> cholera surveillance system</p>
8.1 Share of population living in a municipality with a certified level 2 CCPC or higher	<p><i>Description:</i> Percentage of the Haitian population living in a municipality covered by a level 2 certified Communal Civil Protection Committee (CCPC) or higher. A baseline study was conducted in 2014 by the Government to assess the existence and functionality of CCPC throughout the country. Four levels were established, with level 1 being the highest (Excellent) based on the number of years of existence of the CCPC, its composition and functionality. Level 2 is considered Satisfactory, with moderate needs for capacity building. In 2015, out of 140 CCPC, two were considered Excellent (level 1) and 59 were considered Satisfactory (level 2).</p> <p><i>Baseline:</i> 45% of the population living in a municipality covered by a level 2 certified CCPC or higher (2015)</p> <p><i>Target:</i> 75% of the population living in a municipality covered by a level 2 certified CCPC or higher (2018)</p> <p><i>Source of Data:</i> bi-annual report of UCP/DPC/MICT</p>
9.1 Number of people protected by new investments in flood mitigation and other climate resilient infrastructures, including drainage, reinforced bridges, all-weather roads	<p><i>Description:</i> This includes the number of people benefitting from new investments in flood mitigation and other climate resilient infrastructures, including drainage, reinforced bridges, all-weather roads through WBG interventions.</p> <p><i>Baseline:</i> 0 (2015)</p> <p><i>Target:</i> To be established (2019)</p> <p><i>Source of data:</i> Annual project reports</p>

INDICATORS	OPERATIONAL DEFINITIONS AND SOURCES OF DATA
<p>10.1 All financial operations of the Government go through a single treasury account</p>	<p>This indicator involves the number of Government accounts opened and active in the Central Bank (BRH) books which register Treasury receipts and expenses, excluding accounts opened to manage donors' related projects. The targets for this indicator are not cumulative.</p> <p><i>Baseline:</i> 451 accounts for Central Government entities which are currently open (January 2015) in BRH including 325 accounts maintained in Gourdes and 126 accounts in US\$</p> <p><i>Target:</i> to be determined (??)</p> <p><i>Source of data:</i> Monitoring Report on Single Treasury Account. Published on request by Treasury (MEF).</p>
<p>11.1 Sector policy (Education, Health, Social Protection, Electricity, Water,) informed by and/or incorporate Sustainable Models for Service Delivery</p> <p>Baseline: 0 Target: 4 out of 5 sectors</p>	<p>This is a qualitative indicator to reflect the effort of the country program in supporting the Government efforts to move toward more sustainable financing of sector programs given the significant decline in donor financing. The programs in the five sectors use at various stages. In education, the government collects fees from international money transfers and phone calls to finance tuition subsidies to schools. However, there is a lack of transparency on the amount of financing and how it is being used. In addition, the amount is unlikely to cover the cost of tuition subsidies for a sector where service provision is 90% private. The Bank program seek improvement in the transparency and accountability and is generating analysis to inform policy-making as the Government tries to move the sector in a more public direction.</p> <p>In health, the Health Financing ESW is generating data and analytics to inform policy on efficient ways of organizing the sector, including levels of service delivery, to sustainably increase access and improve quality. In social protection, the Bank is supporting the first major step toward building an efficient social protection system, which is to have a national registry so that future interventions to help the extremely poor are properly targeted, to increase sustainability of the program. In electricity, the Bank is supporting the development of a Master Plan that incorporates increasing access and sustainability and supporting improvement in the commercial viability of the public utility increase sustainability of the utility and reduce its deficits and need for transfers from the Government budget. In Water, the project is piloting private operator models on a larger scale that would sustainably increase access to improved water. Given the political instability and resulting challenges on maintaining momentum on policy reform, some flexibility is needed in interpretation of progress. Whether the target is reached for this indicator will be a qualitative assessment by the CMU on the progress made in providing analytics, bringing appropriate global best practice to the Government, its use of the information to inform policy discussion, and/or incorporation in sector policy.</p>

Annex 2 : Haiti Completion and Learning Review FY09-14

Date of last CAS and ISNs: 4 May 2009 (Report#48284-HT), ISN CY 2012
(Report#65112-HT), ISN FY13-FY14 (Report#71885-HT)

**Period Covered by the
CAS Completion Report:** FY09-FY14

Date of Report: June 30, 2015

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Abbreviations and Acronyms

CAS	Country Assistance Strategy
CCRIF	Caribbean Catastrophe Risk Insurance Facility
CDD	Community Driven Development
CIDA	Canadian International Development Agency
DRM	Disaster Risk Management
EDH	Public Electricity Company (<i>Electricité d’Haïti</i>)
ESW	Economic Sector Work
CMRRU	Crisis Management and Risk Reduction Unit
FY	Fiscal Year
GDP	Gross Domestic Product
GFDRR	Global Facility for Disaster Reduction and Recovery
GOH	Government of Haïti
IDA	International Development Association
IDB	Inter-American Development Bank
IFC	International Finance Corporation
ISN	Interim Strategy Note
MDG	Millennium Development Goal
MOF	Ministry of Finance
NGOs	Non-Governmental Organizations
PDNA	Post Disaster Need Assessment
PEFA	Public Expenditure and Financial Accountability
PER	Public Expenditure Review
PIM	Public Investment Management
SCD	Systematic Country Diagnostic
TA	Technical Assistance
TELECO	Telecommunications
UN	United Nation
WBG	World Bank Group
IIERP	Infrastructure and Institutions Emergency Recovery Project
PTDT	Transport and Territorial Development Project
SHN	School Health and Nutrition
DPC	Directorate of Civil Protection
CCPC	Communal Civil Protection Committee
CCRIF	Caribbean Catastrophe Risk Insurance Facility
VRU	Vulnerability Reduction Unit
PCGF	Partial Credit Risk Guarantee Facility
PROREV	Emergency Bridge and Vulnerability Reduction Project
MTPTC	Ministry of Public Works
DELR	Directorate of Epidemiological Research (<i>Direction d’Épidémiologie de Laboratoire et de Recherche</i>)
LNSP	National Public Health Laboratory (<i>Laboratoire National de Santé Publique</i>)
UCLBP	Housing Agency
CIAT	Interministerial Commission for Territorial Management (<i>Interministériel d’Aménagement du Territoire</i>)
GIS	Geospatial Information System
DINEPA	Direction Nationale d’Eau et Assainissement
TEPACs	Technicians on Water and Sanitation
RESEPA	Strengthening of Agriculture Public Services Project

I. Introduction

1. **This Completion Report assesses the effectiveness of the World Bank Group (WBG) assistance to Haiti from FY09-FY14**, based on the Country Assistance Strategy for FY09-FY12 (Report#48284-HT), which programmed approximately \$120 million, the Interim Strategy Note for CY 2012 (Report#65112-HT), which programmed approximately \$255 million, and the Interim Strategy Note for FY13-FY14 (Report#71885-HT), which programmed approximately \$250 million. A devastating earthquake struck Haiti on January 12, 2010. In 45 seconds, this disaster resulted in the deaths of 230,000 people, displaced 1.5 million, flattened 400,000 buildings in Port au Prince and surrounding areas, and obliterated 120% of GDP. The impact of the 7.0 earthquake on the Government's ability to carry out its responsibilities has almost no parallel in recent history. Most of the main Government buildings were destroyed; institutional memory was lost with 30% to 40% of key public sector employees killed and archives and data damaged or lost.

2. **In response to the tragedy, the World Bank Group pledged US\$479M in support, including new commitments, disbursements from existing and new projects, debt relief, and support for the private sector through IFC.** Mobilizing rapidly, the Bank participated in the Post Disaster Need Assessment (PDNA) to help the Government of Haiti (GOH) assess the extent of damage and identify priorities for reconstruction. The Bank also mobilized \$100M to support early recovery and reconstruction, including an emergency project to restore key State functions, rebuild critical infrastructure, and provide nutritional security. Other projects were restructured or received Additional Financing (AF) to restore essential services (Education) and to channel resources directly to the local level (Community Driven Development). Because of the program shift, the strategy was ended six months early in December 2011.

3. **The rating for the original CAS program is Moderately Satisfactory.** The results achieved during the period ranged from moderately unsatisfactory for Promoting Growth and Local Development (Pillar 1) to moderately satisfactory for Investing in Human capital (Pillar 2) and Reducing Vulnerability to Disasters (Pillar 3), to unsatisfactory for Institutional Strengthening and Supporting Delivery of Quick, Visible Results (Cross-cutting Issue). On the other hand, under extremely urgent and challenging circumstances, the Bank was responsive to the tremendous needs created by the catastrophic earthquake making the earthquake response highly satisfactory.

4. **To respond to the massive reconstruction needs resulting from the earthquake, in June 2011, Haiti received an exceptional allocation of US\$500 million from IDA 16's Crisis Response Window.** In a context of a rapidly evolving situation, the resources were programmed in the Interim Strategy Note for CY 2012 (ISN1), which was discussed by Executive Directors on December 1, 2011. The strategy focused on reconstruction, while also continuing to support delivery of basic services and improvement in economic governance. Because of continued political instability and fluidity on the ground, ISN1 was succeeded by the Interim Strategy Note for FY13-FY14 (ISN2), which was discussed by Executive Directors on September 27, 2012. ISN2 continued to support reconstruction and basic service delivery but also incorporated longer term objectives such as regional development and building public institution and capacity.

5. **Because ISN2 builds on ISN1 in the sense that the objectives are nearly the same and many of the indicators are the same but with extended targets, the ISNs are evaluated together** as one ISN period from January 2012-June 2014. The evaluation of the achievements

during this period ranged from moderately satisfactory for reducing vulnerability and sustainable reconstruction, to satisfactory for building human capital, to moderately unsatisfactory for promoting inclusive growth, to unsatisfactory for improving governance and capacity. Together, these ratings results in a combined rating for the ISN period of Moderately Satisfactory.

6. **WBG performance was good.** Although operating in Haiti was more challenging than usual during the ISN period, the Bank rose to the occasion. Both the design of the program, which closely accompanied the GOH through recovery and reconstruction, building in much needed flexibility, and the implementation of the program, which included intensive supervision support, responses to multiple emergencies, and leading sectoral donor coordination, contributed successfully to the achievement of ISN objectives. In addition, there is a sound program of ongoing activities in place for the next strategy.

II. CPF Development Outcomes

7. **Methodology:** The first part of the evaluation will be of the original CAS. However, the main evaluation will focus on the ISN period. This is because the earthquake resulted in a significant shift in the program and the program under implementation at the time of this evaluation is that of the ISNs. As there is significant continuity in the strategy, objectives, and the indicators between the ISNs, the evaluation is based on the results framework of ISN2. However, as ISNs *are not required* to have results frameworks, the indicators are indicative. The evaluation was based on a review of: (a) Implementation Status Reports and other project supervision documents, (b) Implementation Completion Reports, and (c) a self-assessment by the Country Team.

II.1: CAS Evaluation

CAS Evaluation Rating: Moderately Satisfactory

8. **The CAS program evaluation is based on the Results Framework of the CAS of FY09-FY12.** The results during the CAS period were assessed based on what was achieved by the end of the revised CAS period, end December 2011, and whether the projects were on track to have achieved their targets by the end of the original CAS period, end June 2012. Obviously, the earthquake had a significant impact on what could be achieved. All of the Ministry buildings had collapsed, many Ministry staff were killed and injured, archives and files were lost, in addition to the personal tragedies and trauma experienced by the individuals implementing the program, from losing loved ones to losing their homes to having to live in camps. Many existing projects were restructured, funds were reallocated, or given additional financing; others were prepared, approved, and implemented in an emergency mode to begin to support recovery and reconstruction. Because the new objectives of emergency response and reconstruction do not fit into the existing CAS pillars, a new pillar has been introduced in this completion report to capture activities and results.

9. **The original CAS objectives are clustered around three pillars: (i) promoting growth and local development; (ii) investing in human capital; and (iii) reducing vulnerability to disasters. There were also the cross-cutting issues of institutional strengthening and delivering quick results.** The CAS results framework was comprised of 13 indicators. The assessment is based on a systematic review of every indicator and its relative contribution to the

objective of each pillar. The objectives of the additional pillar, Earthquake Emergency Response and Reconstruction, were to help the people and Government in an emergency and to support early reconstruction. As there were no indicators, descriptions are given on what was achieved. Annex 1 gives details of indicators and achievements during the CAS period.

10. **Overall, the program achieved good progress towards most of its objectives and no major shortcomings were identified.** The quality of the portfolio steadily improved over time and the disbursement rates toward the end of the CAS period were higher than the regional Caribbean average. Specifically, while the results were moderately unsatisfactory for the first pillar of promoting growth and local development, they were moderately satisfactory for all three other pillars and issues, namely investing in human capital, reducing vulnerability to disasters, as well as, the cross-cutting issues of institutional strengthening and supporting delivery of quick, visible results. Finally, under extremely challenging circumstances, the Bank's response to the tremendous needs created by the catastrophic earthquake was highly satisfactory.

Pillar 1. Promoting Growth and Local Development

Rating: Moderately Unsatisfactory

11. **The Bank Group's approach under this pillar was to pursue two objectives: (i) an increase in income-generating opportunities and better access to finance and infrastructure services at the local and national levels; and (ii) an enhanced agriculture sector contribution to economic growth and local development, through more effective agriculture services. The results were mixed.** Targets for Community Driven Development (CDD) were met, contributing to increased income opportunities and access to infrastructure. In transportation, better access to infrastructure services was achieved at the local level but not at the national level. In the electricity sector, targets were not achieved and objectives were not met. In Agriculture, the target was partially achieved. IFC activities also contributed to improved telecommunications and access to electricity, as well as, new jobs created and others retained. The first Objective, an Increase in Income Generating Opportunities, Better Access to Infrastructure Services at Local, National Level, was partially achieved, taking together the results from CDD, transport, and electricity. The Objective of Enhanced Agriculture Sector Contribution to Economic Growth and Local Development was also partially achieved. Considering the progress made toward the objective of promoting growth and local development, the rating for Pillar 1 is moderately unsatisfactory.

Pillar 2. Investing in Human Capital

Rating: Moderately Satisfactory

12. **The main objectives pursued under this pillar were: increased access to basic education, improved nutritional security for Haitian children, and improved access to potable water.** The first objective was achieved through an acceleration of the tuition waiver program, which made it possible for more schools to offer education to children without charging tuition. The Bank established the mechanism early in the CAS period, and nearly 100,000 children had already benefitted from tuition waivers. However, in the aftermath of the earthquake, getting children back to school and helping families in re-establishing a routine became an even higher priority. Cumulatively, over 425,000 tuition waivers were financed, far surpassing the target of 135,000. On school reconstruction, the objective was partially achieved with progress made toward restoring access to primary schools destroyed during the 2008 hurricane season. School

construction was underway. Progress was partially achieved toward the objective of Improved Nutritional Security of Children, with consensus built toward a national nutrition strategy, although it was not yet adopted, and direct intervention in children's nutrition through school feeding for 70,000 children per day. The pilot program of household development agents was being set up but had not started to yield results. With regard to the water objective of improved potable water access, while privately operated water systems were coming on line, increasing access to water, the impact was limited by the outbreak of the cholera epidemic and the distribution of free water by NGOs. Though with initial delays, the indicators for sanitation were achieved, with sanitation supported at both the household and institutional levels. Thus, the objective is rated as partially achieved. Overall, the results achieved in increasing access to basic education and improving nutritional security are weighed more heavily due to the scale of the financing and the relevance in the crisis situation following the earthquake. Combining the ratings of the three outcomes, the rating for pillar 2 is moderately satisfactory.

Pillar 3. Reducing Vulnerability to Disasters

Rating: Moderately Satisfactory

13. **The objectives pursued under this pillar were strengthened institutional capacity for disaster preparation and response and recovery and integration of vulnerability reduction and risk management into national, sectoral, and local development strategies and programs.** There were significant advances toward the first outcome both before and after the earthquake. Although the target was not achieved in terms of the number of days it took to prepare the response plan for the January 2010 earthquake, the target was met for the number of days to come up with a recovery plan. Substantial progress was also made with regard to the response provided in two other disasters, the cholera outbreak and Hurricane Tomas. It is notable that these responses were formulated and carried out in spite of the magnitude of the disaster and the extent of the destruction left behind. Aside from post-disaster plan preparation, the Bank undertook numerous activities before and after the earthquake that contributed to the objective. Certified communal civil protection committees were established in local communities, which were already operational and were effective during the first days after the earthquake before international support was in place. The Bank also financed Haiti's participation in the Caribbean Catastrophe Risk Insurance Facility, which made it possible for the GOH to receive much needed cash very soon after the earthquake to restart the central administration and begin immediate recovery. The Ministry of Public Works established a Crisis Management and Risk Reduction Unit, which among other things was responsible for coordinating the structural assessment of buildings in Port au Prince after the earthquake. Taking into consideration all of the activities and results of the program and their need under the circumstances, although the indicator is only half met, the rating for this objective is achieved. The second objective under this pillar, integration of vulnerability reduction and risk management into national, sectoral, and local strategies, continued to be a challenge. Management units were established to deal with disaster reduction in two key ministries, which is short of the five targeted, making the rating partially achieved. Overall, taking into consideration the vulnerability of Haiti and the impact of the Bank's projects, the country is better prepared to respond to and mitigate the impacts of natural disasters than before, therefore, the achievements under this pillar are rated as moderately satisfactory.

Cross-Cutting Theme-Institution Strengthening and Support of Quick Delivery of Visible Results

Rating: Unsatisfactory

14. **The objectives sought in this pillar were institution building and supporting delivery of quick, visible results.** The targets were not achieved and there was limited progress toward the Public Financial Management objective of improved public sector management systems. For the indicator for multi-year perspective in fiscal planning, expenditure policy and budgeting, there was no progress. Although the indicator for external audits was not achieved, there was some progress in this regard. The target for public sector investment in agriculture was not achieved, although there was progress toward increased capacity of public investment in the sector.

15. **With regard to outcomes in Public Financial Management, there was some improvement in the areas of budget preparation and in the strengthening of the administration's internal and external controls.** Building on the analytical work under the 2008 Public Expenditure Management and Financial Accountability Review (PEMFAR), the reform agenda underlying the budget support operations focused on improving public financial management through increased transparency, including in procurement, transfers to the electricity sector, as well as, ensuring publication of public contracts, and asset declarations by key GOH officials. It also focused on enhanced accountability by reinforcing the presence of financial comptrollers in all ministries, implementing the action plan of the internal audit department of the Ministry of Finance (MOF), and ensuring that the GOH's financial statements are audited on time by the Supreme Court of Accounts. However, the GOH did not implement a multi-year perspective in fiscal planning, expenditure policy and budgeting as targeted (PEFA Indicator 12). The external audit indicator was partially achieved with the 2007-2008 state financial statements audited by the Supreme Court of Accounts and the MOF having submitted the 2008-2009 state financial statements for audit. Strengthening notably weak public institutions is a long term endeavor that requires continuous engagement and most of them were not in the position to deliver quick results despite progress achieved in areas such as local development and education and school feeding. In particular, while there was little improvement in the capacity of the Ministry of Agriculture to execute public investment, there was some progress toward the preliminary steps of developing an investment budget. Together, the results under this pillar are rated unsatisfactory.

Earthquake Emergency Response and Reconstruction

Rating: Highly Satisfactory

16. **In a matter of days and weeks after the earthquake, the Bank program began to shift toward also addressing the dire situation and needs faced by the people of Haiti.** The WBG adjusted its program and developed a three-pronged approach: (i) helping the people and the GOH in the emergency; (ii) supporting early reconstruction; (iii) continuing to invest in Haiti's long term development through the existing program. The third prong, the existing portfolio, continued to support areas such as CDD, transport, electricity, business environment, agriculture, teacher training, water and sanitation, disaster risk management and public financial management. The program also continued to emphasize government and institutional capacity building.

17. **The first part of the approach, helping the people and the Government in the Emergency, was supported by providing support to the post-disaster needs assessment and the building assessment of Port au Prince, nutritional supplements to the highly vulnerable, and restoring the functioning of the GOH.** With Port au Prince largely in ruins, assessing the damage and promoting safe reconstruction was critical to recovery and reconstruction. With financing from the Global Facility for Disaster Reduction and Recovery (GFDRR), the Bank became a leading contributor to the Post Disaster Needs Assessment, which began with staff on the ground within days of the earthquake and in the two months that followed. The Bank also supported the structural assessment of all buildings in Port au Prince (over 400,000 structures), where the destruction was centered. With no social protection network in the country except for that provided by UN agencies and NGOs, increasing access to basic social services was also critical, particularly for the most vulnerable. To this end, project preparation funds from an emergency project financed blanket supplementary feeding for nearly 70,000 children 6-35 months and targeted supplementary feeding for the treatment of malnutrition for approximately 75,000 children aged 6-59 months. Making matters worse, nine months after the earthquake, Haiti was hit by a cholera epidemic. To reduce the spread of the disease and strengthen the GOH's capacity to address an epidemic, within three months, the Bank prepared and began implementation of an emergency cholera project. Within a short implementation period, 500 localities benefitted from hygiene education, 83 cholera treatment units and oral rehydration posts were supported with personnel and/or supplies, over 3,000 health and hygiene agents and medical personnel were trained, and six out of ten departmental cholera management plans were prepared. Finally, it was of utmost urgency to restore key economic and financial functions of the State in order for it to begin to deal with the recovery. Haiti's participation in the Caribbean Catastrophe Risk Insurance Facility (CCRIF), financed by IDA, enabled Haiti to receive a payout of nearly \$8M in just two weeks. As the first significant financial inflow that the country received following the catastrophe, this pumped much needed liquidity back into public finances helping Haiti to begin addressing the immediate financial impact of the disaster. The Infrastructure and Institutions Emergency Recovery project also housed and equipped the MOF and the Tax Office (over 500 staff), allowing salaries to be paid, revenues to be collected, and economic governance efforts to resume.

18. **The second part of the earthquake response of supporting early reconstruction covered multiple areas of intervention.** With schools damaged or destroyed, many teachers killed or injured, and families living in camps, reopening schools, getting children back into classrooms, and ensuring that they had at least one meal per day was critical. To this end, the Bank financed 180,000 tuition waivers, school feeding for 80,000 children, and rebuilt 11 schools. CDD mechanisms were used to channel emergency support to affected areas, including the worst affected neighborhoods in Port au Prince. Nearly 1000 sub-projects were approved and started, most of them after the earthquake. With 1.5 million people displaced, many of them in tent camps, responding to housing sector needs and engaging with communities on neighborhood upgrading and housing reconstruction was a priority. However, without any housing policy this was a challenge. The first step was the development of a housing sector policy, achieved during the CAS period, with housing results accelerating during the ISN period. With financing from GFDRR, a national multi-hazard assessment (floods, mudslides, hurricanes and earthquakes) with neighborhood-level detail was conducted, which was used subsequently by the GOH and donors to inform reconstruction and other investment decisions. Also with support from GFDRR, building codes were developed for the first time, which included resistance to hurricanes and earthquakes.

With critical points in the road network damaged or destroyed and communities cut off affecting livelihoods and access to services, the transport program focused on evaluating the damage to the road network, restoring access to areas that were cut off by the earthquake by repairing and reconstructing sections of roads and bridges, and improving drainage and maintenance to reduce flooding, and clearing the canals in Port au Prince. The Bank also financed the only environmentally and socially sound debris disposal site with sufficient capacity to treat the bulk of debris from the entire Port au Prince metropolitan area. The clearing of debris accelerated reconstruction and the resumption of economic activity after the earthquake. Finally, with 120% of GDP lost, restarting the private sector was another key objective during this period. IFC responded swiftly, making 5 investments, enabling the employment of 5000 people. IFC activities also safeguarded 5000 existing jobs. This is in addition to the \$13 million syndicated.

19. **Taking into consideration the objectives added and results, the achievements under this pillar are rated highly satisfactory.** The Bank's earthquake response achieved significant results under tremendous urgency and extremely challenging circumstances.

20. **The combined rating for the CAS program is moderately satisfactory.** Under the original CAS program, the achievement of results under the cross-cutting issues of institutional strengthening and results and the first pillar of promoting growth and local development were particularly challenging and rated, unsatisfactory and moderately unsatisfactory, respectively. On the other hand, there was more progress toward the objectives of investing in human capital and reducing vulnerability to disasters, as a result the ratings for both were moderately satisfactory. After the earthquake, the Bank began to shift its program to address the urgent needs faced by the country. During the course of 2 years, the Bank program achieved significant results, making the rating highly satisfactory for earthquake emergency response and reconstruction.

II.2: ISN Evaluation

Rating: Moderately Satisfactory

21. **Although there were two ISNs during the evaluation period for this completion report, ISN2 builds on ISN1, reflecting the progression of Haiti's needs and the country program from emergency response to reconstruction and longer term development.** While the first two Strategic Objectives remained the same, there are some modifications in Strategic Objectives 3 and 4 and under the Cross-cutting Theme of Governance to reflect the evolution of the engagement. The Strategic Objectives of the Bank program were the following:

- **Strategic Objective 1, Reducing Vulnerability and Increasing Resilience,** aimed to enhance disaster response capacity, rehabilitate select public transport and infrastructure, and contribute to effective prevention and treatment of cholera.
- **Strategic Objective 2, Sustainable Reconstruction,** aimed to upgrade neighborhoods, repair housing, and improve basic services in earthquake affected neighborhoods and improve access to electricity and the commercial viability of utility.
- **Strategic Objective 3, Building Human Capital,** aimed to increase access to schools and provide school feeding, reduce the vulnerability of women. In ISN2, the aim of access to health service was added to reflect the new program in health and the aim in social

protection evolved from the GOH understanding of options for a social protection mechanism to increase access to social protection services.

- **Strategic Objective 4 evolved from Revitalizing the Economy in ISN1 to Promoting Inclusive Growth in ISN2**, reflecting the transition from restarting the economy after the earthquake to building a base for longer term economic development. Enhancement of Regional Economic Development potential was also added to the existing objectives of improved business environment, broadened access to finance, and enhanced agricultural services to farmers.
- **The Cross-cutting Theme of Strengthening Governance** was expanded from transparency and accountability, specifically in public financial management, to incorporate the renewed emphasis on supporting the building of government systems and institutions with the aim of strengthening government capacity.

22. **As ISN2 is an extension and deepening of the program under ISN1, the two ISNs are evaluated together as one ISN period from January 2012 to end June 2014.** Also for this reason, although both ISNs had indicative targets in their results frameworks, the results framework of ISN 2 is used to assess the program. The achievements of the ISN period have been assessed on the basis of a systematic review of every indicator as well as other relevant results and their relative contribution to achieving the objective of each pillar or cross-cutting theme.

Strategic Objective 1. Reducing Vulnerability and Increasing Resilience

Rating: Moderately Satisfactory

23. **The aim of Strategic Objective 1 was reducing Haiti's vulnerability to natural disasters and cholera.** Although there was some progress on risk analysis and governance in disaster risk management, project implementation was delayed due to high turn-over of the Minister and consequent lack of a champion to move activities forward. As a result, the objective of enhancing disaster response capacity was not achieved. In infrastructure, the program was reoriented in response to recurrent natural disasters to address the need to improve the resilience of critical points in the road network rather than long stretches of road. The program mostly achieved its objective, successfully rehabilitating select public infrastructure and strengthening the resilience of critical transport infrastructure enabling communities to stay connected to the larger region. The interventions in cholera and water and sanitation contributed significantly toward achieving the objective of effective prevention and treatment of cholera with nearly 3 million people sensitized to recognize early warning signs of cholera and seek treatment and 60,000 people with improved access to water. Overall, the rating for this pillar is moderately satisfactory.

Strategic Objective 2. Sustainable Reconstruction

Rating: Moderately Satisfactory

24. **The aim of Strategic Objective 2 was to improve physical infrastructure, including housing and neighborhood repair and reconstruction and access to electricity.** The objectives of upgrading neighborhoods and housing repaired were achieved. The target for number of households returned to neighborhoods was surpassed (~15,000 compared to 9,000) using a rental housing grant mechanism agreed on by the GOH and all partners. Basic infrastructure was

improved in neighborhoods devastated by the earthquake benefiting the target of 25,000 households. Although reform of the electricity sector continued to be a challenge, there was some progress in improving access to electricity and the commercial viability of the utility. There was movement toward the development of electricity sector policy, hours of service were extended from 6 hours to 12-16 hrs/day, and a billing system was installed and being used. Hence the objective in the electricity sector is partially achieved. With sub-ratings of achieved and partially achieved, the rating for the pillar is Moderately Satisfactory.

Strategic Objective 3. Building Human Capital

Rating: Satisfactory

25. **Strategic Objective 3 aimed to increase access to education, reduce the vulnerability of women, and improve access to basic health and social services.** The access expansion in primary education, through the tuition fee waiver program in disadvantaged areas, was continued and further extended during the ISN period. The original cohorts continued to be supported and children were added, surpassing the target of 280,000 (cumulative) by an extra 200,000. The Bank also financed school feeding for 150,000 vulnerable children (cumulative), who benefitted from one snack and hot meal per day, improving school attendance. In order to improve education quality, additional teachers were trained, also surpassing the target of 3,300, although 1,500 of them are not yet employed. Additionally, with women's vulnerability increased under camp conditions, the Bank piloted two projects: the Gender Based Violence project, finance by the Rapid Social Response TF, through which 7000 women received gender based violence training and kits to help them protect themselves in camps; and the Adolescent Girls Initiative, which financed job training for 1,000 young women in several professions including non-traditional professions for women. . The social protection mechanism, Kore Fanmi, was piloted and reached some of the most vulnerable communities in the country (65,000 beneficiaries), and is being scaled up in the new health project. In sum, with two objectives achieved and another partially achieved, the overall rating for this pillar is Satisfactory.

Strategic Objective 4. Promoting Inclusive Growth

Rating: Moderately Unsatisfactory

26. **The last Strategic Objective aimed to revitalize the economy by improving conditions for investment, increasing the productivity and sustainability of agriculture, and promoting regional economic development.** Although in the larger picture commercial lending by banks continued to be limited, there was some progress in broadening access to finance with the total volume of outstanding loans growing to double of what was targeted. The WBG has been providing TA to increase access to finance through support for the electronic collateral registry, the credit bureau, and a financial inclusion strategy. On the other hand, progress on improving investment climate was stalled. Haiti's Doing Business ranking in 2014 remained the same as in 2013 (177 out of 189). Overall progress on improving the business environment was limited because critical legislation, which had been supported, such as those for secured transactions, leasing, credit bureau, insurance and integrated economic zones, were stalled by the larger political stalemate between the Executive and Parliament. Toward the end of the ISN period, the Board approved two new projects that seek to develop Haiti's regional economic potential. Under the Heritage and Sustainable Tourism project, steps were taken toward operationalizing the Park Authority to manage the National Historic Park, one of the indicators. Together, the objectives of

improving conditions for investment and promoting regional economic development were partially achieved. The other objective of enhanced agriculture services was also partially achieved. Although the modest target was achieved, considering the large resources in the sector with the aim of building capacity directly in the Ministry to deliver services, results are limited at 4,600 farmers having access to improved agriculture information, technologies, inputs, material, and services. Combined, the results under this pillar lead to an overall rating of Moderately Unsatisfactory.

Cross-Cutting Theme. Strengthening Governance and Capacity

Rating: Unsatisfactory

27. The cross-cutting theme of Strengthening Governance and Capacity aimed to strengthen transparency and accountability, as well as, government capacity. While there was achievement of incremental measures to strengthen institutional capacity, improving overall governance continued to be a challenge. For example, there were mixed results in enhancing disaster response capacity, with progress slow on the incorporation of risk analysis by line ministries. However, there was significant improvement in the institutional capacity to improve the resilience of public infrastructure, in particular of bridges. The GOH also improved its ability to monitor and respond to the cholera epidemic and expanded safe water access in rural communities. In reconstruction, institutional capacity for housing was significantly improved with the establishment of a housing authority and progress on housing policy. However, in electricity and education, improving governance and accountability continued to be a significant challenge to improving service delivery. In business environment reform, the hurdle was in getting critical laws passed by the Parliament. In health and agriculture where service delivery capacity was being built directly into the ministries, institution and capacity building continues to take time.

28. **There was some improvement during the ISN period with respect to public financial management in Haiti, though serious challenges continued to persist.** The issue of transfers to the electricity sector continued to be problematic, causing repeated financial crises at EDH and non-payment to IPPs. Following the earthquake, the government was able to slowly but steadily rebuild most of the systems that were down, including payroll, Treasury accounting, and the budgetary systems, which were revamped with support from the Bank and other donors during the ISN period. There was also progress toward a Single Treasury Account with the closing of many accounts at the Central Bank, which the Bank supported through budget support operations. However, PFM continued to be weak with limited transparency and accountability. Budgets were prepared, but were not always adopted on time, and approved budgets poorly reflected the GOH priorities since most of the sectors lacked clearly defined strategies and multiyear plans. There were shortcomings in all stages of public investment, from project identification and preparation to implementation to monitoring of results. As a result, while public investment rose significantly during the ISN period boosted by the post-earthquake aid increase, it did not translate into expected economic growth. Budget execution and controls continued to be weak and fiduciary risks high. Expenditure controls remained limited since operating costs continued to be paid before service or work provision while capital spending was executed through Central Bank accounts directly managed by line ministries with limited controls and accounting. During the course of the reconstruction and subsequent emergencies, numerous sole source contracts were issued with no transparency. Court of Accounts, as well as, the General Inspectorate of Finance continued to have challenges in performing their mandated ex-post and administrative controls because of lack of

capacity and absence of demand for public accountability. The IIERP project provided support to the national procurement body to improve procurement under emergencies. It also initiated capacity building activities and funded equipment for various agencies including the Treasury, the Tax and Customs Administrations, the Central Bank, the Court of Accounts, the General Inspectorate of Finance, the national Procurement Commission, and the Anti-Corruption Agency. The Bank is also supporting the GOH through ongoing work on a PER, sector specific PERs, BOOST, and a PIM review, as well as, the first Poverty Assessment in over 10 years to support the GOH's efforts to understand, target, and address extreme poverty.

29. **Several of the ISN rating mirrored those of the CAS period.** Reflecting the significant challenges in building government capacity and in improving transparency and accountability in public financial management, the rating for the cross-cutting theme of Institutional Strengthening Governance and Capacity was unsatisfactory. Likewise, there continued to be major challenges in achieving inclusive growth and the rating for the Strategic Objective of Promoting Inclusive Growth was, similar to the CAS, moderately unsatisfactory. With continued progress on vulnerability reduction, the rating for the Strategic Objective of Reducing Vulnerability was also moderately satisfactory. The Strategic Objective of Building Human Capital was assessed slightly higher than the CAS period with a rating of satisfactory, particularly in light of the expansion of the tuition waiver program and progress on social protection. The remaining Strategic Objective, Sustainable Reconstruction was rated moderately satisfactory, balancing the results for housing with the continued challenges in electricity. **The combined rating for the ISN is moderately satisfactory, the same as the rating of the CAS.**

III. WBG Performance

III.1: Design of the ISN Program

Rating: Good

30. **Relevance of Strategy:** During the ISN period, the Bank deepened and intensified its engagement in Haiti in response to the earthquake, closely accompanying the GOH as its priorities evolved from recovery and reconstruction to reconstruction and long term development. This progression was reflected in the transition of the pillar on private sector development from restarting the economy in the aftermath of the earthquake to building a base for longer term economic development through the inclusion of regional economic development as an objective. This was also reflected in the Cross-cutting Theme of Governance, which expanded from transparency and accountability in public financial management to incorporating renewed emphasis on building Government institutions and increasing capacity.

31. **Design of the Strategy:** The program included a relevant and appropriate package of activities in response to the development challenges faced by the country. The structuring of the program was consistent with the Bank's comparative advantage vis-a-vis other donors and took into consideration the need to maximize impact of the exceptional allocation of \$500 million given to Haiti in response to the earthquake. The mix of instruments and the leveraging of World Bank Group synergies were strong aspects of the program under review. The composition of the Bank assistance program to the country has included a balanced set of investment lending (grants) to address vulnerability reduction, access to infrastructure and basic services, and institutional and

capacity building and policy based operations to support increased accountability, transparency, and efficiency in the use of public resources. Trust funds were used to complement the IDA envelope to rapidly execute disaster response activities, quickly expand education access, pilot a social protection mechanism, job training for young women, and gender based violence training and supplies. The Bank also acted as implementing entity for funding from the Haiti Reconstruction Fund, a multi-donor fund for reconstruction in Haiti, for which the Bank also acts as Trustee. During the evaluation period, the Bank acted as implementing entity for a housing project and a budget support operation. The joint World Bank IFC unit on investment climate technically supported key legal and regulatory frameworks for business environment reform. The Bank and IFC also worked very closely on supporting the Public Private Partnership framework. The program also leveraged private sector investment through IFC in electricity production.

32. **Areas of Engagement:** The areas of continued Bank engagement are aligned with the fundamental bottlenecks that have prevented Haiti from improving the living conditions of the overwhelmingly poor population (56.5% of the population lives below the national poverty level and 38% live in extreme poverty). The Bank continued to tackle the infrastructure challenges that constrain economic growth, such as electricity, access to water, and a fragile road network, where only 34% of the population has access to electricity, 26% of the rural population has access to water, and entire communities are isolated from the larger region when roads and bridges are damaged by natural disasters. The Bank continuing to engage in disaster risk management in a context where 97% of the population lives under threat of multiple natural hazards. It also maintained the CDD program to channel resources to the local level, where poverty in rural areas is nearly 74% and urban areas is 38%. And, extended access to education in a country where education is seen as one of the few vectors of social mobility. These elements, along with the weak public institutions, have been at the core of the suffering of the people of Haiti over the years.

33. **Operations were added in several areas to respond to major challenges on the ground:** housing and neighborhood reconstruction, to get people out of camps and into neighborhoods; cholera, to deal with the epidemic; in health, to help accelerate improvement of MDGs particularly in maternal and child mortality; and regional development to benefit from the exceptional allocation to support more even territorial development, which emerged as a key need for the country in the aftermath of the earthquake that concentrated damage in Port au Prince where most of the country's GDP is located. In response to a specific request for TA, the Bank added Mining to the program where preliminary exploration results suggest the presence of significant copper and gold resources. The Bank provided TA to improve the governance and management of the sector, including supporting the GOH's engagement with stakeholders and providing advice on the drafting of a modernized mining law that would enable private investment in exploration and development of Haiti's mineral resources and generate revenues for the State, in accordance with current international practices and modern environmental safeguards.

34. **ESW:** The economic and sector work in the program is aligned with the program under implementation. Technical assistance helped to unlock some of the constraints, such as lack of sector frameworks to enable progress in service delivery. For example, engagement in the health policy dialogue accelerated the Bank's response to the cholera outbreak; and the Bank's TA in social protection supported the development of social protection policy, which complemented the trust funded pilot social protection program that is being scaled up with IDA. Early in the ISN

period, the program prioritized Bank Budget for the preparation and implementation of projects newly financed with resources from the IDA CRW, part way through period, more resources were directed toward AAA with the objective of developing much needed data to move the program toward supporting more evidence based policy-making and effective and efficient public programs. The Poverty Assessment was financed to better understand poverty in post-earthquake Haiti and multiple PFM instruments are being brought to bear from PER, BOOST, to a PIM Review to improve the efficiency of public investment. AAA was also used to support private sector development through a Diagnostic Trade Integration Study to analyze the bottlenecks to trade.

35. **Rapid and Flexible Support:** In response to the earthquake, the Bank brought all of the resources it had, much from the existing portfolio but also new resources, to do as much as it could, very rapidly, and in a very challenging operating environment. During this period, the Bank program grew from a net commitment of \$500 million in January 2012 to \$777 million by end June 2014. The Bank appropriately used additional financing as an instrument to enhance its ability to provide speedier delivery of services by using existing operating mechanisms, reducing preparation costs and accelerating disbursements. The rural CDD, Urban CDD, Infrastructure and Institutions Emergency Recovery Project, and Education for All APG II are examples of the use of this instrument. Learning from the slowdown in implementation from the CAS period in projects that did not have emergency components, nearly all of the new operations prepared during the ISN period were designed with contingency components to facilitate rapid response during emergencies. These components were triggered several times during the ISN period, including after Hurricane Sandy and in response to an agricultural pest that was decimating a staple crop.

36. **Relevance of Indicators and Realism of Expected Results:** Although the indicators in the results frameworks of the ISNs were only indicative, most of them were appropriate. Two of the outliers were those in health and agriculture. Because the projects were implementing directly through the Ministries rather than through implementing entities and building the necessary units and capacity takes time, service delivery targets may have been too ambitious, particularly for the health project which was only under implementation for one year. Another was the use of cash recovery index as an indicator for improved commercial viability in the electricity sector, which is highly volatile.

37. **Risk: The risks identified in the ISN were appropriate.** The Haiti country program continued to be a high risk program with some risks that could not be mitigated. The country continued to be vulnerable to political and social instability, international financial and economic downturns, external shocks, including multiple natural hazards, and weak institutional capacity continued to be a challenge for absorption of donor funds, and corruption was known to exist. However, the tradeoff between the high risk and significant impact were appropriate. Given the extent of the damage from the earthquake that exacerbated existing needs, an exceptional allocation was much needed in order to contribute significantly to reconstruction, the result of which have already been described above. The larger program also enabled the World Bank Group to play a larger role in donor coordination and policy reform.

III.2: Implementation of the ISN program

Rating: Good

38. **Implementation Support:** Implementation support was intensified during the evaluation period. As the portfolio grew from \$200 million (2009) to \$777 million (2014), the Country Office also grew to support the larger Country Program, in particular by adding more decentralized sector staff. Budget for implementation was prioritized, enabling intensive supervision. The proximity between Haiti and Bank headquarters also enabled more continuous supervision. Country Portfolio Performance Reviews were conducted annually. To accelerate implementation, the Bank procurement in Haiti was brought in line with other FCS with support from OPSFC and regional procurement. Repeated safeguards and FM trainings were provided to implementing agency staff.

39. **Implementation Challenges:** There were several issues shared by projects across the portfolio. There were repeated delays in receiving audit reports, due to the dearth of audit firms in the country. To address this, the fiduciary team worked to increase the number of audit firms through training and support, getting more firms accredited. With a heavy focus on responding rapidly to the urgent needs on the ground and producing results, monitoring frameworks were sometimes weak and with limited focus on strengthening monitoring and reporting capacity.

40. **Responsiveness:** Through two successive ISNs, the Bank program was able to be extremely responsive to the rapidly changing situation on the ground and priorities of the GOH. The Bank response to the earthquake began almost immediately: getting staff on the ground for assessment; making new resources available; restructuring existing resources; reallocating funds; and accelerating implementation of existing resources. The Bank moved quickly to assist the GOH in doing the Post Disaster Needs Assessment; financed advisors to the Office of the President; sent temporary staff to ministries; recovered lost data for the GOH; distributed solar lanterns; fed children in schools; provided vouchers for children to attend schools; and financed emergency nutritional supplements.

41. As the country's needs and the GOH's priorities evolved from recovery to reconstruction to long term development and institution building, the Bank adapted its program. It refocused on long term issues such as improving access to basic health services and increasing delivery of agriculture services by building capacity directly in the respective Ministries, rather than going through an implementing agency. The Bank also began support to regional development to contribute to the physical and capital de-concentration of Port au Prince and improve living standards in rural areas, where more of the poor are. Nearly all of the projects prepared during the ISN period, have strong emphasis on institution and capacity building in relevant line Ministries with the aim of supporting their ability to deliver more services and infrastructure over time without donor support.

42. **Donor Coordination: Aid is generally severely fragmented and lacking both in terms of coordination and harmonization.** Haiti is one of the countries with the highest number of donors and NGOs in the world. More than 56 countries pledged their support in response to the earthquake at the New York Conference on March 31, 2010. While the numbers of donors involved is large, the bulk of external aid has been provided by eight major donors: Venezuela, the Inter-American Development Bank, European Union, Canada, the United States, France, the Caribbean Development Bank, and the World Bank.

43. **The Bank has taken the lead among donors in a number of sectors in which it is engaged.** The Bank was instrumental in supporting the coordination of the budget support group and led the donors' working group. There was coordination on a joint donor matrix agreed with the GOH for budget support and economic governance reforms. In education, the Bank developed the tuition waiver mechanism, which was leveraged for financing from other donors (Caribbean Development Bank, CIDA, IDB, and AFD). The Bank has also played an active role in the preparation of the energy white paper bringing together the US, IDB, and the Bank to present a united front for electricity sector reform. The three donors are also on the Prime Minister's Energy Commission to impetus reform and coordinate support in the sector. Although there has been coordination in water, nutrition, electricity, disaster risk management, transport, and agriculture, health, and cholera with major donors that are active in those sectors, existing coordination still needs to move beyond the project by project approach toward a programmatic approach with harmonized support behind the GOH's sector strategies and plans as they are developed.

44. **Risk mitigation:** High risk continued to be the reality for the Haiti program. However, increasingly effective disaster and risk management mechanisms, safer building codes and multi-hazard assessment data are being used by the GOH and donors for reconstruction, some progress in public financial management, and the incorporation of emergency financing components in projects enabling rapid response in situations of emergency have lessened the risk of working in Haiti. There continued to be residual risk that could not be mitigated: there was little that could have been done to mitigate the damage caused by an earthquake of that magnitude; and, there is little that could have been done to mitigate the political instability.

45. **Although there is high risk, there is also high potential for development impact in Haiti because of its starting point as the poorest country in the hemisphere and the massive devastation caused by the earthquake.** The Bank's ability to bring global knowledge, including that from other fragile states, gave it a comparative advantage in bringing solutions to complex development issues that maximize development impact for the country, from supporting families to move from camps back into neighborhoods through rental subsidies to a multi-hazard assessment that could be used for safer reconstruction to increasing access to education.

46. **Overall, the rating for Bank performance is Good.** Operating in Haiti was even more challenging than usual during this evaluation period because of the devastating earthquake, which adversely affected ongoing projects, further weakened institutional capacity because many civil servants were lost and records were destroyed, and created tremendous, urgent needs. However, the Bank rose to the occasion and worked flexibility and intensively to respond. The design and implementation of the program successfully contributed to the timely adaptation to changing circumstances and priorities, as well as, achievement of the program objectives.

IV. Alignment with WBG Corporate Goals

47. **Although the Corporate Goals did not exist when the ISNs were negotiated, in retrospect, the WBG program focused on areas identified as critical for achieving the Corporate Goals in the SCD.** The SCD, in particular, pointed to the need for the following: higher investment in human and physical capital; State provision of basic services to improve the Social Contract; removal of barriers to market entry to support private sector growth; improvement in

agriculture and informal incomes; and the reduction of vulnerability. In both ISNs, Pillar 1 focused on reducing vulnerability to disasters, Pillar 2 focused on reconstruction and infrastructure, in particular on housing, critical points in the road network, and electricity, Pillar 3 focused on human capital, specifically primary education and maternal and child health, and Pillar 4 focused on promoting private sector development, including joint WB-IFC support on Doing Business reforms, increasing agricultural productivity through providing vouchers for inputs and grants for post-harvest processing, promoting the development of local value chains, and development of Tourism around a UNESCO World Heritage Site in the North. To support State delivery of service delivery, both ISNs had the cross-cutting theme of Building Government Capacity.

48. **As the overall focus shifted from reconstruction to long-term development during the implementation period, the World Bank Program also shifted.** One aspect of transition was the deepening of focus on improving Governance to transparency and accountability, as well as building institutions and capacity, which is critical to improving access and quality in service delivery. Another was the stronger focus on private sector development in areas outside of Port au Prince, where poverty and extreme poverty are persistent, through investment in Tourism in the North, access to markets and regional connectivity in the agricultural regions of Artibonite and Centre, and the development and investment in local value chains in all ten regions in the country.

V. Lessons Learned

49. **DRM:** Focus on prevention is necessary to reduce the scale of devastation when disaster strikes. And, the response to the next disaster needs to be prepared before a disaster. In a country with such high risk of multiple natural hazards, continuing efforts are needed to mainstream disaster risk prevention and management into sector policies, though this takes time. When the risk is not immediate, urgency and momentum tend to be lost. To overcome this inertia, dialogue needs to be based on evidence showing the cost to the economy and vulnerability of citizens, particularly with urbanization in precarious areas. This objective requires continuous, long term engagement as the risk will only worsen with climate change.

Transport: Critical spot treatment, repair and reconstruction, is an efficient and cost effective approach to enhancing resilience of the road network in a natural hazard prone environment. This can complement work of other donors investing in large sections of roads. In addition to road investments, it is critical to ensure adequate planning and funds for maintenance of the road network so that the investments will not be lost over time.

50. **Cholera: To be effective in eliminating deaths from cholera and secondary transmission it is necessary to have integrated health and water and sanitation interventions.** Without joining treatment with infrastructure investments to prevent the spread of the disease, people will continue to fall ill. Investing in water and sanitation has the added benefit of reducing the spread of other diarrheal diseases, which is one of the leading causes of death for young children. Improving access to water and sanitation across Haiti will require significant strengthening of the water authority, which is currently small, lacks funding, and weak in capacity. In terms of service delivery, private operators have been shown to be a viable model for sustainably increasing access to water. However, it requires continued training of operators to improve commercial viability.

51. **Housing Reconstruction:** Bank support to housing in poor, weak capacity, post-disaster environments should focus on a clear and simple housing subsidy mechanism to support housing reconstruction. In a context where a significant portion of the displaced population are poor renters, improving neighborhood infrastructure motivated owners to repair/reconstruct, thereby increasing the rental stock that had been diminished. TA is necessary to ensure quality of reconstruction so that people are going into safe housing.

52. **Community Driven Development:** CDDs are effective mechanisms for supporting communities in a fragile situation because they enable resources to flow directly to the local level. This is particularly relevant in countries where there is little service delivery by the State and little resources flow to the decentralized level. This was particularly useful after the earthquake when the CDD projects enabled funds to go directly to communities when the central administration was crippled by the disaster.

53. **Electricity:** Lack of leverage on the part of the Bank due to small amount of financing (\$11m) and weak political appetite for reform were major factors in the lack of electricity sector outcomes. In a major effort to push for improvement in a sector that is one of the major constraints to development in Haiti, the Bank provided significant financing (\$90m) and joined major donors in the sector to have more leverage collectively to push for reform. Yet, due to vested interests both within the public utility and political interference, reform and improvement in the commercial viability of the utility continues to be a challenge.

54. **Education:** A participative budget preparation process combined with the existence of a multi-year sector plan is essential for transparency and complementarity between donors and domestic resources. The Bank should continue to support the reinforcement of National Budget Programming, which is critical to ensuring the sustainability of ongoing activities for a free and compulsory primary education.

55. **Improving Governance: In a context of chronic political fragility, improving governance requires the building and consolidating institutions and capacity.** This entails continuous, long-term engagement through a combination of TA, financing, dialogue, and intensive supervision to support the building of institutions that are accountable and capable of effectively delivering services. Furthermore, projects that have the objective of building capacity directly in a ministry, should be designed to be simple and clear in terms of institutional objectives. Reforming institutions and consolidating capacity takes time, project implementing directly through ministries instead of through an implementing agency, should not be expected to show significant service delivery improvements early in implementation.

56. **Policy Reform:** Improving governance requires the development of accountable and effective Haitian institutions. Institutional capacity objectives should be clear, simple, and measurable, though multiple instruments can be used to achieve them. Building institutions with capacity takes a very long time – 10 to 15 years. Donors and government need a strategy for sustaining this effort for key institutions.

57. **In a context of weak governance, sector reform requires a long-term programmatic approach, which includes institution building, and an understanding of the political economy environment of reform.** With these in place and strong coordination among donors, concrete progress can be achieved when incentives and resources are aligned. In the absence of traction on reform, an alternative is to focus on basic service delivery while promoting a dialogue around policy improvements where possible.

58. **Budget support operations need to be programmatic in substance to continuously push for progress in reform.** Otherwise, it will be insufficient leverage for reforms to be consolidated. However, fragility and political instability make formal programmatic budget support a challenge to use as an instrument as persistent political instability makes momentum on reform difficult to maintain.

59. **Investing in Data: Catalytic investment in Bank knowledge resources can be leveraged for better results.** Strategic use of non-lending instruments can deliver good results with little financial investment. In the context of declining resources, evidence based policy making is crucial to effectively deliver basic services. For example, the first Poverty Assessment in Haiti in twelve years is allowing the Bank to engage more strategically through investment projects to have a greater impact on the poor.

60. **Leveraging the World Bank Group:** Electricity production (E-Power) and telecommunications (Teleco) outcomes supported by IFC show the critical importance of private sector investment facilitation in key sectors.

61. **Contingency Financing: Building Flexibility into the program is crucial in supporting a country that is as vulnerable to natural hazard as Haiti.** Projects must be flexible enough to accommodate shocks in a disaster prone environment. There is need for flexible reallocation, as well as, additional financing over time to maintain investments and address damage caused by to natural disasters. Projects in this context should also integrate emergency components in their design. This allows the Bank to respond more rapidly than by reallocating funds, which can take time. Nearly all new projects during the ISN period incorporated contingency financing for eligible emergencies, which have allowed the Bank to be responsive to a number of emergencies.

62. **Implementation:** In a weak capacity context, project management continues to be a significant bottleneck to timely execution of project activities, even in implementing units. Priority was given in the budget for close and intensive implementation support, as well as, additional training on procurement, financial management, safeguards, and monitoring and evaluation.

63. **Sustainability:** In post-disaster situations, as the country moves from emergency back to normal levels of fragility and instability and donor financing precipitously declines, focusing on sustainability becomes critical. Sustainable programs combining efficiency and effectiveness of public spending is needed to maximize results for the population with limited public resources.

Annex Table 1: Summary of CAS Program Self-Evaluation

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
Pillar 1: Promoting Growth and Local Development			
Rating: Moderately Unsatisfactory			
<p>Objective 1: Increase in income generating opportunities, better access to infrastructure services at local, national level</p>			
<p>CDD: Number (proportion) and US \$ amount of income-generating community subprojects fully operational for six months or more</p> <p><u>Baseline:</u> 103 sub-projects (50%) for US \$1.85m are operational for six months or more (2008).</p> <p><u>Target:</u> 502 sub-projects (75%) for US \$10.2m are operational for six months or more (2012).</p>	<p>CDD: Achieved Targets were surpassed one year before the end of projected CAS period, for increased income opportunities at the local level. The CDD projects established solid and participatory mechanism for channeling funds to the local level in rural and urban areas. This mechanism was also used to channel resources to communities in the aftermath of the earthquake.</p> <p>Rural: Since the project began in 2006, about 1.15 million people benefited from the project, through 1,400 sub-projects implemented in 59 rural municipalities, who received US\$ 24 million (target US\$10.2 million). A total of 83% of productive and income-generating activities were operational twelve months after their completion (target was 75%) More than 4,300 community based organizations were making decisions regarding projects, 3,500 were targeted.</p> <p>Urban: The project targeted 6 disadvantaged urban areas using the same participatory approaches as rural CDD. Three of the areas were in Port au Prince, where implementation of core project activities was severely hampered by the earthquake. Additional financing was used to get many sub-projects back on track, as well as, to support families to leave camps and find housing through rental grants and for neighborhood upgrading.</p>	<p>CDD Project (P093640), approved 28 July 2005, was already being implemented. This was supplemented by two additional financings approved respectively on January 29, 2009 (P114775) and May 27, 2010 (P118139).</p> <p>Urban CDD Project (P106699), approved on June 3, 2008, for US\$ 15.7 million Additional financing (P121833) of US\$30 million approved on October 26, 2010</p>	<p><i>CDDs are useful mechanisms for supporting communities in a fragile situation. They allow the Bank to make direct fund transfer to the poor, as well as reconstruction, and rebuilding of economic livelihoods.</i></p> <p><i>In a country that is vulnerable to natural hazard as Haiti, there is need for flexible reallocation as well as additional financing over time to sustain the investments that may be lost due to natural disasters.</i></p>
<p>Transport: Cost of transport on selected rehabilitated roads.</p>	<p>Transport: Mostly Achieved The objective was achieved for the financed roads. It became evident during the CAS period, in light of various natural hazards, that the original indicator was no longer appropriate. To address this situation, new transport program objectives were set</p>	<p>Transport and Territorial Development Project (P095523) approved on April 11, 2006 with an</p>	<p><i>Projects must be flexible enough to accommodate shocks in a disaster prone environment. Road program</i></p>

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
<p><u>Baseline</u>: TBD on each road before rehabilitation</p> <p><u>Target</u>: -25% (2012)</p> <p><u>Revised Indicator</u>: Amount of travel time cut on selected roads.</p> <p><u>Target</u>: -30% (2012).</p>	<p>and progress was achieved. Access to infrastructure at the national level was not measured because it is highly dependent on other donors.</p> <p>The 4 tropical storms and hurricanes in 2008 and the earthquake in 2010 severely impacted road usability and physical access to various parts of the country, making it necessary to adjust the program. The new aims were to: restore access to areas isolated by successive natural disasters, improve maintenance to reduce flooding, improve drainage, and respond to emergency situations. The new indicator relevant to the revised objectives is the amount of travel time cut on selected roads.</p> <p>The Transport and Territorial Development Project (PTDT) completed one and was on track to complete the other of the two road sections targeted. On the first road, the transit time was cut in half and on the second road it was reduced from 6 to 2 hrs. The target for the revised indicator was achieved. In addition, more than 50 critical points were treated on the roads. This allowed 15 small local and regional firms to operate in this sector and demonstrate their abilities, which increased resiliency and local capacity for maintaining access in isolated regions. Emergency Bridge Reconstruction and Vulnerability Reduction Project (PROREV) also financed rehabilitation works on sections of road washed out by the 2008 hurricanes and replaced several destroyed passes.</p> <p>The lack of emergency components in the projects, made it difficult to react quickly to respond to the pressing needs created by natural disasters. As a result of the earthquake, the project also experienced loss of staff, implementation delays, rise in input costs, and subsequent cost over runs.</p>	<p>additional financing (P114059). Emergency Bridge Reconstruction and Vulnerability Reduction Project (P114292) approved on November 18, 2008 Infrastructure and Institutions Emergency Recovery Project (P120895) approved on March 18, 2010.</p> <p>Haiti Multi-hazard Assessment (\$1.25M) approved Feb 10, 2010</p> <p>Haiti Structural Assessment Program (\$1.71M) approved Feb 10, 2010</p> <p>Support to National Institutions for Haiti Earthquake Recovery (\$1.1M) approved Feb 10, 2010</p> <p>Reducing Disaster Risk in Haiti's Health Infrastructure (\$1.43M) approved Jan 20, 2011</p>	<p><i>focusing on critical points approach shows strong flexibility, impact, and is relatively cost effective in addressing unforeseen challenges resulting from shocks. Projects in this type of disaster prone context should integrate emergency components in its design.</i></p> <p><i>Infrastructure projects are particularly vulnerable to delays and overruns in a volatile environment where input costs can rise significantly during implementation and capable agencies, firms, PIUs may be over stretched.</i></p>
<p>Electricity: EDH Cash Recovery Index</p> <p><u>Baseline</u>: 27% (Dec. 2008)</p> <p><u>Target</u>: 37% (2012)</p>	<p>Electricity: Not Achieved</p> <p>Despite an increase in power generation capacity (E-Power commissioned in 2010), the objective of better access to infrastructure at the national level was not achieved at the end of the evaluation period. This was due to the lack of planning, commercial culture, and accountability at the power utility, which impeded progress on increasing electricity access through grid expansion and revenue recovery from consumers.</p>	<p>Electricity Project (P098531), approved on August 3, 2006, benefited from additional financing approved on December 8, 2009</p>	<p><i>Weak political appetite for reform has been the major factor in determining lack of electricity sector outcomes, including increasing accessing to electricity and improving the performance of the utility.</i></p>

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
	<p>Though not at the national level, the public's access to electricity services did improve in Port au Prince during the period under review, mainly due to the increased generation capacity from E-Power. In December 2012, 100% of customers in the metropolitan area had at least 6 hours of electricity per day, which by 2014, increased to between 12 and 16h/d. This apparent progress does not capture major political economy, financial, and commercial hurdles experienced in the sector: due to very high commercial losses (35%, national average) EDH has been unable to pay for the cost of basic maintenance services, fuel, and amounts due for generation, even though it is subsidized through budget transfers. The crux of the problem is that there continued to be insufficient political impetus for reform. In addition, the earthquake negatively impacted not only the physical infrastructure but also staffing of the utility and the customer's ability to pay, which made it even more difficult to improve the performance of the utility. With the Cash Recovery Index at 20 percent in July 2010, reaching the target of 37% was a challenge.</p> <p>On the positive side, (i) four international experts were recruited after the earthquake as advisors of key EDH directors, which has brought some improvements in the management of the utility, (ii) the Haiti Electricity Loss Reduction Project (PREPSEL) supported the MTPTC's energy sector management unit, and (iii) donors (IDB and US) offered large amounts of investment for overdue rehabilitation and expansion of infrastructure (Peligre hydropower plant, distribution circuits and substations) and technical assistance to EDH through a management firm.</p> <p>IFC financing was critical to the commissioning of a new 30 MW power plant by the independent power producer, E-Power. This has increased electricity generation capacity by 18%. IFC financing made it possible to mobilize US\$56 million from private investors for the rest of the financing.</p> <p>Telecommunications</p> <p>Through the privatization of the state telephone company, with IFC Advisory Services support, progress was achieved toward increasing access to telecommunications infrastructure. This brought a bankrupt company to its feet. Investments of nearly US\$ 100m were made by the operator that overhauled the telecommunication infrastructure and improved the quality of service. This stimulated competition in the sector, reduced communication prices, and increased access.</p>	<p>Electricity Loss Reduction Project (P112164) approved on 8 September 2009</p>	<p><i>The Cash Recovery Index (CRI) indicator may not be the most appropriate indicator to measure the objective of increase in access at the local and national level due to volatility.</i></p> <p><i>Complementary indicators on the level of service (e.g., hours per day in the least served power distribution circuits) and on increased access to electricity (e.g., number of new clients connected to the grid) would give a fuller understanding of progress toward the objectives.</i></p> <p><i>Electricity production and telecommunications outcomes supported by IFC show critical importance of private sector investment facilitation in key sectors.</i></p> <p><i>Institution building is critical for sustainable impact in weak capacity contexts but is very slow. Useful to recognize institutional capacity as an outcome objective under sectoral projects.</i></p>

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
	<p>Private Sector IFC's activities in the private sector contributed positively to the intended outcomes of increasing in income generating opportunities and better access to infrastructure services.</p> <p>IFC portfolio of investments amounted to US\$ 32.7m for 7 transactions, 5 of which were committed after the quake. This support facilitated the resumption of businesses after the earthquake. The package of loans to private sector clients included the independent power producer, two banks, a micro-credit institution, mining exploration, hotel, and an industrial park. IFC advisory activities were also significantly ramped-up to help foster a better investment climate and improve access to finance and skills. IFC's combined investment and advisory projects supported the creation of 5,000 new jobs and safeguarded 5,000 existing jobs.</p>		
<p>Objective 2: Enhanced agriculture sector contribution to economic growth and local development</p> <p>Indicator Number of producers receiving agricultural extension services in the project area (Thiotte – Baptiste)</p> <p><u>Baseline:</u> 300 (2009) <u>Target:</u> 3000 (2012) <u>Achieved:</u> 1000 (2011)</p>	<p>Agriculture: Partially Achieved Although the indicator was only partially achieved, there was nevertheless some progress made toward the objective. The delay in achieving indicators was due to weakness in procurement and fiduciary capacity, as well as, the earthquake, which shifted the focus from delivering services to rebuilding necessary institutional capacity.</p> <p>The Strengthening of Agriculture Public Services Project (RESEFAG) reached 1,000 producers in 2011, against a target of providing support services to 3,000 farmers by 2012. After the earthquake, the original closing date was extended by one year to deal with implementation delays caused by weaknesses in procurement, as well as, the death of one project implementation unit staff in the earthquake. The project eventually reached 4,565 as of May 2014.</p> <p>In spite of the implementation delays, progress was made toward the larger objective of enabling the Ministry of Agriculture to prioritize and target investments according to sector policies and to improve agriculture services. The Ministry developed a 5-year National Agriculture Investment Plan (NAIP) for US\$800 million.</p>	<p>The strengthening of the Management of Agricultural Public Services (P113623) was approved on June 25, 2009 and was under implementation for less than 15 months.</p> <p>The Avian Human Influenza Emergency Project (P111667) was approved on July 14, 2008.</p>	
Pillar 2: Investing in Human Capital			
Rating: Moderately Satisfactory			
<p>Objective 1: 1) Increased access to basic education</p> <p>Education:</p>	<p>Education: Achieved Tuition Waivers Children</p>	<p>Education for All Project (P099918), US\$ 25 million, approved April 26, 2007; additional financing</p>	<p><i>Strategy development, donor coordination and institution building are crucial to successful outcomes in education. Progress on these</i></p>

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
<ul style="list-style-type: none"> Number of student benefiting from tuition waivers <p><u>Baseline:</u> 29,000 (2009) <u>Target:</u> 135,000 (2012) <u>Achieved:</u> 180,000 (2014)</p>	<p>The number of children supported by the tuition waiver program surpassed the target in 2011. As of November 2010, with resources from IDA and co-financing from other donors (Caribbean Development Bank, EFA-FTI Catalytic Fund), 425,000 student-years of attendance had been achieved since 2007. IDA funds alone accounted for 285,000 student-years out of the 425,000.</p> <p>Although there was no school feeding indicator in the CAS, the Education for All project also financed a School Health and Nutrition (SHN) Program that financed one snack and hot meal per day. By providing an incentive for parents to send their children to school, this improved classroom attendance. Under the SHN Program, approximately 70,000-73,000 primary students annually benefited, during the CAS period.</p> <p>Relatively little recent data existed on the quality of education, however, the data available indicated that the quality of education in Haitian schools was low and the capacity of the Ministry of Education was weak, this was even more the case after the earthquake destroyed the main Ministry building and killed several staff. To address the need to improving the quality of education, a larger pool of qualified teachers was needed to improve learning outcomes. The Meeting Teachers Needs Project supported the development of an accelerated pre-service teacher preparation program, and financed 2 cohorts of student-teachers in training (3,300), during CAS period.</p> <p>On governance, the new education strategy (Operational Plan) prepared by the Government addressed many of the critical issues constraining the sector, such as expanding access to education, including for families that could not able to afford school fees, and insufficient school infrastructure. In addition to the more comprehensive nature, the approval of this strategy was a major milestone in that donors were aligned behind it. The donors established a complementary partnership framework committing to align and coordinate their financing within GOH's priorities.</p> <p>School Reconstruction</p> <p>The aim of the emergency school reconstruction project was to improve access to education by rebuilding schools destroyed by successive tropical storms and hurricanes in 2008 and the earthquake. The project suffered from cost increases and implementation delays resulting from the earthquake. During the CAS period, architects were recruited and designs of schools were finalized for most of the 11 schools. In addition, there was progress in making schools safer by integrating</p>	<p>(P121193) of US\$12 million on May 27, 2010.</p> <p>Education for All Project (P099918) , US\$ 25 million, approved April 26, 2007; AF of US\$12 million on May 27, 2010</p> <p>Meeting the Teacher Needs for Education for All (P106621), US\$6 million, approved April 29, 2008</p> <p>School Emergency Reconstruction Project (P115261) approved 5 March 2009 for US\$5 million</p>	<p><i>fronts should be reflected in output indicators.</i></p>

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
<p>Education:</p> <ul style="list-style-type: none"> • Number of reconstructed schools <p><u>Baseline:</u> 0 (2009) <u>Target:</u> 11 (2012) <u>Achieved:</u> Partially Achieved (2014)</p>	<p>vulnerability and risk assessment guidelines in school reconstruction. A school infrastructure risk and vulnerability assessment was prepared and Ministry of Education staff was trained on safe schools construction guidelines. A national plan of action for safe schools was developed.</p>		
<p>Objective 2: Improved nutritional security of children</p> <ul style="list-style-type: none"> • Build consensus on National Nutrition Strategy <p><u>Target:</u> Strategy adopted <u>Achieved:</u> Partially Achieved, national nutrition policy was prepared and strategy was being developed</p>	<p>Nutrition: Partially Achieved</p> <p>In the context of significant malnutrition among the vulnerable population (19 to 22% of children are moderately or severely malnourished), progress was made on a nutrition strategy. All major stakeholders in the nutrition sector coalesced to advance the nutrition agenda. A national nutrition policy was prepared and consensus was developed around a strategy.</p> <p>Bank program has directly improved children’s nutrition by financing a snack and hot meal for 70,000 children once a day through the Education for All project.</p>	<p>Haiti: Scaling Up Nutrition (TF095870)</p> <p>Household Development Agent (P121690), US\$ 1.5 million, approved 2011</p>	
<p>Objective 3: Improved potable water access</p> <p>Water:</p> <ul style="list-style-type: none"> • Number of beneficiaries receiving improved water services in participating communities (access, continuity and safety) <p><u>Baseline:</u> 0 (2009)</p>	<p>Water: Partially Achieved</p> <p>The Bank program improved access to potable water by constructing 8 rural water networks serving 33,000 people. The greatest challenge to rural water supply service in Haiti is the need for simple and reliable social mechanisms for system operation, maintenance and repair. The project piloted a private operator model requiring operators to recover basic operating and repair costs from users. The model faced challenges after the earthquake and with the cholera epidemic when water was supplied for free by NGOs, this naturally created an expectation that water should be free. Increased dialogue with users and local government officials reduced this problem.</p>	<p>Haiti Rural Water and Sanitation Project (P089839) approved 30 January 2007</p>	<p><i>The private operator model requires continued training of operators, if the water operator is to be commercially sustainable.</i></p>

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
<p><u>Target:</u> 65,000 (2012) <u>Achieved:</u> 33,000 (2014)</p>			
<p>Sanitation: • Number of latrines in use in project communities <u>Baseline:</u> 3,000 (2009) <u>Target:</u> 4,950 (2012); <u>Achieved:</u> 4,964 (2012)</p>	<p>Sanitation: The Project successfully contributed to increasing access to and use of sanitation in 4,964 households in the 7 communities targeted for this intervention. This corresponds to a 122% achievement of the target. According to field surveys, 28% of households built a latrine with their own resources in the last 5 years, following sanitation and hygiene promotion campaigns by the Project and other organizations in the zone. This increased the proportion of households owning and using a latrine to about 81 percent, which compares favorably with the Haiti rural coverage figure of 59 percent. In addition, institutional sanitation was improved in 1 health center and 14 schools, which received a total of 25 new or rehabilitated latrine blocks to benefit 5,547 students and teachers.</p>	<p>Haiti Rural Water and Sanitation Project (P089839) approved 30 January 2007</p>	
<p>Pillar 3: Reducing Vulnerability to Disasters</p>			
<p>Overall Rating: Moderately Satisfactory</p>			
<p>Objective 1: Strengthened institutional capacity for disaster preparation, response and recovery</p> <ul style="list-style-type: none"> • No. of days post-disaster to prepare: <p>(i) response plan <u>Baseline:</u> 30 days; <u>Target:</u> 10 days (2012); <u>Achieved:</u> earthquake 30 days (2010) Cholera outbreak 8 days (2010) Hurricane Tomas (2010)</p>	<p>DRM: Achieved Although the targets for the indicators were not met, post-disaster preparedness improved significantly as a result of Bank support. The target for the response plan was not met in that it took 30 days to prepare the Port au Prince earthquake response plan while it was met for the recovery plan in that it took less than 60 days to prepare. Substantial progress was made with regard to the response provided in two other disasters. It only took 8 and 4 days, respectively, to prepare the cholera outbreak and Hurricane Tomas response plans compared to the targeted 10 days. What is notable in these response times is that they were formulated and carried out in spite of the magnitude of the disaster and the extent of the destruction left behind.</p> <p>Beyond the targets being partially achieved, the Bank has been extremely active in this pillar, due to the earthquake. Bank support to this pillar included 5 projects in addition to activities supported by the Global Facility for Disaster Reduction and Recovery (GFDRR). The Bank was active in supporting capacity development for disaster risk management. The Bank contributed to preparing two Post Disaster Needs Assessments in 2008 (following the hurricanes and tropical storms), before this CAS period) and in 2010 after the January 2010 earthquake. Through the Emergency Recovery and Disaster Management Project, there was a substantial increase in capacity at the municipal level. The National Directorate of Civil Protection (DPC), in the Ministry of Interior, benefited from significant technical and</p>	<p>Emergency Bridge Reconstruction and Vulnerability Reduction Project (P114292), which was approved on March 5, 2009</p> <p>Emergency Recovery and Disaster Management Project (P090159) approved on January 6, 2005, which received an additional financing in 2008 (P106689)</p> <p>Global Facility for Disaster Reduction and Recovery approved in April 2009,</p> <p>Catastrophe Insurance Project (PP104690) approved on March 8, 2007</p>	<p><i>Rethinking emergency interventions to also focus on mid and long-term building of institutions and capacity</i></p>

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
<p>(ii) recovery plan <u>Baseline:</u> 180 days; <u>Target:</u> 60 days (2012); <u>Achieved:</u> earthquake 60 days (2010)</p>	<p>financial support, including the acquisition of equipment, the recruitment of three civil servants to reinforce the ministry in charge of civil defense, training of staff, and the establishment of two technical committees on public awareness and building codes. The response of the DPC and the decentralized disaster risk management committees established throughout of the country was strong and critical to minimizing the impact of the numerous adverse natural events that affected the country during the CAS period. Progress was achieved with respect to the establishment of certified Communal Civil Protection Committees (CCPC) in 76 of 140 communes in the country. These committees (comprised of volunteers) are operational and were very effective during the first days that followed the earthquake. The communities were also very active when Hurricane Tomas hit in October 2010.</p> <p>Progress was also made in the incorporation of hazard analysis and risk management in line ministries. The Ministry of Public Works established a Crisis Management and Risk Reduction Unit within the Directorate of Public Works. The unit responded satisfactorily to the cholera outbreak and to Hurricane Thomas by serving to coordinate the Departmental Directorates of Public Works in the collection and transmission of relevant information to the National Directorate of Civil Protection. No progress has been made in establishing such units in the Ministry of Agriculture and the Ministry of Social Affairs as anticipated.</p> <p>The Catastrophe Insurance project also contributed toward strengthened institutional capacity for disaster response and recovery. The insurance covered Haiti for about US\$44m against hurricanes and about US\$8 m for earthquakes. The premium, financed by the Bank for the first three years, allowed Haiti to join the Caribbean Catastrophe Risk Insurance Facility (CCRIF). The CCRIF is the first facility created worldwide to protect small island states from the financial impacts of natural disasters. Bank support was timely. Haiti's participation in the CCRIF was instrumental to Haiti's immediate recovery, providing Haiti with US\$8million within days of the earthquake. These resources were badly needed at the time where the country was in complete disarray and had very limited funding to respond to the overwhelming needs of its population.</p>	<p>Avian Human Influenza Emergency Project (P111667) approved on July 14, 2008</p>	
<p>Objective 2: Integration of vulnerability reduction and risk management into national, sectoral and</p>	<p>Integration of Vulnerability Reduction: Partially Achieved While there was a functioning civil protection unit with clearly defined procedures, response plan, and an elaborated communication strategy that was sufficiently staffed, mainstreaming disaster reduction in all the five targeted ministries had not taken place during the CAS period. Nevertheless, the country continued to be better prepared to address major disasters from year to year, which was best exemplified</p>		

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
<p>local development strategies and program</p> <ul style="list-style-type: none"> Risk management and vulnerability reduction strategies integrated in development plans. <p><u>Baseline:</u> sectoral plans consider risk management</p> <p><u>Target:</u> 5 key ministries integrate vulnerability strategies into sectoral plans (Ministries of Public Works, Agriculture, Education, Environment, and Social Affairs).</p> <p>Achieved: 2 Ministries integrated vulnerability strategies (Public Works Education)</p>	<p>by the fact that Hurricane Noel killed 4,000 people in 2004 while the series of four exceptional hurricanes and tropical storms in 2008 resulted in 75 percent less deaths.</p> <p>Under the Emergency Bridge Recovery and Vulnerability Reduction Project, four management units were established dealing with disaster reduction, including in 2 key ministries. There was also a fully staffed Vulnerability Reduction Unit (VRU) under the Ministry of Planning. The VRU is in the process of developing a National Vulnerability Reduction Framework and the associated planning tools to guide sectoral ministries in the integration of vulnerability reduction principles into their respective policies, strategies, programs and projects. The VRU was also working closely with the Inter-ministerial Committee on Land Use Planning.</p> <p>The Ministry of Public Works also established a Crisis Management and Risk Reduction Unit within the Directorate of Public Works. The unit responded satisfactorily to the cholera outbreak and the passage of Hurricane Thomas by serving to coordinate the Departmental Directorates of Public Works in the collection and transmission of relevant information to the National Directorate of Civil Protection. In the Ministry of Education, there was progress in making schools safer by integrating vulnerability and risk assessment guidelines in school reconstruction. A school infrastructure risk and vulnerability assessment was prepared and Ministry staff was trained on safe schools construction guidelines. A National Action Plan for safe schools was developed. No progress has been made in establishing such units in the Ministry of Agriculture and the Ministry of Social Affairs as anticipated.</p>		
<p>Crosscutting Issues: Institution Strengthening and Supporting Delivery of Quick, Visible Results</p>			
<p>Rating: Unsatisfactory</p>			
<p>Objective 1 Institution building: improved public sector management systems, including strengthened budget preparation, budget</p>	<p>Public Financial Management: Partially Achieved There was some improvement in the areas of budget preparation, as well as, in the strengthening of the administration's internal controls, and an improvement in the review of government's accounts by the Court of Accounts. Building on the analytical work under the 2008 PEMFAR jointly prepared with the IDB, the reform agenda sustaining the budget support operations was focused on improved public financial management through transparency and accountability. Increased</p>	<p>The Second Economic Governance Reform Project (P100564) US\$23 million was approved in 2007 and closed in December 30, 2009; the US\$12.5 million</p>	<p><i>Budget support operations that are not programmatic in substance are insufficient to address the wide range of outcomes sought. However, fragility and political instability make formal</i></p>

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
<p>execution and strengthened internal and external controls</p> <ul style="list-style-type: none"> Multi-year perspective in fiscal planning, expenditure policy and budgeting (PEFA indicator 12): <p><u>Baseline:</u> D (2007); <u>Target:</u> B (2011); <u>Achieved:</u> Note Achieved (2012)</p> <ul style="list-style-type: none"> Scope, nature and follow-up of external audit (PEFA indicator PI 26): <p><u>Baseline:</u> D+ (2007); <u>Target:</u> B(2011); <u>Achieved:</u> Partially Achieved</p>	<p>transparency focused on procurement, ensuring the on-line publication of public contracts, transparency in the budget transfers to the electricity sector, and making sure that asset declarations by key government officials was comprehensive. On enhanced accountability, the prior actions centered on reinforcing the presence of financial comptrollers in all ministries, implementing the Ministry of Finance internal audit department's action plan, and ensuring that GOH's financial statements are audited on time by the Supreme Court of Accounts.</p> <p>While the new procurement law was adopted in June 2009, most of the implementation texts of the new procurement law (13 out of 17) were not adopted and the application of the new procurement law was deficient. Procurement units in line ministries were barely operational and only a handful of contracts could be found on-line. The destruction of the office, the files and the equipment of the procurement regulatory body and many of the ministries also partially explains the situation. Despite some limited reduction in the percentage of non-competitively awarded contracts, sole- source contracting was the default option instead of being the exception. Widespread use of sole-sourcing seemed to have increased in a context where the government had to respond to the emergency situation related to the earthquake and the existence of the emergency law giving specific powers to the executive to fast-track procurement.</p> <p>The target of incorporation of multi-year perspective in fiscal planning, expenditure policy and budgeting was not reached. GOH had not yet embraced the idea of a multi-year budget. PEFA report of November 2011, gives Indicator 12 a rating of D+.</p> <p>The target for scope, nature and follow-up of external audit was also not achieved. The same PEFA report, give Indicator 26 no rating because of a lack of documentation. The 2007-2008 state financial statements were audited by the Supreme Court of Accounts but the audits for 2008-2009 were delayed due to the destruction of its building in the earthquake. The 2009-2010 financial statements were sent to the Court's review in May 2011. Meeting the constitutional requirements regarding the timing for the submission of Government's account continued to be a challenge and the 2010 earthquake did not help improve the situation. Although the Internal control department of the Ministry of Finances has been operational since May 2009. It is not clear how the recommendations of the previous audit were implemented and this represents a real weakness of the set up.</p>	<p>Third Economic Governance Reform Project (P117944) was approved in December 8, 2009 and closed December 31, 2010</p> <p>Emergency Economic Governance Reform Project (P118239) for US\$30 December 31, 2010; approved in August 5, 2010 was prepared together with budget support financed through the Haiti Reconstruction Fund with US\$15 m funding from Brazil and a US\$ 10 m from Norway</p> <p>Strengthening of the Management of the Agriculture Public Services (P113623), approved 25 June 2009.</p>	<p><i>programmatic budget support difficult as a tool as political instability can adversely affect momentum on reform.</i></p>

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
<p>Objective 2: Supporting delivery of quick, visible results</p> <ul style="list-style-type: none"> • Improved capacity of MARNDR to manage public sector investments <p><u>Baseline:</u> non-salary commitment rate of MARNDR's operating budget = 80% (2009). Non-salary commitment rate of MARNDR's operating budget = 95% (2012)</p>	<p>Results: Although the target was not achieved, the outcome of improved capacity of the Ministry of Agriculture to manage public sector investments was partially achieved. No progress has been made with respect to the increase in the level of non-salary-commitment of the Ministry of Agriculture's operating expenses. However, the Ministry has improved internal communication as well as the process for developing the investment budget by: (i) developing an internal manual for preparing Investment Project Papers (or FIOP - Fiche d'Investissements de Projets); (ii) approving a National Agriculture Policy to guide priorities and investments; and (iii) undertaking a 5 year investment exercise (National Agriculture Investment Plan 2011-2016).</p>		<p><i>Support for reform is more successful when there is strong coordination with other donors, on key critical and irreversible measures.</i></p>
Earthquake Emergency Response and Reconstruction			
Rating: Highly Satisfactory			
<p>Objective 1: Helping the People and the Government in the Emergency</p>	<p>The World Bank Group adjusted its program to the earthquake and developed a three-pronged approach: (i) helping the people and the Government in the Emergency; (ii) supporting early reconstruction; (iii) continuing to invest in Haiti's long term development. In the wake of the earthquake, the Bank brought all of the resources it had, to do as much as it could, very rapidly, under challenging circumstances. Both the emergency interventions and reconstruction activities were undertaken with both short and longer-term goals in mind. Therefore, taking into consideration the objectives added as a result of the earthquake and outcomes achieved, the results under this pillar are highly satisfactory.</p> <p>Disaster Response Post Disaster Needs Assessment (PDNA) Immediately following the earthquake, the World Bank, through financing from the Global Facility for Disaster Reduction and Recovery (GFDRR) became a leading contributor to the Post Disaster Needs Assessment, which was conducted in the two months after the catastrophe. The UN, EU and IDB, and the Bank pooled their technical resources to help Haitian authorities: (i) estimate the overall impact of the earthquake, (ii) develop a preliminary strategy for recovery and reconstruction, including the costing of the identified needs in all key sectors, and (iii) assist the</p>	<p>CDD Project (P093640), approved 28 July 2005, was already being implemented. This was supplemented by two additional financings approved respectively on January 29, 2009 (P114775) and May 27, 2010 (P118139).</p> <p>Urban CDD Project (P106699), approved on June 3, 2008, for US\$ 15.7 million has also received an additional financing (P121833) of US\$30 million approved on October 26, 2010 to address housing reconstruction.</p>	

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
	Government with technical and policy advice to strengthen their national disaster risk management system and effective implementation of key activities.		
	<p>Building Assessment and Safety The Bank financed the structural assessment of all vertical infrastructures in the earthquake affected areas. This included over 400,000 structures evaluated by 400 engineers and technicians, who were trained to evaluate structural soundness of buildings. This increased technical capacity in the Ministry of Public Works continued to be valuable during the reconstruction process in ensuring the implementation of the new, safer building codes.</p> <p>Social Protection Bank executed project preparation funds for an emergency project (IIERP) financed blanket supplementary feeding for nearly 70,000 children 6-35 months of age and targeted supplementary feeding for the treatment of moderate and acute malnutrition for 75,000 children aged 6-59 months through the World Food Program, as well as, basic health and nutrition services for pregnant women and young children through the Pan American Health Organization/World Health Organization.</p> <p>Cholera To respond to the cholera epidemic that broke out in Haiti nine months after the earthquake, the Bank rapidly prepared an emergency cholera project. The objective was to improve the health and hygiene practices in order to reduce the spread of cholera and strengthen the institutional capacity to respond to outbreaks. Despite only being under implementation for a short while during the CAS period, hygiene education was financed in 500 localities, 83 cholera treatment units and oral rehydration posts were supported with personnel and/or supplies, over 3,000 health and hygiene agents and medical personnel were trained; and six out of ten departmental cholera management plans were prepared.</p> <p>Public Financial Management The IIERP project housed and equipped the Ministry of Economy and Finance, including the Tax Office (over 500 staff), allowing salaries to be paid, revenues to be collected and economic governance efforts to continue.</p> <p>As a result of Haiti's participation in the Caribbean Catastrophe Risk Insurance Facility, financed by IDA, Haiti received a payout only two weeks after the earthquake for nearly \$8 million. As the first significant financial inflow that the country received following the catastrophe, this pumped much needed liquidity back</p>	<p>JSDF Grant for Emergency Community Cash for Work Project (P123205), approved Sept. 3 2010 for US \$2.84 million</p> <p>Infrastructure and Institutions Emergency Recovery Project (P120895) approved on March 18, 2010.</p> <p>Transport and Territorial Development Project (P095523) approved on April 11, 2006 with an additional financing (P114059).</p> <p>Emergency Bridge Reconstruction and Vulnerability Reduction Project (P114292) approved on November 18, 2008</p> <p>Support to National Institutions for Haiti Earthquake Recovery (\$1.1M) approved Feb 10, 2010</p> <p>Haiti Structural Assessment Program (\$1.71M) approved Feb 10, 2010</p>	

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
	into public finances, helping Haiti to begin addressing the immediate financial impact of the disaster.	Haiti Multi-hazard Assessment (\$1.25M) approved Feb 10, 2010	
Objective 2: Supporting Early Reconstruction	<p>Education The earthquake severely affected the education system killing 30,000, including 1500 teachers, and destroying 4300 schools. The earthquake also affected outcomes in this sector because of the destruction of the main building of the Ministry of Education and the death of staff.</p> <p>Tuition waiver The project was expanded from financing 140,000 to 180,000 tuition waivers after the earthquake to help families keep more children in school during the crisis. In addition, 3,000 schools in financial distress after the earthquake received a one-time grant.</p> <p>School feeding The school program made it possible for 80,000 vulnerable children to receive one hot nutritionally balanced meal and a snack per day.</p> <p>CDD After the earthquake, CDD mechanisms were used to channel emergency support to affected areas, including the worst affected neighborhoods in Port au Prince. During the CAS period, mostly in the aftermath of the earthquake, nearly 1000 sub-projects were approved and 1000 were started, improving access to infrastructure, as well as, productive and social services, such as: increased agricultural inputs and basic necessities, increased livestock herds, water supply, better transport and communication between villages, increased access to electricity, renovated class rooms, internet access and rehabilitated health clinics. In addition, a cash-for-work project, financed by the Japan Social Development Fund, also using the CDD method, created 30,000 temporary employment opportunities in debris removal. This project gave temporary employment at a time when many had lost their livelihoods and there was urgency to remove debris to make way for reconstruction.</p> <p>Housing and Neighborhood Reconstruction: In addition to TA on housing policy, urban planning to upgrade neighborhood infrastructure, and donor coordination of the sector, the Urban CDD project (PRODEPUR) was restructured to incorporate housing and additional financing was approved to make project preparation funds available for housing. A previously non-existent Housing Sector Framework was developed with the Interim Haiti</p>	<p>Education for All Project (P099918) , US\$ 25 million, approved April 26, 2007 Additional financing (P121193) of US\$12 million on May 27, 2010</p> <p>School Emergency Reconstruction Project (P115261) approved 5 March 2009 for US\$5 million</p> <p>Cholera Emergency Response Project (P120110) approved January 18, 2011 National Cholera Prevention Program in Post-Earthquake Haiti (\$200,000) approved Jan 28, 2011</p> <p>Catastrophe Insurance Project, approved May 13, 2011 for US\$9 million</p>	

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
	<p>Reconstruction Commission. Although housing results were limited during the CAS period because of lack of a housing authority, as well as, housing framework and policy, once UCLBP was established, housing policy became available, and appropriate mechanisms such rental grants were established, they began to accelerate.</p> <p>Building codes For the first time in Haiti, with support from GFDRR, building codes were developed, which included resistance to hurricanes and earthquakes. The Crisis Management and Risk Reduction Unit (CMRRU) worked closely with the then recently established Technical Building Evaluation Unit, both in the Ministry of Public Works, to introduce vulnerability reduction measures into the National Guidelines for Building Repairs and the Best Practice Handbook for Residential Construction. A Guide for Disaster Resilient Health Facilities (construction and rehabilitation) was developed, with structural resilience standards.</p> <p>Multi-hazard Assessment The Bank developed a multi-hazard assessment (floods, mudslides, hurricanes and earthquakes) with neighborhood-level detail, which the government and donors could use to inform investment decisions. All the hazard data was made available on the open-data platform HaitiData.org.</p> <p>Transportation The earthquake in 2010 substantially impacted road usability and physical access to various parts of the country. The Bank transport program adapted to the urgent situation on the ground by assessing the damage to the transport network, restoring access to areas that were cut off by the earthquake, improving drainage and maintenance to reduce flooding. Major repairs of critical points along two key national roads maintained connectivity between regions. Several fjords and emergency overpasses were restored, and several bridges were rehabilitated also allowing isolated communities to reconnect in west and south east department. Canals were cleared in Port au Prince to prevent flooding.</p> <p>Debris Management The Bank also made a critical contribution to reconstruction by setting up a GIS system to evaluate and map debris and by financing a debris management site in Port au Prince. It was the first environmentally and socially sound disposal facility with sufficient capacity to treat the bulk of debris from the entire Port au Prince</p>		

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
	<p>metropolitan area, where the impact of the earthquake was concentrated. The clearing of debris accelerated reconstruction and the resumption of economic and other activity after the earthquake.</p> <p>Private Sector IFC responded swiftly in the aftermath of the earthquake, making 5 investments enabling the employing of 5000 people. IFC activities also safeguarded 5000 existing jobs. This is in addition to the \$ 13m syndicated from others. IFC advisory activities were also significantly ramped-up to improve the investment climate and access to finance and skills.</p> <p>The Partial Credit Risk Guarantee Facility covered 255 loans in an amount of \$3.3 million. The amount was smaller than originally envisioned due to the time it took to launch the project after the earthquake (effectiveness in February 2011). By the time the activity was launched, banks had already restructured most of the loans that had been affected by the earthquake. However, in spite of the relatively small amount of loans covered by PCGF, the project provided an important signal, as many loans were restructured by banks knowing, that they would be eligible for coverage under the PCGF.</p>		

Annex Table 2: Summary of ISN Program Self-Evaluation

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
Strategic Objective 1: Reducing Vulnerability And Increasing Resilience			
Overall Outcome: Moderately Satisfactory			
<p>Objective 1: Disaster response capacity enhanced</p> <ul style="list-style-type: none"> • % population living in municipality with a certified CCPC (<i>Comité Communal de Protection Civile</i>) <p><u>Baseline</u>: 20% (2011); <u>Target</u> : 35% (2014);</p>	<p>Disaster Risk Management: Not Achieved</p> <p>Despite some progress in improving risk analysis (country-wide high-resolution LiDAR survey), preparation of Understanding Risk conference, preparedness capacity (communication network, training center for DPC), and the holding of the annual National Disaster Simulation Exercises, the DRM program suffered from implementation delays due to high turn-over in the Ministry of Interior and consequent lack of a political champion.</p> <p>The activity to support the CCPC (in the indicator) was not initiated due to implementation delays. A baseline study on the CCPCs conducted in 2014, indicated that all 144 communes of the country have existing CCPCs, but with varying levels of capacity. Therefore, the focus of the activity will continue to be to strengthen the capacity of these units.</p> <p>At the central level, through the Emergency Bridge and Vulnerability Reduction Project (PROREV), there was progress in the governance of the sector. The crisis management unit in the Ministry of Public Works (MTPTC) was established and is operational. The head was appointed (2011) and action plan has been developed (2014). This was the first step to enable MTPTC to play its role in the National DRM System and to integrate DRM preparedness in sector policy. There was also some incorporation of relevant issues in the FY14 budget, which included increased funding for canal and river cleaning before the hurricane season to prevent flooding and protect public health in the context of the cholera epidemic.</p>	<p>Existing IDA Grants</p> <ul style="list-style-type: none"> • Infrastructure and Institutions Emergency Recovery P120895 (\$65m) 30-Jun-2015 • Emergency Bridge Rec. & Vulnerability Reduction P114292 (\$20m) 30-Jun-2012 • Disaster Risk Management and Reconstruction P126346 (\$60m) • Transport & Territorial Dev. P095523 (\$28m) 30-Jul-2013 • Emergency Recovery & Disaster Mgmt. P090159 • Cholera Emergency Response P120110 (\$15m) 30-Jun-13 • Rural Water & Sanitation P089839 <p>New IDA Grants</p> <ul style="list-style-type: none"> • Infrastructure and Institutions Emergency Recovery AF P130749 (\$35m) 30-Jun-2016 • Haiti Improving Maternal and Child Health P123706,(\$70m) approved on 21-May-13 	<p><i>Mainstreaming vulnerability reduction in sector policies is a slow process beyond project lifetime and results in capacity strengthening need continuous engagement for progress to be achieved.</i></p> <p><i>In a country with such high risk of multiple natural hazards, continuing efforts are needed to mainstream disaster risk prevention and management into sector policies, though this takes time. When the risk is not immediate, urgency and momentum tend to be lost. To overcome this inertia, dialogue needs to be based on evidence showing the cost to the economy and vulnerability of citizens, particularly with urbanization in precarious areas. This objective requires continuous, long term engagement as the risk will only worsen with climate change.</i></p>
<p>Objective 2: Select public infrastructure rehabilitated and resilience of critical transport infrastructure strengthened</p>	<p>Infrastructure: Mostly Achieved</p> <p>There was continued reorientation of the transport program, in response to the multiple natural disasters, to focus on the resilience of critical points in the transport network. During the ISN period, in addition to nearly reaching the indicator target, access was restored to selected critical points of the transport</p>	<p>Trust Funds</p> <ul style="list-style-type: none"> • Structural Assessment Program TF096218 (\$1.3m) 10-Feb-2012 	<p><i>Critical spot treatment is an efficient approach to enhance resilience of the road network in natural</i></p>

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
<ul style="list-style-type: none"> Additional km of roads rehabilitated or repaired to agreed standards <p><u>Baseline:</u> 0 (2011); <u>Achieved:</u> 30kms (2012); <u>Target:</u> 168km (2014); <u>Achieved</u> 150km (2014)</p>	<p>network, including 4 fjords and emergency overpasses that were restored, 11 out of 14 other bridges impacted by the 2008 hurricane season that were strengthened, and 5 road sections that were rehabilitated. This enabled communities that had previously been isolated by natural disasters to stay connected to the larger region and by doing so continue to be able to access services and preserve their livelihoods.</p> <p>The Infrastructure and Institutions Emergency Recovery Project (IIERP) also continued to make a critical contribution to the management of earthquake debris in Port au Prince through the financing of a disposal site. This site was the only engineered disposal facility in the entire Port au Prince metropolitan area, where the impact of the earthquake was concentrated. The private operator upgraded the facility and the improved the living and working conditions at the adjoining municipal garbage site, and has expanded recycling of building materials.</p>	<ul style="list-style-type: none"> Multi-hazard Assessment TF096220 (\$1m) 10-Feb-2012 Reducing Disaster Risk in Haiti's Health Infrastructure TF099459 (\$1.4m) 31-Dec-2012 National Cholera Prevention Program in Post-Earthquake Haiti TF098259 (\$0.2m) 31-Oct-2011 Pilot Program for Climate Resilience TF010119 Poverty Measurement & Household Survey P123160 SPF Rural Water & Sanitation P114936 	<p><i>hazard prone environment in a cost effective manner</i></p>
<p>Objective 3: More effective prevention and treatment of Cholera</p> <ul style="list-style-type: none"> Additional people benefiting from targeted health and hygiene education, water treatment and cholera prevention measures <p><u>Baseline:</u> 1million (2012); <u>Target:</u> 1.5 million (2013); <u>Achieved:</u> 3 million (2014)</p>	<p>Cholera Health: Achieved</p> <p>In the context of a cholera epidemic, the emergency cholera project improved health and hygiene practices in order to reduce the spread of cholera and strengthened the Ministry of Health's capacity to monitor and respond to outbreaks. As a result of prevention education campaigns, the percentage of the population in intervention areas with knowledge of cholera early warning symptoms increased from 64% to 82%. Almost 4,500 communities received health education and/or prevention activities, double the project target of 2,214 communities. Regarding health services, over 250 health facilities were also supported with technical and financial support; including 82 health centers and posts, treatment centers, and units. Cholera treatment was integrated into existing health facilities through the creation of 16 rooms for acute diarrhea treatment across the six departments of intervention. Throughout the 6 departments, 5,400 community agents, supervisors, and institutional personnel were recruited and trained. In addition, over 850,000 people received water treatment products and soap. Overall, nearly 3 million people have been sensitized to better recognize cholera early warning signs and symptoms and to pursue proper treatment, including those formally trained.</p> <p>There has also been progress in building institutional capacity in the Ministry, including in the surveillance of the epidemic. All 6 Departments of intervention have a Departmental Cholera Management Plan. A national cholera focal point</p>		<p><i>To be effective in eliminating deaths from cholera and secondary transmission it is necessary to have an integrated health and water and sanitation interventions</i></p>

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
	<p>and departmental coordinators in each of the 6 Departments have been put in place. The Project supported the <i>Direction d'Épidémiologie de Laboratoire et de Recherche</i> (DELR) and the “<i>Laboratoire National de Sante Publique</i>” (LNSP) by financing field technicians to collect specimens to detect cholera cases, as well as, the development of the National Plan of Epidemiological Surveillance.</p> <p>A new multi-sectoral Bank approach on cholera has been developed that combines health and water and sanitation to eliminate deaths and secondary transmission from cholera. Through the Improving Maternal and Child Health Project (MCH) (\$90m), the Bank is investing US\$20m in cholera for treatment, prevention and control to follow on the successful activities of the emergency cholera project under this new Bank approach.</p>		
<p>Objective 4: More effective prevention of Cholera</p> <ul style="list-style-type: none"> • People in rural areas provided with access to improved water sources under the projects <p><u>Baseline</u>: 33,680 (2011); <u>Target</u>: 51,000 (2013); <u>Achieved</u>: 59,367 (2014)</p>	<p>Cholera Water and Sanitation: Water Access: Achieved The Rural Water and Sanitation project increased access to water services in participating rural communities. It provided 59,367 people with access to improved water supplies in 15 communities. Additionally, 8 piped systems were rehabilitated, 4 piped systems constructed, and 3 communities served with a total of 8 hand pumps.</p> <p>Water Service: Through the Project 1,598 new piped household water connections were installed and 159 improved community water points were constructed or rehabilitated. At the end of the evaluation period, over 20% of the households in the project area had a private connection to the water network, compared with 8% in 2008. The cholera project also supported the Direction Nationale d'Eau et Assainissement (DINEPA) by financing technicians on water and sanitation (TEPACs) and the rehabilitation of at least 20 water points.</p> <p>Sanitation: The Emergency Cholera project also contributed toward improved sanitation. It contributed to upgrading the national Standards for Biomedical Waste Management and the Hygiene Promotion Plan. Over 50 latrines and 7 water pumps were rehabilitated, are in use, and being managed by local community organizations in Truitier, a public landfill in Port Au Prince. In addition, all the health facilities that were supported by the project also benefited from technical and financial support for waste management and environmental protection, including the installation of 8 incinerators acquired by the Ministry of Public Health and Population (MSPP) and 4 incinerators acquired and installed by the Project, the emptying of 4 septic tanks, and the undergoing construction of 3 ecological sanitary blocs.</p>		<p><i>To be effective in eliminating deaths from cholera and secondary transmission it is necessary to have an integrated health and water and sanitation interventions</i></p>

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
Strategic Objective 2: Sustainable Reconstruction			
Overall Outcome Rating: Moderately Satisfactory			
<p>Objective 1a: Neighborhoods upgraded and housing repaired</p> <ul style="list-style-type: none"> • # of displaced households that have returned to neighborhoods <p>Baseline: 0 (2011); Target: 9k HHs, 22.5k ppl, 50% women (2014); <u>Achieved</u>: 14,800 HHs, 48k ppl, of which 24k women (2014)</p> <p>Objective 1b: Services in project neighborhoods improved</p> <ul style="list-style-type: none"> • # of households benefitting from community-wide upgrading <p><u>Baseline</u>: 0 (2011); <u>Target</u>: 25k HHs, 125k ppl, 50% women (2014); <u>Achieved</u>: 25k HHs, 80k ppl, of which 40k women</p>	<p>Housing: Achieved The Port au Prince Neighborhood Housing Reconstruction and Urban CDD AF projects achieved the objective of upgrading the neighborhood and repairing housing. The rental housing cash grant program, developed in conjunction with Government and donors, supported the return of about 14,800 households from camps into safe rental units. In addition, 1200 houses were repaired or upgraded, a number of multi-family homes were built, and new, large multi-family homes were being built.</p> <p>The program also achieved its objective of improving basic community infrastructure. More specifically, drainage was repaired; 240 street lights were installed and are functioning; and 75 corridors and walkways were paved or repaved. Together the neighborhood infrastructure improvement benefitted 125,000 people in some of the most earthquake ravaged areas of Port au Prince. In addition to improving living conditions for those who lived in the neighborhood, improvement in the neighborhood gave owners incentive to invest in their rental properties, increasing the rental stock, which was in short supply after the earthquake making it difficult for people to move out of camps. The program also established Community Reconstruction Centers in all neighborhoods of intervention to provide a one-stop consultation and training, open to all residents, on issues relating to housing repair and reconstruction, new building codes, to prioritization of community infrastructure improvements.</p> <p>In terms of governance, the program supported UCLBP (Housing agency) to take on a larger role in the management of the sector and the oversight of reconstruction. The institutional framework for the sector was progressively developed, including the first housing policy.</p>	<p>Existing IDA Grants</p> <ul style="list-style-type: none"> • HT Urban CDD/PRODEPUR P106699 (\$30 m) 31-Mar-2014, AF (\$4.9m) 20 June 2014 • Electricity Loss Reduction Project P098531 (\$11m) 28-Feb-2013 <p>New IDA Grants</p> <ul style="list-style-type: none"> • Rebuilding Energy Infrastructure and Access Project P127203 (\$90m) 30-Dec-2017 • Development Policy Operation (\$20m) energy policy measures under discussion <p>Trust Funds</p> <ul style="list-style-type: none"> • Haiti Neighborhood Housing Reconstruction (HRF), P125805 (\$65m) 30-Jun-2015 • JSDF Emergency Cash for Work P123205 (\$2.8m) 31-Mar-2012 <p>AAA</p> <ul style="list-style-type: none"> • Sustainable Housing Policy and Finance Framework TF099445 (\$0.3m) 30-Dec-2012 • Housing Reconstruction Support TF098974 (\$0.5m) 18-Mar-2014 	<p><i>Improving publicly financed urban infrastructure should be prioritized in Bank interventions over housing repair and reconstruction, which is primarily financed privately.</i></p> <p><i>Bank support to housing in post-disaster, weak capacity environments should focus on a clear and simple housing subsidy mechanism to support housing reconstruction, on stimulating reconstruction of the rental stock by improving neighborhood infrastructure, and providing TA to ensure quality of reconstruction.</i></p>

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
<p>Objective 2: Access to electricity improved and commercial viability of sector increased</p> <p>2a) Access to electricity improved</p> <ul style="list-style-type: none"> • Average daily services availability (metro PaP) <p><u>Baseline</u>: 14hrs/day(2011); <u>Target</u>: 16hrs/day (2014); <u>Achieved</u>: 16hrs/day (May 2014)</p> <p>2b) Commercial viability of the sector increased</p> <ul style="list-style-type: none"> • EDH Cash Recovery Index <p><u>Baseline</u>: 22% (2011); <u>Target</u>: 27% (2014); <u>Achieved</u>: 29% (May 2014)</p>	<p>Electricity: Partially Achieved</p> <p>Access to electricity services did improve during the period under review, mainly due to the increased generation capacity at E-Power. In December 2012, 100% of customers are served in the metropolitan area with at least 6 hours of electricity per day. By the end of the evaluation period, the average level of service had increased to 12 to 16 hours per day. The Cash Recovery Index also was just over the target of 27% in May 2014. This apparent progress does not capture major political economy issues, financial, and commercial hurdles that continued to exist in the sector, including very high commercial losses (35%, national average) with EDH being unable to pay for the cost of basic maintenance services, fuel, and amounts due for generation under power purchasing agreement, even with subsidies. The major hurdle was the lack of political impetus for reform. The earthquake had also made the situation worse, negatively impacting not only the physical infrastructure but also the staff of the utility and the customer’s ability to pay.</p> <p>On the positive side, (i) international experts continued to advise key EDH directors and their contributions continued to bring some improvements in the management of the utility, (ii) the Haiti Electricity Loss Reduction Project continued to support the energy sector management unit in the Ministry of Public Works and (iii) the Bank coordinate investment in rehabilitation and expansion of infrastructure and technical assistance to EDH with other major donors(IDB and US).</p>	<ul style="list-style-type: none"> • Housing Finance AAA P127497 (\$0.6m) 8-May-2012 • Haiti – Social Dimensions of Reconstruction (P130583), 30-Jan-12 • Energy Sector Mgt Program – ESMAP TA P125192 (\$0.5m) 30-Oct-2012 • Household and Other Energy Sector • SFLAC Energy Access Expansion in Haiti (P130583) 	<p><i>Political economy and entrenched interests make progress on reform difficult. Strong political will is needed to push forward.</i></p>
<p>Strategic Objective 3: Building Human Capital</p>			
<p>Overall Outcome Rating: Satisfactory</p>			
<p>Objective 1: Access to schools increased, school feeding continued</p> <ul style="list-style-type: none"> • # of children receiving enrollment subsidies (cumulative) <p><u>Baseline</u>: 80,000 (2011); <u>Target</u>: 280,000, 50% girls (2014); <u>Achieved</u>: 480,000, 50% girls (2014)</p> <ul style="list-style-type: none"> • Additional qualified primary teachers 	<p>Education: Achieved</p> <p>Increased access to basic education, supported during the CAS period, continued during the ISN period, through the tuition fee waiver program in disadvantaged areas. Given that the education sector in Haiti is over 80% private and that the biggest constraint to expansion of access to primary school is parents’ ability to pay, the tuition waiver program financed by IDA and TF was successful in bringing children into school. During the ISN period, GOH scaled up its own tuition waiver program based on the Bank developed mechanism. While GOH set up its own financed program, the transparency, accountability, and actual flow of funds continued to need further improvement. In the context of significant vulnerability to food insecurity for children, the school feeding program also increased attendance in schools by providing one snack and hot meal per day to vulnerable children. In addition, community schools that were begun under the CAS period were built, enabling access for children in underserved areas and 3 cohorts of teachers were trained to contribute to</p>	<p>Existing IDA Grants</p> <ul style="list-style-type: none"> • Education for All APG1 P099918 (\$60m) 31-May-2012 • Education For All APG2 P124134 (\$70m) • School Reconstruction P115261 • Meeting Teacher Needs P106621 <p>New IDA Grant</p> <ul style="list-style-type: none"> • Haiti Improving Maternal and Child Health P123706 (\$70m), 21-May-13 	<p><i>Strengthening management over a large private sector that is used to being unregulated is a long term process that requires continuous engagement</i></p>

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
<p><u>Baseline</u>: 0 (2011); <u>Target</u>: 3,300 (2014); <u>Achieved</u> 2,600 (2014)</p>	<p>improved education quality. While, both targets were achieved, improving governance in the sector continued to be a longer term endeavor requiring continuous engagement.</p> <p>The Tuition Waiver Program financed by the Education for All APG1, APG2, and the EFA Multi-donor Trust Fund supported the enrollment of 300,000 students (cumulative) disadvantaged children in non-public schools from January 2012 to June 2014. Approximately, 150,000 students (cumulative) benefitted from one snack and hot meal per from January 2012 to June 2014. The School Reconstruction and EFA APG2 projects increased student enrollment in underserved areas, by building community based schools (9 schools under construction, 44 are functioning under provisional shelters). However, the community school component of EFA APG2, was significantly delayed due to the need for extensive training of the communities to manage the schools and higher than anticipated cost. With teacher quality being one of the most effective ways to improve learning outcomes, the Meeting Teacher Needs project trained 2,600 qualified teachers. The Ministry began working on a plan to gradually hire teachers that had not yet found a position. Improving management over a largely private education sector that had been unregulated continued to be a challenge. Through EFA APG2, the Bank was also building capacity in the Ministry to manage the sector both at the central level, through support to building an accreditation system, and at the decentralized level by enhancing the capacity of regional education directorates to improve school supervision and teacher attendance.</p>	<ul style="list-style-type: none"> • HT Avian Human Influenza Emergency P111667 (\$1.6m), 14-Jul-08 <p>Trust Fund</p> <ul style="list-style-type: none"> • Education for All Fast Track Initiative Catalytic TF097009 (\$22m) 31-Oct-2015 • Adolescent Girls Initiative P123483 (\$2.0) 30-Apr-2014 • Preventing Gender Based Violence P125150 (\$0.5m) 30-Sep-2012 • JSDF Emergency Cash for Work P123205 (\$2.8m) 31-Mar-2011 • Household Development Agent Pilot TF097211 (\$1.5m) • Nutritional Security TF097257 (\$0.2m) 30-Jun-2012 <p>AAA</p> <ul style="list-style-type: none"> • Safety Nets Phase 2 NLTA • Poverty Measurement & Household Survey P123160 	
<p>Objective 2: Vulnerability of Women Reduced</p> <ul style="list-style-type: none"> • # of girls that received training, life skills and placement services <p><u>Baseline</u>: 0 (2011); <u>Achieved</u>: 500 (2012); <u>Target</u>: 1,000 (2014)</p>	<p>Adolescent Girls' Initiative: Achieved</p> <p>The Adolescent Girls Initiative (AGI) trained 1,000 young, vulnerable Haitian women between the ages of 17-20 to increase their future employability and earnings. Beneficiaries received vocational, professional, and life skills training, stipends to cover expenses for the training and internship, delivered via a mobile payment system, and an internship to facilitate entry into the labor market and give the girls hands-on experience.</p>		

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
<ul style="list-style-type: none"> • Camp residents are equipped with Gender Based Violence prevention kits and receive training in GBV prevention. <p><u>Baseline:</u> 0 (2011); <u>Target</u> 6,000 (2014); <u>Achieved:</u> 7,000 (2014)</p>	<p>Gender Based Violence: Achieved</p> <p>Financed by the Rapid Social Response TF, this activity financed gender based violence training and kits for 7,000 women to protect themselves in a camp-setting. It also contributed to raising awareness more generally on the issue of gender-based violence by working with leading national and international organizations (KOFAVIV and MADRE) to promote prevention and assistance to victims of sexual violence.</p>		
<p>Objective 3: Access to health and social protection services increased</p> <ul style="list-style-type: none"> • % of people in targeted areas with access to a basic package of health, nutrition and population services <p><u>Baseline:</u> TBD (2012); <u>Target:</u> 10% improvement</p>	<p>Health and Social Protection: Health: Not Achieved</p> <p>During its short period of implementation, key building blocks were established for the results based financing (RBF) program that will shortly begin to provide services. A Contracting Unit dedicated to the RBF program was hired. A RBF Manual was finalized, containing full details of the RBF program including services, tariffs and other parameters. The process for selecting and putting in place an external verification agency will be finalized in July 2014.</p> <p>Social Protection: Partially Achieved</p> <p>The Bank piloted a community agent based social safety net approach for service delivery and support to vulnerable families that increased access to services. In the target area of 3 communes with a population of 150,000, 65,000 people benefited from improved access to social services through the <i>Kore Fanmi</i> program funded by the Rapid Social Response trust fund. While the baseline was not collected, the project intervened in remote, underserved, and extremely poor areas where the project reached 43% of the population. The project surpassed the target of 10% of people in the targeted area. Households were connected to or directly received a basic package of health, nutrition, or reproductive health services. More than 24,000 vaccinations were directly provided to children under 5 and over 15,000 pregnant or lactating women, adolescent girls, and children benefited from nutrition services. In addition, more than 10,000 long-lasting insecticide-treated malaria bed nets were provided to vulnerable families with pregnant women and/or young children and over 11,000 oral rehydration salts (ORS) were also provided to children with diarrhea. The community agents conducted community health (including cholera), hygiene, and nutrition education meetings and conducted home visits, reaching over 30,000 people. This approach is being expanded under the IDA-supported Improving Maternal and Child Health through Integrated Social Services Project.</p> <p>Through TA, the Bank also contributed toward the development of social protection in Haiti. It supported the development of a national framework to address malnutrition and food insecurity (Aba Grangou). It also provided just-in-</p>		<p><i>Building institutions and capacity require continuous, long term engagement to achieve results. Projects that were designed to build capacity directly in a Ministry, not using an implementing agency, should not be expected to show significant service delivery improvements early in implementation.</i></p>

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
	time TA on the value of cash transfers, subsidies, and food baskets, as well as on efficient service delivery models. The Bank also financed the development of a national targeting tool, which allows GoH to identify the poorest and most vulnerable Haitians, and the development of a social protection information system, which allows GoH to track beneficiaries and monitor progress over time.		
Strategic Objective 4: Promoting Inclusive Growth			
Overall Outcome Rating: Moderately Unsatisfactory			
<p>Objective 1a: Business environment improved and access to finance broadened</p> <ul style="list-style-type: none"> Increased total volume of outstanding loan portfolio at end of each year (gender data being collected) <p><u>Baseline</u>:HTG28.5b(2011); <u>Target</u>: 55b (2014); <u>Achieved</u> 63.6 b (2013)</p> <ul style="list-style-type: none"> Approval of regulatory texts for IEZs (signed by Executive or submitted to Parliament) <p><u>Baseline</u>: No (2011); <u>Target</u>: Signed (2014); Not achieved (2014)</p>	<p>Private Sector Development: Partially Achieved Haiti's Doing Business ranking in 2014 remained the same as in 2013 (ranked 177 out of 189 economies).</p> <p>Access to finance: Although the Banking sector continued to maintain high levels of liquidity overall, access to finance has improved with more than double the targeted increase in the total volume of loans. The Bank Group worked to increase access to finance in several ways. It provided TA to the Tax Directorate on the electronic collateral registry to increase access to finance for small and medium enterprises. The WBG also worked with the Central Bank to prepare the establishment of a Credit Bureau, including the necessary legal reform. It has also supported the Central Bank in the preparation of a financial inclusion strategy to enhance the supply of financial services to the poor and to MSMEs, to be launched in FY 15.</p> <p>Business Environment: Some progress was made towards improving the business environment. Specifically on the targeted IEZ law, there has been some, though limited, progress. With a template for the IEZ law provided by the WBG, the Presidential Commission for Business Law Reform was drafting the law. Through TA and IFC Advisory Services, the Bank Group supported legal and regulatory reforms included Secured Transactions, Leasing, Credit Bureau, and Insurance, with the laws in final draft for submission to Parliament. Although these laws are critical to creating the necessary legal frameworks to improve the investment climate, prospects for passage remain unlikely in the short run. The Business Development and Investment project also supported GOH in developing the criteria for granting of incentives to investors, which will level the playing field for investors.</p> <p>IFC Private Sector Investments: IFC has a committed portfolio in Haiti of US\$67.89m, of which US\$43.5m is on IFC's own account and US\$24.4 is mobilized from other partners. Investment projects include: CODEVI, a garment</p>	<p>Existing IDA & IFC Grants & Investments</p> <ul style="list-style-type: none"> Infrastructure and Institutions Emergency Recovery P120895 (\$65m) 30-Jun-2015 <p>Existing IDA Grants</p> <ul style="list-style-type: none"> Post-Disaster Partial Credit Guarantee Program Support P121391 (\$3m) 28-Feb-17 Strengthening Management of Agriculture Public Services P113623 (\$5m) 30-Jun-2014 Re-launching Agriculture P126744 (\$40m IDA + \$10m GAFSP) Community Driven Development PRODEP P093640 (\$61m) 30-Jun-2013 <p>New IDA Grants</p> <ul style="list-style-type: none"> HT Business Development and Investment P123974, (\$20m) 21-May-13 Haiti Center and Artibonite Regional 	<p><i>Legal reform that requires passing of laws by Parliament is dependent on the larger relationship between the Executive and the Parliament. Results that depend on the passing of such law risk being stalled, particularly in a fragile environment.</i></p>

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
	<p>manufacturer employing 7,000 workers in Ouanaminthe, a remote, provincial border city. With IFC's support, CODEVI was able to partner with NGO Ashoka to bring clean cooking facilities for the cooks feeding the industrial park's workers; E-Power, in the energy sector, supplies 30% of available electricity capacity in Port-au-Prince; Marriott Haiti, a business hotel, with 130 rooms, will serve as a key driver in the development of a value chain of SME suppliers; DLO Haiti, which distributes clean water in poor, underserved areas, addresses a critical gap in infrastructure; Sogebank, one of Haiti's leading commercial banks, has developed an SME unit with support from IFC Advisory; Leopard Capital Haiti Fund, a first time private equity fund is the first institutional investor in Haiti and focuses on large SMEs; and Eurasian/ Newmont, mining.</p>	<p>Development P133352 (\$50), 19-May-14</p> <ul style="list-style-type: none"> Cultural Heritage Preservation and Tourism Sector Support Project P144614 (\$45m), 19-May-14 <p>IFC investments: manufacturing, agribusiness, financial institutions, housing, infrastructure, construction, tourism</p>	
<p>Objective 1b: Regional economic development potential enhanced</p> <p>Operationalization of the Park Authority to manage National Historic Park</p> <p><u>Baseline:</u> none (2012)</p> <p><u>Target:</u> Hiring of key staff in Park Authority (2014); <u>Partially Achieved</u> (2014)</p>	<p>Regional Development: Partially Achieved</p> <p>The Cultural Heritage preservation and Tourism Sector Support Project was approved on May 19, 2014 for US\$45 million to support economic development in the North Region around cultural heritage assets, touristic circuit promotion, and support to local private sector initiatives. This critical institutional element to developing tourism at the National Historic Park, a UNESCO World Heritage Site, has been partially achieved. The transitional Park Authority mechanisms have been defined in March 2014. A transitional Director has been designated, who will lead the Park Management Plan preparation process. This process will define in detail the new Park Authority governance and management structure to be in place in 2016.</p> <p>In its first year of implementation, the BDI project also began supporting regional development through the setup of offices and hiring of decentralized staff for the Ministry of Commerce and Industry's Enterprise Support Services. In each of the ten departments, these units will facilitate regional economic development through the identification and development of priority value chains that are suited to the competitive advantages of that region.</p>	<p>Trust Funds</p> <ul style="list-style-type: none"> Business Edge (IFC and CDB) TF094597 (\$0.4m) 29-Feb-2003 Micro, Small and Medium Enterprises (IFC) TF098033 (\$0.28m) 28-Feb-2013 Business Environment Improvement (Doing Business TF) Investment Generation (IFC) TF098706 (\$0.9m) 28-Feb-2013 IFC Caribbean Credit Bureau Financial Sector Reform and Strengthening Initiative TF095115 Strengthening Insurance Regulation P130606 	
<p>Objective 2: Agriculture services to farmers enhanced, rural access to basic socio-economic infrastructure improved</p>	<p>Agriculture: Partially Achieved</p> <p>Although the modest target was achieved, considering the size of the resources in the sector (\$55m) and the aim of building capacity directly in the Ministry to implement an investment plan, set policy, and deliver services, the objective is only partially achieved.</p>	<ul style="list-style-type: none"> Agriculture Insurance Capacity Building P131111 Trade Facilitation in Haiti TF012767 	<p><i>Building capacity directly in a Ministry not using an implementing agency is a longer term process. Results take time to be achieved.</i></p>

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
<p>• # of farmers that have access to improved agriculture information, technologies, inputs, material, and services (disaggregated by gender)</p> <p><u>Baseline:</u> 1,000 (2011);</p> <p><u>Target:</u> 3,000*, 20% (2014);</p> <p><u>Achieved:</u> 4,565, (38% women) (2014)</p> <p>(*Note: The indicative target in ISN FY13-14 should have been 3,000 rather than the 6,000 given. The PAD for RESEPAG II has a target of 3,000.)</p>	<p>The program has been building capacity directly into the Ministry rather than going through an implementing agency and includes support to its reform process, strengthening of its planning and evaluation unit, the creation of gender and nutrition units, and support to further elaborate its 5-year agriculture investment plan, developed during the CAS period. However, building capacity in the Ministry takes time and results were slow to materialize.</p> <p>The Bank developed a voucher program during the CAS period that was implemented during ISN period surpassing the target. This voucher program, which subsidizes private sector inputs rather than substituting for them, now serves as the mechanism by which GoH delivers agriculture services and is being scaled up by a number of bilateral and multilateral donors, for up to US\$100 million.</p> <p>CDD</p> <p>The CDD project also contributed to the objective of rural access to basic socio-economic infrastructure improved. The CDD projects established solid and participatory mechanism for channeling funds to the local level in rural areas. This mechanism was also used to channel resources to communities in the aftermath of the January 2010 earthquake.</p> <p>Since the project began in 2006, about 1.15 million people benefited from the project, through 1,400 sub-projects implemented in 59 rural municipalities, which received US\$ 24 million (target US\$10.2 million). A total of 83% of productive and income-generating activities are operational twelve months after their completion (target was 75%) More than 4,300 community based organizations have been making decisions regarding projects, more than the 3,500 targeted.</p>	<ul style="list-style-type: none"> Transaction Support for IFC InfraVentures Investment TF012496 Strengthening Agriculture Public Services TF092088 (\$0.8m) 31-Dec-2016 <p>AAA</p> <ul style="list-style-type: none"> Diagnostic Trade Integration Study P116035 (\$0.4m) June 2012 	<p><i>Higher salaries paid by other donors attract staff away from Bank projects.</i></p>
<p>Crosscutting Theme: Strengthening Governance and Capacity</p>			
<p>Overall Outcome Rating: Unsatisfactory</p>			
<p>Objective 1.1 Disaster Response Capacity Enhanced</p> <p>• # of Disaster Risk Management Units in line Ministries able to incorporate hazard risk analysis into their programs.</p>	<p>Disaster Response Capacity: Partially Achieved DRM: Partially Achieved</p> <p>Although Haiti is the most vulnerable country in the region to natural disasters, getting disaster risk management mainstreamed into line Ministries and sector policy continued to be difficult. However, there was some progress in terms of DRM units in line Ministries. Units were established and have been functional in MTPTC and <i>Comité Interministériel d'Aménagement du Territoire</i> (CIAT) under the Prime Minister's Office, which is responsible for regional development. The Bank also supported the Ministry of Health to reinforce their "safe hospital" unit.</p>	<p>Existing IDA Grants</p> <ul style="list-style-type: none"> Disaster Risk Management P126346 (\$60m) Emergency Bridge Reconstruction and Vulnerability Reduction P114292 (\$20m) Infrastructure and Institution Emergency 	<p><i>The response to the next disaster should be prepares before disaster strikes.</i></p> <p><i>Address the continuum from emergency humanitarian response to development upfront.</i></p>

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
<p><u>Baseline:</u> 0 (2011); <u>Target:</u> 3 (2014); <u>Achieved:</u> 2 (2014)</p> <ul style="list-style-type: none"> • MTPTC bridge management unit operational (2014) <p><u>Baseline:</u> No (2011); <u>Target:</u> Yes (2014); <u>Achieved:</u> Yes (2012)</p> <ul style="list-style-type: none"> • Five cholera management departmental plans approved and under implementation <p><u>Baseline:</u> 0; <u>Target:</u> 5 under implementation (2013); <u>Achieved:</u> 6 Departments have Departmental cholera management plans</p>	<p>It has also helped the Ministry of Education on safe school guidelines and supported the Ministry to build safe community schools in underserved areas. The Bank DRM program is also working with the Ministry of Economy and Finance to prepare a study on the Economic and Fiscal Impact of Disasters in Haiti, which is crucial for a country like Haiti where natural disasters repeatedly, negatively impact gains made in economic growth. This is a positive step in integrating risk analysis into GOH's fiscal planning.</p> <p>In addition, under the Emergency Bridge Reconstruction and Vulnerability Reduction project, MTPTC's Geospatial Information System (GIS) management unit was established and staffed and an action plan was developed (2014). The project also supported MTPTC in building capacity to use the GIS system and in the development of modern asset management tools for public infrastructure.</p> <p>Transport: Mostly Achieved With support from Bank transport and DRM projects, capacity was built in MTPTC to reduce the vulnerability of public infrastructure. The Bank supported the establishment of the bridge management unit in 2011, which became operational in 2012. The existence of the unit enhanced GOH's ability to increase resilience of critical bridge infrastructure that keeps communities connected to the larger region and facilitates access to services and livelihoods. The Bank also trained MTPTC and supported the first national bridge assessment in 2013. As a result, the FY14 budget includes funding for bridges repairs. While progress has been made in asset management, supplementary training remains necessary and will be supported by Geospatial Information System asset management tools. Sustainable financing for the maintenance of public infrastructure continued to be challenge, without which the infrastructure being built by partners and GOH will be lost again over time.</p> <p>Cholera: Mostly Achieved Overall, the capacity to manage the cholera epidemic has improved and deaths from cholera have declined since the epidemic started in 2010. Through the Bank's Emergency Cholera project, all 6 intervention Departments have Departmental Cholera Management Plans. A national cholera focal point and Departmental coordinators were put in place in each of the 6 Departments.</p> <p>The Project also supported improvement in the surveillance of the epidemic through the <i>Direction d'Épidémiologie de Laboratoire et de Recherche</i> (DELR) and the <i>Laboratoire National de Santé Publique</i> (LNSP). The Bank financed field technicians, who collected specimens to detect cholera cases, as well as, the development of the National Plan of Epidemiological Surveillance. The Project</p>	<p>Recovery Project P120895 (\$65m)</p> <ul style="list-style-type: none"> • Infrastructure and Institutions Emergency Recovery AF P130749 (\$35m) • Cholera Emergency Response P120110 (\$15m) • Strengthening the Management of Agriculture Public Services P113623 (\$5m) • Re-launching Agriculture P126744 (\$40m IDA + \$10m GAFSP) • Urban CDD: Housing Reconstruction P106699 (\$30m) • Electricity Loss Reduction Project P098531 (\$11m) • Education for All APG1 P099918 (\$60m) • Education For All APG2 P124134 (\$70m) <p>New IDA Grants</p> <ul style="list-style-type: none"> • Haiti Improving Maternal and Child Health P123706 (\$70m) • Rebuilding Energy Infrastructure and Access Project P127203 (\$90m) • HT Urban CDD/PRODEPUR AF P106699 (\$4.9m) • HT Business Development and Investment P123974, (\$20m) 21-May-13 <p>New IDA Budget Support</p>	<p><i>Sustainable financing mechanisms for maintaining public infrastructure is critical if it is to continue to benefit the people and not be lost over time</i></p>

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
	<p>also supported the <i>Direction Nationale d'Eau et Assainissement</i> (DINEPA) through the technicians on water and sanitation (TEPACs). It also contributed to the upgrade of the national Standards for Biomedical Waste Management and the Hygiene Promotion Plan and provided financial, technical and training support at all levels. Throughout the 6 departments, 5,400 community agents, supervisors, and institutional personnel were recruited and trained.</p> <p>The overall the institutional capacity of the water authority, only established in 2009, though still weak, continued to improve. The Rural Water and Sanitation project strengthened the capacity of the water authority (DINEPA), local water committees, and professional operators to deliver sustainable water services to rural populations, including in project management, financial management, community relations, social mobilization, and chlorination. While there were challenges particularly around the earthquake and the cholera outbreak, the piped water model managed by private operators, piloted under the Project, has become well established. This model was successfully implemented in 9 communities, which have signed a contract with a private operator. In addition, a model based on a management committee (CAEPA or other) was put in place in 6 smaller communities. Fifteen CAEPAs were created in line with the 2009 sector framework law. Eight of these systems have been operational for over 3 years, with various degrees of efficiency and cost recovery. To address this variability, the project has supported the defining of performance indicators for these operators.</p> <p>To enhance GOH's knowledge of global best practices in combatting cholera and supporting its efforts to further articulate its plan for the elimination of the disease, the Bank convened a technical meeting of global experts with Government health and water authorities, as well as partners. Haitian officials responsible for cholera directly benefitted from cutting edge knowledge and experience on vaccines, ORT, prevention education campaigns, and methods of increasing access to clean water and sanitation.</p>	<ul style="list-style-type: none"> • HT- Econ. Reconstruction and Growth DPC P127200, (\$30m) <p>Trust Fund</p> <ul style="list-style-type: none"> • Port au Prince Neighborhood Housing Reconstruction (HRF) P125805 (\$65m) • Re-launching Agriculture P126744 (\$10m GAFSP) • Accountability for Effective Poverty Reduction in Haiti TF098709 • Business Environment Improvement (Doing Business TF) • Investment Generation (IFC) TF095092 (\$0.3m) and TF098706 (\$0.9m) • HRF DPO for Strengthening Governance in Education and Water Sectors P147166 (\$13m) 	
<p>Objective 1.2: Institutional capacity for housing repair and reconstruction strengthened</p> <p>(urban planning + community based approach)</p>	<p>Housing: Partially Achieved</p> <p>Through TA supported by the Bank's housing program, there was significant progress toward the objective of building institutional capacity for housing repair and reconstruction. A previously non-existent Housing Sector Framework was developed with the Interim Haiti Reconstruction Commission, the government body responsible for managing reconstruction. A Housing Agency, (UCLBP) was established to set housing policy, which was one of the critical missing links in housing reconstruction and repair after the earthquake. The National Housing and Habitat Policy was developed by UCLBP in collaboration with partners. As a result, housing results picked up in the ISN period. In addition, with regard to</p>		

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
<ul style="list-style-type: none"> Community urban development plan completed and approved by targeted communities <p><u>Baseline:</u> 0 (2001); <u>Target:</u> 6 (2014); <u>Achieved:</u> 4 (2014)</p>	<p>the indicator, urban plans were prepared in each of the 4 neighborhoods where the Bank works on housing and neighborhood reconstruction. The Bank financed urban plans in 2 communities and the Bank leveraged its engagement in those neighborhoods for financing through other partners for 2 of the other communities. At the time the target was set, it was thought that the Bank would work in 6 communities but in the end it only worked in 4.</p>		
<p>Objective 1.3: MTPTC's energy policy and planning capacity strengthened</p> <ul style="list-style-type: none"> Energy Sector master plan completed <p><u>Baseline:</u> No (2012); <u>Target:</u> Yes (2014); <u>Achieved:</u> Partially Achieved (2014)</p>	<p>Electricity: Partially Achieved</p> <p>Overall, the governance of the electricity sector, as well as, the institutional capacity of the electricity utility (EDH) continued to be a challenge. However, there was some progress. The particular target was partially achieved, with five international firms having submitted offers to do the master plan (an early version should be delivered by October 2014). An Energy Cell was put in place in MTPTEC with specific responsibility for the electricity sector. An Energy Directions Policy Note was endorsed by Cabinet (Sept. 2013). An Energy Commission has been formed, chaired by the Prime Minister, including key donors to impetus reform and coordinate donor support in the sector. A financial model of the electricity sector was also designed in order to gradually reduce the large GOH subsidies to the sector. Some of the notable results at EDH included the installation of meters to measure electricity generated by independent power producers and the installation of a billing system to improve the commercial viability of the utility.</p>		
<p>Objective 1.4: Education institutional capacity strengthened</p> <ul style="list-style-type: none"> # of schools w/ at least 1 inspector visit per year <p><u>Baseline:</u> N/A (2011); <u>Target:</u> 75% (2014); <u>Achieved:</u> 65% (2014)</p>	<p>Education: Partially Achieved</p> <p>Generally, there was some progress in the institutional capacity to manage the sector. The capacity to produce education statistics and data was improved, after seven years without any school census. Education data is expected to be made public at the end of the current school year, which was one of the prior actions of the HRF financed budget support operation. The Ministry produced a 3-year transitional sector plan, with prioritized activities. The Ministry also launched an accreditation system to better regulate non-public schools. However, efforts are still needed to improve quality of education provision, to ensure education delivery and quality through robust inspection and accreditation, to integrate donor and GOH tuition waiver systems, and to develop a model for long-term financial sustainability of the sector. Regarding the target, the Inspection regime continued to be weak with only 65% of schools being inspected once a year. The target was not met because of delays in reinforcing the Departmental Directorate, the decentralized ministry officials responsible for inspection at the regional level.</p>		<p><i>A participative preparation budget with donors process combined with the existence of a multi-year sector plan is essential for transparency and complementarity between donors and domestic resources.</i></p>

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
<p>Objective 1.5 Strengthen Government's capacity to manage and monitor service delivery</p> <p>•% of targeted population covered by health providers contracted by Ministry of Health</p> <p><u>Baseline:</u> TBD; <u>Target:</u> 10% improvement</p>	<p>Social Protection: Partially Achieved</p> <p>The achievement of the objectives is mixed. While it was achieved in the given target area for social protection, it was not achieved in health where the project has only been in implementation for one year. (Achievements under cholera as noted in the above section separately).</p> <p>Through TA, the Bank also financed capacity building in social protection. It supported the development of a national framework to address malnutrition and food insecurity (Aba Grangou). At a time when the GOH was launching multiple initiatives, the Bank also provided just-in-time TA on cash transfers, subsidies, and food baskets, as well as options for efficient service delivery. The Bank also financed the development of a national targeting tool, which will allow GoH to identify the poorest and most vulnerable Haitians to benefit from social programs. It supported the development of a social protection information system as part of the <i>Kore Fanmi</i> approach, which allows GoH to track beneficiaries and monitor progress over time. With regard to the specific indicator for service delivery, in the target area of 3 communes with a population of 150,000, 65,000 people benefited from improved access to social services through the <i>Kore Fanmi</i> pilot program funded by the Rapid Social Response trust fund.</p>		
<p>Objective 1.6: Business Environment Reform Permanent public-private committee to define priorities for business environment reforms created</p> <p><u>Baseline:</u> No (2012) <u>Target:</u> Yes (2014) <u>Achieved:</u> Partially Achieved (2014)</p>	<p>Business Environment: Partially Achieved</p> <p>While a committee for business environment reforms has been created, progress on the objective of reforming the business environment was limited. The Prime Minister created a Working Group on "Doing Business" Reform that includes members from the public administration as well as representatives from the private sector and has appointed a Coordinator. The composition of the Group has also been decided and five priority reforms were selected by the Coordinator, with TA from the Bank, for the Group's first year work plan. These priorities are: Starting a Business, Dealing with Construction Permits, Registering Property, Getting Credit, and Resolving Insolvency. One working group per reform is being created, with a sixth working group on Parliament Relations, which is critical for the necessary legal reforms. The WBG is supporting business environment reform through the Business Development and Investment Project, LAC Indicator-Based Reform Advisory Trust Fund, and IFC Advisory Services.</p>		
<p>Objective 1.7: Agriculture</p> <p>• MARNDR annual investment plan (PIP)</p>	<p>Agriculture: Partially Achieved</p> <p>One of the key objectives of the Bank's agriculture program, to build capacity directly into the Ministry to implement rather than going through an implementing agency, has been partially achieved. The Bank financed the reform process, strengthening the Ministry's planning and evaluation unit, financing the</p>		

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
<p>reflects prioritization of investment as described in the National Agriculture Investment Plan (2011-2016) (2014)</p>	<p>creation of gender and nutrition units, and supporting further elaboration of the Ministry’s 5-year agriculture investment plan, developed during the CAS period. However, building capacity in the Ministry takes time and results have been slow to materialize. The program also developed an IT platform to improve communication within the Ministry and between the Ministry and its local offices, which was rendered non-functional by the earthquake. It has also supported the Government in responding to the emergency caused by cochenille, a disease affecting pea crops, particularly important as source of income and nutrition for the winter season. The emergency support consisted of treatment and protection of the affected crops, as well as small public works as alternate source of income during the emergency. However, there were delays in the implementation of a matching grant facility of the re-launching Agriculture project to support groups of producers with capacity building and post-harvest investments. This suffered considerable delays resulting from poor implementation capacity.</p> <p>Mining: In addition to the above expected results on capacity building, following a specific request from the Government, the WB provided technical assistance to improve the governance and management of the mining sector. Given the lack of institutional capacity in the sector and both the opportunities and the risks associated with the development of mining, such intervention was considered to be in line with the objectives of this cross-cutting theme of governance and capacity building.</p> <p>With financing from the EI-TAF Trust Fund, the Bank provided TA on i) improving the legal frameworks for mining, ii) improving the management of mining titles, iii) assessing the institutional needs more widely and iv) stimulating the policy dialogue in the sector with all stakeholders. More specifically, the Bank supported the Government’s organization of a “Mining Forum,” bringing together national stakeholders and international experts, to promote dialogue on challenges and opportunities and helped to align expectations on developing the mining sector. The Bank also provided advice on drafting a modernized mining law that would enable private investment in exploration and development of Haiti’s mineral resources, while generating revenues for the state, in accordance with current international practices and modern environmental and social safeguards. The Bank recommended further consultation on the part of Government with all stakeholders, especially civil society and affected communities. While mining is still largely undeveloped in Haiti, the sector has attracted high level attention. Preliminary exploration results suggest the presence of copper and gold resources, but much more exploration is needed to certify reserves.</p>		

Objectives And Indicators	Status and Evaluation Summary	Lending and Non-Lending Activities	Lessons for New CPF
<p><u>Baseline:</u> D+ (2011); <u>Target:</u> C (2014)</p> <p>• Scope, nature, and follow-up of external audit (PI-26)*</p> <p><u>Baseline:</u> D+ (2007); <u>Target:</u> C (2014)</p> <p>• Legislative scrutiny of the annual budget law (PI-27)*</p> <p><u>Baseline:</u> C+ (2011); <u>Target:</u> B (2014)</p> <p>• Legislative scrutiny of external audit reports (PI-28)*</p> <p><u>Baseline:</u> D (2011); <u>Target:</u> C (2014)</p> <p>*The indicators chosen were PEFA indicators. Haiti has not had a subsequent PEFA to assess the indicators</p>	<p>support to the national procurement body to improve procurement under emergencies. It also initiated capacity building activities and funded equipment for various agencies including the Treasury, the Tax and Customs Administrations, the Central Bank, the Court of Accounts, the General Inspectorate of Finance, the National Procurement Commission, and the Anti-Corruption Agency. The Bank is also supporting GOH through a PER, sector specific PERs, BOOST, and a PIM review. In addition, the Bank has also financed the first Poverty Assessment in over 10 years to support GOH's efforts to understand, target, and address extreme poverty.</p> <p>Quality and Timeliness of Annual Financial Statements Treasury submitted government accounts to the Court of Accounts within the statutory time frame and the Court significantly reduced the backlog of audits, having completed the audits for general accounts for 2010-2011 and 2011-2012. The IIERP project supported training of auditors and general file management in order to continue reducing the backlog and raise the quality of audits and controls. However, financial statements continued to include notable omissions that highlighted the need for quality improvement. For example, the financial statements for public investment expenditures only included transfers made to line ministries.</p> <p>Scope, Nature, and Follow-Up of External Audit In general, there was no follow up of audit recommendations from the Court of Accounts. However, the IIERP project supported the follow up of Finance General Inspection on key audit recommendations and worked with some line Ministries to address them.</p> <p>Legislative Scrutiny of The Annual Budget Law Although the FY13 budget was not passed in time, the FY 2014 Budget was submitted to Parliament within the statutory time frame and passed 7 months into the fiscal year. The government made progress in providing detailed budget documents to Parliament for review. However, weak capacity in Parliament, specifically the absence of permanent technical support at the legislative level undermined deep scrutiny from the legislative body.</p> <p>Legislative Scrutiny Of External Audit Reports In general, external audit reports were submitted to Parliament alongside the draft budget but were never discussed in Parliament. Without technical support, it was difficult for Parliamentarians to review the external audit reports.</p>		<p><i>The Parliament needs technical training on the budget in order for it to play its role in the budget process</i></p>

Annex 3 : Selected Indicators of Bank Portfolio Performance and Management IDA Portfolio

(As of Date 07/31/2015)

Indicator	FY13	FY14	FY15
Portfolio Assessment			
Number of Projects Under Implementation ^a	15.0	13.0	11.0
Average Implementation Period (years) ^b	2.8	2.8	2.9
Percent of Problem Projects by Number ^{a, c}	6.7	30.8	27.3
Percent of Problem Projects by Amount ^{a, c}	1.8	13.3	23.1
Percent of Projects at Risk by Number ^{a, d}	73.3	69.2	54.5
Percent of Projects at Risk by Amount ^{a, d}	66.5	62.0	50.9
Disbursement Ratio (%) ^e	30.5	18.2	12.6
Portfolio Management			
CPPR during the year (No)			
Supervision Resources (total US\$)			
Average Supervision (US\$/project)			
Memorandum Item			
	Since FY80	Last Five FYs	
Proj Eval by OED by Number	49	10	
Proj Eval by OED by Amt (US\$ millions)	775.6	157.9	
% of OED Projects Rated U or HU by Number	50.0	30.0	
% of OED Projects Rated U or HU by Amt	42.4	11.0	

a. As shown in the Annual Report on Portfolio Performance (except for current FY).

b. Average age of projects in the Bank's country portfolio.

c. Percent of projects rated U or HU on development objectives (DO) and/or implementation progress (IP).

d. As defined under the Portfolio Improvement Program.

e. Ratio of disbursements during the year to the undisbursed balance of the Bank's portfolio at the beginning of the year: Investment projects only.

* All indicators are for projects active in the Portfolio, with the exception of Disbursement Ratio, which includes all active projects as well as projects which exited during the fiscal year.

Annex 4 : Operations Portfolio (IBRD/IDA/Grants) (As of 07/31/2015)

Closed Projects	64
IBRD/IDA*	
Total Disbursement (Active)	225.99
Of which has been repaid	0.00
Total Disbursement (Closed)	374.10
Of which has been repaid	139.28
Total Disbursed (Active + Closed)	600.08
Of which has been repaid	139.28
Total Undisbursed (Active)	382.61
Total Undisbursed (Closed)	0.00
Total Undisbursed (Active + Closed)	382.61

Active Projects										Difference Between Expected and Actual Disbursement	
Project ID	Project Name	Last ISR			Original Amount in US\$ Millions					Orig.	Frm Rev'd
		Supervision Rating		Fiscal Year	IBRD	IDA	Grants/TF	Cancel.	Undisb.		
		<u>Development Objectives</u>	<u>Implementation Progress</u>								
P123974	HT Business Development & Investment	MU	MS	2013	0.0	20.0		0.0	14.2	0.0	0.0
P133352	HT – Ctr & Artibonite Reg Dev.	S	MS	2014	0.0	50.0		0.0	42.8	1.7	0.0
P144614	HT Cultural Heritage and Tourism Sector	S	S	2014	0.0	45.0		0.0	38.8	2.0	0.0
P126346	HT Disaster Risk Mngmt & Reconstruction	MS	MS	2012	0.0	60.0		0.0	31.0	0.0	16.3
P124134	HT Education for All Project – Phase II	MS	MS	2012	0.0	70.0		0.0	18.4	23.0	4.0
P123706	HT Improving Maternal and Child Health	MS	MS	2013	0.0	70.0		0.0	55.4	13.9	2.0
P120895	HT MST Infra. & Instit. Emerg. Recov.	MS	MS	2010	0.0	100.0		0.0	19.2	-14.3	5.8
P127203	HT Rebuilding Energy Infrastr & Access	U	MU	2013	0.0	90.0		0.0	76.4	29.1	0.0

Active Projects											Difference Between Expected and Actual Disbursement	
Project ID	Project Name	Last ISR			Original Amount in US\$ Millions					Orig.	Frm Rev'd	
		Supervision Rating		Fiscal Year	IBRD	IDA	Grants/TF	Cancel.	Undisb.			
		<u>Development Objectives</u>	<u>Implementation Progress</u>									
P126744	HT Relaunching Agriculture: RESEPAG I	MU	MU	2012	0.0	40.0		0.0	25.2	27.7	0.0	
P148970	HT Sustainable Rural WSS Project	#	#	2015	0.0	50.0		0.0	50.6	0.0	0.0	
P106699	HT Urban CDD / PRODEPUR	MS	MS	2008	0.0	53.2		0.0	10.6	-25.1	7.4	
Overall Result					0.0	648.2		0.0	382.6	57.9	35.5	

* Disbursement data is updated at the end of the first week of the month.

a. Intended disbursements to date minus actual disbursements to date as projects at appraisal

Active TF Projects (Grants)

Project ID	Project Name	Last ISR			Original Amount in US\$ Millions				
		Supervision Rating		Fiscal Year	IBRD	IDA	TF/Grants/	Cancel.	Undisb.
		<u>Development Objectives</u>	<u>Implementation Progress</u>						
P148259	HT Strengthening Hydromet Services	-	-	2015	0.0	0.0	5.45	0.0	0.0
P125805	HT – Port au Prince Neighborhood Housing Reconstruction.	MS	MS	2011	0.0	0.0	65.0	0.0	12.1
P114174	HT Education for All Fast-Track Initiative Catalytic Fund	MU	MS	2010	0.0	0.0	22.0	0.0	1.5
P147166	HRF Grant for Strengthening Governance in Education and Water	MU	MU	2014	0.0	0.0	17.33	0.0	0.0
Overall Result					0.0		109.78	0.0	13.6

Annex 5 : IFC Committed and Disbursed Outstanding Investment Portfolio –

As of 07/30/2015 (In USD Millions)

FY Approval	Company	<u>Committed</u>					<u>Disbursed Outstanding</u>				
		Loan	Equity	**Quasi Equity	*GT/RM	Participant	Loan	Equity	**Quasi Equity	*GT/RM	Participant
FY11	E-POWER	12.90	0.00	0.00	0.00	8.38	12.90	0.00	0.00	0.00	8.38
FY10	GRUPO M	0.00	0.00	0.00	0.00	1.25	0.00	0.00	0.00	0.00	1.25
FY14	GRUPO M	10.00	0.00	0.00	0.00	0.00	5.00	0.00	0.00	0.00	0.00
FY12	LEOPARD HAITI	0.00	10.00	0.00	0.00	0.00	0.00	2.76	0.00	0.00	0.00
FY15	PORT LAFITO	12.00	0.00	0.00	0.00	0.00	12.00	0.00	0.00	0.00	0.00
FY09	SOGEBANK	0.00	2.99	0.00	0.00	0.00	0.00	2.99	0.00	0.00	0.00
FY15	SOGEBANK	25.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FY13	TURGEAU DEV	13.25	0.00	0.00	0.00	13.25	13.25	0.00	0.00	0.00	13.25
Total Portfolio:		73.15	12.99	0.00	0.00	22.88	43.15	5.75	0.00	0.00	22.88

Annex 6 : Proposed IDA Lending Program

FY16	Project	Amount US\$ million
	Economic Growth and Governance Credit	20
	Haiti Education Transformation Project	30
	Urban Management and Resilience Project	26
	Statistical and Public Financial Management Capacity Building Project	5
Total		81.0

Annex 7 : Major Development Partners

WB	USAID	EU	UN	Canada	IDB	Other
DRM						
<ul style="list-style-type: none"> - Risk Identification/understanding - Disaster Preparedness: national and municipal - Risk Communication - Mainstreaming disaster risk reduction into key sectoral ministries - Capacity building: national & local - Dissemination of paraseismic good practices of construction - Resilient transport Infrastructure: focus on critical sections of network 	<ul style="list-style-type: none"> - Disaster Preparedness at department level & response training 	<ul style="list-style-type: none"> - Disaster Preparedness & response at national & municipal levels - Urban area awareness 	<ul style="list-style-type: none"> - NGO & UN agency coordination - Overall support to DPC by seconding staff - Capacity-building - Seismic Risk Identification in the North 		<ul style="list-style-type: none"> - Pilot flood mitigation infrastructure and early warning system in four watersheds 	<p><u>DFID</u>: Financial support to NGOs and UN agencies in few departmental resilience initiatives</p> <p><u>SDC</u>: Support knowledge sharing in safe construction</p> <p><u>CDB</u>: financing Haiti's premium to CRIIF</p>
Water / Sanitation						
<ul style="list-style-type: none"> - Institutional strengthening & capacity building - Rural and small towns water supply & sanitation (Centre & South Region) - Technical assistance through WSP 		<ul style="list-style-type: none"> - Infrastructure (including water supply & sanitation in urban areas,) 	<p><u>UNICEF</u>: Institutional strengthening & capacity building</p> <ul style="list-style-type: none"> - Rural water supply and sanitation – execution (Artibonite & Centre) 	<ul style="list-style-type: none"> - Rural water supply & sanitation – financing (Artibonite) 	<ul style="list-style-type: none"> - Institutional strengthening & capacity building - Rural water supply & sanitation - Urban water supply & sanitation 	<p><u>Japan</u>: Rural water supply & sanitation – financing (Centre)</p> <p><u>AECID</u>: Institutional strengthening & capacity building</p> <ul style="list-style-type: none"> - Rural/urban water supply & sanitation <p><u>Swiss Cooperation Agency (SDC)</u>:</p> <ul style="list-style-type: none"> - Institutional strengthening & capacity building - Rural water supply
Energy						
<ul style="list-style-type: none"> - Electricity loss reduction - Rural renewables 	<ul style="list-style-type: none"> - Distribution/TA - Household energy 		<p><u>UNDP</u>: TA on biomass</p>	<ul style="list-style-type: none"> - Distribution rehabilitation 	<ul style="list-style-type: none"> - Generation - Distribution rehabilitation 	

WB	USAID	EU	UN	Canada	IDB	Other
Agriculture						
<ul style="list-style-type: none"> - Food safety - Public Service - Institutional strengthening - Rural development 	<ul style="list-style-type: none"> - Hillside agriculture & watershed management - Market linkages - Agricultural production 	<ul style="list-style-type: none"> - Food Security - Watershed management - Production & breeding - Micro-finance 	<ul style="list-style-type: none"> <u>FAO</u>: Nutrition & food security - Risks management & resilient Agriculture <u>UNPD</u>: Watershed Management <u>FIDA</u>: Small scale Irrigation - Strengthening capacities & market access <u>OMM</u>: Hydrometeorology 	<ul style="list-style-type: none"> - Watershed management - Agriculture finance 	<ul style="list-style-type: none"> - Water management - Protecting infrastructure - Fisheries - Watershed & risks management - Institutional strengthening - Public Services - Rural development - Land security 	<ul style="list-style-type: none"> <u>AECID</u>: Fisheries <u>Brazil</u>: Value chains & food safety <u>AFD</u>: Support program to select producers (eg. coffee) - Irrigation & watershed mgmt - Rural development & value chains - Food security
Urban Reconstruction						
<ul style="list-style-type: none"> - Neighborhood reconstruction; housing reconstruction/rental grants - Urban resilience 	<ul style="list-style-type: none"> - Municipal finance - Urban infrastructure 	<ul style="list-style-type: none"> - Neighborhood reconstruction - Housing reconstruction 	<ul style="list-style-type: none"> - Housing reconstruction / rental grants - Municipal capacity building 	<ul style="list-style-type: none"> - Rental grants 	<ul style="list-style-type: none"> - Urban infrastructure 	<ul style="list-style-type: none"> <u>American Red Cross</u>: Housing reconstruction / Rental grants <u>AFD</u>: Neighborhood and housing reconstruction
Transport						
<ul style="list-style-type: none"> - Rehabilitation of primary and secondary road network focused on critical points to reduce vulnerability - Strengthening institutional capacities - Rural connectivity 	<ul style="list-style-type: none"> Rural road in the North Department 	<ul style="list-style-type: none"> - Transport (primary and secondary road network) - Strengthening inst. capacity 			<ul style="list-style-type: none"> - Rehabilitation of primary road network - Strengthening institutional capacity - Road safety 	<ul style="list-style-type: none"> AFD, investment on a segment of RN3, primary road network
Regional Development						
<ul style="list-style-type: none"> - Territorial development, including urban planning - Rehabilitation of primary & secondary road network - Urban development - Tourism & local economic development 	<ul style="list-style-type: none"> - Municipal finance - Urban infrastructure 	<ul style="list-style-type: none"> - Urban planning - Municipal Capacity strengthening & fiscal mobilization - Rehabilitation of primary roads 	<ul style="list-style-type: none"> - Municipal capacity building 		<ul style="list-style-type: none"> - Rehabilitation of primary road network - Tourism & local economic development - Urban infrastructure 	<ul style="list-style-type: none"> <u>UNESCO</u>: Oversight/management of World Heritage Site <u>AFD</u>: Municipal capacity building
Education						
<ul style="list-style-type: none"> - Financing Primary education - Teacher training - Capacity-building - School-feeding 	<ul style="list-style-type: none"> - Primary literacy 		<ul style="list-style-type: none"> - Financing Primary, Tertiary education - Teacher training, Curriculum development - School Health/School Feeding 	<ul style="list-style-type: none"> - Co-financing WB projects, among others - School feeding 	<ul style="list-style-type: none"> - Financing Primary education - School construction - Teacher training - ICT - Budgeting 	

WB	USAID	EU	UN	Canada	IDB	Other
Health						
<ul style="list-style-type: none"> - Cholera/Water and sanitation - Community-based activities - Maternal and child health - Capacity building - Results-based financing - Technical Assistance (for health financing, health service delivery, others) 	<u>USAID and CDC:</u> <ul style="list-style-type: none"> - Epidemiological Surveillance - Basic health - HIV/AIDS - Water & sanitation / cholera - Maternal, child health - Results-based financing - Supply chains - Lab strengthening - Hospital rehabilitation - Health financing & governance - Health information systems - Nutrition 	<ul style="list-style-type: none"> - Water and sanitation - Laboratory strengthening - Basic health services - Nutrition - Waste management 	<u>WFP:</u> Nutrition & food security <ul style="list-style-type: none"> - Technical Assistance and supplies <u>UNICEF:</u> TA nutrition & in kind support <ul style="list-style-type: none"> - Maternal and child health - Community referral hospitals <u>UNDP:</u> TA Conditional Cash Transfers	<ul style="list-style-type: none"> - Capacity building - Maternal and child health - Hospital rehabilitation - Nutrition - Human Resources management - Water and sanitation 	<ul style="list-style-type: none"> - North - Cholera - Child health 	<u>Brazil:</u> Epidemiological surveillance, maternal and child health, disabled populations, community health(ending) <u>Global Fund:</u> HIV/AIDS, tuberculosis, malaria, health system strengthening <u>GAVI:</u> Vaccinations <u>JICA:</u> Hospital rehabilitation
Social Protection						
<ul style="list-style-type: none"> - Establishment of a National Registry - National coordination body for Social Protection - <i>Kore Fanmi</i> in Centre, Nord-Est, Nord-Ouest - Analytical work on SP programs, costing, etc. 	<ul style="list-style-type: none"> - Food-based programs such as school feeding programs and food vouchers (<i>Kore Lavi</i>) - MAST information management system - National coordination on Social Protection 		<u>UNDP, UNICEF, ILO, WFP, CEPALC:</u> Establishment of a National Registry <ul style="list-style-type: none"> - National coordination on SP - Studies/ assessments on SP spending, programs, etc. <u>WFP:</u> <i>Kore Lavi</i> (food voucher program) in Centre, NE, NW, SE <u>UNICEF:</u> <i>Kore Fanmi</i> in Sud-est			
Budget Support and PFM Reforms						
<ul style="list-style-type: none"> - Governance - Budget management - Procurement 	<ul style="list-style-type: none"> - Tax & customs - Budget management - Governance 	<ul style="list-style-type: none"> - Budget management 	<u>UNDP:</u> Governance support to Cour des Comptes	<ul style="list-style-type: none"> - Debt management - Tax & customs - Budget mgmt 	<ul style="list-style-type: none"> - Tax & customs - Procurement - Budget management - Governance 	
Private Sector						
<ul style="list-style-type: none"> - Infrastructure - PSD policy - Housing finance - SME finance 	<ul style="list-style-type: none"> - Infrastructure - Guarantees - Housing finance - Insurance 	<ul style="list-style-type: none"> - Infrastructure - Private Sector Investment in Artibonite 		<ul style="list-style-type: none"> -Infrastructure 	<ul style="list-style-type: none"> - Infrastructure - PSD policy - Social development fund - Housing finance 	

Annex 8 : Haiti Gender – Status and CPF Actions

Introduction

1. In December 2013 Haiti's Ministry of Women's Status and Rights, in partnership with UN Women, published a gender equality assessment (hereafter referred to as "the Gender Diagnosis") that provided new insight and data on the current circumstances in which Haitian women live and recommendations for overcoming gender inequality. The following year, the Haitian government published an ambitious Policy on Women and Men's equality to transform Haiti's gender relations and to challenge ingrained prejudice, sexist stereotyping, and social exclusion over the next 20 years (2014-2034). The Ministry for Women's Status and Rights aims to re-invigorate Government's focus on women's rights and gender equity, in an environment where significant gaps between gender equality principles and practice are widely recognized, and much remains to be done to achieve the equal rights between women and men enshrined in Haiti's 1987 constitution. The 2015 Haiti Poverty Assessment, *Investing in people to fight poverty in Haiti*, jointly undertaken by the Haitian National Observatory for Poverty and Social Exclusion and the World Bank, which included gender disaggregated data and analysis, identified Haitian women as a vulnerable population requiring specialized attention as the result of persistent poverty and growing income inequality. This note is divided into two sections. The first is organized around the five priority areas for intervention identified by the GoH's 2013 Gender Diagnosis: Education, Health, Political Participation, Employment; and Policy, incorporating both the GoH Gender Equity Policy's plans to address these longstanding gender equity, and data from the recent GOH/World Bank Poverty Assessment, the first in twelve years. The second section discusses the WBG's current and planned efforts to improve development outcomes for women.

Diagnosis and Status

Education

2. **Haiti is close to achieving gender equality in primary and secondary education.** Access to education in Haiti has expanded for all children. The Universal, Free, and Compulsory Education Program launched by President Martelly in 2011, along with financing for tuition waiver from donors has increased net enrollment at the primary level to nearly 90%. In general, young Haitians of both genders have received significantly more schooling on average than older Haitians. According to the World Bank's Public Expenditure Review for Haiti, over 60% of 15-19 year olds have at least completed primary school, compared to 20% of 59-64 year olds. On average, children start primary school 2 years later than the 6 year-old official start age, which reduces the likelihood of completing primary school. Boys are far more likely to start primary school overage than girls. Even as education access has become more equal for boys and girls, challenges for girls remain. For instance, the Gender Diagnosis argues that both the Haitian media and

Haitian daily culture link female identity centrally with family and community, and male identity with individuality, freedom of movement and action, reinforcing norms that subordinate women and elevate men. To counteract this, the GoH's Gender Equity Policy outlines recommendations for early childhood education to promote egalitarian values and combat sexist stereotypes.

3. **Girls continue to face gender-based exclusion in secondary and tertiary education.** The Gender Diagnosis finds the following contributing factors to girls' exclusion from education as they mature. First, policies and practices in schools across the country limit educational access to girls who are pregnant or are actively raising children and do not equivalently apply such rules to teen fathers. Limiting educational access for a sub-set of girls reinforces both the achievement gaps that exist between men and women and entrenched stereotypes about the incompatibility of motherhood with education. Second, girls continue to be openly excluded from educational programs that provide training in non-traditionally "female" professions, preventing girls from pursuing professions that could increase their long-term economic prospects. Third, high levels of violence against women at the high school and university levels discourages adolescent girls and young women from completing their educations. Although not a result of overtly discriminatory practices as in the prior two examples, the lack of measures to mitigate these risks, to manage violence when it occurs and support victims serves to further push women out of the educational system. Government's Gender Equity Policy emphasizes that the overall education system must prioritize implementing non-gender biased education for both boys and girls and intentionally facilitate young women's access to non-traditional careers.

4. **Girls' withdrawal from school has lifelong consequences.** The Poverty Assessment finds that among non-school aged Haitian adults, women on average complete two fewer years of schooling than their male counterparts and are 10% more likely to be illiterate. Consequences of minimal education and literacy include economic insecurity, low asset accumulation, poor health outcomes and un-/under-employment. The threat of underage marriage increases for girls not enrolled in school. Among women heads of households, those with minimal or no formal schooling on average give birth to twice as many children as those who have completed at least upper-secondary school.

Health

5. **Maternal health outcomes and utilization of maternal health services in Haiti are among the worst in the region.** The Poverty Assessment finds that Haitian women's fertility rates surpass those in other parts of the Latin America/Caribbean region, particularly among less well educated women heads of household. Birth control is not readily available or affordable, which disproportionately affects poorer, less educated women. While maternal mortality rates have fallen by 43% in the last 25 years, they remain five times higher than the regional average of 63. Also, the prevalence of births at healthcare facilities and

births attended by skilled staff, as well as antenatal care visits is far lower in Haiti when compared to lower-middle-income countries across Central and South America. Deficient nutrition is a significant concern for women; nearly half of all Haitian women between 15 and 49 have anemia. While cost is a major factor contributing to women's low health service utilization, cultural and gender norms are also cited to explain the high percentage of births that take place outside of health care facilities (65%), which increases maternal mortality risks. The Gender Diagnosis emphasizes that criminalization of abortion creates additional health risks when women and girls pursue informal, non-medical avenues to terminate pregnancies. Recognizing both the improvements in maternal health and the significant lags in this area, the Government's Gender Equity Policy aims to both increase access and quality of care and strengthen the institutions and overall health systems involved in improving maternal health and reducing child mortality.

6. Lack of knowledge and weak agency play important roles in contributing to poor health among Haitian women. Knowledge differentials about Sexually Transmitted Infection (STI) transmission and weak agency to control their sexual lives are blamed for higher HIV/AIDS prevalence among women than men (2.7% versus 1.7%, World Bank 2014). The Gender Equity Policy emphasizes the importance of comprehensive sexual education for both girls and boys and the crucial roles this plays in both family planning and disease prevention.

7. Gender-based violence (GBV) remains a serious threat to women's health and wellbeing. Violence against women is a widespread, chronic problem in Haiti that, in particular, poses a grave threat to women's physical and mental health. In 2005, the government passed a law that made rape a punishable offense for the first time, responding to pressure from national and international women's organizations and recognizing the country's extreme levels of GBV, which in 2006 the government reported as affecting at least 26% of girls over the age of 15. The 2010 earthquake led to displacement, insecurity and instability that is blamed for further driving up cases of GBV, especially for those women and girls living in displacement camps. Beyond the devastating individual risks to women and girls, as the 2010 Shadow Gender Assessment (written by a coalition of women's organizations to fill gaps in Haiti's Post Disaster Needs Assessment) points out, "high levels of violence negatively impact a woman's ability to freely participate in and contribute to public life and governance structures." The Poverty Assessment reports that in Haiti today 13% of women have experienced sexual violence and 29% of women who have been married have experienced spousal violence. Given limited mechanisms for reporting it is expected that these numbers are underestimated. Among those who report being sexually assaulted, only 58% of women victims have access to proper health services within a three-day period after the occurrence. The Gender Equity Policy aims to address widespread sexual violence, improve survivors' access to justice and care, and expand general education, training, and awareness programs related to violence against women.

Employment

8. **Women face major barriers to accessing labor markets and, when they do participate, on average they earn substantially less than men.** According to the Poverty Assessment, Haiti has the lowest rate of labor force participation in the region, with only 60% of working-age individuals considered to be participating in the labor market. Among those who find a job, 60% of Haitian workers earn below the legally mandated minimum wage and that women fare worse than men. Women of all ages in Haiti are significantly less likely to be employed than men (20% less) and, when they are employed, they earn on average 30% less than men for the same or similar work. Along with youth, gender is considered a significant factor in the probability of earning less than the minimum wage, which means that while still considered employed, many women are underemployed. The Gender Equity Policy asserts that the Government must tackle structural inequality in order for women to reach parity with men, which will involve multi-sectoral interventions, investment, capacity building for women and preferential hiring practices.

9. **In rural areas earning disparity between men and women are far greater.** In rural areas, women are almost three times more likely to be unemployed than men. Agriculture is a dominant sector in rural areas and agricultural responsibilities at the household level are traditionally delineated by gender. Profit making between the gendered activities is not equivalent: men's activities often have higher earning potential and women play a support role in many activities, contributing to profit making but not benefiting directly. As well, in rural areas, female-headed households have lower access to agricultural inputs (such as seeds and fertilizers), negatively impacting productivity, further adding to gender gaps in income.

10. **Overall, trade is the sector in which most women are engaged and most of those women are self-employed.** These are also the lowest earning and highest variability sectors of the labor market. Women hold 70% of Haiti's trade jobs, making them Haiti's primary market agents. Yet women reap the least benefit because they are concentrated at the lower profit end of the industry and most commonly operating informally. Explanations for women's concentration in commerce, self-employment and informal operations in general are: relatively open entry, low skills and capital requirements, and flexible work hours that accommodate child-rearing and other domestic responsibilities. In conjunction with barriers to accessing formal employment, these kinds of productive activities are compatible with women's daily needs. Yet the gender assessment points out that self-employed women's low income greatly limits their access to loans and financing, which in turn hinders their capacity to develop or scale up their activities.

11. **Given how commonplace self-employment is for women and poorer individuals in Haiti, the Poverty Assessment recommends that greater learning take place about how to strengthen entrepreneurial endeavors.** Government's Gender Equity Policy pledges dedicated support for women's

entrepreneurship, recognizing that women's presence in small and medium enterprises has the potential to contribute to the country's overall economic growth and job creation. Both the Government's Policy and the Poverty Assessment recognize that to economically support women and in particular poor women, at least in the short run, they must be reached in the sector where they are operating.

Women's Political Participation

12. Women's political participation has reached its highest point in Haiti's history but remains far below the goals set forth in recent legislative commitments. Amendments to the Haitian Constitution approved in 2012 enshrine the principle of equal political participation for women. The preamble pledges that "women's representation in power and decision bodies"... "will be consistent with gender equality and gender equity" and that a "quota of at least 30% of women is recognized at all levels of national life, especially in public services" (Article 17.1) and in all political parties (Article 31.1.1). However, there are no formal mechanisms for enforcing these commitments and progress remains slow and uncertain. Today women still make up only 7.3 % of Haiti's public sector. In 2012, women occupied only 4% of all parliamentary seats and, as such, the country was ranked globally at 136th among 142 countries, falling well below the regional average of 26% of women in parliament. However, there has been improvement in the Executive branch, with women being appointed to 8 out of 23 ministerial posts and to 3 out of 20 posts of Secretary of State in 2012. For the 2015 elections, according to the Permanent Electoral Council, 4 of the 58 candidates for President (7.2%), 23 out of 209 Senatorial candidates (11%), and 129 out of 1,492 legislative candidates (8.6%) are women.

13. Women who try to enter politics often experience gender-related hurdles. In the context of focus groups, women's organizations highlighted that female candidates often experience multiple barriers a result of their gender, pointing to recurring incidents of physical intimidation and harassment, to interference with the posters of women candidates and to the frequent practice of potential backers to ask for sexual favors in exchange for political support. Women's groups also report that traditional attitudes persist about women's capacity to act as rational decision-makers or as leaders, and the appropriateness/suitability of females as politicians. The Government's 2014 Equity Policy reaffirms the State's previous commitments to female leadership and political representation and includes plans to better promote and enforce equitable participation among women and men in local and national decision-making processes, as well as, within private sector and civil society. The policy does not however outline tangible plans for implementation or enforcement, which are needed to ensure objectives are achieved in coming years.

Policy

14. **Substantial gaps remain between Haiti’s legislative commitments to women and their enforcement.** Since 1987, Haiti has made concerted legislative efforts to confront gender inequality and compensate for women’s exclusion. Improvements to civil and criminal law include eliminating property ownership laws that discriminated based on gender, decriminalizing adultery, mandating quotas for women’s political participation and introducing laws related to sexualized violence. Yet, as demonstrated in the political participation section above, extensive gaps remain between the principles put forth in legislation and the reality faced daily by Haitian women. For example, Common-law *plaçaj* relationships (approximately 80% of Haitian unions) are not granted legal status under Haiti’s Civil Code. This denies the majority of Haitian women access to the legislated social protections that exist for married women, such as decision-making power over joint property and inheritance rights (CEDAW 2008). There have been important recent advancements for children from *plaçaj* unions, however. In June 2014, Government adopted the Responsible Paternity Act, which extended equal rights to children born within and outside of legal marriage in areas such as inheritance. Women also face institutional and social obstacles when pursuing sexual violence claims and the common understanding is that abusers will evade punishment. The Gender Diagnosis calls for the Government to give urgent priority to effective implementation and enforcement of existing laws, including constitutional commitments affecting women and for the harmonization of Haiti’s laws with the international conventions that Haiti has ratified.

15. **The Ministry of Women is an essential government actor in driving the Government’s efforts to mainstream gender in Haiti’s policies and practice. However, its resources are very limited and its capacity weak.** The Ministry of Women has been the driving force behind the realization of the Gender Diagnostic and Gender Equality Policy. In order for the Ministry to fulfill its mandate, including to achieve the goals set out in the new Gender Equality Policy, appropriate funding in the national budget for these activities will be needed. Several civil society groups currently working on the promotion of Gender-sensitive budgeting.

World Bank Group Program and Gender

16. **The World Bank Group’s approach to gender is to mainstream gender considerations and activities in its investment projects in the context of their design and implementation.** Projects track gender related progress, including through results frameworks, incorporate the specific needs of women in project design where relevant, and include women in implementation, specifically by seeking their feedback and acting upon it. The WBG program addresses the key challenges to women’s economic opportunity and human capital development, while ensuring that projects in other relevant sectors address women’s needs as appropriate and promote the inclusion and role of women in work activities, consultation process, and in decision-making. The WBG’s Haiti Country

Partnership Framework has three Focus Areas: 1) Inclusive Growth; 2) Human Capital; and 3) Resilience and includes a cross-cutting theme of Governance. These areas encompass the five priority areas for women identified by the GOH.

Focus Area 1: Inclusive Growth

17. The WBG's Focus Area on inclusive growth aims to catalyze economic growth by supporting the development of greater economic opportunities outside of Port au Prince, increasing energy access and supporting the development of renewable energy, increasing access to finance and promoting financial inclusion, and supporting Haiti's competitiveness and productivity and private sector driven growth, through public and private infrastructure projects in energy and ports. Through various operations, the CPF program aims to address the obstacles that hinder Haitian women's access to income opportunities, access to finance, and overall their economic exclusion.

Objective 1: Contribute to Enhancing Income Opportunities

18. The WBG will continue to support the economic participation of women in private sector development, agricultural and informal sectors. Overall, the WBG is supporting a range of activities that generate jobs and income opportunities (directly or indirectly), taking into account the specific conditions needed to ensure the participation of women in design and implementation. The Agriculture project (RESEPAG II), includes a financial literacy program specifically dedicated to women, developed in response to focus groups in which participating women identified their lack of financial knowledge and experience as hindering their opportunities. In tourism, the World Bank is supporting the development of businesses surrounding the world-class tourist site of the Citadelle. The project incorporates crime and violence prevention, particularly against women, associated with increased tourist presence. Also, by tracking the number of female entrepreneurs whose activities are financed, the project aims to promote the inclusion of women in the development of tourism in the North. In the Business Development and Investment Project, which is developing value chains in each of the 10 departments in the country, the World Bank will track project impact on women, including on their ability to access and sustain employment opportunities created by the value chains. The Centre and Artibonite Regional Development Project will provide improved access to services and markets, including through road connectivity, for the rural population in the region. In this particular region, women represent 61% of the economically active workforce, primarily in traditionally "female" agricultural jobs and in petty trade, and most of the production is transported to and sold in markets by women and girls. In this context, the project will finance improved connectivity and access that will benefit women, through time savings and better transport conditions, improved sanitary facilities along roads and in markets, and improved sanitation in markets with live and dead animals where women and children spend much time. Women's participation in project design activities will ensure their specific needs are appropriately addressed. To address young women's exclusion from employment opportunities,

the World Bank piloted the Adolescent Girls Initiative (AGI) in Haiti. In partnership with Nike, the AGI provided 1,000 young women between 17 and 20 with vocational, professional and life training skills training, as well as, apprenticeships to build their skills and increase their future opportunities for employment and earnings. This included training in fields that are considered non-traditional for women, including construction, masonry, tiling, etc. so that young women could take advantage of reconstruction opportunities. In addition to generating new employment opportunities, IFC efforts have helped improve labor standards through investment generation, Better Work projects, and IFC investment in the Codevi Special Economic Zone.

Objective 2: Increase Access to Finance

19. Access to finance and financial inclusion are critical entry points for the WBG program, given that labor income and self-employment are the largest contributors to poverty alleviation in Haiti. The Government has recently approved a Financial Inclusion Strategy, which aims to broaden the access of Haitians to formal banking services and providing access to finance for investment in productive activities in agriculture, tourism, and other value chains. The WBG will support the program through analysis and investment, with particular attention to women's inclusion. Specifically, the WBG aims to support an increase in the percentage of women who independently hold an account at a formal financial institution from 17% to 28% by 2019. The IFC is also increasing access to MSME finance for women, through its partnership with Haiti's commercial Banks.

Objective 3: Increase Energy Access and Support Renewable Energy

20. Access to energy is critical to spark growth, improve service delivery, and increase household living standards, all of which are critical for women's wellbeing. In particular, public lighting is vital for women's safety in public spaces. The World Bank is financing the electrification of 500 schools and streets through the electricity project (PREPSEL) and public lighting in the urban CDD project (PRODEPUR), which will contribute to improved security for women and girls. Beneficiary feedback from the urban CDD project, which was implemented as part of Bank support to earthquake reconstruction highlighted the contribution of street and public lighting to security improvements in project neighborhoods, particularly for women and children.

Objective 4: Increase Capacity and Competition in the Port Sector

21. The IFC's investment in increasing the capacity of Haiti's port sector, includes a commitment to ensuring opportunities for women. Although this is not a particularly large entry point for gender, the IFC project aims to create 160 new permanent jobs of which 20 for women, in a sector where traditionally female participation does not exceed 10 %.

Focus Area 2: Human Capital

22. The WBG's Focus Area on Human Capital specifically aims to support poverty reduction through investments in education and health, with the objective of closing geographical and income gaps in service delivery. Attention to women and girls is critical to realizing these goals.

Objective 5: Improve Access to Quality Primary Education

23. The World Bank is providing strategic support for primary education at a systemic level. The World Bank's Education For All project finances equal access for girls to primary education through tuition waivers. The World Bank is also exploring ways to address school violence. As discussed above, girls in Haiti are able to access primary school at the same rate as boys (and may be surpassing boys in terms of on-time school start) but both genders suffer from low learning outcomes. The Bank therefore supports improving teaching methods, learning assessment, school inspection, as well as, improving curriculum quality, which will include promoting equitable gender norms. Future work on gender appropriateness of curriculum content and around gender perceptions in relation to the promotion of safe schools is under discussion.

Objective 6: Increase Access to Health Services

24. The WBG is investing large resources in reproductive, maternal and child health, with the goal of strengthening the ability of women to make decision related to their reproductive lives, reducing maternal mortality, lowering STIs and supporting other health priorities for women. These large investments aim to significantly improve the health status of women and young children in 3 Departments and, through capacity support to the Ministry of Public Health, to improve service delivery and outcomes more broadly throughout the country. In the aftermath of the earthquake, the World Bank piloted a Gender Based Violence project financed in partnership with women's organizations KOFIV and MADRE to confront women's vulnerability to sexual violence in camp settings. The project provided 7000 women with training, strengthened their capacities to protect themselves in camps, and raised awareness more generally to promote prevention and assistance to victims of sexual violence. Learning from this effort to respond to and prevent GBV, the World Bank is exploring new instruments to specifically fight GBV in collaboration with other partners. The social protection program Kore Fanmi has been providing assistance to women and their families by helping families develop individual family plans to improve nutrition, health, and hygiene, as well as, vaccines and nutritional supplements in communities that are among Haiti's most vulnerable.

Objective 7: Cholera Control in Priority Communes

25. The WBG recently approved Sustainable Rural and Small Towns Water and Sanitation Project (\$50M), will increase access to clean water and improved sanitation in priority communes for cholera elimination. Women are a key vector of success in Haiti's fight against cholera and the target of education campaigns

related clean water and appropriate sanitation practices. The project provides for gender appropriate approaches to access to water and sanitation solutions, as well as dedicated measures to maximize the participation of women and the positive impacts of the project on women and children (for instance measures to address the disposal by mothers of child fecal matter).

Focus Area 3: Resilience

26. The WBG will help Haiti prepare for and prevent natural disasters and strengthen climate resilience, which pose a major threat to women, including a large percentage of households headed by women.

Objectives 8 & 9: Strengthen Natural Disasters Preparedness & Improve Disaster Prevention and Strengthen Climate Resilience

27. The WBG is involved with two operations that directly tackle resilience and build capacity for resilient city planning: the ongoing Disaster Risk Management (DRM) and Reconstruction Project and the proposed Haiti Municipal Development and Urban Resilience Project. One aspect of the DRM and Reconstruction Project is strengthening local committees that are responsible for ensuring disaster preparedness and emergency response at the local level. Based on learning from the prior DRM project that showed women were insufficiently represented, the project is actively supporting the recruitment and incorporation of women. This project also is financing a comprehensive emergency shelter assessment initiative with the objective of identifying suitable emergency evacuation shelters that respond to specific requirements of local populations. As the needs of women are not always taken into consideration in shelter construction, the project has supported the integration of gender considerations in this initiative (for example, gender specific bathrooms, separate dormitories for female merchants). The proposed Haiti Municipal Development and Urban Resilience Project plans to incorporate gender considerations at all levels in terms of committing to at least 50% women beneficiaries, attention to women's and girls' priorities in identification of small-scale municipal investments, establishing minimums for female staff and addressing issues women have prioritized (i.e. lighting of roads and public spaces).

Cross-cutting Theme of Governance

28. The transversal aim of the WBG program is to support transparency, accountability, and effectiveness in public investment and to strengthen the capacity of Haitian institutions to produce key data, set evidence-based policy priorities, manage sector data and resources, and implement efficient, effective and sustainable service delivery programs. Included in this, is support for the collection of sex-disaggregated data and the strengthening of government's statistical capacity to analyze the incidence of public spending on males and females.