

**PROPOSAL FOR A MEDIUM-TERM ACTION PLAN FOR THE
CARIBBEAN DEVELOPMENT BANK
IN HAITI**

FINAL REPORT

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ACRONYMS

ACLAM	Action Contre la Misère
ACME	Association pour la Coopération avec la Micro Entreprise
CBO	Community Based Organization
CCI/ICF	Cadre de Coopération Interimaire / Interim Cooperation Framework
CIDA	Canadian International Development Agency
COD/EMH	Coordination des Programms de Développement de l'Eglise Méthodiste d'Haiti.
CRS	Catholic Relief Services
CRWRC	Christian Reform World Relief Committee
DfID	Department for International Development
DID	Développement International Desjardins
EDF	European Development Fund
EDH	Electricité de Haïti
EU	European Union
FHAF	Fondation Haïtienne d'Aide à la Femme
FINNET	Financial Service Network for Entrepreneurial Empowerment
FONKOZE	Fondasyon Kole Zèpol
GDS	Haitian Gourdes
GRAIFSI	Groupe pour l'Intégration de la Femme du Secteur Informel
GTIH	Groupe Technologie Intermédiaire d'Haïti
IADB	The Inter-American Development Bank
KNFP	Conseil National de Financement Populaire
KOFIP	Kolektif Finansman Popilè
MFI	Microfinance Institution
MINUSTAH	UN Stabilization Mission in Haiti
NGO	Non-governmental Organization
PADF	Pan American Development Foundation
PLWHA	People living with HIV/AIDS
PRET	Program for the Recovery of the Economy in Transition
PWOFOD	Pwogram Fomasyon pou Oganizasyon Dyakonal
ROSCAs	Rotating Savings and Credit Associations
SDR	Special drawing right
SKDE	Sant Kreyen pou Devlopman Entegral
UNDP	United Nations' Development Program
USAID	United States Agency for International Development

INTRODUCTION

1. The Caribbean Development Bank's (CDB) Board of Governors, at its annual meeting in St. Kitts and Nevis in May 2003, decided to approve Haiti's accession to membership of the Bank.
2. Consequently, the Bank has been preparing for work in Haiti and developing an appropriate approach to initial programming that would reflect both the special needs and constraints in Haiti and the Bank's comparative advantage in contributing to poverty reduction.
3. In this context the CDB has contracted the present consultancy services for the provision of a report that will develop a proposal for a medium-term action plan to operationalize the Bank's intervention in Haiti. The consultancy needs to take into consideration the work being undertaken or planned by other development partners, CDB's own limitations of human and financial resources, and the Bank's comparative advantages and core competencies.
4. The Terms of Reference of the consultancy describe the objective of the assignment as follows: *"The action plan will identify the broad areas of needs identified by the government, provide a diagnostic of the areas of focus of the other development partners, both actual and planned, and identify gaps for possible intervention by CDB in partnership with others donors and local organisations. The assignment should also provide an estimate of the cost of operationalising the plan, the cost of in-country representation, staffing and overheads."* Furthermore, deliverables for the consultancy have been specified as:
 - a. *An inception Report which sets out the methodology for the consultancy and a work plan for the approval of CDB not later than seven working days after the signing of the contract.*
 - b. *A Progress Report detailing the areas of development needs and the diagnostic on the areas of focus/intervention of the various development agencies operating in Haiti, not later than four weeks after the acceptance of the Inception Report*
 - c. *A draft final report to be submitted not later than two weeks after the acceptance of the Progress report.*
 - d. *A final report not later than one week after the acceptance of the draft final report.*

EXECUTIVE SUMMARY

1. After having experienced one of history's most glorious struggles for independence, Haiti has had to go through very difficult periods during its independent life. Today, with a population of near 8.0 million people, it is the poorest country in the Western Hemisphere and one of the most disadvantaged of the world. The country is also presently plagued with a tragic climate of violence which initiated before the unorthodox exit of President Jean-Bertrand Aristide in February 2004, but has amplified considerably since then.
2. Subsequent to President Aristide's departure, in March 2004, a 7-member "Council of the Wise" designated Gérard Latortue as Interim Prime Minister to lead a Transition Government until new elections are held. Although some improvements have been achieved by the Transition Government in some areas of infrastructure (mainly electricity supply and road repairs), they have clearly fallen far short of what was required to launch a solid stabilization process. Since September 2004, the country has been going through perhaps its most profound governance crisis as there are no credible institutional entities in position to provide even the most basic levels of law and order, despite the presence of a United Nations stabilisation mission of some 7,400 troops.
3. One of the positive accomplishments of the Transition Government has been the Interim Cooperation Framework (ICF) exercise which it launched, in April 2004, in coordination with the European Commission, the Inter-American Development Bank, the United Nations and the World Bank. This exercise was realized in a participatory fashion and with the objective of national ownership of the results of this process. Over 250 national and international experts from 26 bilateral and multilateral agencies, UN agencies, civil society and the private sector participated. At the end of the exercise, donors committed to providing over US\$1.0 billion over the next two years to help support Haiti's stabilization and reconstruction through the ICF. The duration of the ICF plan has recently (December 2005) been extended until the end of 2007 in order to allow the newly elected Government sufficient time to set its medium to long term development objectives.
4. The priority areas identified and agreed upon during the ICF exercise are the most valid definition of Haiti's present development assistance needs in the short-term, and have been structured around the four following axes of development:
 1. Axis 1: Strengthen political governance and promote national dialogue
 2. Axis 2: Strengthen economic governance and contribute to institutional development
 3. Axis 3: Promote economic recovery, and
 4. Axis 4: Improve access to basic services .

The overall coordination of the implementation of the ICF plan, under the Transition Government, was exercised through a special office under the Interim Government's Prime Minister.

5. After a complex and lengthy electoral process heavily supported by the international community, the Haitian people elected Mr. René Préval with a majority on the first round of the elections held on February 7, 2006, although some adjustment in the counting of the votes had to be made to reflect the final count (essentially through the elimination of blank vote ballots). This election is expected to confirm the return of a legitimate Government in Haiti, although that legitimacy might be contested in some sectors because of the ballot counting controversy. The legislative elections have now been rescheduled to be held on April 21st, 2006. Mr. Préval will be sworn in by the new Legislative Assembly on May 14th, 2006.
6. Although most cooperation agencies expect Mr. Préval's Government to agree with the ICF extension until December 2007, the possibility exist that it might want to review that option. The longer term development assistance needs of Haiti will be the object of a further exercise. The transition Government (Ministry of Plan and External Cooperation) has continued work for the elaboration of a medium-term Poverty Reduction Strategy Paper (PRSP) in 2005, in consultation with all of Haiti's stakeholders, without much success. The PRSP, which in fact was initiated under the Government of President Aristide, will be submitted for finalization and approval by the elected government, and will include a medium term development strategy covering a five-year period beginning in 2008.
7. The present report examines some of the development and implementation challenges for the ICF as well as some of the most pertinent observations and criticisms expressed over the exercise. Amongst those are the centralized nature of the plan, its apparent neglect of the agriculture sector and the confusion resulting from the planned disbursement schedule of some of the donor pledges which are longer than the expected short-term two-year stabilization period that the ICF exercise was initially meant to cover. There also were serious development and implementation challenges for the ICF. This is particularly apparent when one looks at the accomplishments (or lack thereof) under the first and second pillars or axes. The first axis which aimed at "Strengthening political governance and promoting national dialogue" only succeeded, and with very heavy international pressure and support, in the implementation of the electoral process. In terms of the second pillar, "Strengthen economic governance and contribute to institutional development", the results have been very short-term and limited; this axis will be better addressed by the elected Government, provided that it agrees with its objectives. The most tangible results achieved appear, as Annex C will illustrate, under the last two axes, "Promote economic recovery" and "Improve access to basic services". However it is clear from on-site observations that considerable efforts are still required in both of these axes as well.
8. Because of the chronic institutional weakness at the national level, there is an international tacit recognition that the transition government of Haiti had great difficulty in leading and managing the country's development process. Consequently, some of Haiti's development assistance partners have adopted the OECD's "difficult partnership" approach which aims to achieve short-term progress and build long-term capacity within the government to re-assume responsibility for the development of the country. In terms of content however, the donor community as a whole has restructured the respective short term development assistance programmes to Haiti in accordance with

the results of the ICF exercise. Haiti's chronic institutional weakness is expected to remain for the short term under Mr. Préval's administration, consequently the country's developmental partners are likely to continue to work under the "difficult partnership" approach for some time.

9. As part of the ICF preparation exercise, Haiti's Transitional Government and the international donors community presented in 2004 the synthesis of lessons learned in the delivery of development programmes in Haiti since 1994. The main lessons learned have been integrated in the design of the ICF programmes and were grouped under the following four categories:

- ? Constraints originating from Donors' internal practices
- ? Constraints linked to Haiti, its Government and its society,
- ? Constraints arising in the Inter-actions between Haiti and the Donors
- ? Success factors.

The present report provides a description of Haiti's most important development partners programming as a result of the ICF: the IADB, the World Bank, the European Union, Canada, DfID, USAID and CARICOM.

10. The report also examines civil society organizations. Microfinance institutions (MFIs) in Haiti go back to about 1979 while NGOs presence dates before 1960. There are many reliable civil society organizations with whom the CDB could associate itself. For its initial investments, the consultancy recommends to the CDB a restricted number of partners and the reports lists 4 MFIs and 5 development NGOs as well suited initial development partners. Annex D lists numerous others which might also be considered by the CDB eventually.

11. The report proposes an action plan for the CDB in Haiti, once all the formalities for membership are completed. It is built around four basic principles and criteria:

- ? Adopt a "difficult partnership" approach
- ? Concentrate in the areas of CDB's strongest expertise
- ? Initial support focussed on key selected partners, and
- ? CDB to aim at becoming a pro-active development partner for Haiti.

12. The proposed strategic thrust for CDB's programming in Haiti is:

- ? to support Haiti's efforts to alleviate pressing social needs, to promote economic recovery, to improve the governance and management of key economic development institutions, and to integrate Caribbean regional organizations, articulated around the ICF.

- ? The CDB should then aim for the drafting of a new programming framework for discussion and negotiation with the elected government informed by its active participation with other donors in the discussions and elaboration of the Poverty Reduction Strategy Paper (PRSP).

13. The last part of the present report elaborates a two-phase proposal for, in the first phase, the implementation of further internal preparatory work in the CDB to allow for formal initial contact with Haiti's new Government and for the presentation of the Bank's short-term programming strategy based on the ICF. Secondly, the report includes provisions related to the eventual establishment of a CDB office in Haiti, with estimates of the related cost. In summary, the foreseen costs would be:

Phase I:

? Interim budget for further preparatory work in the CDB:
US \$ 101,350

Phase II (Office in Haiti):

? Initial capital acquisition and set-up costs (one-time set-up costs)
US \$307,650

? Operating budget for the first year US \$725,450

GRAND TOTAL FOR SECOND PHASE: US \$1,033,100.

CONTEXT

14. After one of history's most glorious struggles for independence, Haiti became the first black Republic in the world in 1804. Despite a rich historical and cultural tradition, the country has struggled during many parts of its independent life. Haiti today, with a population of 8.0 million people, is the poorest country in the Western Hemisphere and one of the most disadvantaged of the world. The last two decades in particular, have been marked by a recurring cycle of political and social conflicts causing severe hardships on the population and devastating the country's fragile economy. The following indicators¹ demonstrate the acute poverty situation of Haiti:

- ✍ GDP per capita of US\$361 (2003)
- ✍ Ranked 153rd out of 177 countries on the human development index;
- ✍ 65 percent of the population lives under the poverty line;
- ✍ Life expectancy is 53 years;
- ✍ Under-five mortality rate of 123 out of 1,000;
- ✍ Half the population does not have access to clean drinking water and only 28 percent have access to decent sanitary equipment;
- ✍ Nearly half the population is illiterate;
- ✍ Highest incidence of HIV/AIDS outside of Sub-Saharan Africa (5 percent); and
- ✍ 97 percent deforestation.

15. More recently, the unorthodox exit of former President Aristide in February 2004, after months of violent political clashes in the capital and heavy pressure from the United States, exacerbated an already very volatile situation.

16. In March 2004, a Tripartite Council made up of a representative of the "*Fanmi Lavalas*" (President Aristide's party), a representative of the Democratic Platform (a coalition of opposition groups), and a representative of the international community, designated a Council of the Wise composed of seven eminent personalities representing key sectors of Haitian society. Following a participatory process, the Council of the Wise designated Gerard Latortue as interim Prime Minister of a transition government until new elections could be held. The interim Prime Minister was sworn in on March 12, 2004. Since then and until February 7h, 2006, a core segment of the population which constituted President Aristide's social base has been increasingly showing its rejection of this transition.

17. Even the elements have contributed to further aggravate the Haitian situation, tropical storm "*Jeanne*" passed over Haiti on September 17, 2004 leaving more than 4,000 people homeless and causing over 1,000 deaths.

¹ World Bank, Haiti Country overview

18. The transition government, mostly composed of technocrats, seriously lacked meaningful political or social support. Despite massive international commitments of support (see paragraph 12 below), it has not been able to restore hope, to bring about a true political dialogue nor to initiate the process of reconstruction as was hoped. Although some improvements have been achieved by the transition government in some areas of infrastructure (mainly electricity supply and road repairs), they have clearly fallen far short of what was required to launch a solid stabilization process.
19. Since June 2005, the country has been going through perhaps its most profound governance crisis as there were no credible institutional entities in position to provide even the most basic levels of law and order, despite the presence of a United Nations stabilisation mission of some 7,400 troops. The interim Haitian government, whose principal task was to organize the electoral process, has experienced great difficulties and did not succeed in putting an end to the chaos. The difficulties which have brought about the series of postponements in the implementation of the electoral process have not disappeared. There are still many factions in Haiti's political and social fabrics which will find it very difficult to accept the people's choice and may attempt to cause further turmoil in the future.
20. Nevertheless, after a complex and lengthy electoral process heavily supported by the international community, the Haitian people elected Mr. René Préval with a majority on the first round of the elections held on February 7, 2006, although some adjustment in the counting of the votes had to be made to reflect the final count (essentially through the elimination of blank vote ballots). This election is expected to confirm the return of a legitimate Government in Haiti, although that legitimacy might be contested in some sectors because of the ballot counting controversy. Nevertheless, it is believed that the final result of the election offers Haitians their strongest opportunity in a long while to build their development on democratic grounds. The new elected Government's position with regards to some of the radical elements in the opposition, may well be affected by the degree of recognition and substantial relations and support which the international community as a whole would show, particularly that which its Caribbean neighbours are in a position to provide. There has been for a long time a deep interest in Haiti towards building closer economic and political relations with the Caribbean Community which is perceived by many Haitians as its closest natural partner with great mutual potential benefit for a strengthened relationship. It is believed that the acceptance and integration of Haiti in the Caribbean institutions would greatly contribute to the restoration of that country's international and national pride.
21. While the election of a close associate of former President Aristide is not likely to strongly please the present US Administration, informal contacts in US officials circles indicate that, as their country has plenty of other pressing worldly issues to confront, it will probably sit on the sideline and let its Canadian and French allies provide the leadership in international support to the new Government, reserving itself the right to intervene should things not work out. France and Canada on the other hand, both had a considerable role in the implementation of the electoral process. Both of these countries are very likely to provide the recognition and support which Mr. Préval can expect. The

recently elected Conservative government of Canada is not likely to change the Canadian foreign policy objectives in Haiti in the short to medium term, as its minority government status forces it to be more preoccupied with internal issues in preparation for the next election which is likely to come within 18-24 months.

HAITI TRANSITIONAL GOVERNMENT'S DEVELOPMENT PRIORITIES- INTERIM COOPERATION FRAMEWORK

Description:

22. In April 2004, the Transitional Government of Haiti launched the preparation of an **Interim Cooperation Framework (ICF)**² in coordination with the European Commission, the Inter-American Development Bank, the United Nations and the World Bank. This exercise was based upon the Transitional Government's assessed national developmental priorities defined in a two-year reconstruction plan for the period July 2004 to September 2006. The program balances short and medium term interventions, including confidence-building measures to strengthen Haiti's implementation and governance capacities, among which anti-corruption measures, and actions to stimulate economic recovery over the medium term.
23. The ICF plan was not meant to be for the long term, it was an initial stabilizing plan for a country in a very serious crisis situation resulting from more than ten years of political, social and economical turmoil. The ICF was seen by both donors and the Transition Government as an essential element to help stabilize the economy, strengthen the governance of some key institutions and, to meet the country's most pressing social needs.
24. Over 250 national and international experts from 26 bilateral and multilateral agencies, UN agencies, civil society and the private sector participated in the ICF exercise. A deliberate and highly participatory approach was taken during the exercise, as a first step towards stabilization.
25. On December 5, 2005 the Transitional Government's Prime Minister declared that the timeframe for the ICF was being extended until 2007 in order to allow the new Government to be elected on February 7th 2006 the time to design its own development priorities and objectives. It remains to be seen whether the Government of Mr. Préval will agree with this extension. However there are good possibilities that it will. In long terms, the ICF should be sustained with strong donor involvement for the long term and the definition by the new Government of its Poverty Reduction Strategy.
26. The ICF set out the Transition Government's strategy for national reconciliation and reconstruction, with targets and financial requirements in over 20 sectors, grouped around four strategic pillars:

- e. **Axis 1: Strengthen political governance and promote national dialogue**
 - ✍ Security, police and demobilization, disarmament and reintegration (DDR)

² The ICF document is attached as Annex A.

- ✍ Justice, penitentiary institutions and human rights
- ✍ Electoral process
- ✍ National dialogue

f. Axis 2: Strengthen economic governance and contribute to institutional development

- ✍ Economic governance
- ✍ Strengthening of institutional capacity
- ✍ Regional, urban and local development and decentralization

g. Axis 3: Promote economic recovery

- ✍ Macroeconomic stability
- ✍ Electricity
- ✍ Development of the private sector and small- and medium-size enterprises / small and medium-size industries
- ✍ Rapid job creation and micro-finance
- ✍ Agriculture
- ✍ Roads and transportation
- ✍ Environmental protection and rehabilitation

h. Axis 4: Improve access to basic services

- ✍ Emergency humanitarian aid and post-disaster rehabilitation
- ✍ Water and sanitation
- ✍ Health and nutrition
- ✍ Education, youth and sports
- ✍ Culture, media and communications
- ✍ Food security
- ✍ Slum upgrading
- ✍ Solid waste management
- ✍ Safety nets and social protection

27. At the end of the exercise, donors committed to providing US\$1.3 billion over the next two years to help support Haiti's stabilization and reconstruction through the ICF. The initial pledge table is attached as Annex B; although more pledges have been registered since the end of the exercise, it has not been possible to obtain an up-dated version of the table from Haitian Transition Government sources.

28. Attached as Annex C is the List of achievements realized under the ICF for its first year of implementation. This list has been drawn from the World Bank web site page for Haiti.

Analysis of the ICF

29. In retrospect, it is clear that there were serious development and implementation challenges for the ICF and which were not fully foreseen at the origin. This is particularly apparent when one looks at the accomplishments (or lack thereof) under the first and

second pillars or axes. The first axis which aimed at ‘Strengthening political governance and promoting national dialogue’ only succeeded, and with very heavy international pressure and support, in the implementation of the electoral process. It is now easier to see that the other objectives under this pillar were either totally unrealistic or did not receive much attention. In terms of the second pillar, ‘Strengthen economic governance and contribute to institutional development’, the results have been very short-term and limited; this axis will be better addressed by the elected Government, provided that it agrees with its objectives. The most tangible results achieved appear, as Annex C will illustrate, under the last two axes, ‘Promote economic recovery’ and ‘Improve access to basic services’. However it is clear from on-site observations that considerable efforts are still required in both of these axes as well.

30. Despite the relative success of the ICF pledge exercise, there have been expressions of frustrations in Haiti at the slow pace of disbursements of donors’ pledges. There is no doubt that this unfortunate situation is the result of donors’ bureaucratic obstacles and the limited absorptive capacity of Haitian institutions, with the added complications arising from the deteriorated social and security situation. According to the Haitian Transition Minister of Plan, some donors had scheduled the disbursements of their ICF pledges over a period of four to five years in spite of the short-term (two-year) focus of the exercise, which explains why many “gaps” or shortcomings remain unfulfilled under the various ICF priority areas.
31. Two of Haiti’s close development partners, France and Canada, both convened unscheduled meetings a few months apart in 2005 to review advances in the implementation of the ICF. While important issues such as the lack of progress in the preparation for the elections and the deteriorating security situation were important part of the agenda of these meetings, knowledgeable observers have indicated that a key issue these meetings wanted to address was to demonstrate support and offer a forum to Haiti’s Transition Government to express its frustrations with the slow approval and disbursement rates of Haiti’s largest donor, the USA, and of the multilateral institutions where it usually exercises its considerable influence (i.e. World Bank). There seems to have been some progress in recent weeks, particularly noticeable in the case of the IADB who has approved and announced various new initiatives related to the ICF.
32. Some respected Haitian observers have commented that the ICF, while very useful, has resulted in a plan too centralized around the country’s capital and central government, and that it should have incorporated more decentralized initiatives in support to regional programmes and organisations in the rest of the country. Other criticisms have also been voiced over the apparent neglect of Haiti’s dominant sector, the agricultural sector. While Haitian agriculture is indeed in a tragic state and the ICF pays very limited attention to the sector³, it is generally believed that the measures required to remedy the situation are of medium to long term ones, covering a much longer time scope than the ICF.
33. The situation of the agriculture sector is partially explained by the fact that previous governments have left the country as one of the most open economies in the Western Hemisphere in terms of tariff protection. Consequently, Haitian small farmers, producing traditional food products such as rice, are left on their own and in a very precarious situation having to compete with imports from highly subsidized and large scale

³ In fact there has been only \$24.0 millions in recorded initial pledges for the agriculture sector at the ICF, mostly from the European Community, the IFAD, France and Canada. (See Annex B – ICF Pledge table).

producers from developed countries, such as the USA. There is no doubt that these farmers will have great difficulties to survive economically unless some form of agriculture tariff protection is reintroduced which is unlikely to happen until a new elected government is in place, if then.

34. According to the IADB, growth of the agriculture sector, is constrained by small farm sizes, weak policies, an archaic and ponderous land titling system that blocks the development of an efficient land market, inadequate research and extension, limited access to financial resources, soil erosion, and low levels of investment in human resources, irrigation, and storage. Severely deteriorated infrastructure further affects agricultural productivity. A recent study for the IADB⁴ of Haiti's comparative advantages under the present economic regime, indicates that the agricultural sector's best options for the future would be in the production of export crops/products such as mangoes and coffee. Many experts believe that the challenge to rural development in Haiti is the acceleration of agricultural productivity growth through technology generation and diffusion, and the promotion of productive off-farm activities in rural areas.
35. In conclusion, although the ICF obviously has shortcomings, its achievements continue to be relevant, in the sense that it provides a focus of discussion and action on the most pressing development needs of Haiti. It has been a successful exercise in government/donor coordination and, for once, Haiti has a broad-based short-term development plan, with accompanying resources, to at least attain some degree of stabilization. In January 2006, the ICF remains the most valid and extensive definition of the short-term development assistance needs of Haiti; however it will certainly require to be followed by an even more comprehensive medium to long term plan as soon as political conditions allow it.
36. The longer term development assistance needs of Haiti will be the object of a further exercise. The transition Government (Ministry of Plan and External Cooperation) has continued work started under the Government of President Aristide for the elaboration of a medium-term Poverty Reduction Strategy Paper (PRSP), in consultation with all of Haiti's stakeholders. To this purpose a Coordination Committee was created with representatives from the Transition Government and a selected group of donors. However this committee has not been very active. The PRSP, which so far covers essentially the basic studies and the definition of some large objectives for poverty reduction, will require the urgent attention of the new Government with the support of the international community.

⁴ "Sources of Growth in the Haitian Economy – a Study for the Inter-American Development Bank" by Mats Lundahl, 2004.

CURRENT MAJOR INTERNATIONAL COOPERATION PROGRAMS

37. *Overview of International Development assistance in Haiti in 2005*

Haiti is the major recipient of development assistance in the Western Hemisphere. This is certainly justified by the dramatic social and economic indicators for the country. However, because of the chronic institutional weakness at the national level, there is an international tacit recognition that the Interim government of Haiti had great difficulty in leading and managing the country's development process; likewise, the Government of President Préval is generally expected to face extreme governance hardships in the short term. Despite this situation, the international community agrees that to pull out of Haiti is not a solution. Countries in crisis, like Haiti, require even more the support of the international community. The Organisation for Economic Co-operation and Development (OECD) has developed an approach for "difficult partnerships" in countries in crisis which aims to achieve short-term progress and build long-term capacity within the government to re-assume responsibility for the development of the country. This approach is based on flexibility, dialogue, identification of change advocates and alternative development partners in civil society, the private sector and other levels of government. The World Bank (Low Income Countries Under Stress – or its LICUS approach) and CIDA in particular have structured their development support programmes to Haiti on this basis.

In terms of content, the donor community as a whole has restructured individual development assistance programmes in accordance with the results of the ICF exercise. Present donor pledges and programmes, within obvious limitations pointed out in the previous section of this report, are expected to cover roughly the transition period and maintain the momentum until after at least a year after the Préval Government is in power. The transition Government tried, without much success, to prepare a participatory medium-term Poverty Reduction Strategy Paper (PRSP) in 2005, in consultation with all Haiti's stakeholders. A Coordination Committee was created with representatives from the Government and a selected group of donors. The PRSP, the preparation of which was initiated by the previous Government of President Aristide, was to be presented for finalization and approval by the newly elected government and include a medium term development strategy covering the period 2006-2009.

Therefore the following description of Haiti's main development partners reflects the ICF-based orientation and objectives pursued, for the short term, by the respective entities:

38. INTER-AMERICAN DEVELOPMENT BANK (IADB)

The Inter-American Development Bank leads in critical sectors for recovery (infrastructure, agriculture, water supply, and economic governance), as a major stakeholder in the ICF. The IADB's support to areas critical to Haiti's recovery, through

its current transition strategy approved in 2003, helped the country to maintain key institutional capacities and to finance essential activities.

When the Bank resumed its lending to Haiti in July 2003, it updated and reactivated 6 pending loans totalling \$197.6m⁵ and approved 4 new lending operations for US\$201.9m, thus bringing the total amount of commitments to US\$397.8 m. Total disbursements reached \$78 m (\$48 m in 2003 and \$30 m in 2004).

The Bank's current portfolio covers sectors identified as priorities in the ICF: economic governance, education, health, potable water and sanitation, rural roads, agriculture, basic infrastructure, local development and rural development.

In the area of **Economic Governance** the bank approved a loan for a Rehabilitation of Basic Economic Infrastructure Program (\$77.8m) which will assist the Ministry of Finance to meet conditions under Policy Based Loan Revenue Collection. The Bank also approved financing for a Public Finance Reform (\$25m) loan to support to improvements in financial management, through measures to increase tax revenues and financial sector reform, crucial to help reverse the deterioration of the social and economic situation. IADB will fund the creation of an Anti-corruption bureau, it will also deepen reforms to strengthen the institutional and operational capacity of the Central Bank as well as improving the effectiveness of the banking and non-banking sector in financial resource mobilization. Funding was approved to finance and strengthen "*Caisse Populaires*" (credit unions).

In **Urban and social rehabilitation** the existing Local Development Program (\$77.2M) initiated in 2003 aims to improve the quality of life and income-generating capacities of the poorest and most vulnerable segments of Haitian population. In **Water and Sanitation** the IADB is extending supply coverage and focusing on small scale water and sanitation systems with strong community participation, based on the existing Drinking Water and Sanitation Sector Reform project (\$54m) that expands potable water systems of 7 medium sized cities in Haiti.

The IADB is addressing urgent **Infrastructure** needs in road building and repair through the Rural and Secondary Roads project (\$50m) currently underway. Planned activities include investments and reforms to the port system and improvements to the airport. In **Agriculture**, the bank is supporting the Ministry of Agriculture to extend the Agricultural Intensification program (\$46m) started in 2003 to other geographic areas.

The IADB will continue efforts to improve access to all levels of **Education**, from pre-school to vocational and tertiary education and enhanced quality of public and non-public education through funding to the Basic Education Program (\$19m) and the Vocational Training Program (\$22.2m).

In **Health**, the IADB will revitalize the Organization and Rationalization Health Sector (\$25M) initiated in 1998 to support the government's efforts to enhance the quality,

⁵ All cost in USD unless specified

efficiency and equity of health services provided by public and private institutions in the national health system.

39. WORLD BANK

The World Bank's Transitional Support Strategy aims to strengthen the knowledge base in economic governance and provide grant financing for basic social services, local development and institution building. It is built on two pillars: one is to help the government deliver hope to the population through quick wins—in the provision of basic services and job creation; and the second is to restore credibility in public institutions by helping the government launch reforms that promote sound economic governance and institutional development.

The Bank is providing a total of US\$75 million in financing, of which US\$38 million will be provided in the form of grants. The package of loans includes⁶:

- i) The **Economic Governance Reform Operation** (\$61m) which aims at restoring credibility in Haiti's public institutions by increasing transparency and efficiency in the use of public resources and external assistance. This loan will support reforms in budget management and financial controls, strengthen the public sector's institutional capacity in human resources management and procurement, and a present an anti-corruption strategy. In addition the operation will promote economic governance reforms at the sectoral level, including strengthening a road maintenance fund, key public enterprises and public-private partnerships to increase access to health and education services. By supporting capacity building efforts, the proposed operation would also contribute to increasing the national absorptive capacity and therefore a faster disbursement of badly needed external assistance. The \$61 million operation will be financed through a SDR \$36.5 million credit and a US\$24.5 million grant.
- ii) The **Emergency Recovery and Disaster Management loan** (\$12m) will go towards rehabilitating areas of the country that were devastated by floods in 2004, strengthening the country's capacity to manage disaster risks and respond to emergencies, and reduce vulnerability of local communities while mitigating the effects of future disasters. A community-driven development approach would be used to implement most activities under this component and ensure local ownership, build local institutions and generate employment.

The **Economic Governance Technical Assistance Grant (\$2m)** of the World Bank aims to improve the government's ability to program, execute and track use of public resources and better link them to concrete development goals. It will be implemented under the project management mechanism developed for the Low-income Countries under Stress (LICUS) Trust Fund grant, and will have an overall coordinator as well as an individual responsible for the area of budget reform. Specifically, the project will support the following activities: (1) **Financial Resource Management**: to develop the government's

⁶ <http://web.worldbank.org/external/projects>

capacity to produce and execute a budget, track its implementation, and reduce irregular uses and expenditures. (2) **Human Resource Development:** to support the Human Resource Unit in the Prime Minister's Office to improve human resource programs, reform the civil service and increase training capacity. (3) **Anti-corruption:** development of the skills and techniques needed for diagnosing institutional vulnerabilities and the design of remedies. Assistance in drafting improved laws, such as a freedom of information law, and fund an evaluation of the performance of the mechanisms for monitoring of economic governance reforms by civil society organizations. (4) **Coordination** strengthening the Ministry of Economy and Finance program for communication of economic governance reforms to the public, enhance its ability to coordinate donor programs in economic governance and strengthen the Project Coordination

40. EUROPEAN UNION

The European Union's pledge made at the Washington ICF donor conference has since been increased to \$329.6 million⁷. These pledges do not include contributions from individual EU member states. \$54 million has already been approved for infrastructure projects and \$32.8 million for rehabilitation projects.

Of the total pledges this includes \$91 million for post-crisis rehabilitation and economic stimulation, \$35 million for basic services and \$13 million to support elections. The Humanitarian Aid Department of the European Union (ECHO) also allocated \$20 million in 2004 for other human development programs.⁸

The EU has been concentrating on projects in three areas where the Haitian population will see fast benefits, including through job creation: infrastructure (especially road construction), education (rehabilitation of schools) and democratization (election support and justice reform).⁹

As part of the package, the EU is committed to¹⁰:

Economic recovery: \$86.4 million with over half of which is earmarked for the transportation sector.

Political Governance and Promotion of National Dialogue: \$ 25.8 million

Justice and Security: \$12 million

Strengthening Economic Governance and Contribution to Institutional Development: \$13.5 million over the lifetime of the CCI.

Improvement of access to basic services: \$42.2 million

⁷ http://www.eu2005.lu/en/actualites/documents_travail/2005/01/13hoscheithaiti/13hoscheithaiti.pdf

⁸ <http://www.harolddoan.com/modules.php?name=News&file=article&sid=3864>

⁹ European Union, "Pledging Statement" International Donor Conference on Haiti, July 2004

<http://lnweb18.worldbank.org/External/lac/lac.nsf/0/960899EB8E71D4F185256EE4004E8841?OpenDocument>

¹⁰ European Union, "Pledging Statement" International Donor Conference on Haiti, July 2004

<http://lnweb18.worldbank.org/External/lac/lac.nsf/0/960899EB8E71D4F185256EE4004E8841?OpenDocument>

Emergency and humanitarian assistance: The European Union, through the European Community Humanitarian Office made \$11.5 million available for humanitarian activities in Haiti.

Free and Fair elections \$24.9 million

41. CANADIAN INTERNATIONAL DEVELOPMENT AGENCY (CIDA)

Canada is one of Haiti's key bilateral development partners. In 2003-2004, Canadian Official Development Assistance to Haiti totaled \$22.66 million. Canada, through CIDA announced a contribution of more than \$148.33 million that includes a pledge of close to \$127 million in support of the transitional Government ICF and funding for Canada's contribution of police officers as part of the UN Stabilization Mission in Haiti (MINUSTAH). Canada has also committed \$14 million to help to create an environment favourable to the holding of fair and credible elections.

CIDA is basing its cooperation program with Haiti on the "difficult partnerships" model. The Agency's aims are to maintain development progress that has been achieved, prevent and reduce tensions, and support the emergence of social consensus in Haiti. CIDA will continue to support the Haitian government and civil society in order to find a resolution to the crisis and a long-term solution that will enable Haiti to resume its path to sustainable development.

CIDA's current bilateral program is grounded in this new strategy which takes into account the nature and scope of the Haitian crisis and includes measures to ensure that aid is not subject to risks related to the political situation. The program concentrates on the following priorities:

- ✍ basic education
- ✍ health
- ✍ economic development
- ✍ human rights
- ✍ justice
- ✍ security

Among current projects are a local fund in health and education, reduction of the transmission and impact of HIV/AIDS, increase in access to electricity, revitalization of agricultural cooperatives, support to women's empowerment, promoting access to justice, and supporting the Organization of American States Special Mission. Due to the deteriorating humanitarian situation, CIDA is also providing urgently needed food and medical assistance to civilians affected by violence. The following represents the most important current Canadian initiatives in the context of the ICF exercise:

Judicial System - Canada committed to working with the European Union and the Organization of the Francophonie toward improving the judicial system. Specifically, the project will support the training of magistrates. It will develop and strengthen the capacities of the peace tribunals. It will develop a system of mediation and training for judge mediators. It will establish a small claims court, and will endeavor to modernize

penal procedure. The program will also support the preparation and publication of a general review of Haitian law and of Supreme Court decisions.

Energy – As a mean of support to economic recovery, Canada, in partnership with Hydro-Québec, provides support to the *Electricité de Haiti* (EDH) with the objective that this electric utility can increase its capacity to access the majority of the population.

Electoral Process - In the area of political governance, Canada will contribute with other countries toward financing the costs of the 2005 elections. It will also accompany the electoral process with the United Nations and the OAS. Elections Canada has been selected to put in place an international mission to oversee the electoral process. Over and above the \$14.4 million in support it is providing to help to create an environment favourable to the holding of fair and credible elections, CIDA will be additionally contributing up to \$2.88 million towards the election process.

In a visit to Haiti in July 2005, Canadian Minister of International Cooperation, Aileen Carroll announced the following new development assistance initiatives which form part of the \$180.0 million Canadian pledge:

- ? \$15 million over ten years to support more than 60 Haitian savings and credit cooperatives, in cooperation with “*Développement International Desjardins*”. This will help establish a judicial and regulatory framework and ensure good management practices;
- ? \$10 million over seven years to contribute to the rehabilitation of the Artibonite River Watershed along the border between Haiti and the Dominican Republic, the first phase being the development of a binational watershed management plan, directed by Oxfam-Quebec and CRC Sogema;
- ? more than \$6 million over five years for the second phase of an Oxfam-Quebec initiative to provide training to design, promote and implement agro forestry production models, with an emphasis on gender equality;
- ? \$5 million over four years for the Haitian *Development and Employment Fund* (FODEM), an initiative to support activities toward the rehabilitation and construction of basic and economic infrastructures to generate employment, and;
- ? over \$3.6 million over five years to support local governance including efforts to sustain and regenerate the north-east region's fragile ecosystem, through a United Nations Development Programme initiative partially funded by the United Nations Capital Development Fund.

42. DEPARTMENT FOR INTERNATIONAL DEVELOPMENT (DfID)

The UK's main contribution to the Interim Cooperation Framework for Haiti will be channeled through its contributions to the European Community, the World Bank, the Inter American Development Bank and the Caribbean Development Bank.¹¹

DFID will also continue to support civil society organizations working in Haiti through the Small Grants Scheme, the Civil Society Challenge Fund and the Partnership Program Agreements for Latin America and the Caribbean.

DfID will be contributing to the election process in Haiti through an EU contribution of 12.5 million Euros¹² earmarked for this purpose. The UK's share of this amount is 12.7 per cent or approximately \$1.9 million.

Also, through DfID's small grants scheme in Haiti the UK is supporting a project with \$36,300 for election preparation/electoral process awareness in the north west of Haiti. This is being done in cooperation with the UK non-governmental organization CARE International. This initiative builds on a previous grant of \$302,000 from the civil society challenge fund that supported civic education on citizenship and civil society responsibilities.¹³

43. USAID

The United States pledged a \$230 million aid package to Haiti.¹⁴ The immediate goals of the United States Government in Haiti are employment generation, institutional support for the Interim Government of Haiti, improving access to vital services, and strengthening democratic institutions.

The US Government is helping the Interim Government of Haiti meet emergency needs in key sectors. Activities include technical assistance for a number of key government ministries in such areas as budget and fiscal matters, financial management, information systems, and trade facilitation, along with essential commodities, and helping major international ports meet international security requirements.

Health care, nutrition, and education- \$122 million was committed to address urgent needs

¹¹ UK, "Pledging Statement", International Haiti Donors Conference, July 2004

<http://lnweb18.worldbank.org/External/lac/lac.nsf/0/OCE1152EBF31B14185256EE4004F56FD?OpenDocument>

¹² £8.625 million at exchange rate prevailing on 9 February 2005 of 1 euro: £0.69

¹³ <http://www.parliament.the-stationery-office.co.uk/pa/cm200405/cmhansrd/cm050210/text/50210w03.htm>

¹⁴ Green, Eric "United States Details \$230 Million Pledge to Help Haiti Rebuild", July 21, 2004 US Department of State Website: <http://usinfo.state.gov/gi/Archive/2004/Jul/21-787836.html>

Support to Haitian government ministries- \$45 million will help ministries meet educational needs, supply fuel for electricity generation, manage waste collection, fight corruption, and to rehabilitate port security, customs and key government ministries.

Security improvements and judicial reform -\$26 million. U.S. advisers are currently working to improve the country's national police force, institute prison reform, and develop training for judges and prosecutors.

Job creation and economic growth -\$22 million has been pledged to job creation through community development activities, such as cleaning streets, canals and gullies; improving sanitation; providing potable water; rehabilitating schools and public buildings; and reconstructing roads. Longer-term efforts will focus on expanding access to credit, advancing agricultural technology, improving the climate for trade and investment and increasing job training.

Support for conducting free and fair elections in the country-\$15 million for use in the international effort to help Haiti's Provisional Electoral Council organize, conduct and observe free and fair elections.

44. CARICOM

Haiti was dropped from active CARICOM membership following President Aristide's departure from the island, when the Caribbean body labeled the Latortue administration as unconstitutional and said that Haiti's full membership would not be restored until national elections were held.¹⁵

During the Interim Government, CARICOM had decided to provide assistance to Haiti through the structures of the United Nations and the Organization of American States.

In a statement issued at CARICOM's Sixteenth Inter-Session Meeting in February 2005, CARICOM expressed encouragement by the growing support in Haiti for a national dialogue for which the international community has committed its support. The Caribbean Community reaffirmed its commitment to the welfare of the Haitian people highlighting the importance of free and fair elections in returning Haiti to constitutional rule. Technical assistance for the electoral process, an essential element of the CARICOM Assistance Programme for Haiti, will be forthcoming under the umbrella of the electoral unit of MINUSTAH.¹⁶

After the presidential election of February 7th, 2006, the Chairman of CARICOM, Hon. Patrick Manning, Prime Minister of Trinidad and Tobago, sent on March 15th, 2006 the following message to Haiti's President-elect Mr. René Préval: *"As you no doubt recall, the Caribbean Community took the principled position in March 2004 following the*

¹⁵ Thomas , Norman "Haiti to be discussed at CARICOM foreign ministers meeting", Caribbean News Net, June 1, 2005

¹⁶ CARICOM, "Communiqué Issued at the Sixteenth Inter-Sessional Meeting of The Conference of Heads of Government of the Caribbean Community" Feb. 2005, www.caricom.org

interruption of the democratic process of 29 February 2004 that the representatives of the Interim Administration of Haiti would not be permitted to participate in the Councils of the Community until the return to constitutional rule. With your victory at the polls, that process is well on the way to being achieved.” “The Conference of Heads of Government of the Caribbean Community stands ready to accompany you and the people of Haiti as you confront the many challenges in the quest for the sustained political, economic and social development of Haiti”.

45. *Lessons learned by the International Donors Community*

On April 22, 2004, in a meeting between Haiti’s Transitional Government and the international donors community as part of the ICF preparation exercise, CIDA’s representative in Haiti presented the synthesis of lessons learned by the Donor community in the delivery of development programmes in Haiti since 1994¹⁷. The main lessons learned were grouped under the following four categories:

1. Constraints originating from Donors’ internal practices
2. Constraints linked to Haiti, its Government and its society,
3. Constraints arising in the Inter-actions between Haiti and the Donors
4. Success factors.

1. Constraints originating from Donors’ internal practices:

- a) Insufficient Donor coordination: Donors recognized that they have worked in isolation from each other and never attempted to have common goals and objectives, and at times, there exists a spirit of competition between donors. More recently there has appeared a new tendency to improve donor coordination; this should be strengthened under the leadership of the Government of Haiti.
- b) Implementing parallel structures: Each donor agency has its own management model and structure, outside of the Haitian State framework. The reliance on NGOs for the delivery of social and educational programmes has been effective, but it does not recognize the role of the State in the determination of policies, strategies and objectives of development as well as its role in the evaluation and control of these programmes.
- c) Non re-enforcing interventions: Too many interventions did not contribute to the institutional re-enforcement of the Government or the NGOs where they were targeted. More investment should be made to improve the governance and management of institutions.
- d) Partially respected pledges: Some of the previous pledges of support to Haiti have not been fully respected. Furthermore, some donors have a tendency to

¹⁷ SYNTHÈSE DES LEÇONS APPRISSES PAR LES BAILLEURS EN HAÏTI, Présentation à la réunion Gouvernement - Bailleurs le 22 avril 2004, Yves Pétillon, Chef de la coopération canadienne en Haïti

disengage when confronted with difficulties due to their Haitian counterpart organisation, rather than insisting more strongly on compliance of commitments.

- e) Ambiguity in programming for emergency, reconstruction and for long term development: There seems to be a lack of understanding on the part of donors who sometimes expect, unrealistically, long term effects from emergency or reconstruction support.
- f) Unrealistic expectations: Donors often set their objectives too high or too broad in terms of expected results of their support. The donor community has to recognize that it has over-estimated the implementation and absorptive capacity of the country.
- g) Insufficient taking into account Haiti's political, sociological and cultural realities. Haiti's society has been examined and studied extensively, however it does not seem as if its deep-rooted characteristics and specificities have been properly taken into account. Many of the failures in development assistance can be blamed on the ignorance of the specific Haitian social and cultural context.

2. Constraints linked to Haiti, its Government and its society:

- h) Polarisation and dissension within Haitian society: These characteristics of Haitian society have brought instability and impeded the minimum of consensus building practices essential to developmental processes. However, at the local level (municipalities, and rural communal sections) there have appeared certain successful experiences in consensus building, which hopefully can be gradually replicated at the national level.
- i) Lack of political will from governments: Past Haitian governments have lacked the political will to undertake and pursue the required changes in the key sectors of society such as, for example, Police and Justice.
- j) Weakness in the rule of Law: This has resulted in the spreading of corruption, impunity and insecurity, thereby preventing productive private investments and broadly paralysing the mobilisation of the population in the development processes.
- k) Weakness of State institutions: Public institutions, instead of being reinforced, have been decapitalized and weakened. The main factors demonstrating this situation are: the low level of public sector salaries, the creation of parallel structures, the politically partisan filling of public service positions, and the weak management capacity of those institutions.
- l) Lack of trust and partnership arrangements between the private and the public sectors: In Haiti, the private sector occupies a major position in the delivery of Health and Education sectors services, mainly because of the weaknesses of public institutions in those sectors. However, without some form of partnership and trustful arrangements, it is very difficult for the State to play its necessary policy and regulatory roles, and for the country to benefit from coherent development processes.

3. Constraints arising in the Inter-actions between Haiti and the Donors

- m) Lack of trust between the Government and the Donors: This reciprocal mistrust has not permitted the normal and required kind of dialogue between the

Government and the donor community. Some donors have even suspended their relationships with the government, concentrating their support on NGOs and CBOs. Consequently, there has been a substantial lack of exchange on the sharing of visions, objectives, strategies and programmes, which has not permitted the government to play its essential role of donor coordination and promoter of national development.

- n) Inefficiency of conditionality: Many donors have attempted to impose conditionality measures with their support in the hope of bringing about political, governance or management changes. This has not had much success as the Haitian Government has usually managed to divert attention and not respect its commitments in this respect. Donors have not reacted firmly to these situations, so the expected processes of change never materialized.
- o) Great variations between Donor requirements on the Haitian Government: Each donor has its own exigencies, norms and management procedures related to the programmes it supports, thereby imposing further management hardships on the Haitian Government, NGO and/or CBO partner organisations. This has not contributed to the strengthening of these already weak institutions, quite the contrary.
- p) Lack of consensus on the role of public institutions: The absence of true dialogue between the Government and the donor community as well as the lack of coordination between donors have left a vacuum in the assessment of public institutions and of their areas of greatest need for support. There need be a reflection on the part of the Haitian Government and society in order to build a consensus on the role public institutions should be playing, particularly in the Education and Health sector where the private sector is dominantly present.
- q) Lack of communication with Haitian people: Haitian people have not been informed as much as they should be regarding the development processes prioritized by their Government and being supported by donors. This is essential for the population to participate more effectively in its own development.

4. Success factors

Despite the difficulties described above, each donor has experienced some encouraging successes (mostly at the local levels) which invite further reflection and discussion between the Government and the Donors. The main factors of success have been:

- r) Participation, ownership and consensus of the Haitian participants: The institutional support project (CIDA) with the electrical utility EDH in the city and rural areas of Jacmel has been a clear success and demonstrates a high sustainability potential. This is a case where local municipal authorities, the EDH itself, the Police, Justice as well as civil society organisations have worked together in order for this project to succeed. As a result, this is one of the rare areas of the country where electricity is available 24 hours a day.
- s) Introduction of a process of reform in the governance and management of institutions: This has been a key factor in the Jacmel electricity project; the EDH office in this city is now a model of sound management and of service to its clients, so contributing in the establishment of a new and welcome relationship between a public institution and the population.

- t) Public and private sector partnership arrangements: This again has been the case in the above mentioned Jacmel EDH project, but there have been other cases mentioned by other donors where a good relationship, based on dialogue and consensus building involving public institutions, private sector businesses as well as civil society organisations, have also resulted in producing tangible results with a much higher degree of sustainability potential than other projects where no effort in this sense were attempted.
- u) Long term commitment on the part of Donors: Haiti is a difficult country in need of a long process of development building. Changes are slow in coming, donors have to commit their resources for the long term and accept the fact that there will be progress and set-backs from time to time. Perseverance is one of the most important key to achieving tangible results.

MICROFINANCE, NON-GOVERNMENTAL AND COMMUNITY-BASED ORGANIZATIONS WORKING IN HAITI

46. *Overview of microfinance, non-governmental and community-based organisations sectors in Haiti:*

A 1985 survey of NGOs in Haiti revealed that one-third arrived before 1960; many arrived in response to Hurricane Hazel in 1954. NGOs reportedly donate as much as US\$65 million in annual assistance, food aid, other goods, and project financing.

Microfinance institutions (MFIs) in Haiti go back to about 1979 when Fondation Haïtienne de Développement (FHD), an NGO with microcredit operations, was established. Financial liberalisation in 1994 became a turning point in the history of Haitian microcredits. It included changes related to the Haitian monetary authorities, as well as abolishment of the interest rate ceiling of 22 per cent, which made it possible to set up sustainable operations, with interest and fees covering the high costs that the extension of microcredits entails.

Some 100 credit unions/caisse populaires, NGOs, foundations and unions serve as intermediate financial institutions. Their numbers are increasing rapidly, and although many are of recent vintage, they are responding to the growing demand for microfinance services and credit. The *Caisse Populaire* movement was one area that continued to grow and build up its capital base during the period of political instability and the embargo.

Generally speaking, NGOs have been active for a longer period of time in microfinance activities than the MFIs included in this report. Some of these institutions also had other programs to support the poor prior to their microfinance endeavours, many of which are still in operation. Therefore one could argue that they have a wider knowledge of the conditions of the poor of Haiti, giving them at least a temporary competitive lead over the privately owned MFIs.

In the 1990s only a few NGOs and community programs provided microcredit (either individual or village bank lending) with the support of donors. Few aimed to become financially self-sustainable. The only sizeable enough programs in terms of number of clients were the savings and credit cooperatives. By the year 2000, some progress had been made but the sector remained in its infancy. Though the number and quality of MFIs grew, there was a pressing need to improve information flows, networking opportunities, and coordination within a rapidly growing sector. Moreover, the absence of a credit information exchange mechanism and appropriate audit services have had a notable impact on the sector.

Recently, commercial banks and the Haitian Government's Industrial Development Fund (IDF) have also entered the micro-finance sector. The IDF offers micro-credit operators low interest lines of credit, as well as technical assistance services particularly in the elaboration of accounting plans and credit analysis.

47. **Recommended partner institutions for the CDB:**

The following provides a description of some of the most important microfinance institutions as well as non-governmental and community-based organizations active in development programming and working in Haiti and which the present consultancy recommends to the CDB as credible development partners in Haiti:¹⁸

48. Fondasyon Kole Zèpòl (FONKOZE)

Based on the belief that economic development is key to the survival of democracy in Haiti, FONKOZE was created in 1994 and chartered as a Haitian economic development foundation in 1995 to nurture and sustain economic growth among the country's poor.¹⁹ FONKOZE - Haiti's Alternative Bank for the Organized Poor - is the largest microfinance institution offering a full range of financial services to the rural-based poor in Haiti. Its mission is to build the economic foundations for democracy in Haiti.

FONKOZE currently has almost 70,000 depositors, over 28,000 active borrowers (96% of whom are women), and 23 branch offices spread throughout every department of Haiti. The services offered by FONKOZE include: solidarity group and individual loans that are used to start or expand a small business, savings products geared towards meeting the needs of the poor, currency exchange services at preferential rates, low cost money transfer services, and literacy and business skills training.

As of December 31, 2004, FONKOZE had over \$5.2 million in savings deposits, almost \$5 million in loans outstanding, while loans overdue more than 30 days were less than 3 per cent. Although benefiting from financial support from various private organizations in the United States, FONKOZE is a truly entirely Haitian micro-finance entity.

49. Développement International Desjardins (DID)

Développement International Desjardins (DID) is a Canadian micro-finance NGO specializing in technical support and investment in the community finance sector in developing and emerging countries.²⁰ This institution has been created and is being supported by the "Desjardins Movement" which is Canada's largest credit union federation. Since 1995, DID has been providing support to some of the most effective Haitian savings and credit cooperatives in the country. During the 2004 political crisis the 63 local savings and credit cooperatives supported by DID were able to weather the crisis.

Borrowers are required to have a guarantor and an up-and-running business. Commonly, the borrower has a one-person business, (i.e. a street merchant). DID subjects its clients to a compulsory savings scheme as a means to further secure its portfolio. These deposits are interest free.

¹⁸ A supplementary list of MFIs and NGOs is also attached in Annex B.

¹⁹ UNCDF, Haiti Companion Report UNCDF Microfinance Programme Impact Assessment, 2003

²⁰ <http://www.did.qc.ca/en/projets/visite/default.html>

DIDs current projects include an Educational loans pilot project through which two savings and credit cooperatives have been provided with the necessary instrumentation to offer educational loans. In 2004, parents of over 500 student members of the cooperatives of Saint-Marc and Verettes took part in this pilot project, which covered the territory of nine primary schools in both town and country.

The Financial service network for entrepreneurial empowerment initiative supports co-ops in 3 departments through the transfer of knowledge and know-how, the transfer of appropriate instrumentation, and financial transfers. The goal is to develop a network of autonomous, sound and profitable cooperatives that offer privileged access to adapted savings and credit services for individuals and micro and small entrepreneurs.

Another DID project is due to begin implementation in the first quarter of 2006 and has as its objectives to provide support to Haiti's Central Bank to re-inforce its capacity to supervise and regulate the micro-finance sector.

50. Association pour la Coopération avec la Micro Entreprise (ACME)

ACME is a non-profit organization founded as a specialized microfinance institution in 1997.²¹ The institution provides individual loans to micro and small enterprises in the metropolitan zone of Port-au-Prince through its three branches. ACME was launched with the support of the USAID/PRET loan capitalization program. The institution was able to establish a credit record and subsequently secure a line of credit with local commercial banks. This organization also receives support from the Haitian Government Industrial Development Fund.

First time borrowers may get loans starting at Gds 2,000, and the maximum loan is Gds 50,000 for established clients. The loan may not exceed forty per cent of the present capital, with repayments being neither larger than the expected monthly income increase nor thirty per cent of the monthly income before the interest payments of the potential loan have been subtracted. The aim is to reach a middle segment of the informal business sector. With some exceptions, the borrower has to be in business already with a fixed locality. There are no compulsory saving schemes.

Today PRET and USAID's FINNET program provide technical assistance in management information systems and strategic planning. The United Nations' Development Program (UNDP) provides assistance with bookkeeping and internal control, through MicroStart. Furthermore, ACME has bank guarantees with both the Soros Foundation and Deutsche Bank, lowering the costs of refinancing.

51. Fonds Haïtien D'Aide à la Femme (FHAF)

²¹ UNCDF, Haiti Companion Report UNCDF Microfinance Programme Impact Assessment, 2003

The Fonds Haïtien D'Aide à la Femme began its operations with a Women's' World Banking loan guarantee program in 1983.²² It has been a pioneer in microfinance in Haiti. Using additional funds from the Inter-American Development Bank and local banks, FHAF operates a co-financing system, where members open bank accounts, and are responsible for repayment directly to local banks. Its services include client identification and screening, loan analysis, loan approval and follow-up, training and management assistance. FHAF promote so-called *Mutuelles de Solidarité*, village based credit unions that are a sort of hybrid between savings and loan cooperatives and ROSCAs.

FHAH offers a group lending program, direct loans provided for individuals and an obligatory savings program (deposits collected through this program are reinvested and used as a resource for credit operations.) FHAF has 3,858 active clients, 2,928 borrowers and 3,858 savers. All are women and about 42% are rural. The average loan size is US\$636. FHAF's Portfolio size US\$1,059,617.

52. CARE Haiti

CARE Haiti has been active since the 1940s, and is a well-established NGO in Haiti. Their work reflects an integrated approach to programming.²³ CARE Haiti works closely with local NGOs, the Government of Haiti (at all levels), private companies, and community organizations to build local capacity and achieve sustainable development.

CARE's Food Security Strengthening Projects that aim to increase household food production and incomes through sustainable agricultural, increased access to markets, small-scale credit and basic management training for income generation activities, with special attention to women. CARE provides support to local financial institutions that in turn provide training and small loans, in particular to rural women.

CARE also works in reproductive, maternal and child health and nutrition, education and school feeding, soil conservation, road and sanitary infrastructure rehabilitation, irrigation, and small enterprise development and income generation. They are currently implementing activities in the Grand Anse, West, Artibonite, and Northwest departments.

53. Catholic Relief Services (CRS)

Catholic Relief Services works from its offices in Port-au-Prince and Les Cayes to meet the needs of vulnerable populations throughout the northern and southern regions of Haiti.²⁴ Collaborating with local, international, and government organizations, CRS aims to reduce the level of food insecurity through cross-cutting programs in agriculture, education, emergency relief, health and nutrition (including maternal and child health and HIV/AIDS), water and sanitation, enterprise development, and civil society building. The CRS Haiti programs target an estimated 207,370 beneficiaries. CRS works with local

²² <http://www.swwb.org/>

²³ http://www.careinternational.org.uk/cares_work/where/haiti/reports/haiti_projects.htm

²⁴ InterAction Member Activity Report: Haiti September 2004

partner Caritas in delivering small business activities programming. CRS supports a local organization that provides micro-credit to PLWHA.

54. Christian Reformed World Relief Committee in Haiti (CRWRC)

CRWRC works primarily through its seven Haitian partners throughout the metropolitan area of Port-au-Prince, Northwest Haiti, and the Central Plateau.²⁵ CRWRC aims to create long-term changes in community transformation, including development of local leadership, literacy programs, promoting business, encouraging civic education, improving health, and training religious leaders.

CRWRC provides organizational consultation and technical assistance to local implementing partners to assist small entrepreneurs in marketing, quality control, and microfinance to promote competition with imports. In a business incubator, new entrepreneurs are provided with stable infrastructure as well as mentoring from experienced professionals. CRWRC established PWOFOOD, SKDE and other microfinance and development NGOs in Haiti.

55. Productive Cooperatives Haiti

Productive Co-operatives Haiti was established in 1984 and works in active partnership with cooperatives to enhance their economic and social life through greater agricultural productivity and increased individual capacity.²⁶ PCH currently partners with 33 agricultural co-operatives with an approximate growing membership of 7,000 representing some 49,000 individuals in Haute St. Marc and the Chaîne de Matheux region. Services include: Agricultural training, credit and support; Literacy and Adult education; and Cooperative development.

56. Sant Kreyen pou Devlopman Entegral (SKDE)

The Christian Center for Integrated Development (SKDE) provides long-term technical support and accompanies grassroots organizations, farmer cooperatives, and local churches with training in agriculture, conflict resolution, micro credit, and literacy.²⁷

Started in 1985, the specific objectives of SKDE are to build the organizational and service delivery capacity of groups through training so they can respond to the material, political, and spiritual needs of their members. Training seminars and ongoing technical support is provided to participants on cooperative management, micro business, and credit management. SKDE also promotes food security and sustainable livelihoods for the rural poor, especially women.

Currently SKDE has initiated a business loans and mentoring project to reinforce the capacity of a network of small and medium sized entrepreneurs who are involved in a

²⁵ Ibid.

²⁶ www.fida-pch.org

²⁷ http://www.churchworldservice.com/Development/project_description/descriptions/96.html

variety of value-added enterprises. This program involves 100 clients with a strong credit history. The entrepreneurs are associated with a local cooperative. Of these 100, thirty will have direct access to new loans at an interest rate of 3% per month. SKDE provides business development services in several technical areas and mentorship.

PROPOSAL FOR A CDB ACTION PLAN IN HAITI

Basic principles and criteria:

57. The major challenges which face any development institution intent on providing support to Haiti in 2006 require a careful balance between the financing agency's capacities and Haiti's pressing needs. The CDB's proposed intervention in Haiti will pose delicate challenges as the context is that of a country with an extremely fragile socioeconomic condition and under great stress due to acute poverty and a profound governance and security crisis. Furthermore, Haiti is a country which requires a long term commitment on the part of its cooperation partners, as its development needs are profound and very complex.
58. The electoral process which culminated on February 7th, 2006 and led to the election of Mr. René Préval as President of Haiti, brings back what is expected to be an internationally recognized legitimate Haitian Government. Although some sectors will obviously not be very pleased with these results, the new Government will more than likely have a period of respite to put its program in place, as long as the most important opposition groups can truly accept the democratic decision of the electorate, and not succumb to the temptations of creating further unrest. The support which the new Government is expected to receive from the international community will be very important in strengthening its legitimacy, particularly with these latter groups.
59. In this context, it will be very important for the CDB to establish early contacts with the new Haitian authorities, to indicate the commitment of the Bank and of the Caribbean Community to support Haiti's development processes, to confirm the new Government's acceptance to maintain the Interim Cooperation Framework (ICF) until December 2007 as a guide to International Cooperation partners, and to receive reactions from the new Government on the CDB's proposed short-term programming framework (based on the ICF).
60. The CDB is perceived as a particularly credible development partner by important sections of Haitian society and by the international donor community. The CDB comparative advantage comes from its proximity to Haiti, its shared Caribbean heritage, its link with countries which have long democratic traditions, and its particular expertise in certain of the country's most pressing developmental priority areas. There are broad based positive feelings in many sectors of Haitian society towards establishing closer and mutually beneficial links with the Caribbean Community. CDB will expect Haiti's newly elected Government to complete all of its required formalities for membership before the Bank can actually begin to implement a programme of developmental support for that country.

61. **RECOMMENDATIONS:**

In terms of programming strategy and considering the special and difficult situation which Haiti will continue to represent for some time still, the consultancy recommends that the CDB be guided, initially by the "Interim Cooperation Framework" (ICF),

provided the new Government agrees to its extension until December 2007, and by the following principles and criteria for the approval of its programming:

A. Adopt a “difficult partnership” approach:

- ✍ Adopt a strategy and concentrate initial programming objectives for the short-term, with a view to revise the strategy for the medium to long-term once the elected government has defined its priorities.
- ✍ Accept the high degree of developmental risk which Haiti’s specific condition presents, and assume a requirement for a long term support.
- ✍ Phase-in the CDB’s support to have a flexible and quickly adaptable response to the new Government’s defined priorities and to the evolution of the social situation:
 - ✍ further internal interim preparatory work and formal mission to Haiti to establish formal contact with the new Government and obtain its initial views,
 - ✍ adoption of a short-term (until December 2007) programming framework based on the ICF (on the assumption that the elected Government agrees with its extension until December 2007), and
 - ✍ participate in the discussions between Haiti and the international community to develop the country’s Poverty Reduction Strategy Paper and, from these results, elaborate a medium to long term strategy of support to Haiti.
- ✍ The CDB’s final decision on the establishment of an office in the country should be based on the results and recommendations emerging from its Interim preparatory work and on the actual nature of the programme which will be approved for Haiti.

B. Concentration in the areas of CDB’s strongest expertise within the ICF:

- ✍ Support for poverty reduction and the satisfaction of basic needs,
- ✍ Financial and institutional support to development finance entities, and
- ✍ Institutional support in key areas of economic and fiscal management

C. Initially focus support on key selected partners:

- ✍ to gradually build a practical knowledge base of Haitian society and institutions and their specific development challenges,
- ✍ to avoid dispersion and focus its support more effectively, and
- ✍ to reach key partners in public and private sectors and within civil society who have the highest potential as agents of change. Public sector institutions, at the local and national levels, need to be strengthened to eventually assume their leadership role in the development processes.

D. Become a pro-active development partner for Haiti:

- ✍ by supporting its developmental priorities as well as encouraging and assisting Haiti’s gradual integration in Caribbean institutions and agencies,
- ✍ by participating actively in Government/Donor/civil society dialogues.

Recommended strategy for CDB’S Haiti programme:

62. The consultancy bases its recommendations for the CDB programming decisions on the following factors:
63. As mentioned above in the analysis of the ICF exercise, there are still considerable gaps left by donors’ ICF announced development support programmes. This is understandable given Haiti’s particularly tragic state and immense needs marked by its lack of growth and the interaction of poor governance, instability, under-investment in human capital and high vulnerability to natural disasters and environmental degradation. As if to confirm this, U.N. Special Envoy to Haiti, Juan Gabriel Valdes, said on August 3, 2005 he hoped “the international community would pledge US\$1.5 billion in aid to Haiti over the next two years” – “in addition to the more than US\$1.0 billion pledged during last year’s ICF exercise”.²⁸
64. The poverty situation in Haiti has worsened significantly in recent years. Based on 2003 data, the UN reports²⁹ that poverty incidence is 76% (i.e. percentage of population living below US\$2/day) and that the incidence of extreme poverty (US\$1/day) is 56%. The report found that poverty is far more entrenched in the rural areas than in urban areas, and that rural-urban migration contributes to poverty. Although precise data is lacking, the UN has estimated that Haiti is behind in the accomplishment of the Millennium Development Goal to reduce the proportion of people living on less than US\$1/day to half the 1990 level by 2015. According to the 2003 Human Development Report, cutting Haiti’s head count poverty in half between 2003-2015 to attain MDGs will require annual growth of GDP per capita of 2.9%.
65. In terms of health, the outlook is truly alarming. Only about half of the population has access to health services and the quality is generally poor. Only about 30% of health facilities in Haiti are public and most of them are located in urban areas. Only about half of the population has access to health services and the quality is generally poor. About 30% of health facilities in Haiti are public and most of them are located in urban areas. NGOs provide 70% of health services in rural areas, and the coordinating and supervisory role of the Ministry of Public Health and Population (MPHP) is weak. The Transition Government’s strategy targets restarting operations in the main hospitals, the extension of the Minimum Package of Health Services to 2,500,000 Haitians by developing 15 health

²⁸ Associated Press report of August 3, 2005 from Port -au-Prince: “UN Mission should be ready to stay in Haiti for the next ten years, UN Envoy says.”

²⁹ United Nations Human Development Report for Haiti – 2003.

districts, and the strengthening of the Ministry of Public Health and Population's capacities for management and coordination. As for potable water and sanitation, the plan is to extend the water and sanitation supply coverage to urban and rural population, to strengthen the institutional capacities of the sector, and improve the services provided, particularly to vulnerable groups in urban and rural areas.

66. Not enough reliable data are available at this time to track changes in the accomplishment of MDGs related to completion rates in education. However, the illiteracy rate is nearly 50% and the net primary school enrolment rate is only 68%, with very poor service quality. The Transition Government's strategy in the education sector aims to establish support measures for governance and improve access, quality and conditions for apprenticeship.
67. In addition, the new Government's strategy is expected to cover even more strongly than the Transition Government the other areas related to access to basic services, such as slum upgrading to physically improve certain shantytowns in the Port-au-Prince Metropolitan area and in secondary cities in the country.
68. On the economic front, although Haiti does have potential for medium and long term growth, lack of macroeconomic stability has undermined private and banking sectors' confidence. Limited competitiveness hampers private sector development while private investment and financial intermediation remain at low levels. The private sector consists of a large number of informal-sector micro enterprises, often under-capitalized and marked by extreme heterogeneity. At the top, a few large groups attract most of the investments. There are relatively few SMEs/SMIs. In order to support the creation of jobs, the Transition Government's strategy aims to support the recovery of the private sector and the small- and medium- size enterprises and industries through the creation of a recapitalization fund for businesses, of a mutual guarantee fund for small companies, and by the injection of financial resources into the micro-finance system. The Government also plans to strengthen the institutional set-up for investment promotion and private sector development, promotional activities for tourism and arts and crafts, institutionalizing public-private consultations and revising the legal framework for business development.
69. Based on the above observations and given the CDB's main areas of expertise, the consultancy recommends that the major thrust of the CDB's initial programming strategy be articulated around the ICF and be directed:

? *to support Haiti's efforts in the short term to alleviate pressing social needs, to promote economic recovery, to improve the governance and management of key economic development institutions, and to integrate Caribbean regional organizations.*

Consultations with senior Haitian officials of the Interim Government Ministries of Economy and Finance, Planning and External Cooperation, Education and Public Health, all have resulted in a confirmation of the great interest in the above short term strategic objectives for the CDB and in expressions of particular relevance with Haiti's present needs and priorities. Civil society organizations consulted also confirm their views that

the proposed strategy is quite relevant and that they would welcome the opportunity to work with the CDB in its implementation.

The CDB should later aim for the drafting of a new programming framework for discussion and negotiation with the elected government informed by its active participation with other donors in the discussions and elaboration of the Poverty Reduction Strategy Paper (PRSP).

Recommended strategic objectives:

70. To implement the proposed strategic thrust of the CDB programme, the consultancy recommends the adoption of the following three objectives:

a. Improve poor communities access to basic social services and infrastructure, (Axis 4 of the ICF).

✍ Recommended delivery instrument: Basic Needs Trust Fund (BNTF)
✍ Recommended level of resources to allocate: **60%** of budgeted programme funds

✍ Recommended associate³⁰ institutions: Both of CIDA's "Social Development Fund" and "Emergency Fund in Health and Education" which are similar-minded organisations, operated locally in Port-au-Prince, would constitute a good source of collaboration and exchanges for the CDB-BNTF officers to gain insight and experience in working in this area in Haiti. The Ministries of Education and of Public Health are also very important focus points to discuss programming and implementation issues.

✍ Recommended partner/client institutions: It would be preferable, during the first 18-24 months of operation in Haiti if the BNTF was to concentrate with a limited number of partner/client institutions, five are suggested (CARE Haiti, CRS, CRWRC, PCH and SKDE, these are described in paragraphs 33-37 above – pages 29-30). These are well suited to become the BNTF's initial client institutions as they are reputable organisations who deliver projects compatible with its objectives, have a capacity in the English language and are quite committed to local development capacity building efforts). It is also very important that the projects supported by the CDB, when applicable, have a component of institutional strengthening for local municipal organizations so that their capacity to lead local development processes gradually improves.

Haiti Transition Government complementary views and suggestions on this objective³¹:

³⁰ The term "associate" institution is meant to designate institution(s) with which the CDB could work closely and have partnership relationship in the sharing of common objectives and related projects.

³¹ These views and comments were expressed by Mr. Jo el Jean Pierre, Chief of Cabinet, and by Mr. Eroid Joseph, Responsible for the Education and Health Unit, both of the Ministry of Education.

The Haitian Coordinator of the ICF has commented that Local Development support, particularly in the social sectors, is of utmost priority at this stage. He added that Agriculture also will require a great deal of support once the medium term objectives of that sector are further refined by the newly elected government.

The Ministry of Education confirmed that the most important priority for its sector is improving access (new classrooms and teachers) and the quality of education services provided throughout the country but more so in rural areas. The Ministry is also currently implementing a unit to work on the integration of the concepts Education, Health and Environment for which it is trying to obtain international support. The idea is to set up a network of schools “Health and Environment Promoters”. Three pillars form the basis of the intervention: Education for health and environment; Action on the environment: basic infrastructures for hygiene, sanitation, environment protection and conservation; Basic services of health and nutrition provided by the schools. The network of schools can constitute a network of nuclear schools working for satellite schools which can have access to the resources mobilised for the nuclear schools. The Ministry suggested that CDB action could take place at two levels:

- i) Central level to help establish the Health and Environment Unit within the Ministry (staffing, developing norms and procedures, curriculum and didactical materials,);
- ii) Local levels: to assist in the implementation of a pilot project: train teachers and directors, funding basic materials for the Nutrition and Health Unit within the schools, funding small infrastructures: potable water, toilets etc

The Ministry of Public Health would particularly welcome CDB assistance in the upgrading of hospitals and local health centres in urban and rural areas outside the capital. Strengthening the capacity of such centres to provide basic care, equipment upgrading and logistical support are the main areas of pressing needs. The IADB, UNICEF, CIDA and the U.N.F.P.A. are providing support in these areas but the needs far exceed the support being received. Another area identified as requiring assistance is in the provision of essential medicines.

b. Promote economic recovery through increasing access to micro-credit and the strengthening of key financial intermediation institutions (Axis 3 of the ICF)

- ✍ Recommended delivery instrument: Lines of credit, technical assistance to Financial intermediaries, and the Caribbean Technological Consultancy Services (CTCS)
- ✍ Recommended level of resources to allocate: **25%** of budgeted programme funds.
- ✍ Recommended associate institution: CIDA’s project for the “Revitalization of Haiti’s Savings and Credit Unions” could constitute a good source of knowledge and exchange on this sector of activity.
- ✍ Recommended partner/client institution(s): Four potential beneficiary MFIs are suggested (ACME, DID, FHAF and FONKOSE all described in paragraphs 29-32 above – page 27) although the CDB might want to work with only one or two to start with. Under this same objective and as an option, the CDB might also want to

consider support to Haiti's "Industrial Development Fund" in its effort to support the recovery of struggling companies. Of particular importance in terms of support to microfinance activities are the following two aspects: - greatest needs are in the rural areas, and – efforts are needed to increase credit accessible for productive activities since most of existing credit facilities are directed at commercial activities.

Haiti Transition Government complementary views and suggestions on this objective³²:

The ICF Coordinator confirms that there still are considerable unanswered credit needs in the rural and poor urban areas. The Ministry of Economy and Finance shares this view and would welcome CDB support in the micro-finance sector and recommends consideration of partnership with the Industrial Development Fund which has acquired a sound capacity in working with financial institutions (including the commercial banks and the micro finance institutions). It could represent a good vehicle to channel resources to small and micro business through such instruments as Guarantee Funds, Credit Funds for production etc.

Investment Facilitation Mechanism: The Ministry of Commerce is setting up a Facilitation Mechanism for Private Investment. The mechanism includes:

- Modernizing the legal and regulatory framework for business: revisiting the investment code and the legislation on corporations (50 years old), streamlining procedures for investment approval and free zones
- Establishing an Economic and Trade Information System to inform investors about business laws and regulations, business environment, costs of factors etc.
- Establishing a One Stop Unit to assist new investors in their relations with the Administration.
- The board of the Facilitation Center will include Government Officials and Representatives of Business Associations on a par basis. (the first time in Haiti).

The study has been funded by USAID and funds are needed to implement the Mechanism.

c. Strengthen economic governance, contribute to institutional development and Caribbean economic integration (Axis 2 of the ICF)

- ✍ Recommended delivery instrument : Grant Technical Assistance.
- ✍ Recommended level of resources to allocate: **15%** of budgeted programme funds.
- ✍ Recommended associate institutions: The IADB for its recently approved (June 8, 2005) project "Fiscal Reform and Governance" and the World Bank for its recently approved "Economic Governance Reform Operation". The Ministry of Economy and Finance would be the official Haitian partner institution.
- ✍ Recommended partner/client institution(s): *Electricité d'Haiti*, Haiti's Customs Agency and the Ministry of Economy and Finance. The CDB might want to

³² These views and comments were expressed by Mr. Roland Pierre, Minister of Plan and Cooperation, by Mr Robert Jean, Director General of the Ministry of Plan and Cooperation and by Mr. Lhermite François, General Director, Industrial Development Fund.

consider supporting feasibility studies on the integration of Haiti in the Caribbean Single Market and Economy and in other relevant Caribbean Regional organizations. Financial constraints are limiting Haiti's ability to participate and contribute to trade negotiations through the CARICOM's Regional Negotiating Machinery.

✍ Furthermore, the CDB might want to provide support for the "Cleanup and modernization of the management of public enterprises in key sectors" selecting its client institution(s) amongst the electrical, telephone or water public utilities, the Airport and/or Port authorities. Under the ICF, "the accounts of the enterprises weakest in these areas will be improved, financial audits and management consulting and training will be provided to each of these enterprises, and management contracts will be prepared in those cases where private sector participation is deemed appropriate during the transition period."³³

Haiti Transition Government complementary views and suggestions on this objective³⁴

The Ministry of Economy and Finance is very much looking forward to explore with the CDB various options of technical assistance support, particularly as it has long been interested in establishing closer relationship with Caribbean institutions and would particularly welcome Technical assistance to facilitate the gradual integration of Haiti.

Electricity (EDH): The Montreal Meeting has allowed the identification of important resources for EDH: 62.4 millions US for centrals rehabilitation, short term financing of carburant, rehabilitation of substations, reengineering of the information system (including changing software) and institutional reinforcement. But everybody admits that the key problem is the poor quality of management. Sound technical assistance to strengthen the management capacity of EDH would be welcomed.

Customs: The identified need would be to help upgrade the Customs School which has stopped working for years: modernize the curriculum, establish management rules and information systems, train teachers.

³³ Interim Cooperation Framework 2004-2006, Summary Report paragraph 80, pages 18 and 19.

³⁴ These views and comments were expressed by Mr. Roland Pierre, Minister of Plan and Cooperation, by Mr. Robert Jean, General Director of the Ministry of Plan and Cooperation, by Mr. Gabriel Verret, Responsible for the Economic Governance component of the ICF in the Ministry of Economy and Finance, as well as by Mr. Edouard Valles, Director General of Customs and Mr. Patrick Merveille, Deputy Director General of Customs.

PROPOSAL FOR THE ESTABLISHMENT OF A CDB OFFICE IN HAITI

71. The great challenges of supporting a significant development assistance programme in Haiti require an established presence in the country. However, the CDB would be well advised to further assess this option itself through formal initial contacts with the newly elected Government of President René Prével which would also offer an opportunity to present the Bank's first short-term programming strategy and to receive the new authorities' reactions.
72. As an initial demonstration of the CBD's intended commitment for support to Haiti's developmental process, initial contacts need to be established with the new Government to present the Bank's initial programming strategy based on the ICF. Furthermore, additional internal Interim preparatory work will be required to take into account the results of the established contacts with the Haitian authorities and to participate in the international meetings on Haiti which will certainly be implemented shortly after the inauguration of the new Government. The following table presents the budget for these Interim activities:

INTERIM BUDGET TO FINANCE PREPARATORY WORK IN HAITI

Item	\$
1. High level mission to Haiti: President, Vice-President (Operations), Vice-President (Finance), Directors	23,250
2. Participation in two international meetings on Haiti: Vice-President (Operations) and Director	7,200
3. Economics country programming mission: Director, Economics and Country Economist for one week	7,600
4. BNTF Mission to Haiti: Division Chief and two Officers	8,800
5. Programming Meeting at CDB for Haitian counterparts: Six officials from Government, Development Financial Institutions, National Statistical Offices	14,500
6. Consultancies	30,000
7. Translation of Documents	5,000
8. Contingencies	5,000
TOTAL	101,350

Assumptions guiding office set up estimates:

73. Should the CDB, as a result of the above described interim preparatory work, decide on the appropriateness of opening a country office in Haiti, based on the nature of its programme of support in relation with the specific social, economic and political conditions prevailing, the following assumptions might be useful to guide the decision-makers:

- ✍ The CDB intends to allocate a programme budget of approximately US \$4.0 mn / year for Haiti for the period 2006 to 2009.
- ✍ The CDB will want, as a minimum presence, to have two members of its staff posted to its office in Haiti, one as the CDB Representative in Haiti, and the other as the Deputy-Representative.
- ✍ The CDB Haiti office will have the following locally engaged personnel: one Programme Officer, one Administrative-accounting assistant, one Secretary-receptionist-translator, two drivers and one cleaning person, for a total of 6 locally-engaged persons.
- ✍ Contracted Security services will provide armed bodyguards to accompany CDB officers and armed guards for the office.
- ✍ With the exception of the cleaning-person, the locally-engaged staff will be trilingual (Creole, French and English) and will be able to do minor office translation work. However, for longer and more official documents, the services of professional translator should be contracted.
- ✍ The Programme Support Unit (known locally as the UAPC) of the CIDA office in Haiti has indicated a willingness to provide, at a cost, all the local support which the CDB may require in setting its office up. Such services may include equipment and furniture purchasing, assistance in locating office space, assistance in recruiting local personnel and consultants, etc.³⁵

Estimated costs for the first year of CDB presence in Haiti

74. This budget summary covers the two proposed phases of the CDB's programming in Haiti:
1. the costs related to the implementation of further Interim preparatory work to establish formal links with the newly elected authorities of Haiti and to complete the programming process, and
 2. the costs related to the eventual establishment of a CDB Office in Haiti (further described in the worksheet attached as Annex C):

³⁵ It has not been possible to obtain an estimate of the cost of such services as the UAPC representative declared that these are subject to negotiation with the client and could vary considerably depending on the scope of services required. However they have provided their rate for services which is attached as Annex H.

<u>Phase I:</u>	
CDB Interim preparatory work and missions	<u>\$101,350</u>
<u>Phase II (Opening of Country office) (see Annex F):</u>	
Initial capital acquisition and set-up costs (one-time set-up costs)	\$307,650
Operating budget for the first year	\$725,450
TOTAL FOR FIRST YEAR – Phase II:	<u>\$1,033,100.</u>

ANNEX A

TO THE FINAL REPORT

PROPOSAL FOR A MEDIUM-TERM ACTION PLAN FOR THE

CARIBBEAN DEVELOPMENT BANK

IN HAITI

INTERIM COOPERATION FRAMEWORK

2004-2006

SUMMARY REPORT

Republic of Haiti



INTERIM COOPERATION FRAMEWORK 2004-2006

Summary Report

July 2004

United Nations



World Bank

European Commission



Inter-American
Development Bank

Acknowledgements

The preparation of the Interim Cooperation Framework (ICF) was accomplished under extremely challenging circumstances considering time constraints, tight schedules and high expectations from the various sectors. More than 250 national and international experts had to be mobilized. We appreciate their contribution, at all stages of the process, from the initial conceptualization to the production of the final document.

The Government is grateful to the staff of the various national institutions who worked in the thematic groups and rose to the challenge at hand; and to the political parties, the private sector, the civil society, and the non-governmental organizations that facilitated a constructive political dialogue among the various actors. This approach ensured the participation of all sectors in the preparation of this document, which is the first of its kind in Haiti.

The Government is also grateful to the Inter-American Development Bank, the World Bank, the European Commission, the United Nations, and other development partners in the international community for their substantial contributions to the process of preparing the ICF.

The quality of the debates and the enthusiasm demonstrated at the presentation of the ICF, as well as its acceptance by most of the sectors and the open voicing of different perspectives by others, indicate that we are on the right track and that a new era has begun in Haiti. As we embark on the implementation of this Framework, we owe it to ourselves to make all the sacrifices and all the efforts necessary to ensure its success and the achievement of economic recovery and prosperity in Haiti.

List of Abbreviations and Acronyms

AAN	Autorité Aéroportuaire Nationale (National Airport Authority)
AMPAP	Aire Métropolitaine de Port-Au-Prince (Metropolitan Area of Port-au-Prince)
AND	Agence Nationale de Déchets (National Waste Agency)
APN	Autorité Portuaire Nationale (National Port Authority)
ARV	Anti Retroviral
ASEC	Assemblée de la Section Communale (Commune Section Assembly)
BEC	Bureau Electoral Communal (Communal Electoral Office)
BED	Bureau Electoral Départemental (Departmental Electoral Office)
BRH	Banque de la République d’Haïti (Central Bank of Haiti)
CAMEP	Centrale Autonome Métropolitaine d’Eau Potable (Water Company)
CARICOM	Caribbean Community and Common Market
CASEC	Conseil d’Administration des Sections Communales (Administrative Council of Communal Sections)
CCICC	Comité Interministériel de Coordination du CCI (Interministerial Committee for ICF Coordination)
CCMPSC	Comité Conjoint de Mise en Place et Suivi du CCI (Join Committee for the Implementation and Monitoring of the ICF)
CCSP	Cellule de Coordination Stratégique de la Primature (Strategic Coordination Unit of the Prime Minister Office)
CDB	Convention des Nations Unies sur la Diversité Biologique (UN Convention on Biological Diversity)
CEP	Conseil Electoral Provisoire (Provisional Electoral Council)
CLD	Convention des Nations Unies de Lutte contre la Désertification (UN Convention for the Fight Against Desertification)
CNIMP	Commission Nationale Intérimaire des Marchés Publics (Interim National Public Procurement Commission)
CNRA	Conseil National de la Reforme Administrative (National Administrative Reform Commission)
CNSA	Coordination Nationale de la Sécurité Alimentaire (National Food Security Coordination)
CRI	Catastrophic Risk Index
CSCCA	Cour Supérieure des Comptes et du Contentieux Administratif
CSM	Conseil Supérieur de la Magistrature (Supreme Magistrate Council)
DAC	Demande d’Alimentation en Comptes Courants (Request for Replenishment of Current Account)
DAP	Direction de l’Administration Pénitentiaire (Penitentiary Administration Directorate)
DCB	Direction du Contrôle Budgétaire (Budget Control Directorate)
DDR	Désarmement, Démobilisation et Réintégration (Disarmament, Demobilization and Reintegration)
DEC	Direction d’Evaluation et de Contrôle (Evaluation and Control Directorate)
DEE	Direction des Etudes Economiques (Directorate for Economic Studies)
DGI	Direction Générale des Impôts (General Tax Directorate)
DH	Droits Humains (Human Rights)
DOTS	Directly Observed Therapy
DPC	Civil Protection Directorate

Interim Cooperation Framework-Haiti

DSRP	Document Stratégique de Réduction de la Pauvreté (Poverty Reduction Strategy Paper)
DTP3	Diphtherie, Tétanos, Polio 3eme dose (Diphtheria, Tetanus and Polio Vaccine)
EDH	Electricité d’Haïti (Electricity of Haiti)
EERP	Emergency and Economic Reconstruction Program
EFACAP	Ecoles Fondamentales d’Application et Centre d’Appui Pédagogique (Core Application Schools and Center for Education Support)
EMA	Ecole de la Magistrature (Magistrate School)
EPPLS	Entreprise Publique de Promotion de Logements Sociaux
EPT	Education pour tous (Education for All)
FAD’H	Haitian Armed Forces
FAO	Food and Agriculture Organization of the United Nations
FDGCT	Fonds de Gestion et de Développement des Collectivités Territoriales (Fund for the Management and Development of Local Administrations)
FDI	Fonds de Développement Industriel (Industrial Development Fund)
FNUAP	Fonds des Nations Unies pour la Population (United Nations Population Fund)
FTAA	Free Trade Area of the Americas
GDP	Gross Domestic Product
GDS	Gestion des Déchets Solides (Solid Waste Management)
HDI	Human Development Index
HIMO	Hautes Intensités de Main d’Oeuvre (programmes) (Labor Intensive Work Program)
HIV/AIDS	Human Immune-deficiency Virus/Acquired Immune Deficiency Syndrome
HUEH	Hôpital de l’Université d’Etat d’Haïti (Haiti’s University Hospital)
ICF	Interim Cooperation Framework
ICT	Information and Communication Technology
IFI	International Financial Institution
IHSI	Institut Haïtien de Statistiques et d’Informatique (Haitian Institute for Statistics and Informatics)
IMF	International Monetary Fund
INFP	Institut National de Formation Professionnelle (National Institute of Professional Training)
ITU	International Telecommunication Union
LPG	Liquified Petroleum Gas
MARNDR	Ministère de l’Agriculture, des Ressources Naturelles et du Développement Rural (Ministry of Agriculture, Natural Resources and Rural Development)
MAST	Ministère des Affaires Sociales et du Travail (Ministry of Social Affairs and Employment)
MCDFD	Ministère à la Condition Féminine et aux Droits de la Femme (Ministry of Women Status and Rights)
MDG	Millennium Development Goal
MEF	Ministère de l’Economie et des Finances (Ministry of Economy and Finance)
MEG	Médicament Essentiels Génériques (Essential Generic Drugs)
MENJS	Ministère de l’Education Nationale, Jeunesse et Sports (Ministry of National Education, Youth and Sports)
MICT	Ministère de l’Intérieur et des Collectivités Territoriales (Ministry of Interior and Regional and Local Development)
MICTSN	Ministère de l’Intérieur, des Collectivités Territoriales et de la Sécurité Nationale (Ministry of Interior, Regional and Local Development and National Security)
MIF	Force Multinationale Intérimaire (Multinational Interim Force)

Interim Cooperation Framework-Haiti

MINUSTAH	Mission des Nations Unies pour la Stabilisation en Haïti (UN Stabilization Mission in Haiti)
MPCE	Ministère de la Planification et de la Coopération Externe (Ministry of Planning and External Cooperation)
MPECE	Ministère de la Planification, de l'Environnement et de la Coopération Externe (Ministry of Planning, Environment and External Cooperation)
MSP	Minimum Service Package
MSPP	Ministère de la Santé Publique et de la Population (Ministry of Public Health and Population)
MTPTC	Ministère des Travaux Publics, Transports et Communications (ministry for Public Works, Transportation and Communications)
NAI	Numeric Access Index
NGO	Non-Governmental Organization
OAS	Organisation of American States
ONUSIDA	Programme Commun des Nations Unies sur le VIH/SIDA (UN Program on HIV/AIDS)
OP	Organisations Populaires (Popular Organizations)
OPC	Office du Protecteur du Citoyen (Citizen Protection Office)
OPS/OMS	Organisation Panaméricaine de la Santé/ Organisation Mondiale de la Santé (Pan-American Health Organization/World Health Organization)
PAE	Plan d'Action pour l'Environnement (Environmental Action Plan)
PAM	Programme Alimentaire Mondial (World Food Program)
PAS	Programme d'Action Stratégique (Strategic Action Program)
PIR	Programme intégré de Réponse aux Besoins Urgents des Populations Vulnérables (Integrated Program of Response to Urgent Needs of Vulnerable Populations)
PJ	Police Judiciaire (Judicial Police)
PNEF	Plan National d'Education et de Formation (National Education and Training Program)
PNH	Police Nationale d'Haïti (Haitian National Police)
POCHEP	Postes Communaux d'Hygiène et d'Eau Potable
PROMESS	Programme de Médicaments Essentiels (Essential Drugs Program)
PRSP	Poverty Reduction Strategy Paper
PTME	Programme de Transmission Mère-Enfant (Infant-Mother Transmission Program)
RNH	Radio Nationale d'Haïti (Haiti's National Radio)
SMCRS	Service Métropolitain de Collecte des Résidus Solides (Metropolitan Solid Waste Collection Program)
SME	Small and Medium-Size Enterprise
SMI	Small and Medium-Size Industry
SMP	Staff Monitored Program
SNEP	Service National d'Eau Potable (Water Company)
TB	Tuberculosis
TNH	Télévision Nationale d'Haïti (Haiti's National Television)
TPI	Tribunal de Première Instance (Lower Court)
UAMPSC	Unité d'Appui de Mise en Place et Suivi du CCI
UCS	Unité Communale de Santé (Health District)
ULCC	Unité de Lutte Contre la Corruption (Anti-Corruption Unit)
UN	United Nations
UNCITRAL	United Nations Commission on International Law
UNDP	United Nations Development Programme

Interim Cooperation Framework-Haiti

UNESCO	Organisation des Nations Unies pour l'Education, la Science et la Culture (UN Educational, Cultural and Scientific Organization)
UNICEF	Fonds des Nations Unies pour l'Enfance (United Nations Children's Fund)
URSEP	Unité de Réforme du Secteur de l'Eau Potable
VCT	Services de conseils et tests sans obligation

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Executive Summary

1. **The Republic of Haiti has just celebrated the bicentennial of its independence.** Its history over these two hundred years has often been painful and at times, tragic. Political instability has been recurrent over the past two decades. The promulgation of the Constitution in 1987 and the elections in 1990 raised many hopes, which were interrupted by a coup d'état and an international embargo that strangled the country economically. After a return to constitutional order in 1994 and an unresolved institutional crisis, the contested elections in 2000 brought about a noticeable reduction in foreign assistance. With a weakened State, poor governance practices multiplied in recent years.
2. On February 29, 2004, President Aristide resigned and left the country. In conformity with the Constitution, Mr. Boniface Alexandre, President of the Supreme Court of Appeal, was sworn in as interim president. That evening, the United Nations Security Council approved resolution 1529, authorizing the immediate deployment of an Multinational Interim Force (MIF). Following a consultative process, Mr. Latortue was designated as interim Prime Minister and established his government on March 17, 2004. On April 30, 2004, the United Nations Security Council created, under resolution 1542, the United Nations Stabilization Mission in Haiti (*MINUSTAH*).
3. **The socioeconomic situation in Haiti is alarming.** Haiti is ranked 146th on the Human Development Index (HDI). It is estimated that two thirds of the 8 million Haitians live under the poverty threshold. The life expectancy is 53 years; the infant mortality rate is 80 per 1,000; HIV/AIDS affects 5 percent of the population; and the net primary school enrollment rate is 68 percent. The political crisis, poor governance, and economic instability have increasingly exposed the population to the precariousness and inadequacy of traditional survival mechanisms.
4. **The results of external assistance over the last ten years have fallen far short of expectations.** The Interim Cooperation Framework (ICF) is based on the lessons learned by both the government and the donors. In a conscious break with the past, the ICF aims to frame external assistance on the basis of a joint and realistic identification of the needs and programs for the transition period (2004-2006). The process reflects the partnership between the Government and the donors. Despite the very short timeframe, the ICF has also enjoyed the participation and consultation of key actors in Haitian society. Going forward, however, the ICF must trigger a broader partnership for the preparation of a Poverty Reduction Strategy Paper (PRSP).
5. The ICF exercise has been led by the Government with external support from 26 bilateral, multilateral and United Nations agencies. Coordinated by a Steering Committee, ten thematic groups were formed to assess current issues and priority needs in the following areas: 1) political governance and national dialogue with two sub-groups: a) security, police, and demobilization, disarmament and reintegration (DDR) and, b) justice, penitentiary institutions and human rights; 2) economic governance and institutional development; 3) rapid job creation, and safety nets and social protection; 4) protection and rehabilitation of

the environment; 5) regional, urban and local development and decentralization; 6) health and nutrition; 7) education and culture, with two sub-groups: a) education, youth and sports, and b) culture, media and communications; 8) agriculture and food security; 9) infrastructures, with four sub-groups: a) roads and transportation; b) electricity; c) water and sanitation; d) slum upgrading and solid waste management; 10) development of the private sector and small- and medium-size enterprises and industries (SMEs/SMIs). The ICF also took into consideration cross-cutting themes such as crisis prevention, human rights, gender and HIV/AIDS. As part of the work of the thematic groups, specific efforts have been made to achieve quick benefits for the population in some key sectors.

6. **The ICF is based on the broad themes of the Government's transition strategy.** The transition Government wishes to undertake a national reconciliation process by involving all components of society and promoting political dialogue. The Government has committed itself to organizing local, legislative and presidential elections in 2005 and to restoring macroeconomic stability. The immediate priorities are restoring security, reestablishing public services, and providing economic opportunities for those most affected by the crisis. The Government's main priorities are articulated around four strategic axes: 1) Strengthening political governance and promoting national dialogue; 2) Strengthening economic governance and contributing to institutional development; 3) Promoting economic recovery; 4) Improving access to basic services. These commitments by the Haitian government should support the attainment of the Millennium Development Goals (MDGs) for 2015.
7. **Axis 1. Strengthening political governance and promoting national dialogue.** The transition process, the holding of elections, and the reconstruction of the country are threatened by the climate of insecurity. The transition strategy aims to strengthen needed national capacities and involve all sectors of society in the process of disarmament. It seeks to disarm and dismantle the armed groups and to ensure the rehabilitation and reintegration of members of these groups. The Haitian National Police (PNH) has been strongly politicized and must be professionalized in order to effectively fight corruption, impunity and human rights violations.
8. Judicial power has also been weakly organized and is heavily dependent on the executive power; in addition, access to law and justice remains difficult and random. Fighting against impunity, promoting judicial independence, promoting access to justice, rehabilitating physical infrastructure, and promoting legal training and information are therefore priority actions. Promoting a participatory "first-line" justice and encouraging the participation of women in decision-making are also foreseen. Likewise, respect for human rights and fundamental liberties will require the promotion of a partnership between the government and human rights organizations. Reforms aimed at a more rational management of the prison population will also be put in place.
9. The restoration of respect for the law and basic liberties is a function of real behavioral change. A large portion of the population has historically been excluded from the political process. As a result, the country has suffered from divisions that have frustrated development efforts. The transition Government seeks to initiate a process of national reconciliation and dialogue that will provide lasting, consensual solutions to reduce the risk

of conflict and crisis in the country. This way, the political transition will take place through free, credible and transparent elections. Municipal, legislative and presidential elections will be held in 2005 and the transition will thus be completed by the swearing in of the newly elected President. With the support of the international community and the *MINUSTAH*, the new Provisional Electoral Council (CEP) will need to establish the calendar for elections and the measures necessary to ensure their success.

10. **Axis 2. Strengthen economic governance and contribute to institutional development.** Weaknesses in economic governance have been one of the most serious impediments to economic growth and poverty reduction in Haiti. The transition strategy aims to make the budget process efficient, transparent and credible. It also aims to strengthen public procurement mechanisms, and to stabilize and modernize the management of public enterprises in key sectors. As a key pillar of economic governance reform, the government has decided to establish an *Independent Anti-Corruption Unit*.
11. The strengthening of institutional capacities is also a key prerequisite for the ICF's success. Considering the lack of efficiency in public administration and the need to improve the State's absorptive capacities, the transition strategy aims at selectively increasing, with full transparency, the human resources for public administration and conducting a major training effort. It also aims to substantially improve the compensation and incentive system for civil servants as well as prepare a reform of the civil service.
12. The transition strategy aims to ensure that by involving the communities themselves these interventions will have a rapid impact. To accomplish this, support is planned to establish decentralized participatory structures for the preparation of strategic action programs at the local level. In parallel, it will be necessary to put in place mechanisms to coordinate these decentralized activities. The transition strategy also aims to develop and validate policies for decentralization, regional, urban and local development for submission to the next government.
13. **Axis 3. Promote economic recovery.** In order to create jobs and prosperity, economic recovery depends on macroeconomic stability, the rehabilitation of vital infrastructures, the development of the private sector, and the strengthening of agricultural activities while respecting and protecting the environment. The transition Government has formulated a macroeconomic program for the second half of the fiscal year (April - September 2004) in consultation with IMF staff. The success of the program depends largely on budgetary discipline and reduced pressure on monetary policy. The government intends to raise fiscal revenues, reduce discretionary expenditures and improve transparency in the public sector. The government is also committed to developing a plan for the clearance of external arrears and for ensuring regular debt service.
14. As a result of lack of investment and maintenance, the condition of infrastructure for the production and distribution of electricity constitutes a major constraint on economic recovery. The transition strategy aims to reestablish electricity supply by September 2004, to improve service quality and improve the functioning of *EDH*. A medium-term management contract (5 years) and the implementation of a medium-term investment plan are envisaged

in order to increase access to electricity from 10 percent to 50 percent of the population by 2013. The strategy also aims at mobilizing and implementing the necessary investments to ensure that the roads essential to the country's development are usable under all circumstances. At the same time, it recognizes the need to put in place both an institutional and financial framework to guarantee the sustainability of these investments (Road Maintenance Fund and institutional strengthening). For the management of ports and airports, the strategy is to identify and immediately put in place essential investments as well as prepare the reforms necessary for modernization.

15. The Haitian private sector is the main provider of productive employment. The transition strategy aims to support the recovery of the private sector and the small- and medium- size enterprises and industries through the creation of a recapitalization fund for businesses that were affected by the events of February-March 2004, and of a mutual guarantee fund for small companies for each of the small business professions, and by the injection of financial resources into the micro-finance system. Some accompanying and promoting measures will be proposed in order to foster a better integration of Haiti into regional and international markets. Considering that most employment in Haiti is in the informal sector, it is essential to strategically promote labor intensive activities. The creation of 44,000 temporary (person-month) jobs (of which 24,000 under ongoing projects and programs) by September 2004, and about 687,000 (of which about 350,000 under ongoing projects and programs) in the next two years (including 30 percent for women) is also planned.
16. In rural areas, where 60 percent of the population lives, two thirds of the workforce is involved in agricultural production. The limited technology available and the low level of capitalization of Haitian producers mean that the land's capacity to sustain families' revenue needs, in a context of strong population growth, has largely been exceeded. It is therefore envisaged to contribute to a rapid recovery of agricultural operations and rural society, and to a sustainable intensification of agricultural production. Ensuring the effectiveness, efficiency and harmonization of different interventions is also planned.
17. The sustainability of these economic recovery efforts is threatened by the advanced deterioration of the environment. The recent flooding of May 2004 reminds us that Haiti is a country extremely vulnerable to natural calamities; a situation that is aggravated by the deterioration of the environment, very high levels of poverty, and of social vulnerability of its population, and the lack of control over its rural and urban space. The plan is to actively promote the replacement of wood and charcoal, to fight the deterioration of land and natural resources, and to improve risk and disaster management.
18. **Axis 4. Improve access to basic services.** A significant part of the population is excluded from access to basic services and therefore remains highly exposed to risks. The deterioration of the socioeconomic and political crisis at the beginning of 2004 made the need for humanitarian assistance and protection very urgent, and access to basic services became even more rare. The transition strategy for humanitarian aid and post-disaster rehabilitation aims at strengthening the authorities' national and local capacities to better identify vulnerable groups, to provide them with assistance, and to ensure the monitoring of

social conditions along with identifying the humanitarian needs not covered by existing humanitarian appeals.

19. The principal health indicators in Haiti are very alarming. Infant and maternal mortality rates remain very high, and access to potable water is quite limited. The transition strategy targets restarting operations in the main hospitals, the extension of the Minimum Package of Services to 2,500,000 Haitians by developing 15 health districts, and the strengthening of the Ministry of Public Health and Population's (MSPP) capacities for management and coordination. Further, it targets improving the population - and vulnerable groups in particular - access to healthcare and the restarting of priority programs: essential drugs and medical supplies; prevention and therapeutic care for malnourished infants and women, people affected by HIV/AIDS and tuberculosis, and systematic vaccination of children under one-year of age. As for potable water and sanitation, the plan is to increase the production capacity in urban areas in order to be able to provide water on average for four hours per day, to strengthen the institutional capacities of the sector, and improve the services provided, particularly to vulnerable groups in urban and rural areas.
20. Dietary insecurity shows up in high malnutrition rates, notably in children under five years of age: 23 percent of these children suffer from chronic malnutrition, 5 percent from acute malnutrition, and 17 percent are underweight. The number of poor farming households living in rural zones sensitive to drought or other climatic vagaries is estimated at 400,000. The transition strategy seeks to ensure the harmonization of inter-sectoral and inter-institutional interventions by strengthening the institutional and legal framework of the National Coordination for Food Security.
21. The educational system faces enormous challenges in terms of access and quality. The Ministry of National Education, Youth and Sports lacks the means to exercise its normative and regulatory role, and the level of dialogue with the private sector (80 percent of education offering) is hardly satisfying. A scarcity of school access persists, particularly in the poor and rural zones (about 500,000 children still do not have access to primary education), and the quality and effectiveness of education is very low. The transition strategy aims in the short term to organize, manage and finance school supplies and assistance for the return to school in September 2004. It seeks to establish support measures for governance and improve access and conditions for apprenticeship as well as the quality of education. For professional training, the plan is to facilitate access and increase the relevance and quality of professional training, and to strengthen the capacities of the National Institute for Professional Training. For the university sector, the plan is to rehabilitate the universities and faculties damaged during the events of 2004, improve the status of students and prepare a reform of higher education, with the objective of improving access as well as the quality of the training offered.
22. In the cultural, media and communications domains, Haiti counts on certain sizable assets. Strengthening the capacity of cultural institutions and public and private media is planned, especially for the promotion of a pluralistic and democratic society. Safeguarding, protecting and managing the cultural heritage while promoting Haitian cultural richness is also planned. Promoting access to key information and mass communication technologies, and developing

and validating a national information policy and its regulatory framework are also anticipated.

23. Slum upgrading and improved waste management are also priority areas for intervention. The degree of urbanization of the population increased from 25 percent in 1982 to 40 percent in 2003. This urbanization took place in an informal and spontaneous way with a strong concentration in the Port-au-Prince metropolitan area. The transition strategy for slum upgrading aims to physically improve certain shantytowns in the Port-au-Prince Metropolitan Area and in secondary cities in the country, prepare the participatory formulation of a National Program for Improvement of the Urban Environment, and institutionally strengthen the ministries and town councils involved in this sector. The transition strategy for waste management aims to ensure the effective and efficient collection/removal of solid waste in the Port-au-Prince metropolitan area and principal secondary communities along with adequate processing/elimination of solid wastes. Strengthening the legal, institutional and financial framework at the national and municipal level is also envisaged.
24. Within the framework of the ICF, safety nets and social protection must provide a response to the needs of the most vulnerable groups. The analysis of the highest priority needs, along with the current and potential ability to satisfy them, suggests a strategy that combines various approaches to risk management while concentrating on a limited number of risks and interventions. Simultaneously, it involves profiting from the comparative advantages of the various actors, by insisting on the one hand on government responsibility in terms of policies, coordination, supervision and evaluation, and on the other hand, by relying on the operational capacity of the private sector and civil society.
25. **The overall financing needs** for the implementation of the ICF for the period of July 2004-September 2006 are estimated to be approximately US\$1.37 billion. The internal resources available from the national budget for the ICF activities come to about US\$127 million. Similarly, external resources of about US\$315 million are already available from programs and projects that are the subject of agreements already signed between donors and the Government. This leaves a financing gap of US\$924 million. Of this amount, about US\$145 million corresponds to the financing required for the remainder of the current fiscal year (July-September 2004); US\$426 million corresponds to the 2004-05 fiscal year; and US\$353 million to the 2005-06 fiscal year. Although the government intends to increase its revenue stream and has allocated internal resources to finance the ICF interventions, the vast majority of the identified financing gap will require external donor assistance. The successful implementation of the ICF will also call for a sustained pace of disbursements and a rapid startup of activities to be able to reach the identified objectives.
26. The ICF anticipates setting up **mechanisms for aid coordination and monitoring**. The preparation of the ICF initiated both a dialogue and joint work with the transition Government and, at the thematic group level, with sector ministries and civil society representatives. Under the government's leadership, the mechanism for dialogue and coordination must both facilitate a dialogue around the ICF that is participatory and inclusive of the whole of Haitian society, and make funds available in proportion to the real capacity of the country for absorption and execution. It must also make possible the harmonization of

the “demand” for financing and the “supply” of resources from the international community, including the NGOs. The coordination of interventions between the international agencies, the harmonization of practices, and the coordinated effort to strengthen the institutional capacity of the State constitute critical issues for the implementation of the ICF. Finally, the coordination mechanism must make it possible to transition from a short-term stabilization of the situation to a participatory approach to a longer-term strategy for the reduction of poverty.

I. Introduction: A complex but evolving historical heritage

Chronic political instability

1. The Republic of Haiti has just celebrated the bicentennial of its independence. Its history over the past two hundred years has often been painful and at times tragic. Political instability has recurred over the past two decades. However, the 1986 collapse of the Duvalier regime, which had been in power for thirty years, along with the promulgation of the Constitution in 1987 and high voter turnout in the 1990 elections raised many hopes. Unfortunately, the 1991 coup suddenly interrupted the process. The country then experienced a harsh international embargo that suffocated it economically. In 1994, the United Nations Security Council authorized the deployment of a multinational force of 20,000 members to facilitate a return to constitutional rule. This mission would be followed by other UN missions from 1994 to 2001.
2. The past ten years have revealed the difficulties of implementing the society plan called for in the Haitian Constitution of 1987. In 1997, the party in power, *Lavalas*, imploded into two political groups, which have been rivals ever since. This split led to a severe institutional crisis with a deadlocked parliament (1997-1998), which was then suspended (1999 to September 2000). The principal guiding laws, which the country needed badly, were not voted upon, and the government was not reformed. The country did not have the legal and institutional framework it needed for reconstruction and for the channeling and coordination of external assistance.
3. Local and parliamentary elections in 2000 yielded a ballot count that favored the candidates of Jean-Bertrand Aristide's *Fanmi Lavalas* party. The opposition and the international community largely contested these elections. The opposition, which was primarily grouped around the *Convergence Démocratique*, refused to participate in the November 2000 presidential elections. Aristide was elected with a very low voter turnout. With a contested parliament, major bilateral donors froze, reduced or redirected their cooperation assistance. The accumulation of arrears and the absence of a parliament to ratify the loans also resulted in a freezing of multilateral aid. With the State weakening, recourse to poor governance practices multiplied.
4. Frequent use of Popular Organizations (OP) for the purpose of political violence, the primacy of personal interest over that of the group, increasing acts of insurrection, and the lack of a culture of dialogue and compromise, all contributed to extreme polarization of the principal actors in the crisis, despite persistent mediation efforts by the *OAS* and *CARICOM*.
5. These past two years have seen a strengthening of a civil society capable of mobilizing numerous associations and organizations from among the principal sectors of Haitian society. The *Group of 184* initiated a reflection on the preparation of a "new social contract." In late 2003, unprecedented acts of barbarity inflicted on the university dean also brought large numbers of students, youth and militants from social movements to protest in the streets. In response to systematic acts of intimidation and threats from the Popular Organizations, the mobilization spread.

6. In early February 2004, the insurrection in the town of Gonaïves became an armed conflict that quickly spread to certain secondary towns in the country. The insurgents quickly took control of a large part of the country's northern region. On February 29, facing a generalized protest, President Aristide resigned and left the country. In accordance with the constitution, Mr. Boniface Alexandre, President of the Supreme Court of Appeal, was sworn in as interim President. That evening, the United Nations Security Council unanimously approved resolution 1529, authorizing the immediate deployment of an Multinational Interim Force (MIF). For some ten days, the country experienced tremendous instability. A number of public and private assets were destroyed or looted, resulting in considerable damage that will have a major impact for years to come.

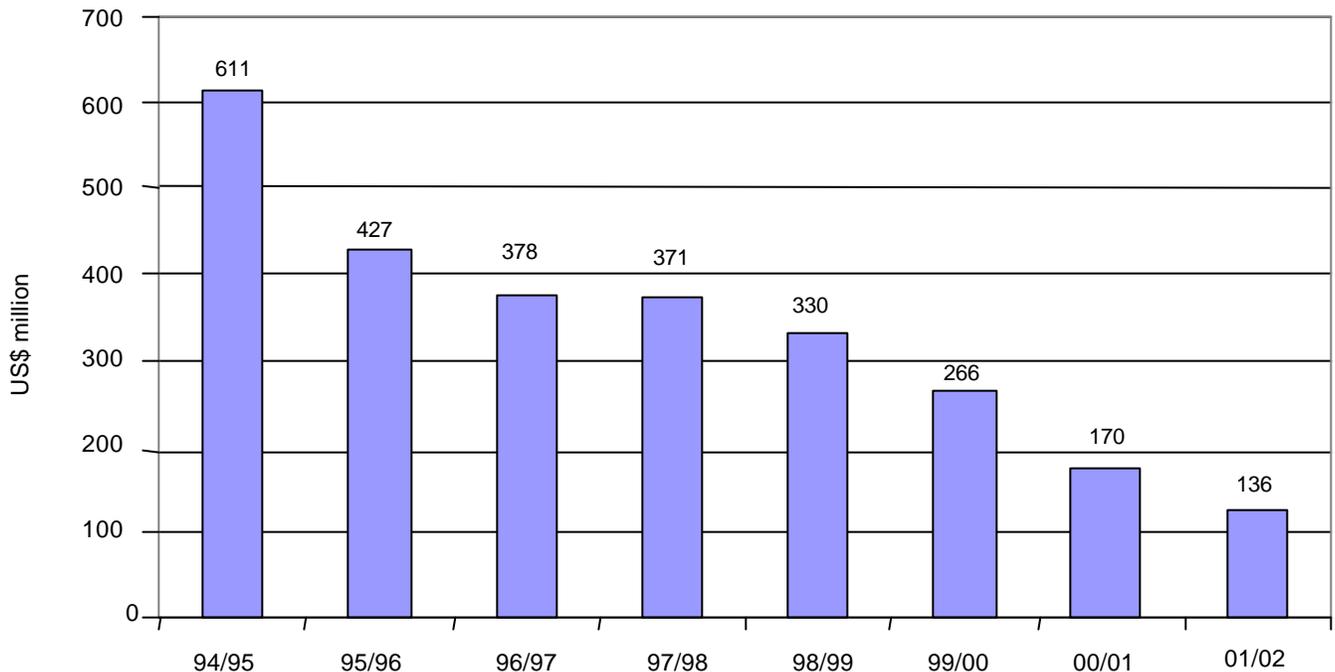
7. A Tripartite Council, comprising one representative from the *Fanmi Lavalas* party, one from the *Convergence Démocratique* platform, and one from the international community, appointed a Council of Wise Men comprising seven eminent individuals representing the key sectors of Haitian society. In a participatory process, this Council appointed Mr. Latortue as interim Prime Minister; he formed his Government on March 17, 2004. In early April, a political agreement known as the "Political Transition Consensus" was signed between the government, the Council of Wise Men, certain organizations of civil society, and the principal political parties, with the notable exception of the *Fanmi Lavalas* party which has declined to participate. This agreement comprehensively defined measures to be taken during the transition period in areas relating to security, development, the organization of elections, judicial reforms, and a new national dialogue.

8. On April 30, 2004, the United Nations Security Council unanimously approved a new resolution (1542) establishing, as of June 1, the United Nations Stabilization Mission in Haiti (*MINUSTAH*) that would be led by a Special Representative of the Secretary-General. The *MINUSTAH* is expected to consist of a military component (6,700 men) and a civil component (1,622 men). Its mandate will be to support the transition government in reestablishing the security and stability needed for the appropriate advancement of the constitutional and political process in Haiti, and specifically the organization of elections, professionalization of the police, the promotion and protection of human rights, and political dialogue and reconciliation.

Brief Chronology of Events in Haiti	
1986	<i>Fall of the Duvalier regime after 30 years in power</i>
December 1990	<i>Jean-Bertrand Aristide's victory in the presidential elections</i>
September 30, 1991	<i>Military coup</i>
1991- 1994	<i>International embargo</i>
1994 – 1995	<i>Jean-Bertrand Aristide's return from exile and end of the 1st mandate</i>
1996 – 2001	<i>Presidency of René Préval</i>
2000	<i>Local and legislative elections (May) and presidential elections (Nov.)</i>
2001-2004	<i>2nd presidency of Jean-Bertrand Aristide</i>
February 29, 2004	<i>Resignation and departure of Jean-Bertrand Aristide</i>
March 17, 2004	<i>Appointment of the transition Government</i>

An extremely fragile socioeconomic situation

9. With an annual per capita GDP of US\$361 in 2003, Haiti is the poorest country in the Western Hemisphere. After growing at an average annual rate of 2.3 percent in real terms in the 1970s, real per capita GDP fell an average of 2.4 percent per year in the 1980s and continued to decline in the 1990s at an average annual rate of 2.6 percent. Economic performance in the 1990s was particularly affected by the market liberalization of the 1980s, the military coup of 1991, and the subsequent international embargo (1991-1994). The Haitian population was also severely affected by the three years of embargo. Over the course of that decade, the textile sector, responsible for over three quarters of export revenue and a significant share of employment, suffered greatly; tax collection and the control of public expenditures weakened considerably; and the maintenance of economic and social infrastructure was almost abandoned.
10. After the return to constitutional order in 1994, the government adopted an Emergency and Economic Reconstruction Program (EERP) that allowed a certain degree of economic recovery and improvement in the economic indicators during the 1995-1998 period. Unfortunately, the economic recovery was unable to withstand the political crisis of 1997. This period was characterized by a fall in private investment and external aid (see graph below) as well as a stalling of structural reforms.
11. Nevertheless, private transfers, mainly remittances from Haitians living abroad, more than doubled—from US\$256 million in 1997 to US\$650 million in 2002, totaling 19 percent of the GDP—and partially offset the negative impact of the economic crisis by providing a safety net to the poorest groups of society.



**External aid to Haiti
1994-2002**

12. The combined effect of US\$2.6 billion in external aid and a gradual increase in remittances led to significant improvements in certain social indicators between 1994 and 2000, particularly in the net school enrollment rate, the literacy rate, infant malnutrition, and access to potable water.
13. After 2000, political uncertainties and insecurity continued to affect investment and economic growth. Real GDP did not grow at all during the period 2000-2003, inflation averaged 17 percent (including the increase in the price of basic products), and the fiscal deficit (excluding grants) averaged 3.1 percent of GDP. The deficit was financed primarily by Central Bank advances as well as by the accumulation of external arrears. Despite the increase in private transfers, the socioeconomic situation deteriorated: the financial cooperatives' system collapsed in 2000 (which affected thousands of people who lost their savings), exports—particularly from the textile assembly industries—and investment declined, and public institutions and economic governance grew weaker. The last few years have also witnessed a growing marginalization of most of the population, a very critical level of vulnerability, and the inadequacy of traditional survival mechanisms. This state of advanced impoverishment and decapitalization was qualified as the “silent emergency” in the United Nations' PIR (Integrated Program of Response to Vulnerable Populations) document of March 2003.
14. In 2003, macroeconomic performance improved in response to measures taken within the framework of the Staff Monitored Program (SMP). Nevertheless, these measures could not be maintained in late 2003 and early 2004. The first half of the fiscal year (October 2003 – March 2004) ended with a fiscal deficit of 2.3 percent of GDP (excluding grants), the result of an uncontrolled increase in expenditures, a very low level of reserves (US\$17 million), and continuous accumulation of arrears. The events of February–March 2004 had a strong impact on public infrastructure and private property (with losses estimated at 5.5 percent of GDP), the job market, inflation, public revenue and national output (the decline in output this year is estimated at 5 percent of GDP).
15. Currently, the social indicators are alarming: Haiti is the only country on the continent appearing on the list of least-developed countries; Haiti is ranked 146th by the Human Development Index (HDI); it has a population of 8 million, 60 percent of whom live in a rural environment; nearly half of this population consists of people younger than 18 years of age. Public health indicators are the worst in the region: life expectancy is 53 years; infant mortality is 80 per 1,000; maternal mortality is 523 per 100,000 live births; only 28 percent of the population uses adequate sanitation facilities; only one quarter of births are attended by medical personnel; half the population has no access to potable water; and HIV/AIDS affects 5 percent of the population. The education indicators are also poor: the net primary school enrolment rate is 68 percent, with very poor service quality; nearly one half of the population is illiterate.
16. The population's vulnerability is very high: 65 percent live on the threshold of income poverty. Exposure to precarious living conditions is particularly acute for vulnerable groups, such as women, children, the elderly poor, and the handicapped. This situation has led a large

proportion of families to take their chances abroad (30 percent of households have close relatives living abroad).

17. Finally, Haiti, located as it is between Colombia and North America, is particularly vulnerable to the illegal drug trade (nearly 10 percent of the cocaine intended for the United States transits through Haiti). The continuing decline in living conditions and the widespread impunity in recent years have led to a sharp increase in acts of violence and delinquency, both outside and within families. The fight against insecurity and the emergency situation have changed the behavior of individuals and groups. The number of expatriates fleeing poverty has multiplied.

II. Toward a new partnership with the international community

Lessons learned from past assistance to Haiti

18. Over the past ten years of external aid, more than US\$2.5 billion have been provided by various donors, to which must be added close to US\$4 billion in remittances, primarily from North America. Most sectors have been able to benefit from this support, particularly health, infrastructure, agriculture and governance. In October 2000, the Common Country Assessment conducted a participatory diagnostic of the Haitian situation. However, in the context of crisis, the Strategic Development Framework has never seen the light of day.
19. Nevertheless, it must be noted that the results fall far short of the expectations and needs of the communities. The reasons for this deterioration in the situation must be analyzed in order to avoid making the same mistakes. The international community assumes part of the responsibility for this failure. The donors recognize a lack of coordination, of consistency and of strategic vision in their interventions. These donors have often set up parallel project implementation structures that weakened the State, without, however, giving it the means to coordinate this external aid and to improve national absorptive and execution capacities.
20. The political crisis since 2000 has also led donors to suddenly withdraw institutional support. Structural interventions have been rare. Few projects were undertaken to improve the management and governance of institutions. Recourse to the private sector or to civil society has become routine, contributing to a further weakening of the civil service.
21. Due to the political blockage, the commitments of donors have only partially been maintained. This lack of continuity in donor interventions, as well as the political crisis within the Parliament, has severely handicapped the strategic and sectoral policies of the government. It is now acknowledged that this policy of massive investment, followed by sudden withdrawal, is counter-productive and that it is important to maintain the public sector's organizational and institutional capacity.
22. Since 1994, coordinating between emergency, rehabilitation and long-term development has also been a challenge. This challenge applies equally today to the Interim Cooperation Framework. The absorption capacity of institutions, which can be overestimated by the

donors themselves and which can only be improved in a gradual manner, must be taken into consideration; otherwise, the system will collapse.

23. Furthermore, internal constraints are also numerous. The preceding governments lacked the political will and the means to make the necessary changes in key areas, particularly justice, the police, administrative reform and decentralization. Weaknesses in respect for the law and basic liberties have led to corruption, insecurity and impunity and have discouraged productive investments by the private sector, and more largely the mobilization of all actors. The characteristics of strong polarization and dissension within the Haitian structure have also prevented even minimum consensus.
24. The for-profit or non-profit private sector occupies a preponderant place in the key sectors, notably in health and education. It is important to note, over this entire period, a mutual mistrust between the private and public sectors and a lack of partnership between these two entities, particularly in the area of productive investments. Beginning with this transition period, it must fall to the State to set priorities and to play the role of regulator in order to optimize the effectiveness and consistency of external assistance.
25. These findings must not, however, cause us to forget the true successes realized during the course of these past ten years: local participation is regularly sought out for projects, consensus is favored, respect for human rights is a shared goal, and civil society can no longer be ignored. In addition, the participation of the press in the process of democratic construction, despite the repeated threats against freedom of expression, must be emphasized as a remarkable achievement. Finally, it is important to note a broad consensus on the findings: specifically concerning the importance of a private-public partnership, of institutional support and of the integration of actions over the long term.

The process of preparing the Interim Cooperation Framework

26. The ICF is inspired by lessons learned in similar needs identification exercises in *post-conflict* countries, such as Afghanistan, Iraq, East Timor and Liberia. The peculiar features of the Haitian crisis have led to a certain adaptation in this exercise. For Haiti, this unique process was preceded by an informal donors meeting, organized in Washington, D.C. on March 23, 2004 by the World Bank, which is responsible for donor coordination. On April 22, the Government launched the process in Port-au-Prince during a meeting between the Government and donors.
27. The work structure for the formulation and coordination of the ICF is based upon three pillars: 1) an Inter-Ministerial Committee, at the political level, comprising four key ministries under the coordination of the Ministry of Planning, Environment and External Cooperation; 2) a Steering Committee, comprising representatives from the government and the donors, and responsible for the technical aspects of the exercise and the drafting of a final document; 3) ten thematic groups, comprising national and international experts from the public sector, the private sector, civil society and the international community.

28. The ten thematic groups worked on: 1) political governance and national dialogue with two sub-groups: a) security, police and DDR and b) justice, penitentiary institutions and human rights; 2) economic governance and institutional development; 3) rapid job creation, and safety nets and social protection, 4) protection and rehabilitation of the environment; 5) regional, urban and local development and decentralization; 6) health and nutrition; 7) education and culture, with two sub-groups: a) education, youth and sports, and b) culture, media and communications; 8) agriculture and food security; 9) infrastructure, with four sub-groups: a) roads and transportation; b) electricity; c) water and sanitation; d) slum upgrading and solid waste; 10) development of the private sector and small- and medium-size enterprises / small- and medium-size industries. The ICF took into consideration cross-cutting themes such as crisis prevention, human rights, gender and HIV/AIDS.
29. The ICF is also characterized by the strong involvement of 26 bilateral, multilateral and United Nations agencies. The exercise has been carried out jointly by the government, the *Inter-American Development Bank*, the *World Bank*, the *European Commission* and the *United Nations System*. Bilateral agencies were invited to participate and have been strongly involved in the ICF. Several meetings to ensure coherence have also partnered the ICF with experts from the United Nations responsible for the deployment of the *MINUSTAH* and the preparation of the electoral process. Close to 250 national and international experts worked full time for three weeks during the month of May. A donors–Government meeting was organized on June 15 to review the ICF process and to prepare the Donors Conference on July 19-20.
30. The national scope of the process has allowed it to define the basis of a new partnership between Haiti and the international community. The Government has piloted the entire process with the support of the donors. Each group has been coordinated by representatives from the national institutions, with strong involvement at the ministerial level in the preparation and completion of the thematic reports. In each group and sub-group, a focal point of the international community supported the national coordinator.
31. The ICF is characterized by its inclusive and participatory nature. Despite the short time available, the ICF benefited from a real political dialogue between the various actors. Civil society, the private sector and the political parties have been involved and were consulted on several occasions in the process. This participation has also been manifested during the course of three regional workshops, at Cayes, Gonaïves and Cap Haïtien, bringing together the development actors at the departmental level.
32. It is important to note the fast pace of the ICF preparation process. At the request of the Haitian Government and the donors, and given the available “window of opportunity,” the preparation time was shortened to ensure completion of the technical preparation of the documents and the consultations in only six weeks to facilitate a donors conference during the month of July. Despite these very tight deadlines, when compared with other similar exercises, the ICF has been successful thanks to the strong involvement of the Government, which has been able to release high-level officials, and to the strong support from the international community, which quickly mobilized experts who were competent and knowledgeable about the country.

33. The overall view shared by all is that priority must be given to strengthening national capacities. The weakening of the State over the past 20 years has presented an inescapable bottleneck for providing public services, democratic consolidation and economic recovery. The ICF therefore evaluated the needs for strengthening the public administration, planning additional human resources and identifying existing training needs.
34. The exercise also required a realistic estimate of the very short- and medium-term costs. Following the same format, each thematic group has identified the needs, the availability of external or internal financing, as well as the financing gap. Certain thematic groups have established *scenarios* as a function of availability of financing.
35. Another goal of the exercise was to identify visible and rapid results in order to support the efforts of the transition Government to address emergencies. Accordingly, a certain number of rapid interventions (before September 2004) have been planned, specifically in the areas of electricity, waste management, health, education, rapid job creation and security. Some of these activities have a humanitarian and rehabilitation dimension.
36. The ICF is also characterized by the link between the short-, medium- and long-term. The ICF covers the period from July 2004 to September 2006. This period exceeds the date for transferring power to the new President, who according to the Transition Agreement will have to be sworn in no later than February 2006. This choice was made to allow the newly elected institutions to have financial resources and programs underway during the first six months of their administration.
37. This transition Government, in close collaboration with all of society, intends to present a largely participatory proposal for a Poverty Reduction Strategy Paper (PRSP), for validation and completion to the new government that will emerge from the elections scheduled in 2005. The PRSP will cover the period 2006-2009. In order to ensure good consistency between the works of the ICF and the PRSP, the preparation of which was initiated in 2003, the coordination mechanisms stipulated in the PRSP also benefited the ICF. The ICF will also serve as a basis for the PRSP.

III. Broad overview of the Government transition strategy

38. The transition Government wishes to undertake a national reconciliation process by involving all components of society and promoting political dialogue. The Government is committed to organizing local, legislative and presidential elections in 2005, and to restoring macroeconomic stability. The immediate priorities are restoring security, reestablishing public services, and affording economic opportunities for those most heavily affected by the crisis.
39. In the medium term, the Government's main priorities revolve around four strategic axes:
 - Strengthening political governance and promoting national dialogue;
 - Strengthening economic governance and contributing to institutional development;

- Promoting economic recovery;
- Improving access to basic services.

These commitments by the Haitian Government should support the achievement of the Millennium Development Goals (MDGs) for 2015.

40. In terms of good political governance, the Government is committed to create optimal conditions for holding free, honest and democratic elections in 2005 with the participation of all, with no exceptions. To this end, the CEP was appointed in early May and, with it, a mission from the United Nations Political Affairs Division defined the terms of the United Nations' oversight of the 2005 elections.
41. A specific *post-crisis* effort must be made with regard to security, and the restoration of a state of law and a true democratic culture in Haiti. With the assistance of the *MINUSTAH* and participation of the international community, the Government hopes to professionalize the police, strengthen it through subsequent recruitment, eliminate the least credible members, and incorporate some of the demobilized soldiers. Stability will also involve disarmament, which must take place without delay. Disarmament, demobilization and an effort to reintegrate the armed groups are prerequisites for security and for the success of the 2005 elections.
42. Citizens' demands for justice will not be able to be met without a serious reform of the legal system to guarantee the primacy of law, affording it true independence and greater effectiveness. The restoration of confidence in the justice system will also require anti-impunity measures and the diligent pursuit of all perpetrators of violent and financial crimes, including bringing them to fair trial.
43. In the past, Haiti has been both poorly and under-administered. Emerging from the crisis and restoring economic growth will require a significant improvement in the effectiveness of public affairs management. In the long term, that will require civil service reform. The transition Government intends to build the foundations for such a reform of the civil service during the transition period. During this time, the transition Government will take specific measures to strengthen institutional capacity by training existing government employees and contributing new human resources at the decision-making, conceptual and execution levels, specifically to ensure effective implementation of the ICF. Strengthening institutional capacity will also be achieved through the provision of technical assistance, by consulting members and organizations of the Haitian diaspora, and by improving employee working conditions, including by granting a salary increase. To improve economic Governance, the government intends to take specific measures during the transition period to ensure rigorous management of the budget process, to tighten financial controls, to guarantee effectiveness and transparency in public procurement, and to ensure the transparent management of public enterprises.
44. The socio-economic situation and the poverty map in Haiti confirm the need to restore participatory local development and establish local administrative centers, with true autonomy to manage and make daily decisions "on the ground". For the time being, all

national resources are mobilized by the central government. It is therefore necessary to quickly budget resources to promote this decentralization process (rapid job creation and social infrastructure) and to strengthen the management capacity of the Fund for the Management and Development of Local Administrations (FGDCT).

45. Economic recovery must be accompanied by macroeconomic stability, which has been lacking in the country for several years. The absence of budgetary discipline and the political crisis have significantly reduced effectiveness and efficiency in the use of public resources and have deprived Haiti of significant external financing. The transition Government intends to restore macroeconomic stability and, in consultation with IMF staff, has formulated a macroeconomic program for the period April-September 2004 aimed at reconciling the goal of budget discipline and the urgent need to relaunch the economy and improve the provision of basic services.
46. The economic recovery will be undertaken with the active participation of the private sector to promote a true institutional dialogue of partnership with the public authorities. In the short term, the Government intends to support the recapitalization of enterprises in difficulty. The transition Government also intends to prepare and implement the reforms needed to create a favorable environment for local and foreign investment, support the creation of small- and medium-size enterprises, and encourage the development of economic potential, particularly in the tourism sector and free-trade zones. Agricultural production must be encouraged to arrest the decline in production and reduce pressure on imports.
47. The country's principal infrastructure has been seriously damaged by poor governance and the lack of a maintenance policy. The transition Government intends to rehabilitate and build infrastructures, which are critical to sustainable development. The Government has put priority on a significant improvement in the provision of electricity in the country; construction or rehabilitation of roads or tracks to open up entire regions and isolated parts of the country; improving and developing port and airport infrastructure in accordance with international standards; and providing access to a wider range of new information and communication technologies. To the extent possible, it will be necessary to give priority to infrastructure rehabilitation using labor-intensive methods. In effect, this will allow recapitalization of Haitian families who have suffered from the recession and sharp decapitalization.
48. The recent floods that struck Haiti and caused the death of about 1,000 people and the disappearance of another 1,500 demonstrate the urgent need to strengthen the State's capacities in sustainable and integrated risk and disaster management. Environmental rehabilitation and management create more favorable living conditions and contribute to the fight against poverty. Within this framework, the Government intends to work towards urban upgrading, relieve pressure on the country's firewood resources, and take measures to prevent the degradation of land and natural resources.
49. Access to basic services by all at an affordable cost is one of the key government priorities. Education is the key to all development. The Government intends to strengthen its role as a regulator of basic education, technical and professional training, and higher education. To

guarantee the right to education for all, the Government's priorities are to increase schools facilities, improve their quality, strengthen governance and the system's external efficacy, as well as take urgent measures to prepare for the start of the next school year. In the health sector, the Government puts priority on returning institutions to operating conditions, restoring priority programs and rapidly evaluating the ministry's administrative and financial system.

IV. The Interim Cooperation Framework

50. In reflecting the Government's strategic directions, the Interim Cooperation Framework consists of four axes: a) strengthening political governance and promoting national dialogue; b) strengthening economic governance and contributing to institutional development; c) promoting economic recovery; d) improving access to basic services; and four cross-cutting issues. An estimate of the costs of the ICF is presented thereafter. Finally, a mechanism for aid coordination and ICF follow up is proposed.

A. *Strategic axes*

51. For each strategic axis, specific attention has been devoted to defining a strategy and priority objectives by area of intervention. The State's absorptive capacity is also analyzed in the reports of the thematic groups, which are available on the website: '<http://haiticci.undg.org>'. In addition, monitoring indicators and activities are presented in the results framework based on semi-annual timelines (see Annex I).

Axis 1: Strengthen political governance and promote national dialogue

52. For too long, the country has suffered from poor political governance, in particular through a strong political use of public institutions which has contributed to weakening the rule of law and undermining its credibility. Restoring respect for the law and basic liberties requires real behavioral changes, the preparation of institutional reforms for the judicial branch and the police, the organization and holding of free and honest elections, the professionalization of the police to ensure the security of citizens, the disarmament of armed groups, and a greater efficiency of the justice system. Better governance requires a true determination by the State, as well as the private sector and civil society, all of whom are indispensable to consolidating the rule of law in Haiti.

53. This strategic axis includes:

- Security, police and demobilization, disarmament and reintegration;
- Justice, penitentiary institutions and human rights;

- Electoral process; and
- Promotion of national dialogue.

1.1. Security, police and demobilization, disarmament and reintegration (DDR)

54. Within the current context, the transition process, the holding of elections, and the reconstruction of the country are threatened by the climate of insecurity. This climate prevails for reasons such as the presence of multiple armed groups, the proliferation of firearms, and the inability of the Haitian National Police (PNH) to satisfactorily address these problems. Two priority areas will be targeted for restoring a secure environment in Haiti: the disarmament process, and the strengthening of the PNH.
55. Armed groups in Haiti are generally characterized by a lack of structure, hierarchy and training. Membership in these groups could total several thousand people. These armed groups tend to be fragmented and their respective scope of action is very localized. This absence of a common front may be explained by motivations or interests that vary depending on the group. Between 2000 and 2004, many of these armed groups, called Popular Organizations, had very close ties with the political authorities. They contributed to the decreasing respect for human rights, which in turn resulted in a deterioration of the social fabric and in sociopolitical instability. Many members of the armed groups turned to banditry, crime and other illegal activities (particularly drug smuggling) for their economic survival.
56. At the same time, the events of early 2004 saw the return and remobilization of former members of the military or the police who had been in exile or in disgrace. These armed groups took possession of certain cities in the country. They remain armed and mobilized and seek to be included once again on the Haitian government payroll. Their demobilization remains essential for the holding of elections in 2005.
57. Violence continues to contribute to an acute deterioration in the social capital, which is manifested in a mistrust of others, an absence of community spirit, a lack of organizational capacity at the collective level, deterioration in social and family ties, and a strengthening of individual survival instincts. It has also caused a transformation in the attitudes of the population and in the social structure, thereby favoring a culture of violence as a basis for interpersonal and inter-group relations. Drug smuggling has also brought changes in behavior. In addition to domestic violence, which is all too common, women are a group that has been particularly hard hit by violence, particularly sexual aggression, which occurs with impunity.
58. In terms of firearm control, within a disarmament perspective, national capacities are quite embryonic and urgently require strengthening, both legislatively and institutionally. For disarmament to be effective, it must address a certain number of very distinct challenges. At the institutional level, there is currently a significant shortfall in state capacity, for example, in the lack of a strategic framework and planning at the national and international levels. To encourage the population to participate in the disarmament program, it is necessary to review

the legal framework and undertake a vast campaign to raise awareness and education, with the participation of civil society and the local authorities (CASEC and ASEC). Preparing a reform of the laws concerning firearms and private security agencies, and adopting regulations for their implementation, are essential activities. Consistent with its mandate, the *MINUSTAH* will be closely involved in this process.

59. At the operational level, a disarmament program must address a range of groups without a true structure and respond to the diverse array of motivations underlying the use of firearms (particularly the problem of organized crime and the institutionalization of drug smuggling). This is essential to ensure the groups' participation and engagement. This, then, requires a flexible and differentiated approach that can produce significant results within a short timeframe (economic alternatives and job opportunities), while also strengthening the link between the process of reintegrating the members of armed groups, and community development (organization of economic and social activities). Disarmament should build on certain key success factors, particularly cultural values related to non-violence, political commitment on the part of the Government, and support from the international community, the *MINUSTAH* and the *OAS*.

60. The transition strategy for DDR has four priorities:

- **Strengthening and putting in place institutional capacity** to ensure the success of the disarmament process: creation of a mixed inter-ministerial commission on disarmament; development of the legal framework on firearm control; development of a national disarmament program; strengthening of national capacity, including the national commission on electoral security.
- **Promoting awareness, mobilization, and the engagement of all sectors of society in disarmament**: national awareness campaigns, organization of community activities for the prevention and peaceful resolution of conflicts; participation of local entities and communities in reintegration activities.
- **Disarming and dismantling armed groups**: taking an inventory of armed groups, as well as of the distribution and proliferation of firearms; undertaking voluntary or non-voluntary disarmament measures; registering and storing firearms; destroying and recycling firearms.
- **Ensuring the rehabilitation and reintegration of members of armed groups**: implementation of programs, services and projects, assistance in addressing the immediate needs of members of armed groups, including technical and professional training; creation of reintegration opportunities through employment; special assistance for the rehabilitation and reintegration of children associated with the armed groups.

61. Since the “demobilization” of the Haitian Armed Forces (FAD’H) at the end of 1994, the PNH has been the only force invested with public authority. Already suffering from reduced and insufficient capacity, the PNH broke down as a result of a combination of politicization and corruption, particularly after 2001. The PNH, which had some 6,300 police officers of all ranks in 2003, now has half this figure, because of the number of agents still in flight, and the purging of superior and subordinate officers. Most of its infrastructure was looted or destroyed during the events of 2004. The 1999-2003 strategic development plan, which was to contribute to the professionalization of the PNH, was never implemented.

62. The transition strategy for the PHN pursues three priorities:

- **Strengthening the organization of the PNH and its administrative capacities:** restructuring and reorganization on the basis of a new organizational chart; preparation of a new police law; adoption of a development strategy; training of command and administrative staff; methodical and rigorous management of personnel and materials.
- **Strengthening the operational capacity of the PNH:** increase its workforce (from the current 3,000 to 6,000 in 2006 (10 percent of whom are women), and to 20,000 in 2015) to allow better coverage of the entire Haitian territory and its borders, and to address multiple threats, particularly insecurity and smuggling of all kinds; construction and rehabilitation of facilities; acquisition of the materials necessary for its operation; strengthening of investigative capabilities through the increase in the number of quality of judicial police personnel; creation of a financial squad; strengthening of the action capacities of the specialized units.
- **Professionalization of the PNH:** provision of human and material resources to the General Inspectorate to effectively fight corruption, impunity, human rights violations, disciplinary violations; improvement of police working and social conditions (status, promotion); and professionalization of management and agents through basic and continuous training.

1.2. Justice, penitentiary institutions and human rights

63. Justice is currently a basic demand of the Haitian people. The judicial branch is hampered by an organization and functioning which are inadequate to the country's needs. In late 2002, the Haitian body of magistrates counted only 600 active judges, including 375 justices of the peace. The body of magistrates is heterogeneous, dispersed across the territory, insufficiently recruited and trained, despite the influence of the Magistrate School (EMA), and finally, lacking in the material resources needed to operate efficiently. Insufficient training, a result of the low levels of university education, also affects the 750 attorneys, 650 court registrars and 1,200 court bailiffs and other justice employees. Of considerable concern is the advanced state of deterioration of the physical infrastructure, which also suffered from the events of February–March 2004. The poor functioning of institutions, the obsolescence of many laws, and the absence of basic guarantees relating to judicial authorities have led to an endemic dysfunction of the institution, which is also affected by corruption and omnipresent drug smuggling. There is also a strong dependence and politicization of the judicial branch. This problem has led to a deep mistrust of the judicial system by all citizens, within a context where access to law and justice remains difficult and random.

64. The transition strategy pursues seven priorities:

- **Measures against impunity:** organization of fair and impartial trials; strengthening of investigation, examination and judgment capacities for cases of physical or sexual violence as well as economic and financial crimes; strengthening of the penal process (police – justice – prisons); regular and periodic organization of correctional sessions; settlement of unresolved penitentiary situations; preparation of the modernization of the criminal procedure (Criminal Investigation Code).

- **Promotion of judicial independence:** preparation for the recasting or development of basic legal texts (decree providing for the organization and operation of the Ministry of Justice; texts relating to the Supreme Magistrate Council, the rights of minors, the legal status of the Magistrate School); creation of the Magistrate Regulation; strengthening of the Ministry of Justice's human, material and financial management systems.
- **Rehabilitation of physical infrastructure:** rehabilitating and re-equipping destroyed or damaged lower courts, prosecutors' offices and local courts; construction and furnishing of a building to house the Special Labor Court of Port-au-Prince; partial restoration of Ministry of Justice facilities.
- **Promotion of legal training and information:** organization of the Magistrate School; continuous and specialized training of judicial personnel, modernization of the training curriculum of the legal faculties and schools; production and dissemination of Haitian legal works, as well as the decrees of the Supreme Court of Appeal.
- **Promotion of access to justice:** preparation of the reform of the Public Records Office; review of the country's judicial map; definition of legal assistance; promotion of alternative conflict resolution methods and review of legal fees.
- **Promoting a participatory "front line" justice:** establishment of Circles of Justice within local associations, training of judicial and extra-judicial mediators for rapid resolution of local conflicts.
- **Promoting the participation of women** in decision-making, both in the MJSP or in the body of magistrates or within the judicial branch.

65. Under the PNH's General Directorate, the Penitentiary Administration Directorate (DAP) manages 21 penitentiary facilities that, before the events of February 2004, represented a prison capacity of 3,800 detainees, 1,600 of which are in Port-au-Prince. The national incarceration rate remains low, but unfortunately 80 percent of incarcerated individuals are held for preventive purposes and may wait months or even years before their cases are legally heard. The recent "liberation" of almost all detainees during the events of February–March 2004 also resulted in the destruction of several penitentiary facilities. The physical and human penitentiary environment is deficient, specifically with regard to the unhealthy state of the buildings, sub-standard equipment, access to health care, basic food, and the differentiation of personal characteristics.

66. The transition strategy pursues three priorities:

- **Recruitment and training of penitentiary personnel:** recruitment and training of correctional agents, supervisors and prison inspectors.
- **Rehabilitation of physical infrastructure:** rehabilitation, security enhancements and equipping of the penitentiary institutions, rehabilitation of a special facility for women and youth in detention; and construction of a center to receive and reeducate minors.
- **Rational management of the prison population:** improvement in detention conditions; development and implementation of security policies and procedures for the management of

dangerous prisoners; development of detainees' information system, implementation of the DAP verification and audit section.

67. The **human rights** situation remains of great concern. It is characterized by frequent violations of individual freedoms (physical or sexual aggression, summary and extrajudicial executions, denial of justice, dependence of the judicial branch). From an institutional standpoint, although several ministries are involved with human rights issues, there is no structure responsible for coordinating the government's policies in this area. The Citizen Protection Office (OPC), the purpose of which is to protect all individuals against any form of abuse by the government, is little known and has lost some of its credibility. Although Haiti has ratified a certain number of international legal instruments, its regulatory framework at times contradicts its international commitments.
68. The transition strategy pursues three priorities:
- **Ensuring respect for human rights and basic freedoms**: preparation of a National Plan for the Promotion and Protection of Human Rights; information and awareness campaign and citizen education; promotion and protection of the rights of vulnerable groups.
 - **Strengthening of national capacity**: preparation of a draft organic law for the OPC; strengthening of investigative, administrative and management capacities; publication of periodic reports.
 - **Promotion of a partnership between the government and organizations that promote and protect human rights**: Implementation of joint committees for the promotion and protection of human rights.

1.3. Electoral process

69. The political transition will take place through the holding of free, credible and transparent elections. Since January 2004, the terms of office of certain deputies and senators have expired and it is no longer possible to meet the necessary quorum. The country is therefore functioning without a Parliament. Municipal, legislative and presidential elections will be held in 2005 and the transition will thus take place by the induction of the newly elected President.
70. The newly formed Provisional Electoral Council (CEP) has all the essential authority of an independent council. In its composition, it is similar to the CEP of 1990 since it includes representatives of several sectors of civil society and the political parties (excluding the *Lavalas* party which has declined to participate), rather than individuals chosen for their knowledge of the electoral process. The State currently provides for the payment of salaries of CEP members, but electoral activities will require significant external funds.

71. The priority activities of the CEP for the organization of elections are:

- **Consolidating its central functional structure** as well as that of the Departmental Electoral Offices (BED) and Communal Electoral Offices (BEC), and providing for their means of operation.
- **Defining the election schedule** and establishing the financial requirements for holding elections.
- **Examining the current electoral law** and preparing the necessary changes for proper advancement of the electoral process.
- **Preparing for the creation of voter lists.** This involves undertaking new registrations (some 4 million Haitians of voting age) without being able to benefit from existing civil records, nor any administrative structure capable of creating and maintaining them. In this regard, the *MINUSTAH* may propose preliminary recommendations with a view to possibly using available resources for creating electoral lists as a basis for the creation of a civil registry.
- **Reflecting on security aspects as well as on financing methods and the minimum regulation of political parties.**

72. Resolution 1542 specifies the mandate of the *MINUSTAH*, particularly its duties to support the government in organizing, monitoring and holding these elections, by providing technical, logistical and administrative assistance, training personnel and ensuring the maintenance of security. The *MINUSTAH* must coordinate in this area with the *OAS* and the *CARICOM*.

73. At the Government's request, a United Nations mission to evaluate electoral needs in Haiti visited the country from June 8 to 17, 2004, to submit a detailed report to the Haitian authorities and the international community. The ICF already contains preliminary costs as well as targets and priority activities for the electoral process, which were defined through initial consultations with the CEP and other partners.

1.4. National dialogue

74. A large portion of the population has been historically excluded from the political process. The country has therefore suffered from divisions that have greatly compromised development efforts. The transition Government seeks to initiate a true dynamic of national reconciliation that will allow it to contribute lasting, consensual solutions to reduce the risks of conflict and crisis in the country. It seeks to promote an extensive national dialogue between the various participants in society, through experience gained in other countries in crisis. This dialogue includes all governance participants: the Government, local authorities, the Council of Wise Men, political parties, civil society agencies and private sector intermediary institutions. This dialogue must be carried out at the central, departmental and municipal levels. It must create conditions favorable to the holding of free and fair local, parliamentary and presidential elections in 2005.

75. The ICF falls within this dynamic of political dialogue and is a first step toward the fulfillment of a national vision of lasting development founded on a participatory methodology. To this end, the process of preparing a Poverty Reduction Strategy Paper

(PRSP) and the Millennium Development Goals offer a framework for this dialogue around development priorities.

Axis 2: Strengthen economic governance and contribute to institutional development

76. The adoption of better economic governance and institutional development are necessary to economic recovery and improved living conditions. Substantial improvement in the management of public finance, better articulation and coordination of external financing, and greater administrative effectiveness will have a lasting impact on the level of human development in the country and will strengthen the State's legitimacy in public action. A true effort to promote local development and participation will also contribute to restoring Haitians' trust in the State.

77. This strategic axis includes:

- Economic governance;
- Strengthening of institutional capacities;
- Regional, urban and local development and decentralization.

2.1. Economic governance

78. Weaknesses in economic governance have been one of the most serious impediments to economic growth and poverty reduction in Haiti. The entire public administration is concerned with the issue of economic governance, which includes the management of public resources (not only financial, but also human and material), the culture of discipline, ethics, transparency and accountability surrounding this management. Economic governance also includes mechanisms for policy formulation and program implementation.

79. The current state of economic governance is dismal. It is characterized by poor inter-institutional coordination, ineffectiveness and a lack of transparency in public finance, the absence of a real public investment plan, weaknesses in key institutions for revenue mobilization, increasing fraud and corruption, weak financial control structures, non-transparent management of public enterprises used in recent years to serve interests other than the collective good, and a dysfunctional system for public procurement.

80. The transition strategy pursues four priorities:

- **Making the budget process efficient, transparent and credible:** reducing, then eliminating the current accounts, strict application of procedures for requesting funding of current accounts, establishment of the concept of a single Treasury account, gradual automation of the State's financial activities, implementation of a State accounting system, implementation of a public accounting body, strengthening of the budget preparation process, improved

coverage of the *SYSDEP*, completion and implementation of the strategic plan for the reorganization and modernization of the customs agency; completion and implementation of the strategic plan for the reorganization and modernization of the General Tax Office.

- **Reaffirming the importance of financial control and strengthening control mechanisms for the use of public finance:** adaptation of the regulatory framework to the provisions of the new basic law on the preparation and execution of the budget; strengthening of the operational capacities of the public finance control structures; strengthening of the MEF fiscal inspection directorate responsible for monitoring tax receipt agencies (including “own funds”) and private and public enterprises; and analysis of the need and modalities for establishing a possible General Finance Inspectorate.
- **Strengthening the mechanisms for public procurement:** creation of an Interim National Public Procurement Commission (CNIMP), recruitment of an outside agent for the interim phase (12 months), improvement in the transparency of public procurement, strengthening of the private sector’s capacity to participate in public invitations to bid, and preparation for the recasting of the legal and regulatory framework.
- **Cleanup and modernization of the management of public enterprises in key sectors – EDH (electricity), Teleco (telephone), AAN (airports), APN (ports), and CAMEP (potable water in urban centers),** while strengthening the State’s regulatory role in key sectors of the economy such as telecommunications, energy, potable water, ports and airports. The accounts of the enterprises weakest in this area will be improved, financial audits and management consulting and training will be provided to each of these enterprises, and management contracts will be prepared in those cases where private sector participation is deemed appropriate during the transition period.

81. This will also, and especially, require better management of public finances at two levels (i) an expansion of the tax base, with a gradual increase in revenue up to 14 percent of GDP in 2015, and (ii) a gain in efficiency in the allocation and management of expenses, including through the fight against corruption. To this end, the Government has decided to put in place an *Independent Anti-Corruption Unit*. The strengthening of the Superior Court of Accounts and Administrative Litigations (in its dual legal and financial control role) will also be a priority. The ICF also seeks to strengthen the MPECE’s capacities in performing strategic studies on the long-term development vision.

2.2. Strengthening of institutional capacity

82. The size of the public administration is estimated at 46,000 employees (41 percent of whom are women). The proportion of employees per inhabitant is very low, and unequally distributed across the territory (with a very low presence in the rural areas). Local government is almost non-existent. There is also a genuine shortage of officials working at the conceptual level in proportion to support personnel. The civil service has experienced a severe brain drain to the international agencies, NGOs, or the North American continent because of low pay levels and the unexpected consequences of the voluntary departure law. Advanced teaching institutions have developed few public policy management training programs. University programs exist mostly at the sectoral level (education, health, agriculture). There are, however, some public administration training centers. Their quality varies, but in general they lack the necessary resources.

83. The creation of policy formulation and monitoring capacity, as well as program management capacity, is a requirement for creating favorable conditions for economic growth and a long-term reduction in poverty. This will require a civil service reform to give the country an effective and efficient body of officials. The sharp recovery in international cooperation must, however, take into consideration the real risk of weakening the civil service in the short term, which could compromise the institutional strengthening programs.

84. The transition strategy pursues five priorities:

- **Selectively, and in complete transparency, increase human resources in the public administration:** increase in human resources at the decision-making, conceptual and administrative levels by recruiting qualified young officials as employees or consultants (604 in the ICF period), or as United Nations volunteers or volunteers from other countries, by hiring national and foreign consultants through donors over a short period (103 in the ICF period); recruit, through attractive incentives, Haitians from the diaspora to strengthen the public administration.
- **Massive training for existing human resources** in the short and medium terms. The training will involve taking into consideration the needs of officials and employees of government ministries and institutions and will rely on training schools in Haiti (by strengthening the capacities of these institutions), as well as on training centers or international trainers. This training will basically be done in Haiti in the form of ongoing training for a total of 5,400 civil service employees, almost 96 percent of whom are management officials.
- **Significantly improving compensation** and the employee incentive system (as of July 1, 2004, an increase of 30 percent in all employee salaries is planned); description of the duties of the various positions, harmonization of profiles and tasks, successive improvements in salaries and revision of the salary grid in accordance with the State's financial capacities.
- **Establishing an electronic communications network** in the public administration, and strengthening socioeconomic information production and dissemination capacities.
- **Establishing the basis for reform of the civil service.** A reform proposal will be prepared and be the subject of national consultations.

2.3. Regional, urban and local development and decentralization

85. Community participation is a key element in the local development dynamic. This development will serve as the basis for preparing and implementing true decentralization and the restoration of regional and urban development which, in turn, will allow the progress achieved to be sustained over the long term.

86. A Regional and Urban Development Unit was created in 1973. In the early 1980s, this structure allowed for the preparation of instruments such as the National Territorial Development Scheme, or the laws on regionalization, municipal organization, zoning or even the urban community of Port-au-Prince. Since 1986, this planning process has been stopped. The effects of this are visible at both the urban and rural levels.

87. Regarding decentralization, the constitutional requirements have barely been followed by legislative or regulatory measures. The functioning of local entities is very weak, and is based essentially on discretionary financing at the central level. Added to this is an extreme lack of stability in the personnel elected within the local administrations, an absence of management transparency and competence, and abuses of power, coupled with the absence of a territorial civil service.
88. Within this framework, local development has been a window of opportunity to favor participatory initiatives at the local level, particularly in rural zones. Numerous international agencies have supported programs in areas such as local finances, management, local production, spatial organization, or even risk and disaster management. However, lessons learned show a need for greater participation and supervision of participants, coordination of the various interventions at the local level, and partnership in the financing of community initiatives.
89. The transition strategy is aimed at ensuring that the rapid impact of the interventions is coupled with ownership by the communities. To this end, the selected approach provides for implementation, in the local communities, of decentralized participatory structures that will be responsible for preparing local Strategic Action Programs (PAS) based on needs identified by them. To facilitate the preparation of these PASs, the local communities will be structured by the specialized local national organizations using a participatory approach in accordance with models already tested in Haiti. Where organizations do not exist, they will be created. These local organizations, in turn, will be supported by other organizations at the departmental level. An evaluation of various interesting local experiments will be conducted to determine an effective methodology adapted to the Haitian context.
90. The transition strategy pursues five priorities:
- **Promoting a structured dynamic of local development:** implementation of municipal consultation structures, preparation of local strategic action programs in all municipal sections, presentation of projects to be financed drawn from the local strategic action programs identified by the local communities themselves.
 - **Preparing the regulatory framework of the partnership for a decentralized participatory development:** preparation of the law on regional and urban development and town planning; validation of bills prepared by the National Administrative Reform Commission (*CNRA*); preparation of the draft bill on the regional and urban civil service; preparation of the instruments needed to implement the development policy, preparation and dissemination of teaching guides and materials.
 - **Implementation of mechanisms to coordinate and promote decentralized actions (regional and local):** creation of a national council for regional, urban and local development and decentralization; establishment of mapping databases covering local development by the UTSIG; provision of advisory support to the participants and partners.
 - **Initiating the institutional strengthening of the state and local structures:** restructuring of the *MPECE*; strengthening of the management of the local administrations and the *MICTSN* planning directorate; implementation of the program to support local municipal

organizations; strengthening of the functions of facilitation and proximity support; operationalization of the Fund for the Management and Development of Local Administrations (FGDCT).

- **Preparing and finalizing policies for decentralization, as well as regional, urban and local development** for submission to the next government.

Axis 3: Promote economic recovery

91. In order to create jobs and prosperity, the economic recovery depends on macro-economic stability, the rehabilitation of vital infrastructures, the development of the private sector, and the strengthening of agricultural activities while respecting and protecting the environment. This strategic axis includes:

- Macroeconomic stability;
- Electricity;
- Development of private sector and SMEs/SMIs;
- Rapid job creation and micro-finance;
- Agriculture;
- Roads and transportation; and
- Environmental protection and rehabilitation.

3.1. Macroeconomic stability

92. The transition Government has formulated a macroeconomic program for the second half of the fiscal year (April-September 2004) in consultation with IMF staff. The Government has already undertaken emergency outlays to rehabilitate key public facilities and ensure the provision of essential public services. Initially, the Government reduced non-essential expenditures, due to the revenue shortfall. In parallel, it developed an emergency plan to prioritize expenditures on the basis of available resources.

93. The governmental macroeconomic program for April-September 2004 aims at containing inflation at 14 percent (six months basis) and maintaining international reserves above US\$22 million. The achievement of these goals largely depends on budgetary discipline and easing the burden on monetary policy. The Government intends to raise fiscal revenues, curtail discretionary spending, and enhance transparency of the public sector activities, including in public enterprises. The Government is also committed to developing a plan for the clearance of external arrears and ensuring regular debt service.

94. The key objectives of the macroeconomic program are:

	FY02/03	FY03/04		
	Estimated	Oct.-March	Program Apr.-Sept.	Year
	<i>Annual Percentage Change (%)</i>			
<i>GDP at constant prices</i>	0.4	..	..	-5.0
<i>Consumer prices (12-months, e.o.p.)</i>	42.5	20.8	25.0	25.0
	<i>In % of GDP, unless otherwise indicated</i>			
<i>External current account balance (excl. grants)</i>	-4.8	...	...	-1.9
<i>Net International Reserves (US\$ million)</i>	38.8	16.9	28.0	28.0
<i>Central Government overall balance (excl. grants)</i>	-3.7	-2.3	-2.7	-5.0

Source: Data provided by the authorities and estimates and projections of IMF staff.

3.2. Electricity

95. Improving the production and distribution of electricity in the country constitutes one of the main priorities of the Government. It is estimated that only about 10 percent of the Haitian population has access to electricity. Haiti is one of the rare countries in the world that does not yet have high-voltage interconnections between cities and key regions. An estimation of the possible demand is difficult to quantify due to the fact that peak demand has not been satisfied for more than ten years. It would be somewhere around 160 MW for Port-au-Prince.

96. The current situation in Port-au-Prince is catastrophic, with most people having only a few hours of electricity per day. It is however improving substantially as a result of the joint maintenance effort undertaken by the Government and external support. In the provinces, the pilot program initiated in Jacmel is noteworthy, offering 24 hours of electricity without fraud and with an exceptional cost-recovery rate. Five secondary cities have benefited from a program of the preceding government, but the sustainability of this program is very uncertain.

97. Electricity of Haiti (*EDH*), an independent public corporation with the monopoly for electricity production, transport, distribution and commercialization, was created in 1971. Successive governments did not grant it the expected autonomy, resulting in irrational decisions and investments, and the application of a public tariff that compromised the commercial goals of the company. Already weakened by the embargo, which put a large part of its infrastructure out of service due to a lack of spare parts and equipment, *EDH* has been paralyzed for 10 years by the crisis, while at the same time suffering from disastrous

management. *EDH* has therefore become incapable of providing minimal electric service. *EDH* has a negative cash flow and the organization is unable to function without government financial transfers. It has therefore been impossible in the past few years to formulate and maintain a company strategy.

98. The transition strategy pursues three priorities:

- **Reestablish electric service by September 2004:** increase in service hours to 12 hours per day in Port-au-Prince and 6 hours in the remaining principal locations, by mobilizing the financing necessary to purchase fuel and spare parts; restoring of installed capacity; repair of machines and purchase of additional megawatts from private operators.
- **Stabilization of *EDH* and establishment of conditions necessary for its recovery:** clean up of the company's accounts, audit of the financial statements of the past few fiscal years; preparation of management contract and manager selection process; establishment of operating capital needed to ensure the functioning of *EDH*.
- **Improve quality of services:** creation of commercial agencies in certain zones of Port-au-Prince, restoration of lines dedicated to industrial and hotel clients, implementation of a strategy designed to reduce losses and a campaign designed to increase public awareness.

99. To stabilize *EDH* and enhance its services, a medium-term (5 year) **management contract** is envisaged, as well as the implementation of a medium-term investment plan designed to increase access to electricity from 10 to 50 percent of the population by 2013.

3.3. Development of private sector and small- and medium-size enterprises / small- and medium-size industries

100. The Haitian private sector is the main provider of productive employment. It is characterized by the great importance of the informal sector in the economy, by the weak structure and often by lack of representation of intermediary organizations, which are too fragmented. The private sector consists of a large number of informal-sector micro-enterprises, often under-capitalized and marked by extreme heterogeneity. At the top, a few large groups attract most of the investments. There are relatively few SMEs/SMIs. The productive fabric is very weak. The majority of operations are commercial. The value of imports is six times larger than that of exports. The sector is largely handicapped by the weakness of the national savings, political instability, poor infrastructure, the almost complete absence of foreign investment, difficult access to credit, the concentration of businesses in Port-au-Prince, and the unprecedented liberalization of the economy in 1986. Finally, numerous acts of vandalism and robbery greatly affected many private companies located in Port-au-Prince during the events of 2004.

101. The transition strategy will have three priorities:

- **Recovery of the private sector:** establishment of a re-capitalization fund, which will be managed by the Industrial Development Fund (FDI) to support the recovery of struggling companies (funds will essentially be provided by the banking sector as a result of the partial

release of compulsory reserves and repurchase by the Central Bank (BRH) of its bonds on the market held by commercial banks); establishment of a mutual guarantee fund for small companies for each small-business profession; injection of financial resources into the micro finance system to reestablish credit access of micro-, small- and medium-size enterprises. Actions will be undertaken in activity sectors that generate added value, have strong potential for exports and productive employment opportunities, and have an impact on the access of local populations to economic and social rights.

- **Improve governance of the private sector:** reinforcement of the capacities of the private and public sectors and institutionalization of a real dialogue by establishing three joint commissions in the fields of overall business development, fight against smuggling, corruption and dumping, and improvement in basic service provision; technical assistance and financial support for intermediary organizations, preparation of a draft commercial code and implementation rules for the Investment Code.
- **Encourage a better integration of Haiti into regional and international markets:** establishment of five centers for facilitation and development of investments and exports (one-stop shop) in Haiti (Jacmel, Gonaïves, Cap Haïtien, Côtes des Arcadins and Port-au-Prince), so as to encourage Haiti's integration into regional and international markets, take advantage of opportunities with the Dominican Republic and *CARICOM* countries, and benefit from the potential advantages of the *Free Trade Area of the Americas*, and of the *Economic Partner Agreement* or of the *Hero Act*. Development of and investment in industrial and commercial free trade zones, tourist regions and organic agricultural zones will be encouraged.

3.4. Rapid job creation and micro-finance

102. Nearly all of the employment in Haiti (95 percent) is in the informal sector. Unemployment and underemployment are very common, especially among young adults (20-35 years old) in urban areas. Women also have a high unemployment and underemployment rate, despite their strong presence in the workforce. Almost 1 out of every 2 Haitians between the ages of 20 and 45 does not have a lucrative occupation. Recent experience in Haiti indicates that labor intensive work programs (HIMO) offer attractive solutions when a large number of temporary jobs and revenue opportunities need to be created for the poor, especially when one keeps in mind the long period of decapitalization of the population and deterioration of basic infrastructure. These programs take place at the community level. Considering the urgent need to rehabilitate productive and social infrastructure and open up isolated regions, an immediate effort is needed to highlight the objective of job creation in public investment programs to improve infrastructure, whenever feasible and economically justifiable. Jobs must also be stimulated by strengthening and increasing the availability of credit adapted to the needs of micro-entrepreneurs, with particular attention paid to women.

103. The transition strategy pursues three priorities:

- **Reinforce the capacities of different actors** (ministries and local administrations, service providers and local community organizations) in the implementation and monitoring of HIMO programs.
- **Creation of 44,000 temporary (person-month) jobs** (of which 24,000 under ongoing projects and programs) by September 2004, and about 687,000 (of which about 350,000 under ongoing projects and programs) in the next two years (including 30 percent for women) is also planned.
- **Increase access to micro-credit** to weaken the alarming deterioration in income of the poorest and to support the sustainable promotion of self-employment in rural and urban areas.

3.5. Agriculture

104. Haiti is characterized by the large variety and diversity of its countryside, a feature that the farmers know how to capitalize. In macro-economic terms, agriculture represents the main sector of Haiti's national economy. A little over 60 percent of its 8 million habitants live in rural areas, where two-thirds of workers are employed in agricultural production (45 percent to 50 percent of the total working population in the country). Haitian agriculture is practiced by approximately 600,000 small farmers using an average surface area of 1.8 ha. Yet, 80 percent of these farmers cannot satisfy the basic food needs of their families and the majority of producers depend on agriculture for less than half of their family revenue. Their survival strategy combines several sources of revenue, including remittances, the sale of seasonal manpower in other regions of the country and in the Dominican Republic, and small business (including agricultural products). The small amount of available technology and the low level of capitalization of Haitian producers mean that the capacity of the land to sustain the revenue needs of the inhabitants has been greatly surpassed, in a context of strong population pressure. This lack of means, combined with the vulnerable topography and fragile soil that characterize the country, contributes to soil erosion by forcing farmers to employ unsustainable agricultural practices. This reinforces a deforestation cycle that becomes more and more devastating. The insufficiency of infrastructure in rural areas, the impracticality of agricultural roads, land insecurity, and competition from subsidized foreign products are other notable limiting factors. Finally, the near total destruction of both *MARNDR* and the agricultural science department of the State University due to recent events should be noted.

105. Despite this extremely difficult context, the country has strong advantages to help it overcome the situation. Among them is the production of completely organic agriculture, a remarkable ecological diversity, untapped or under-exploited hydro-agricultural resources (30 percent of farmable land is currently irrigated), a relatively privileged geographic position with regard to the US, a rural agro-industrial structure well distributed across the territory, extraordinary possibilities of agricultural as well as agro-industrial productivity improvements, good possibilities for international cooperation, and a small movement by urban professionals tending to invest in agriculture and agro-industry.

106. The transition strategy pursues five priorities:

- **Contribute to a rapid recovery of agricultural and rural activities:** vaccinations, disease control, labor intensive works, repair of irrigation pumps and heavy equipment for primary ditch and drain cleaning, and targeted distribution of tools and grain seed.
- **Physical rehabilitation of a part of the Ministry of Agriculture** so as to restore its minimal intervention capability.
- **For the medium-term, contribute to a sustainable strengthening of agricultural production:** rehabilitation and renovation of irrigated perimeters, ramps for grain drying, individual and collective tanks for high-risk zones, lakes and small retention dams, stocking of natural bodies of water and small lakes, technical assistance for the marketing and transformation of agricultural products, support for fruit cultivation, intensification of fish farming, small livestock raising, and marine fisheries.
- **Ensure the efficiency and effectiveness of interventions** in the sector by improving the institutional and legal framework and governance: technical training of polyvalent agents, creation of Regional Research-Development Centers, reinforcement of MARNDR capabilities, both physically and for the formulations/implementation of sector policies and strategies.
- **Ensure harmonization of cross-sector and cross-institutional interventions:** training of MARNDR staff, economic operators and farmers organizations, preparation of regulatory framework and of a national seed plan.

3.6. Roads and transportation

107. As a result of lack of investment and maintenance, infrastructure is in a state of very advanced dilapidation. Only 5 percent of roads are in good shape, while 15 percent are in what is considered average shape, a net decline from the state of affairs reported in 1991. Furthermore, about half of the tertiary network, essential in a country where two-thirds of the population lives in rural areas, were taken off the official road registry as a result of the extreme deterioration that rendered them unusable. The lack of maintenance on the few rehabilitated infrastructures (less than 10 percent of roads are regularly maintained) considerably reduces the duration of their existence. In the port and airport sector, the state of deterioration of infrastructure, combined with ineffective management and a weak institutional capability, threatens the short-term continuity of the logistics chain.

108. The Haitian transportation infrastructures are composed of: (i) a network of 3,400 Km of roads, 18 percent of which are covered with asphalt; (ii) two international airports and five airfields; and (iii) two international harbors and 17 coastal ports, 8 of which receive international traffic. The roads generate 80 percent of traffic, maritime transport 18 percent, and air transport only 2–3 percent. The transportation system in Haiti is managed by the Ministry of Public Works, Transportation, and Communications (MTPTC), with respect to land and air transportation. Ports are managed by the National Port Authority (APN), an autonomous commercial corporation placed under the Ministry of Economy and Finance.

109. The transition strategy for roads will pursue two priorities:

- **Implementation of the necessary investments to ensure that roads essential to the country's development are usable under all circumstances:** launch of urgent works to rehabilitate the roads and priority activities to distribute infrastructure across the country, as well as to guarantee the continuity of the network; choice of rehabilitation technologies adapted to meet the intensity of the need. Also, investments to rehabilitate urban roads are planned in various cities to facilitate transport and improve traffic in these centers.
- **Implementation of an institutional and financial framework** to guarantee the durability of these investments, and in addition, effective management of the sector: the rapid implementation of an efficient mechanism for routine and periodic maintenance (Road maintenance fund); reinforcement of MTPTC to permit the progressive organization of an efficient administration focused on regulatory activities.

110. The current management of Haitian ports and airports does not satisfy the sector's needs. This type of management, however, cannot change in a radical way over the course of the next two years. In fact, the obsolescence of the port installations, their inoperability in certain cases, as well as the sensitivity of the social climate do not make for a favorable climate for such structural reforms. Intervention by private operators in a more active fashion in port operations should, however, be envisaged in the medium- or long-term.

111. The transition strategy for port and airport management has three priorities:

- **Identify and make the investments immediately** necessary to continue activity and prevent ruptures of the logistics chains for the ports, and to ensure the continuity of air transport, including the attainment of the ISPS Code for the port located in Port-au-Prince.
- **Conduct studies, audits, and work needed to improve port management**, including the organizational and financial audit of APN. This strategy will focus particularly on the situation in the port of Port-au-Prince, which represents 80 percent of traffic.
- **Prepare institutional reforms of the aviation sector**, which can be implemented over the long-term with two corollaries (i) organizational and financial audit of the National Airport Authority (AAN); and (ii) the preparation of a strategy with the goal of defining the institutional development necessary to enhance the efficiency of the sector.

3.7. Environmental protection and rehabilitation

112. For the most part, the environment in Haiti reflects the structural problems that the large majority of its population faces. The recent floods in May 2004 reminded the world that Haiti is a country that is extremely vulnerable to natural disasters, and is subject to a growing number of complex threats as a result of the interaction between the natural threats aggravated by the deterioration of the environment, the high rates of poverty and social vulnerability of its population, and problems of governance and lack of management of the urban and rural space. It is worth noting the existence of an environmental action plan (PAE) and various sub-sector policies; however, their implementation is encountering many problems.

113. The key concept of planned interventions is the sustainable utilization of natural resources and space. Indeed, the envisioned actions place an emphasis on: the promotion of alternatives to wood fuel and the promotion of renewable energies in an effort to reduce the pressure on wood resources; the protection and sustainable management of fragile ecosystems; the identification of populations at risk and vulnerable to natural and anthropogenic threats and the strengthening of institutional capabilities and of the legal framework for the implementation of planned actions. To support local development, particular attention will be placed on the evaluation, support, and articulation of numerous current local initiatives aimed at managing natural resources.

114. The transition strategy pursues three priorities:

- **Promote the substitution of wood and charcoal** in urban areas and in the small and medium-size enterprises by the usage of substitute fuel and the promotion of new energies: conversion of 30,000 urban households to LPG and kerosene and support to homes utilizing improved use of coal or wood; conversion to diesel and to LPG of 1,000 companies that use wood as fuel; financial support to briquette producers; initiation of a study to determine the feasibility of wood importation, promotion of new energies (solar and wind) for institutional reinforcement and improved access for the poor to energy services.
- **Struggle against degradation of land and natural resources:** implementation of natural resource management activities in 20 communities; establishment of a national system for planning and execution in the battle against land degradation and the management of biodiversity; strengthening of the national system of protected areas, training of municipal leaders for environmental management.
- **Strengthen risk and disaster management** by supporting the implementation of the national risk and disaster plan (PNGRD): institutional strengthening of the Civil Protection Directorate (DPC), and of the permanent secretariat for the management of risks and disasters (SPGRD), implementation of information systems to identify and monitor the risks of disasters and local risk management through the establishment and the reinforcement of departmental and communal civil protection committees.

Axis 4: Improve access to basic services

115. A large number of the population is excluded from access to basic services and thus remains heavily exposed to risks and precarious conditions. The sustainable development of the country depends on an extension of these basic services as well as an enhancement of their quality. This strategic axis includes:

- Emergency humanitarian aid and post-disaster relief;
- Water and sanitation;
- Health and nutrition;
- Education, youth and sports;
- Culture, media and communication;
- Food security;

- Slum upgrading;
- Solid waste; and
- Safety nets and social protection.

4.1. Emergency humanitarian aid and post-disaster relief

116. The deterioration of the socio-economic crisis at the beginning of 2004, the armed violence and looting across the country, particularly of humanitarian stocks, the various violations of international law, the limited access to foodstuffs and basic social services, the degradation or absence of numerous public services have made the needs for humanitarian aid and protection extremely urgent. In addition to difficult socio-economic conditions there is also an extreme vulnerability to natural phenomena. Haiti's geographic position exposes it to a large array of natural phenomena that could become, without appropriate response, major catastrophic disasters. The World Report on the Reduction of the Risk of Natural Disaster (UNDP, 2004) gives Haiti a natural catastrophe risk index (CRI) that is among the highest in the world. From 1900 to 1999, Haiti was affected by 16 cyclones, 25 severe floods, a major earthquake and 7 droughts.
117. The recent floods in the south and southeast have confirmed Haiti's growing vulnerability to natural phenomena. The storms of May 23 and 24, 2004 proved particularly severe in the Mapou and Fonds Verettes regions. The official count reported 1,261 deaths, 1,414 missing people, 2,399 houses destroyed, and more than 30,000 people affected by the disaster. The people affected, particularly in the Mapou region, exhausted their meager survival mechanisms as international aid had difficulty arriving on site due to very poor road conditions.
118. In order to respond to the needs of vulnerable people, two appeals were presented to donors in 2003 and 2004: The Integrated Program of Response to the Urgent Needs of Haiti's Vulnerable People and Communities (PIR) and the *Flash Appeal*. Of an initially anticipated amount of US\$84 million, the response to this PIR program over 18 months is estimated to be about half of that amount. The *Flash Appeal*, launched in March 2004 for US\$35 million, targets the urgent and immediate needs of the Haitian population and strives to quickly establish basic restoration of social services, in particular regarding food assistance, health, water and sanitation, nutrition, education, and public safety. At the present time, the response of the donors has been moderate at about 30 percent.
119. The international community responded fairly generously to May's floods in the south and southeast, undoubtedly saving the lives of thousands of victims during the past few weeks. Numerous tasks must still be accomplished, notably the search for decomposing bodies, the treatment and supply of water, the relocation of affected people and the reestablishment of normal life conditions (reconstruction of homes and schools, reestablishment of the lines of communications and rehabilitation of affected areas).

120. The transition strategy for humanitarian aid and post-disaster relief pursues two priorities:

- **Strengthen the capabilities of the authorities** to better identify vulnerable groups, provide assistance for them, and ensure the monitoring of social conditions.
- **Identify humanitarian needs** not covered by the existing humanitarian appeals by distinguishing humanitarian needs and reconstruction and restoration needs, particularly in regions affected by the floods of May 2004.

121. The distinction between humanitarian and rehabilitation needs has not been easy. Although certain humanitarian interventions have been integrated in the works of the ICF, it is critical that the periodic assessment of humanitarian needs finds a complement in the ICF. Likewise, a rehabilitation and reconstruction program with a preventative approach, for regions affected by the floods, will be developed by the government.

4.2. Water and sanitation

122. Potable water services across the entire territory of the Republic of Haiti are extremely deficient and the draining and treatment of wastewater are generally left to individual initiatives. In 2002, only half of the urban population had access to potable water services. In 2001, 27 percent of households located in secondary cities and 50 percent of rural households got their water from an undeveloped source or river and the percentage of households without a lavatory inside or outside their house was at 9.3 percent in metropolitan regions, 39 percent in other urban centers and 59 percent in rural areas. The poor quality of the potable water and sanitation services result from the progressive deterioration of infrastructure and existing institutions as well as from strong demographic pressure and large migration toward main urban centers, notably Port-au-Prince.

123. The poorest populations, women and children are the main victims of this absence of policy and lack of resources of the State. However, both in the disadvantaged urban neighborhoods as well as in rural areas, the active participation of beneficiary communities has generally provided positive results and permitted some improvement in the access to potable water.

124. The transition strategy pursues four priorities:

- **Strengthen the production capacity in urban regions** to supply, on average, water four hours per day.
- **Improve the services provided**, particularly to vulnerable groups in urban and rural areas.
- **Strengthen the institutional capabilities in the sector:** reinforcement of public institutions (*MTPTC, CAMEP, SNEP, POCHEP, URSEP*), awareness of the population with regards to hygiene education, implementation of a system designed to track the performance of the regional offices of SNEP. For urban areas, a tariff decree for potable water services will be issued and implemented by 2005.
- **Conduct studies of projects** that will enable the level of service and the rate of coverage to be improved beyond 2006.

4.3. Health and nutrition

125. The current health system cannot offer the population the basic services that it deserves. The life expectancy of Haitians has decreased from 55 to 53 years over the past five years. Infant and juvenile mortality rates are very high. The prevalence of chronic malnutrition, severe or moderate, of children younger than 5 is at 22 percent. Maternal mortality is very high (523 for every 100,000 live births). This poor health situation is due to the fact that the health system's organization is deficient and does not allow priority programs to obtain the desired impact on the population to achieve the Millennium Development Goals.
126. The operating budget of the MSPP is weak and insufficiently utilized. The staff are underpaid and poorly distributed. The MSPP has difficulty structuring the health system and putting in place monitoring mechanisms. Essential drugs are not available to patients. Reform of the periphery care system, the health districts (UCS), has never been truly implemented. These absorptive capacities of the health system are a major bottleneck, which highlights the importance of creating public-private partnerships, use and strengthen the existing capacities of the private and non-governmental organizations (NGOs) for the provision of the Minimum Service Package (MSP).
127. The transition strategy pursues five priorities:
- **In the short term, restart the operation of the principal hospitals** of the country by guaranteeing a permanent supply of water and electricity and ensuring proper wastewater as well as solid waste disposal.
 - **Extend the minimum service package** to 2,500,000 Haitians by developing 15 health districts. In these UCSs, the institutions are organized in networks to offer local care and four basic services (medicine, pediatrics, obstetrics and surgery), using a reference and counter reference system. The priority programs are integrated into a comprehensive approach.
 - **Strengthen the management and coordination capacity of the Ministry of Public Health and Population (MSPP)** in order to expand and implement a human resources management policy, to strengthen its management and administration capabilities in order to develop a private/public partnership and ensure the coordination of international cooperation and health organizations.
 - **Improve health care access to the general population and vulnerable groups** in particular (children, pregnant women, handicapped, AIDS and HIV infected people, indigents) by regulating and lowering prices for generic drugs, essential inputs and essential services (childbirth and cesareans).
 - **Restart priority programs** with a national system for the purchase and distribution of essential drugs and inputs covering the entire territory, with the prevention and the therapeutic care of malnourished children and women, people infected with HIV/AIDS and tuberculosis, and with systematic vaccinations of infants less than a year of age.

The food assistance needs for this sector are analyzed in the “safety net and social protection” section.

4.4. Education, youth and sports

128. The Haitian education system suffers from three problems. The Ministry of National Education and Culture (MENC) lacks the means to exert its normative and regulatory role in the education system (weak strategic capacity, outdated vision, limited steering ability, lack of institutional memory, insufficient inspection and lack of transparency in the allocation of finances outside of salaries for the start of the school year). Plus, the dialogue with the private sector is insufficient, although the latter has become the main vehicle for the provisions of education services (80 percent of education offering). Lack of access persists, particularly in poor and rural regions, and the system still generates too many exclusions (vulnerable groups, school dropouts, and overage students). Approximately 500,000 children still do not have access to basic education. Finally, the quality and effectiveness of the offered education is very weak, with only 35 percent of children completing the 5th year of primary school. In addition to these structural difficulties, the four months of political and social instability ending in March 2004 had serious consequences for the education system: interrupted classes, destroyed schools, withdrawal of children from schools and devastated universities. The targeted goals and actions derive from the National Education and Training Plan (PNEF) which, still valid, defines the governmental policy.

129. The transition strategy pursues four priorities:

- **In the short-term, organization and financing of school supplies and aids** for the start of the school year in September 2004.
- **Implementation of measures to improve governance** by developing regulation and quality control instruments: improvement of budgetary procedures; improvement in the national plan for the supervision and training of inspectors; enhancement of information and archival capabilities; development and implementation of a Partnership Office, for enhanced accreditation and evaluation methods while also offering a financial instrument to promote improved equity and quality in the private education sector; support actors with regard to the decision making and management of schools and reinforcement of their management and community-based capacities; finalization of the national Education for All (EPT) strategic plan.
- **Improvement in access and conditions of education:** increase education offered to meet the strong demand in light of the goals of EPT (rehabilitation of schools, improvement of the school environment, rehabilitation of centers for vulnerable groups); encourage demand for education services particularly by reducing the school costs for vulnerable groups (subsidies for the start of school year, school fees, school materials, books and uniforms); preparation for the implementation of a third professional core cycle; rehabilitation of universities and preparation for the reform of higher education.
- **Improvement of the quality of education:** training of teachers, renewal of programs, restoration and improvement of training methods and capacities (accredited method for initial and continuing education – EFACAP – Core Application Schools and Center for Educational

Support – and associated schools rehabilitated); remobilization of personnel; distribution of programs; revision of programs and literacy methods.

130. The **professional training** sector is also fragmented. Access is largely reserved for a minority of Haitians. The majority of workers (80 percent) does not meet the existing program selection criteria or are not accepted for lack of available spots in professional schools. Only 6 out of every 1,000 workers in the workforce have a diploma or certificate in a technical or professional field.

131. To respond to the need for qualified and well-trained work force, the transition strategy pursues three priorities:

- **Facilitate access to and increase relevance and quality of the professional training** supplied by public and private centers (rehabilitated or new).
- **Strengthen the governance capacity of the National Institute of Professional Training (INFP).**
- **Identify and meet the training needs** of the workforce by placing emphasis on the generation of revenue in the informal sector (recruitment and training of professors).

132. The increase in the number of **higher education** institutions during the past few years has made it easier for a larger number of youths to gain access to higher education. The student population nearly doubled from 1986 to 1996. Unfortunately, a policy of equal university access is yet to be adopted. The rate of dropouts remains extremely high. The four months of political and social instability had serious consequences for the university sector: five faculties were damaged, one of which was almost destroyed. The other institutions face difficulties in functioning, a lack of computer equipment and educational material, and deficient and outdated school furniture.

133. The transition strategy pursues three priorities:

- **Restore universities and faculties damaged** during the events of 2004 to ensure a normal return to academic activities in September 2004.
- **Improve the status of students** in order to limit the dropout rate: university cafeterias, scholarships.
- **Initiate a reform of higher education** with the goal of improving both the access to and the quality of educational programs offered.

134. By its demographic significance, its dynamism and dedication, Haitian youth constitute a key factor in the process of creating a democratic system and promoting economic development and social progress. A special place should be devoted to sports in this period, taking into account its importance for social cohesion. The actions of the Secretariat of State for Youth, Sports and Civics will also target vulnerable groups: unemployed youth, youth in disadvantaged situations, delinquent youth, and youth without vocations or involved with problems relating to alcohol or other substances.

4.5. Culture, media and communications

135. Culture, media and communications can and should play a central role in overcoming a culture of confrontation and exclusion which remains one of the fundamental problems facing Haitian society today. Haitians are losing their identity and the values of solidarity and mutual aid that served as a benchmark to them. Their physical and spiritual heritage is progressively deteriorating and the country's cultural institutions do not have the ability to stop this general decay. Haitian culture, arts and crafts constitute some of the main assets that will put the country on the international playing field. Until recently, they have benefited from only a very small amount of support, both from government and from private sources.
136. In terms of media and communications, the situation remains very unstructured. The market is full of private under-regulated media (mainly radios). However, there is little national coverage, and most of the programs and broadcasts are concentrated in the metropolitan region of Port-au-Prince and a few large cities. With respect specifically to news, despite some serious infringements, freedom of the press is growing. Journalism remains highly opinionated and enjoys limited means.
137. The recent Numeric Access Index (NAI) calculated by the International Telecommunications Union (ITU) places Haiti in 152nd place out of 178 countries for its access to information and communication technologies. The main constraints are the lack of qualified personnel, the very low level of per capita income, and the absence of facilities and infrastructure. The “.ht” domain was just launched by a management consortium, the result of a partnership between university, public, and private sectors.
138. The transition strategy pursues six priorities:
- **Reinforce the capacities of cultural institutions and public and private media:** restoration of installations and equipment of cultural institutions; reinforcement of the production and broadcasting capacities of the National Television of Haiti and the National Radio of Haiti, particularly to accompany the electoral process of 2005; strengthening the capacities of the State's communication services; creation of new cultural reference centers; support development of a regulatory framework for the use of airwaves, cable distribution, satellites and the Internet.
 - **Reinforce the role of culture and media in the promotion of a pluralist and democratic society:** integration and more active participation of women and disadvantaged or excluded populations; organization of events; awareness campaigns; professionalization of journalists; revision of the legal framework for public media; preparation of a draft law regarding the content of electronic media, publishing and advertising.
 - **Safeguard, protect and manage the Haitian cultural heritage, both physical and spiritual:** preparation of a public policy for the diffusion of this heritage; inventory, enhancement, protection, development and restoration of cultural sites and historical buildings that are the most threatened, adoption of measures to protect and enhance the spiritual heritage.

- **Protect and promote Haitian culture by strengthening national arts and crafts, as well as cultural, audiovisual and electronic productions:** putting in place a Fund and a supporting system; development of regulation and implementation mechanisms relative to artists' rights and status; support for the formation of professional groups of creators, artists and artisans.
- **Expand the access to information and communication technologies (ICT) to more people:** access to information in certain communities through the implementation of *cyberpoint* PIC (information and communication points).
- **Develop and validate a national information policy as well as a regulatory framework.**

One needs to add the cross-cutting objective of reinforcing the role of culture and media in popular education in support of the larger goals of sustainable development in Haiti.

4.6. Food security

139. The food situation for 2003 is balanced overall: local production satisfied 44 percent of needs, imports 49 percent, and food aid 7 percent. However, over the past few years there has been a regression in national production versus commercial imports. The outflow of currency necessary to cover food imports is more and more substantial: in 2003 it represented 81 percent of the total value of exports. The most vulnerable populations are rural households having greatly restricted access to land and single-parent households managed by women. Food insecurity has led to high malnutrition rates, notably in children under 5 years of age: 23 percent of these children suffer from chronic malnutrition, 5 percent from acute malnutrition, and 17 percent from insufficient weight. Two thirds of rural households experience severe food insecurity. Haiti is also exposed to a number of natural risks (cyclones, floods, droughts, earthquakes) and anthropogenic problems (environmental degradation, land conflicts) which threaten to affect the food security conditions of the population. The drought problem covers the entire country. It is estimated that 400,000 poor households are located in rural zones affected by drought (northwest, north, northeast, southeast, south). This combination of threats constitutes a high-risk situation, clearly requiring a contingency plan and an analysis of vulnerability to allow a rapid response, as well as an efficient early warning and follow-up system to track food insecurity and vulnerability.

140. The transition strategy aims **to ensure harmonization of cross-sector and cross-institutional interventions to address food policy issues and strengthening of food security and risk management by focusing on 4 priorities:** reinforcing the institutional and legal framework for the National Food Security Coordination (CNSA); creating and coordinating a Permanent Observatory of the food insecurity situation (collection/diffusion of information, studies, education of thematic groups, implementation of National Food Security Plan); implementation of consultation structures (national, departmental, and local) on agriculture, food security and risk management; implementing/optimizing early warning systems that are synchronized with the preparation of contingency plans concerning recurrent and potential risks that affect national food security.

4.7. Slum upgrading

141. Despite the fact that the Haitian population is still predominantly rural, the degree of urbanization of the population has risen from 25 percent in 1982 to 40 percent in 2003, putting Haiti in a state of “late urbanization” with a strong concentration on the metropolitan area of Port-au-Prince (AMPAP). The average annual growth rate of the urban population was at 4.7 percent for 1982-2003, compared with 2.2 percent for the national growth rate. The slums are the results of wild urbanization, spontaneous or informal, but are also the consequence of a progressive deterioration of conventional neighborhoods. This situation has also resulted from lack of an integrated regional urban policy that would favor a better distribution of the population in the country and discourage migrations toward Port-au-Prince and the country’s secondary cities. The slums are generally located near possible sources of employment for their inhabitants, and often on land that presents health risks, as well as on environmentally fragile land. More than 60 percent of houses in the metropolitan area of Port-au-Prince have only one bedroom for 4-6 people. This strong density and lack of economic opportunities aggravate the precariousness and vulnerability of urban populations and also produce much violence and delinquency. Finally, it is worth noting that the urban sector suffers from a lack of political attention, at the central or decentralized level, a lack of means and a poor division of tasks between the different public institutions.

142. All interventionist action in urban areas is conditioned by the recognition of a “city right” (regulation of land rights), the regularization of land occupation (minimal urbanism plan), and gradual investment programs to “improve habitats” (new housing, relocation).

143. The transition strategy has three priorities:

- **Physical improvement of certain slums** in the AMPAP and the country’s secondary cities.
- **Preparation of a participatory proposal for a national urban habitat improvement program**, in successive steps covering all the main urban centers to contribute to a better-integrated management of the sector.
- **Institutional strengthening of the MPECE, MTPTC, EPPLS and selected community town councils.**

4.8. Solid waste management

144. Few figures exist concerning the production of solid waste in Haiti. Annual production is estimated at approximately 589,000 tons/yr in AMPAP, 191,000 tons/yr in the largest secondary cities and 766,000 tons/yr in the rural regions and small cities. Many neighborhoods do not have trash removal services, which are generally privatized and therefore expensive. It should be added that there is no separation of waste from households, companies, hospitals, and construction debris. The removal rate is estimated to be less than 30 percent in AMPAP. In other cities, the waste is generally dumped in rivers and ends up on the coast. The legal framework is insufficiently clear regarding the roles of those involved, particularly concerning AMPAP and it lacks technical standards, adequate financial

instruments, coordination mechanisms and a true strategy regarding the removal and disposal of waste material.

145. Waste management interventions aim to put the country on track to a sustainable, clean, and affordable waste management that reflects not only environmental priorities but also the critical need for job creation and recycling of the country's waste material.

146. The transition strategy has three priorities:

- **Ensure the effective and efficient collection/removal of solid waste in the metropolitan area of PAP and main secondary cities.** By September 2004, a strong reduction of waste in urban areas (non-slum areas) is targeted. The almost total removal of waste from roads, ravines/rivers/beaches and drainage in AMPAP, the main secondary and other cities, is also to be undertaken as an urgent activity within the scope of ICF, with the active participation of the private sector and the population.
- **Ensure an adequate treatment/elimination of solid waste in compliance with social and environmental norms:** rehabilitation of the discharge at Truttier; medical waste management; similar actions regarding the discharges of the main secondary cities so as to provide them with treatment and disposal sites while respecting the environment.
- **Strengthen the legal, institutional, and financial framework at the national and municipal level:** there is an urgent need for an entity capable of providing long term support to the cities and to the SMCRS in the management of solid waste, as well as to other public institutions. A decree must be adopted to create a National Waste Agency (AND). A "National solid waste management plan," should be prepared including actions to increase the awareness and to organize communities (neighborhoods) for waste removal/collection.

4.9. Safety nets and social protection

147. Among the risks to which the Haitian population is exposed, those requiring immediate attention are: political and security risks linked to a lack of respect for fundamental rights and exacerbated by insecurity and impunity; economic risks associated with the precariousness of jobs and therefore the difficulty to pay for essential expenses; social risks associated with a lack of access to health, nutrition and education services; and risks associated with social exclusion. The most vulnerable groups include: children in extremely vulnerable situations (in domestic service, with legal conflicts, infected by AIDS), extremely poor women-headed households; impoverished elderly; and handicapped and repatriated persons. The coverage of public and private interventions for risk management is greatly deficient. The Ministry of Social Affairs and Employment (MAST), with large responsibilities regarding social protection, manages a series of structures in which insurance and assistance interventions are very fragmented, scattered, and without significant impact. Part of this gap was covered by the non-governmental sector, which currently provides the majority of social protection services. Nevertheless these actors (NGOs and private sector) can only cover a small part of the needs and work outside of MAST's supervision. Due to lack of training and coordination, the quality of actions varies. The lack of a medium- to

long-term strategy increases the difficulties arising from insufficient human and financial resources. In the end, the active managers of risk are the Haitian households.

148. The analysis of the most important needs, as well as current and potential capacities to satisfy them, suggests a strategy that combines different risk management approaches (reduction, attenuation, and assistance) while concentrating on a limited number of risks and interventions. Simultaneously, it involves profiting from the comparative advantages of the various actors by insisting on government responsibility in terms of policies, coordination, supervision and evaluation, as well as relying on the operational capacity of the private sector and civil society.

149. The transition strategy has six priorities:

- **Lay the foundation for the respect of the fundamental rights of the Haitians** by providing identity documents (massive information and awareness campaign for birth certificates, simplification of procedures, reinforcement of institutional capabilities).
- **Reduce malnutrition** particularly for the most vulnerable groups (support for school meals, parasite reduction campaigns, university cafeterias, nutritional supplements, and other services for young children and pregnant and lactating women, distribution of food in deficit areas).
- **Increase access to health care** with micro-insurance.
- **Encourage community development** with financial transfers from abroad (creation of a solidarity fund in partnerships with civil society, the private sector, and donors to finance community projects identified in a participatory way.).
- **Offer social assistance services** to the most vulnerable.
- **Strengthen the capacities of the Ministry of Social Affairs and Employment.**

B. Cross-cutting themes

150. Four cross-cutting themes have been identified in the ICF: crisis prevention, human rights, gender and HIV/AIDS. The work of each thematic group covers these four issues. Nevertheless, taking into account their cross-sectoral nature, they deserve particular attention.

151. **Crisis prevention** concerns the reduction of both political and natural risks. Concerning the prevention of political crises, a preliminary analysis was conducted and should be enriched within the framework of the PRSP preparation. It identifies factors and actors of the crisis in Haiti, as well as opportunities to stabilize the situations. The analysis shows that Haiti faces a major political risk, caused by instability factors that are both structural and circumstantial. The ICF also aims to initiate a risk reduction process.

- Concerning the *political causes* of the crisis, the ICF envisages actions to promote a real national dialogue, a successful, credible and honest electoral process, the strengthening of State institutions and the fight against corruption.

- With regard to *security aspects*, the preventive approach targets: strengthening the national police, fight against impunity, effective disarmament and stabilization of the situation with the support of MINUSTAH, in close collaboration with the regional organizations, OAS and CARICOM.
- For the *economic factors* of the crisis, the ICF targets the creation of a large number of jobs, a revival of the private sector, active mobilization of expatriates, tax payments by citizens, stabilization of prices and regional and international integration of the country.
- With respect to the *socio-cultural roots* of the crisis, the ICF targets slum upgrading, more effective participation of the population in local development and the reinforcement of links between the private and the public sector to restore the a level of confidence of the Haitian population in their institutions.

Similarly, specific measures to reduce the risk of natural disasters are included in the scope of the ICF, so as to reduce vulnerability to natural threats, which is the highest in the entire Caribbean region.

152. **Human rights** are at the heart of the concept of citizenship. They are also an essential element for the prevention of crises. Civil and political rights as well as economic, social and cultural rights are defined by the Constitution of 1987 and reaffirmed by a series of international agreements signed and ratified by Haiti. They cover particularly the areas of security, justice and penitentiary institutions. Nevertheless, the rights of children, the right to education or the right to health care also represent a major focus of the ICF's interventions, particularly in the Axis 1 (strengthen political governance and promote national dialogue) and Axis 4 (improve access to basic services).
153. **Gender issues** rely on an approach based on rights. This implies that actions targeting gender equality find their place in an ensemble of international agreements related to human rights and more specifically to the rights of women. The issue of equality between the sexes remains, despite the constitutional provisions, one of the major imperatives for an equal and sustainable development in Haiti. The response to inequalities between the sexes in the education, economic and health areas was addressed in the four axes of the ICF.
154. However, on a political scale, the main characteristics of the gender condition are: an under-representation in political parties and decision-making bodies, a low rate of participation in politics and decision-making posts within the state apparatus, and a lack of consideration of women's rights in policies and political programs. Also, despite an arsenal of legal provisions confirming the equality of women, the Haitian legal framework includes laws that discriminate against women.
155. Beyond the expected interventions detailed in the four axes of the ICF, an advantage of the transition period will be to consolidate the cross-disciplinary function of the Ministry for Women Status and Rights (MCFDF). Gender equality, a main factor in social cohesion, will therefore be a central subject.

156. The transition strategy pursues three priorities:

- **Prepare and promote the implementation of a legal and legislative framework** conforming to international agreements covering the rights of women.
- **Promote the implementation of governmental policies and programs** encouraging gender consideration and acting on the gender condition and the improvement of women's living conditions; including violence against women and political participation.
- **Reinforce the capacity of MCFDF** to effectively and efficiently fulfill its transversal and supportive role in women's movements.

157. **HIV/AIDS** constitutes a serious threat for all areas covered by the ICF. With a prevalence rate of 5 percent, the HIV/AIDS problem has largely surpassed an exclusively health approach, and the government is engaged within the framework of the ICF to provide an integrated response to this issue that is crucial to development.

158. The transition strategy pursues two priorities:

- **Strengthen prevention and treatment of people infected with HIV/AIDS** (setting up voluntary testing centers and PTME, and centers for excellence for ARV treatment; awareness raising among the population; distribution of condoms).
- **Improve integration of programs to fight HIV/AIDS, tuberculosis and malaria** which benefit from significant funding from the Global Fund.

C. ICF financing needs

159. The total financing needs for the implementation of the ICF over the period July 2004 – September 2006 are estimated to be approximately US\$1.37 billion. The internal resources available from the national budget for the ICF activities are approximately US\$127 million. Likewise, external resources of about US\$315 million are already available from programs and projects that are the subject of agreements already signed between donors and the Government. This leaves a **financing gap of US\$924 million**. Of this amount, about US\$145 million corresponds to the financing required for the rest of the current fiscal year (Haiti's fiscal year begins in October and ends in September), US\$426 million corresponds to the 2004-05 fiscal year, and US\$353 million to the 2005-06 fiscal year.

160. Table 1 details the financial needs for the priority axes and the thematic groups covered by the ICF. The costs identified in each group are largely focused physical rehabilitation, restoration of basic services and support for institutional strengthening at the national and local levels (including within local communities). These estimates have been made by the thematic groups and validated by the relevant Ministries; and the availability of internal resources has been confirmed by the Ministry of Finances. Detailed costing information (broken down by type of expense and activity) appears in the thematic reports which are available on the web site "Haiticci.undg.org". It is important to note that the amount of funding sought does not reflect the totality of needs that exist in the country today. Rather, the guiding principle in determining both the preparation of the IFC and in estimating the

costs of its implementation has been to identify targets that can realistically be achieved which the period covered by the ICF, taking into account the priorities of the national strategy, the country's current absorptive capacity, recommended sequencing of activities, and donor funding cycles.

161. Although the government intends to increase its revenue stream and has allocated internal resources to finance the ICF interventions, the vast majority of the identified funding gap will require external donor assistance. The successful implementation of the ICF requires a sustained pace of disbursements and rapid start-up of activities to be able to reach the identified objectives. This can only be achieved if commitments are front-loaded as much as possible so that projects and programs can be planned and launched at the outset of the first three-month period. In addition, grants should be emphasized to the extent possible to avoid an unsustainable debt burden.
162. The calendar and modalities of the ICF implementation are more difficult to estimate than are the financial needs, given their heavy dependence on institutional capacities. The figures presented in table 1 reflect the best judgment on the capacities of national institutions to absorb external resources and plan and implement programs. In this regard, assumptions were made regarding milestones of the government transition period. It must be borne in mind, however, that absorptive capacity is not static; experience shows that it can increase as implementation of the programs moves forward. During the preparation of the ICF, particular focus was put to identify interventions to strengthen absorptive capacity in both the public and private sector. Thus, it is recommended that the financial needs be re-assessed as absorptive capacity increases in the country.
163. The socio-economic realities of Haiti make it difficult to draw a sharp dividing line between humanitarian needs and development needs. A number of issues related to the humanitarian needs have been considered by several ICF thematic groups while formulating specific priorities and targets to be met before September 2004, particularly those dealing with institutional capacity building in crisis prevention areas and social sectors. However, the total ICF financing needs have been calculated separately from the urgent humanitarian needs presented in the Haiti Flash Appeal as well as the additional needs resulting from the recent floods in the South-east region of the country. As of June 14, the unfunded portion of the Haiti Flash Appeal launched in March 2004 for a period of six months was US\$ 24.3 million (see Table 2). In the very near future an additional analysis will be conducted by the humanitarian agencies in order to have up-to-date information on the urgent humanitarian needs and funding requirements in this area not covered by the ICF, to be presented to the donor community as soon as this is available.

Interim Cooperation Framework-Haiti

TABLE 1 – Cost Estimate (In US\$ million)				
	TOTAL ICF NEEDS	INTERNAL RESOURCES	EXTERNAL RESOURCES	GAP
1 Strengthen Political Governance and Promote National Dialogue	<u>172.9</u>	<u>18.9</u>	<u>1.8</u>	<u>152.2</u>
1.1 Security, police and DDR	108.7	16.0	0.0	92.7
1.2 Justice, penitentiary institutions and human rights	24.2	0.0	1.8	22.4
1.3 Electoral process and national dialogue	40.0	2.9	0.0	37.1
2 Strengthen Economic Governance and Contribute to Institutional Development	<u>164.8</u>	<u>95.1</u>	<u>9.8</u>	<u>59.9</u>
2.1 Economic governance	22.5	0.0	2.6	19.9
2.2 Strengthening of institutional capacity	101.6	95.1	0.0	6.6
2.3 Regional, urban and local development and decentralization	40.7	0.0	7.2	33.5
3 Promote Economic Revival	<u>526.4</u>	<u>6.2</u>	<u>177.9</u>	<u>342.3</u>
3.1 Macroeconomic stability ¹	0.0	0.0	0.0	0.0
3.2 Electricity	92.4	0.0	0.0	92.4
3.3 Rapid job creation and micro-finance ²	100.7	0.0	65.0	35.7
3.4 Private sector development /PMEs /PMIs	29.1	0.0	5.5	23.6
3.5 Agriculture	118.0	3.2	28.9	85.8
3.6 Roads and Transportation	161.1	3.0	77.0	81.1
3.7 Environmental protection and rehabilitation	26.3	0.0	2.7	23.6
4 Improve access to basic services	<u>447.1</u>	<u>7.0</u>	<u>124.7</u>	<u>315.5</u>
4.1 Emergency humanitarian aid ³	..	..	..	..
4.2 Water and sanitation	80.1	0.0	32.3	47.8
4.3 Health and nutrition	134.9	5.5	47.2	82.2
4.4 Education, youth and sports	125.1	0.0	42.9	82.2
4.5 Culture, media and communications	12.3	0.0	0.0	12.3
4.6 Food security	1.8	0.1	0.4	1.3
4.7 Solid waste management	35.3	0.0	0.0	35.3
4.8 Slum upgrading	28.5	0.0	0.0	28.5
4.9 Safety nets and social protection	29.0	1.4	1.8	25.8
TOTAL (TG 1 through 4) – US\$ million	<u>1,312.4</u>	<u>127.1</u>	<u>315.4</u>	<u>870.0</u>
5 Other	<u>53.9</u>	<u>0</u>	<u>0</u>	<u>53.9</u>
5.1 External arrears clearance ⁴	53.9	0	0	53.9
OVERALL TOTAL (TG 1 to 5) – US\$ million	<u>1,366.3</u>	<u>127.1</u>	<u>315.4</u>	<u>923.9</u>

1. Although there are no specific expenditures related to the objective of macroeconomic stabilization, the Government works towards stabilization of the economy within the scope of a macroeconomic program defined in consultation with IMF staff.

2. It is estimated that the programs and projects for rapid job creation, having already been the subject of signed agreements could create about 350,000 jobs (person-month) during the ICF period in addition to those created with the resources indicated in Table 1.

3. A certain number of activities linked to humanitarian needs have been taken into account in the ICF in the formulation of priorities and objectives to reach before September 2004, in particular those concerning the sectors of health, education, environment and social safety nets. However, the ICF financing needs have been calculated separately from the emergency humanitarian aid in the Haiti Flash Appeal (see table 2) as well as the additional needs from the recent floods in the South-East part of the country.

4. Clearance of multilateral arrears by Sept. 2004 and treatment of bilateral arrears according to Paris Club terms in FY04-05.

164. The current macroeconomic framework of the Government incorporates preliminary cost estimates for certain ICF interventions, but it was prepared before the end of the costing exercise of the ICF thematic groups and before the July donor conference. After the July conference, the Government intends to revise its macro-economic framework recently defined in consultation with IMF staff and to prepare a budget for fiscal year 2004-2005 on the basis of the ICF priorities and taking into account the financing that will be mobilized at the July conference. It is recommended that the experts who supported the Government in the preparation of the thematic reports and the ICF cost estimates be available to assist the Government in the preparation of the budget 2004-2005 so as to ensure the perfect integration of the ICF in the budget.

Table 2: UN Consolidated Inter-Agency Appeal for Haiti (Flash Appeal 2004)
Summary of Requirements and Contributions – By Appealing Organization
as of June 14, 2004

Compiled by OCHA on the basis of information provided by the respective appealing organization

Appealing Org.	Original Requirements	Revised Requirements	Carry over	Pledges	Contributions	Total resources available	Unmet Requirements	% Covered
FAO	4,000,000	4,000,000	0	0	303,600	303,600	3,696,400	7.6%
OCHA	408,100	408,100	0	725,089	112,995	838,084	-429,984	100.0%
OHCHR	8,700	8,700	0	0	0	0	8,700	0.0%
PAHO/WHO	3,210,000	3,210,000	0	1,366,770	625,564	1,992,334	1,217,666	62.1%
UN Habitat	597,500	597,500	0	0	0	0	597,500	0.0%
UNDP	3,261,700	3,261,700	0	0	68,966	68,966	3,192,734	2.1%
UNDP/UNSECO	984,900	984,900	0	365,133	621,158	986,291	-1,391	100.1%
ORD								
UNESCO	500,000	500,000	0	0	0	0	500,000	0.0%
UNFPA	2,457,726	2,457,726	0	0	0	0	2,457,726	0.0%
UNICEF	8,664,772	8,664,772	0	1,096,249	634,329	1,730,578	6,934,194	20.0%
UNIFEM	168,250	168,250	0	0	0	0	168,250	0.0%
WFP	10,813,214	10,813,214	0	0	4,860,546	4,860,546	5,952,668	45.0%
GRAND TOTAL	35,074,862	35,074,862	0	3,553,241	7,227,158	10,780,399	24,294,463	30.7%

D. Mechanisms for aid coordination and ICF follow-up

165. The period 1994-2004 was characterized by an insufficient coordination of international aid, the all too frequent use of parallel structures, and a lack of confidence between donors and the government. Relative inefficiency in aid conditionalities, a lack of reflection on the roles and responsibilities of state institutions as well as inadequate communication with the Haitian population should also be mentioned. The sudden reversal from massive aid flows to donor retreat or reorientation also had a highly negative impact. The consequences have been a progressive weakening of the coordination and control functions of central agencies, such as the MPECE and the MEF. The result has been both a fragmentation of the broad vision and extreme difficulty in ensuring coherence among interventions.

166. For these reasons, the Haitian government and the donors give significant importance to the coordination among all involved parties to work towards the sustainable recovery of the country. The preparation of the ICF initiated both dialogue and joint work with the transition Government, and at the thematic group level, with sector ministries and civil society representatives. The implementation of the ICF, and particularly the transition between the initial response and the establishment of a strategy to reduce poverty, will require the integration of various coordination methods, both at the level of the Haitian people, the government and civil society, as well as the international community.

167. In as much as possible and taking into account the specificities of the various partners, coordination requires the harmonization of practices. This harmonization assumes that the donors adopt effective methods for the exchange of information, simplification and rationalization of procedures. There must also be agreement on the planning, implementation and monitoring of programs and projects.

168. This mechanism of dialogue and coordination should serve to:

- **Facilitate a participatory and inclusive dialogue** for the entire Haitian society around the ICF, encouraging the active participation of civil society in coordination mechanisms.
- **Make funds available** in proportion to the country's real absorptive and performance capacity in order to avoid pressure on implementation abilities.
- **Encourage harmonization of the "demand" for financing and the "supply"** of resources from the international community, including NGOs.
- **Vertically integrate coordination** at the Haitian government level with the strengthening of central coordination functions and of budget controls at all levels: the Office of the Prime Minister, MPECE, MEF and sector ministries.
- **Coordinate interventions between international agencies and facilitate the harmonization of practices.**
- **Manage in a coordinated manner** the strengthening of the State's institutional capacities.
- **Permit a transition** between the stabilization of the current situation and a poverty reduction strategy.

169. The composition and the mandate of the various deliberative structures and methods foreseen take into account both the political context of the transition, the role of civil society and the political parties, as well as existing coordination methods, the new provisions of resolution 1542 – which created *MINUSTAH*, specifying the mandate of the special representative of the UN Secretary General and also envisioning the close connection between security aspects, the electoral process and development aid – and the specifics of each sponsor (IFI, multilateral, bilateral). It is essential that coordination be based on the various active groups and efficient mechanisms of consultation among the donors, and particularly the sectoral groups, to ensure increased participation by sector ministries.

170. Leadership of the coordination of the ICF will be by the Haitian Government with active participation of civil society. It is foreseen that a Joint Committee for the Implementation and Monitoring of the ICF will be created and chaired by the Prime Minister, with participation of other representatives from the government, civil society and the international

community. Its role will be to define the orientations and general policies for coordination of assistance, to follow-up and supervise the utilization of resources, monitor the speed of implementation, and approve any modifications in the implementation of the ICF. The Committee will benefit from a Support Unit for implementation and follow-up of the ICF which will serve as a secretariat and which will support and reinforce the coordination offices of MPECE and MEF, which will reinforce the programming units in the ministries and will overlook the collection and distribution of information. This committee will have a catalyst role over the donors' sectoral groups, the ministerial programming units and the coordination unit of *MINUSTAH*.

171. The next steps in the implementation of aid coordination include first the setting up of coordination structures, alignment of the national priorities defined by the ICF, and a beginning of harmonization efforts, notably with the adoption of a common position with regard to the recruitment of national staff by all those involved in development in Haiti. Over the next few months, it is important to avoid decapitalizing the civil service of its best elements and thus weakening it. The success of the ICF depends in large part upon a successful transition from an initial response to the crisis to the creation of a real capacity to implement a poverty reduction strategy over the long-term.

ANNEX I

Summary tables on the ICF results:
Priority objectives and performance indicators

AXIS 1. STRENGTHEN POLITICAL GOVERNANCE AND PROMOTE NATIONAL DIALOGUE

THEMES/ SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS - SEPT. 2004	TARGETS AND MONITORING INDICATORS - MARCH 2005	TARGETS AND MONITORING INDICATORS - SEPT. 2005	TARGETS AND MONITORING INDICATORS - MARCH 2006	TARGETS AND MONITORING INDICATORS - SEPT. 2006
<p>1.1 Security, Police and DDR (Disarmament, Demobilization and Reintegration)</p> <p><u>Costs</u> FY03-04: \$12.0m FY04-05: \$47.4m FY05-06: \$33.3m</p> <p>TOTAL: US\$92.7 m (Security/ Police: US\$52.7m; DDR: US\$40.0m)</p>	<p><u>Strengthening of the Haiti National Police (PNH)</u> Strengthen the organization, the operational capacity and the professionalization of the PNH</p>	<p>Presence of numerous armed groups, proliferation of weapons and weakness of the PNH (workforce reduced by half, infrastructure and equipment destroyed or looted, low level of professionalization, loss of credibility and loss of motivation)</p>	<ul style="list-style-type: none"> ▪ ensure the transition from MIF to MINUSTAH ▪ strategic plan for PNH development approved; team of Dir. Plan. operational ▪ 3,200 active and trained police officers (at least 10% women) ▪ police premises' construction and rehab. needs identified and prioritized, and invitations to bid issued; construction and rehabilitation works in 10 police stations ▪ equipment needs identified and prioritized, and calls for bids issued; gradual provisioning of needed equipment (vehicles, radios, firearms, ammunitions, etc.) ▪ PNH professionalization activities as defined in the ICF in progress (including contribution to the General Inspection of means to fight corruption and impunity) 	<ul style="list-style-type: none"> ▪ implementation of the plan ▪ 3,900 active and trained police officers (at least 10% women) ▪ construction and rehabilitation works in 19 police stations ▪ gradual provisioning of needed equipment (vehicles, radios, firearms, ammunitions, etc.) ▪ PNH professionalization activities as defined in the ICF in progress (including contribution to the General Inspection of means to fight corruption and impunity) 	<ul style="list-style-type: none"> ▪ implementation of the plan ▪ 4,600 active and trained police officers (at least 10% women) ▪ construction and rehabilitation works in 19 police stations ▪ gradual provisioning of needed equipment (vehicles, radios, firearms, ammunitions, etc.) ▪ PNH professionalization activities as defined in the ICF in progress (including contribution to the General Inspection of means to fight 	<ul style="list-style-type: none"> ▪ implementation of the plan ▪ 5,300 active and trained police officers (at least 10% women) ▪ construction and rehabilitation works in 19 police stations ▪ gradual provisioning of needed equipment (vehicles, radios, firearms, ammunitions, etc.) ▪ PNH professionalization activities as defined in the ICF in progress (including contribution to the General Inspection of means for fight 	<ul style="list-style-type: none"> ▪ implementation of the plan ▪ 6,000 active and trained police officers (at least 10% women) ▪ construction and rehabilitation works in 19 police stations ▪ gradual provisioning of needed equipment (vehicles, radios, firearms, ammunitions, etc.) ▪ PNH professionalization activities as defined in the ICF in progress (including contribution to the General Inspection of means to fight

AXIS 1. STRENGTHEN POLITICAL GOVERNANCE AND PROMOTE NATIONAL DIALOGUE

THEMES/ SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS - SEPT. 2004	TARGETS AND MONITORING INDICATORS - MARCH 2005	TARGETS AND MONITORING INDICATORS - SEPT. 2005	TARGETS AND MONITORING INDICATORS - MARCH 2006	TARGETS AND MONITORING INDICATORS - SEPT. 2006	
	<p><u>Disarmament and Reintegration</u> Ensure the disarmament and the socio-economic reintegration of the members of armed groups and strengthen institutional capacities for controlling fire arms in Haiti</p>	<p>Specific disarmament operations, but no action plan has been adopted</p>	<ul style="list-style-type: none"> ▪ Coordin. Commission operational; DDR plan developed and adopted; legal framework and regulations concerning the control of fire arms adopted ▪ local recovery and development plans articulated to incorporate rehabilitation; development of a national awareness campaign 	<ul style="list-style-type: none"> ▪ DDR program operational throughout the entire country; development of the plan to strengthen institutional capacities ▪ implementation of community plans and monitoring of the reintegration process by the communities; national population sensitized 	<ul style="list-style-type: none"> ▪ follow-up ▪ implementation of community plans and monitoring of the reintegration process by the communities; national population sensitized 	<ul style="list-style-type: none"> ▪ follow-up ▪ implementation of community plans and monitoring of the reintegration process by the communities; national population sensitized 	<ul style="list-style-type: none"> ▪ follow-up ▪ implementation of community plans and monitoring of the reintegration process by the communities; national population sensitized 	<p>corruption and impunity)</p> <ul style="list-style-type: none"> ▪ follow-up ▪ at least 5,000 weapons collected and destroyed ▪ assistance provided to 5,000 beneficiaries and 1,000 convicted criminals; 5,000 beneficiaries reintegrated

AXIS 1. STRENGTHEN POLITICAL GOVERNANCE AND PROMOTE NATIONAL DIALOGUE

THEMES/ SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS - SEPT. 2004	TARGETS AND MONITORING INDICATORS - MARCH 2005	TARGETS AND MONITORING INDICATORS - SEPT. 2005	TARGETS AND MONITORING INDICATORS - MARCH 2006	TARGETS AND MONITORING INDICATORS - SEPT. 2006
<p>1.2 Justice, Penitentiary Institutions and Human Rights</p> <p><u>Costs</u> FY03-04: US\$1.4m FY04-05: US\$10.9m FY05-06: US\$10.2m TOTAL: US\$22.4 m</p>	<p><u>Justice</u>: fight impunity; ensure the independence of the judiciary power; improve access to justice</p>	<p><u>Justice</u>: history of dependence of the judicial system on the executive power; lack of operational means and training; lack of management of the legal professions; decaying of the infrastructures (10 out of 16 lower courts destroyed or damaged along with peace courts); weak organizational and institutional capacity of the Justice Ministry</p>	<ul style="list-style-type: none"> ▪ actions against impunity; prosecution and hearing underway for 4 significant cases including 1 in absentia 	<ul style="list-style-type: none"> ▪ hearings in progress; 1 retrial after conviction in absentia ▪ rehab. and re-equipment actions (on TPI, Peace Courts, Special Labor Courts and Justice Ministry damaged or destroyed in February 2004) as defined in the ICF in progress ▪ training and legal information actions as defined in the ICF in progress ▪ actions to organize the justice system: publication of the decree on the operation of the ministry and amending the decree of 3/30/84, status of personnel and the CSM (Conseil Supérieur de la Magistrature) ▪ +2 prisons built; re-equipment of the DAP and 	<ul style="list-style-type: none"> ▪ exhaustion of appeals for retrial after conviction in absentia; judgment in 1 trial ▪ rehab. and re-equipment actions (on TPI, Peace Courts, Special Labor Courts and Justice Min. damaged or destroyed in February 2004) as defined in the ICF in progress ▪ training and legal information actions as defined in the ICF in progress 	<ul style="list-style-type: none"> ▪ potential appeals; judgment in trial 2 and 3 ▪ 50% of the population with reliable Civil Status document ▪ rehab. and re-equipment actions (on TPI, Peace Courts, Special Labor courts and Justice Min. damaged or destroyed in February 2004) as defined in the ICF in progress ▪ training and legal information actions as defined in the ICF in progress ▪ re-equipment of the DAP and prisons 	<ul style="list-style-type: none"> ▪ 4 significant trials including 1 in absentia ▪ rehab. and re-equipment actions (on TPI, Peace Courts, Special labor Courts and Justice Min. damaged or destroyed in February 2004) as defined in the ICF in progress ▪ training and legal information actions as defined in the ICF in progress ▪ re-equipment of the DAP and prisons

AXIS 1. STRENGTHEN POLITICAL GOVERNANCE AND PROMOTE NATIONAL DIALOGUE

THEMES/ SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS - SEPT. 2004	TARGETS AND MONITORING INDICATORS - MARCH 2005	TARGETS AND MONITORING INDICATORS - SEPT. 2005	TARGETS AND MONITORING INDICATORS - MARCH 2006	TARGETS AND MONITORING INDICATORS - SEPT. 2006
	<p>of the physical infrastructures, personnel training, rational management of the prison population, correctional reeducation and rehabilitation programs for detainees</p> <p><u>Human rights:</u> strengthening of the national capacities for promoting and protecting human rights</p>	<p>of all prisoners, destruction of several penitentiary institutions</p> <p>Human Rights: status of human rights violations, absence of policy and coordination, limited respect for international commitments in this area</p>	<p>equipment of the DAP [Directorate of Prison Administration] and prisons as defined in the ICF in progress</p> <ul style="list-style-type: none"> ▪ development of mechanisms and strategies at the national level 	<p>prisons as defined in the ICF in progress</p> <ul style="list-style-type: none"> ▪ correctional and rehabilitation programs dispensed to prisoners ▪ dissemination of educational programs on human rights ▪ establishment of the national policy coordination structure 	<p>DAP and prisons as defined in the ICF in progress</p> <ul style="list-style-type: none"> ▪ correctional and rehabilitation programs dispensed to prisoners ▪ national action plan developed ▪ joint committees for the promotion and protection of civil rights are active ▪ presentation of at least one periodic report to the conventional bodies 	<p>as defined in the ICF in progress</p> <ul style="list-style-type: none"> ▪ correctional and rehabilitation programs dispensed to prisoners ▪ capacities for administration, management and inquiries of the OPC (Citizen Protection Office) strengthened ▪ preparation of and sensitization to the bill clarifying the status and the role of the OPC 	<p>as defined in the ICF in progress</p> <ul style="list-style-type: none"> ▪ correctional and rehabilitation programs dispensed to prisoners ▪ 3 Human Rights documentation centers established (Cap. P-au-P, Cayes) ▪ OPC organic law adopted
<p>1.3 Electoral Process and National Dialogue</p> <p><u>Costs</u> FY03-04: US\$1.7m FY04-05: US\$24.5m FY05-06: US\$10.9m TOTAL: US\$37.1m</p>	<p>Support the startup of the provisional electoral council (CEP) and the departmental electoral offices (BEDs) and communal electoral offices (BECs)</p>	<p>Having elected its president at the beginning of June, the CEP has barely begun organizing: BED and BEC equipment has been destroyed or has disappeared; the election law has no clear</p>	<ul style="list-style-type: none"> ▪ BEC and BED offices functional ▪ personnel recruited ▪ personnel is familiar with the organization manuals ▪ the electoral calendar published 	<ul style="list-style-type: none"> ▪ registration process completed no later than April ▪ distribution of voter lists ▪ Civic education program in progress ▪ candidates for 	<ul style="list-style-type: none"> ▪ municipal and legislative elections held ▪ legislative power elected; municipal authorities elected ▪ registration of candidates for the office of President of 	<ul style="list-style-type: none"> ▪ training of the Permanent Electoral Council ▪ Presidential election (one or two rounds of voting) ▪ President of the Republic elected 	<ul style="list-style-type: none"> ▪ structure of the permanent CEP functional ▪ system for updating voters lists

AXIS 1. STRENGTHEN POLITICAL GOVERNANCE AND PROMOTE NATIONAL DIALOGUE

THEMES/ SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS - SEPT. 2004	TARGETS AND MONITORING INDICATORS - MARCH 2005	TARGETS AND MONITORING INDICATORS - SEPT. 2005	TARGETS AND MONITORING INDICATORS - MARCH 2006	TARGETS AND MONITORING INDICATORS - SEPT. 2006
	<p>Revision of the election act</p> <p>Install a registration system for Haitian citizens</p> <p>Development of the transparent and legitimate electoral process</p>	<p>definition in some critical areas; the register of electors is partially destroyed; the old register and verification system is not very transparent and is complex</p>	<ul style="list-style-type: none"> ▪ draft revision of the election law ready and submitted to the executive power ▪ preparation strategy for electoral materials determined 	<p>municipal and legislative offices registered according to the electoral calendar; the lists are accessible to the public according to the established schedule</p> <ul style="list-style-type: none"> ▪ electoral materials produced according to schedule 	<p>the Republic (August)</p>		

AXIS 2. STRENGTHEN ECONOMIC GOVERNANCE AND CONTRIBUTE TO INSTITUTIONAL DEVELOPMENT

THEMES/SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
<p>2.1 Economic Governance</p> <p>Costs FY03-04: US\$3.5m FY04-05: US\$9.9m FY05-06: US\$6.4m TOTAL: US\$19.9m (includes objectives A to D plus other key interventions such as the setting up of an Anti-Corruption Unit)</p>	<p>A. Strengthen the budgetary process</p> <p>Streamline the budgetary process in order to make it efficient, transparent and credible and capable of translating the G's priorities; restructure Customs and the DGI [General Tax Directorate]</p> <p>Costs FY03-04: US\$2.1m FY04-05: US\$3.7m FY05-06: US\$3.4m TOTAL: US\$9.2m</p>	<p>Progress has been made recently, but the process is weakened by the lack of capacities for planning, control and evaluation of the programs/projects, the abusive use of current accounts, weakness of Customs and DGI</p>	<ul style="list-style-type: none"> ▪ no more than 10% of public expenditures pass through current accounts ▪ procedures for replenishment of current accounts (DAC) respected by all the ministries and cost centers ▪ start of strengthening of the capacities of the MPCE in its task of coordinating development activities, including the preparation and monitoring of the capital budget 	<ul style="list-style-type: none"> ▪ elimination of the use of current accounts except in exceptional cases ▪ approval of a plan to completely automate the management and tracking of public expenditures and revenues ▪ implementation of strategic plans to strengthen Customs and DGI, beginning with the strengthening of monitoring, inspection and fiscal control ▪ Directorate of Evaluation and Control of the MPECE fully operational 	<ul style="list-style-type: none"> ▪ start of expansion of the automation of public expenditures tracking ▪ significant improvement of the work context for Customs and DGI ▪ improvement of the quality of the 2005-06 public capital expenditures budget 	<ul style="list-style-type: none"> ▪ continued expansion of the automation of public expenditures tracking 	

AXIS 2. STRENGTHEN ECONOMIC GOVERNANCE AND CONTRIBUTE TO INSTITUTIONAL DEVELOPMENT

THEMES/SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
			<ul style="list-style-type: none"> ▪ preparation for FY2004-05 of a public capital expenditure budget consistent with the ICF 				
	<p>B. Strengthening of financial control mechanisms and the use of public finances</p> <p>Make the regulatory framework suitable to the provisions of the new organic law; strengthen the public finance control structures</p> <p>Costs FY03-04: US\$0.5m FY04-05: US\$2.1m FY05-06: US\$0.8m TOTAL: US\$3.4m</p>	<p>New Organic Law on public finance management approved in Nov. 2003; implementing regulations not yet prepared; absence of any real public accountants or financial controllers profession; insufficient capacities at the CSCCA [Superior Court of Accounts and Administrative Litigation] DEC and DIF</p>	<ul style="list-style-type: none"> ▪ continuing education/training plan for financial controllers and expenditure authorizing officials launched 	<ul style="list-style-type: none"> ▪ logistics support set up for the DCB, CSCCA and DEC ▪ hiring and training activities underway for staff as defined in the ICF in progress ▪ establishment of an anti-corruption unit ▪ strengthening of the DIF's working tools through the development of a procedures manual and the establishment of an information system to target control activities 	<ul style="list-style-type: none"> ▪ audit report for the 2002/2003 and 2003/2004 budgets made public 	<ul style="list-style-type: none"> ▪ draft of the new Organic Law for the CSCCA prepared 	<ul style="list-style-type: none"> ▪ annual audits by the CSCCA and DIF as defined in the ICF in progress
	<p>C. Public procurement</p> <p>Strengthen the</p>						

AXIS 2. STRENGTHEN ECONOMIC GOVERNANCE AND CONTRIBUTE TO INSTITUTIONAL DEVELOPMENT

THEMES/SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
	<p>mechanisms for public procurement so that they are transparent, credible, effective and can meet an increased volume of activities</p> <p><u>Costs</u> FY03-04: US\$0m FY04-05: US\$1.1m FY05-06: US\$0.9m TOTAL: US\$1.9m</p>	<p>Legal framework exists, but implementation rules have not been adopted; lack of competent staff; public procurement conducted at the level of individual ministries without coordination, control or use of international calls for bids</p>	<ul style="list-style-type: none"> establishment of a central control for public procurement through the creation of a Nat. Interim Procurement Commission 	<ul style="list-style-type: none"> establishment of a team of international specialists responsible for executing public procurement above a certain threshold for the first 12 months drafting of standard bid documents and a procedures manual web site in place; regular publication of calls for bids and procurement contract awards 	<ul style="list-style-type: none"> examination by the Interim Commission of 50% of the public procurement above a certain threshold national training plan launched and 50 staff trained 	<ul style="list-style-type: none"> examination by the Interim Commission of all public procurement above a certain threshold preparation of a new bill based on the UNCITRAL [United Nations Commission on International Trade Law] model 	<ul style="list-style-type: none"> national discussion and submission of the new bill to Parliament
<p>D. Management of public enterprises</p> <p>Improve and modernize the management of public enterprises in key sectors (electricity, communications, water and sanitation, ports and airports)</p> <p><u>Costs</u> FY03-04: US\$0.7m FY04-05: US\$1.4m FY05-06: US\$1.0m TOTAL: US\$3.1m</p>	<p>Lack of transparent management, deficiency in professional qualifications, excessive personnel, management affected by political interference more than by rules of good governance, dilapidated equipment</p>	<ul style="list-style-type: none"> establishment of a coordinating and monitoring unit and of its coordinator 	<ul style="list-style-type: none"> accounting upgrade and processing of Teleco (telecommunications) and EDH (electricity) data launched before Nov. 2004 financial audits by international firms for the AAN (airports), CAMEP (water) and APN (ports) launched before Oct. 2004 mini re-engineering of Teleco launched before 	<ul style="list-style-type: none"> management and organizational reviews for AAN, APN and Teleco launched implementation of recommendations from the audits and reviews in progress 	<ul style="list-style-type: none"> other enterprises selected (particularly in the financial and insurance sectors) for financial audits, management reviews and restructuring 	<ul style="list-style-type: none"> audits launched for the other selected enterprises 	

AXIS 2. STRENGTHEN ECONOMIC GOVERNANCE AND CONTRIBUTE TO INSTITUTIONAL DEVELOPMENT

THEMES/SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006	
<p>2.2 Strengthening of Institutional Capacities</p> <p><u>Costs</u> AF03-04: US\$0.7m AF04-05: US\$2.3m AF05-06: US\$3.5m TOTAL: US\$6.6m</p>	<p>Strengthening of short-term and medium-term human resources through recruiting, training, an appeal for skills from the diaspora and the retention of existing qualified personnel to ensure better policy formulation and efficient implementation of programs; preparation of civil service reform</p>	<p>Weak level of supervision and technical coverage, weak hiring mechanisms for executive managers, last training received by civil servants in 1999, low remuneration, lack of human resources management, rotation between institutions or departure of staff</p>	<ul style="list-style-type: none"> ▪ government decision concerning mechanisms for hiring executive managers through competitive procedures ▪ 30% wage increase 	<p>November 2004</p> <ul style="list-style-type: none"> ▪ financial audits by international firms launched for EDH and Teleco before February 2005 ▪ preparation of a management contract for EDH and CAMEP 	<ul style="list-style-type: none"> ▪ human resources in place to ensure the effective implementation of the ICF ▪ hiring of 100 senior-level and technical staff; specialized training for at least 10% of level and technical staff provided at the CEFOPAFOP, CTPEA or at the BRH Institute ▪ definition of short-term incentive measures for 	<ul style="list-style-type: none"> ▪ satisfactory progress in the support and expansion of the institutional strengthening programs ▪ hiring of 300 senior-level and technical staff; specialized training for at least 10% of senior-level and technical staff provided at the CEFOPAFOP, CTPEA or at the BRH Institute ▪ preparation of a proposal for a civil 	<ul style="list-style-type: none"> ▪ satisfactory progress in the support and expansion of the institutional strengthening programs ▪ hiring of 200 senior-level and technical staff; specialized training for at least 10% of the senior-level and technical staff provided at the CEFOPAFOP, CTPEA or the BRH Institute ▪ national discussions concerning the 	<ul style="list-style-type: none"> ▪ satisfactory progress in the support and expansion of the institutional strengthening programs ▪ specialized training for at least 10% of the senior-level and technical staff provided at the CEFOPAFOP, CTPEA or at the BRH Institute ▪ strengthening of production capacity and

AXIS 2. STRENGTHEN ECONOMIC GOVERNANCE AND CONTRIBUTE TO INSTITUTIONAL DEVELOPMENT

THEMES/SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
<p>2.3 Regional, Urban and Local Development and Decentralization</p> <p><u>Costs</u> FY03-04: US\$4.4m FY04-05: US\$17.2m FY05-06: US\$11.9m TOTAL: US\$33.5m</p>	<p>Promote a dynamic that will become the backbone of local development</p> <p>Prepare a standard framework of the partnership for participatory decentralized development</p>	<p>Weak coordination of all parties involved (national and international)</p>	<ul style="list-style-type: none"> ▪ 20% of local consultation structures in place 	<ul style="list-style-type: none"> ▪ 40% of the strategic action programs (PAS) by community section completed to support the local development process ▪ 40% of local consultation structures in place ▪ urban Planning Act prepared ▪ bills prepared by CNRA (National Commission for Administrative Reform) validated 	<ul style="list-style-type: none"> ▪ 40% of strategic action programs (PAS) by community section completed to support the local development process ▪ 40% of projects (2-3 per community section) completed ▪ 40% of local consultation structures in place ▪ Regional Planning Act elaborated ▪ draft bill on territorial public service prepared ▪ national zoning plan prepared ▪ Zoning law prepared 	<p>proposal for a civil service reform</p> <ul style="list-style-type: none"> ▪ 20% of strategic joint action programs (PAS) by community section completed to support the local development process ▪ 40% of projects (2-3 per community section) completed ▪ geo-economic and spatial database set up 	<p>dissemination of economic and statistical information, including in the IHSI and the DEE of the MEF</p>

AXIS 2. STRENGTHEN ECONOMIC GOVERNANCE AND CONTRIBUTE TO INSTITUTIONAL DEVELOPMENT

THEMES/SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
	<p>Develop and finalize the decentralization, regional, urban and local development policies</p> <p>Establish mechanisms for coordinating and promoting decentralized actions (regional and local)</p> <p>Begin the institutional strengthening of government and local structures</p>		<ul style="list-style-type: none"> ▪ decentralization policy finalized ▪ local development policy finalized ▪ Government decision to establish the national land use management council ▪ MPECE restructured ▪ Directorate of local authorities and the planning unit of the MICTSN strengthened 	<ul style="list-style-type: none"> ▪ national land planning framework developed ▪ support-advice given to players and partners ▪ program to support local municipal organizations in place ▪ Fund for the Management and Development of Local Administrations (FGDCT) operational on the basis of the law 	<ul style="list-style-type: none"> ▪ Departmental frameworks completed ▪ didactic guide and media prepared and distributed 	<ul style="list-style-type: none"> ▪ specialized local development database fully established 	

AXIS 3. PROMOTE ECONOMIC RECOVERY

THEMES/ SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
3.1 Macroeconomic stability <u>Costs</u> No specific expenditures tied to the economic stabilization objective			<ul style="list-style-type: none"> 2004-05 budget that reflects the priorities of the ICF and the macroeconomic stabilization program with the IMF 	<ul style="list-style-type: none"> satisfactory implementation of the 2004-05 budget and of the macroeconomic stabilization program 	<ul style="list-style-type: none"> 2005-06 budget that reflects the priorities of the ICF and the macroeconomic stabilization program with the IMF 	<ul style="list-style-type: none"> satisfactory implementation of the 2005-06 budget and of the macroeconomic stabilization program 	<ul style="list-style-type: none"> adoption of a 2006-07 budget that reflects the priorities of the Poverty Reduction Strategy Paper (PRSP) and the macroeconomic stabilization program
3.2 Electricity <u>Costs</u> FY03-04: US\$9.7m FY04-05: US\$35.7m FY05-06: US\$47m TOTAL: US\$92.4m	Restore the health of the electricity supply and raise the level of access to electricity to 50% of the population (by 2013)	Population has limited access to electricity; 2-3 hours of service per day; losses of 50%; infrequent service except for Jacmel and 5 provincial cities (but with losses of 50% for these 5 cities)	<ul style="list-style-type: none"> increase the number of hours of service to 12 per day in P-a-P and 6 hours in the rest of the provincial networks (through the mobilization of funding required, the purchase of fuel and spare parts, the repair of generation and distribution equipment and the purchase of electricity from private operators) 	<ul style="list-style-type: none"> accounting clean-up and financial audit completed (see Theme 2.1D) program for the sector adopted by the G; management contract signed by EDH [Electricité d'Haïti] and manager and countersigned by the G; working capital in place reduction of losses underway (billing rate in P-a-P from 50% to 55%) 	<ul style="list-style-type: none"> increase in hours of service to 18 per day in P-a-P and the rest of the provincial networks 	<ul style="list-style-type: none"> investment program in progress and studies in the definition stage for a 10-year program aimed at increasing the population's access to 50% by 2013 	<ul style="list-style-type: none"> increase in hours of service to 24 per day in P-a-P and the rest of the provincial networks investment program in progress in Cap-Haitien, Les Cayes, Saint Marc, Gonaives and Jeremie reduction of losses underway (billing rate in P-a-P at 62%)

AXIS 3. PROMOTE ECONOMIC RECOVERY

THEMES/ SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
3.3 Rapid Job Creation and Micro-finance Costs FY03-04: US\$2.2m FY04-05: US\$19.1m FY05-06: US\$14.4m TOTAL: US\$35.7m	Attenuate the alarming deterioration of income of the poorest and support the sustainable promotion of self-employment in rural and urban areas through the availability of credit suited to the needs of rural and urban micro-entrepreneurs	High unemployment and erosion of purchasing power; insufficient offer of loan services for productive activities	<ul style="list-style-type: none"> ▪ creation of 20,000 person-months of temporary jobs (including at least 30% women) • increase the availability of credit to 1,000 direct beneficiaries and 5,000 indirect beneficiaries 	<ul style="list-style-type: none"> • creation of 80,000 person-months of temporary jobs (including at least 30% women) • increase the availability of credit to 3,000 direct beneficiaries and 15,000 indirect beneficiaries 	<ul style="list-style-type: none"> • creation of 104,000 person-months of temporary jobs (including at least 30% women) • increase the availability of credit to 4,500 direct beneficiaries and 22,500 indirect beneficiaries 	<ul style="list-style-type: none"> • creation of 90,000 person-months of temporary jobs (including at least 30% women) • increase the availability of credit to 4,500 direct beneficiaries and 22,500 indirect beneficiaries 	<ul style="list-style-type: none"> • creation of 44,000 person-months of temporary jobs (including at least 30% women) • increase the availability of credit to 6,000 direct beneficiaries and 30,000 indirect beneficiaries
3.4 Development of the Private Sector, SMEs/SMIs Costs FY03-04: US\$0.5m FY04-05: US\$14.0m FY05-06: US\$9.1m TOTAL: US\$23.6m	Revive enterprises experiencing difficulty; strengthen the institutional capacities of the sector; ensure the country's integration into the regional and international markets (including the development and facilitation of investment and exports and the promotion of tourism)	Decapitalization and weak management of enterprises; weak productive fabric (most activities involve informal trade, little production and few exports); limited institutional capacities of the public and private agencies; concentration of economic activity in P-a-P	<ul style="list-style-type: none"> ▪ operating mechanism of Recapitalization Fund established ▪ joint commissions to institutionalize public/private sector dialogue operational ▪ draft code of commerce and implementation rules for: Investment Code, Free Zones Law and Arbitration Court 	<ul style="list-style-type: none"> ▪ opening of 4 'one-stop shop' offices ▪ Recapitalization Fund and Mutual Guarantee Fund for the MPMEs (Microenterprises and SMEs) ▪ economic mapping of the territory (GIS) to identify potentials and guide public supporting interventions established 	<ul style="list-style-type: none"> ▪ strengthening and monitoring of the one-stop shop offices ▪ campaign to promote tourism launched 	<ul style="list-style-type: none"> ▪ strengthening and monitoring of the one-stop shop offices ▪ monitoring of the campaign to promote tourism 	<ul style="list-style-type: none"> ▪ strengthening and monitoring of the one-stop shop offices ▪ monitoring of the campaign to promote tourism

AXIS 3. PROMOTE ECONOMIC RECOVERY

THEMES/ SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
3.5 Agriculture Costs FY03-04: US\$2.8m FY04-05: US\$46.6m FY05-06: US\$36.4m TOTAL : US\$85.8m	Revive and contribute to a sustainable intensification of agricultural production; strengthen the institutional and legal framework of the sector	80% of small farms do not satisfy their food requirements; low level of technology and capitalization; vulnerable topography and fragile soil; rural infrastructure inadequate; 400,000 households affected by drought; food supply and seed reserves reduced for the next crop cycle resulting in an increase in food prices; institutional capacities of the MARNDR [Ministry of Agriculture, Natural Resources and Rural	<ul style="list-style-type: none"> ▪ activities involving vaccination of livestock and disease control as defined in the ICF in progress ▪ rehabilitation of 20 km of rural trails and 20 km of ravines; repair of 20 km of canals; repair of 45 irrigation pumps and 9 apparatus ▪ targeted distribution of 121 tons of seed and 900 tool kits ▪ activities as defined in the ICF for rehabilitation/layout of irrigated areas, infrastructure provision, 	<ul style="list-style-type: none"> • activities involving vaccination of livestock and disease control as defined in the ICF in progress • rehabilitation of 250 km of rural trails and 80 km of ravines; repair of 150 km of canals ▪ national seed grower plan updated ▪ activities as defined in the ICF for the rehabilitation/layout of irrigated areas, infrastructure provision, marketing of 	<ul style="list-style-type: none"> ▪ activities involving vaccination of livestock and disease control as defined in the ICF in progress ▪ rehabilitation of 500 km of rural trails and 120 km of ravines ▪ activities as defined in the ICF for the rehabilitation/layout of irrigated areas, infrastr. provision, marketing and processing of agricultural products, 	<ul style="list-style-type: none"> ▪ activities involving vaccination of livestock and disease control as defined in the ICF in progress ▪ activities as defined in the ICF for the rehabilitation/layout of irrigated areas, infrastr. provision, marketing and processing of agricultural products, 	<ul style="list-style-type: none"> ▪ activities involving vaccination of livestock and disease control as defined in the ICF in progress ▪ activities as defined in the ICF for the rehabilitation/layout of irrigated areas, infrastr. provision, marketing and processing of agricultural products, support for fruit farming and small

AXIS 3. PROMOTE ECONOMIC RECOVERY

THEMES/ SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
		Development] affected by recent acts of vandalism	marketing and processing of agricultural products, support for fruit farming and intensification of small livestock activities in progress <ul style="list-style-type: none"> ▪ strengthening of the capacities of the MARNDR (from a physical, institutional and regulatory standpoint), including technical training of MARNDR staff, economic operators and farmers' organizations 	agricultural products, support for fruit farming and intensification of small livestock activities in progress <ul style="list-style-type: none"> ▪ follow-up 	processing of agricultural products, support for fruit farming and intensification of small livestock activities in progress <ul style="list-style-type: none"> ▪ follow-up 	support for fruit farming and intensification of small livestock activities in progress <ul style="list-style-type: none"> ▪ follow-up 	livestock activities in progress <ul style="list-style-type: none"> ▪ follow-up
3.6 Roads and Transportation Costs FY03-04: US\$0m FY04-05: US\$34.6m FY05-06: US\$46.5m TOTAL: US\$81.1m	Rehabilitate the transportation infrastructure (roads, tracks, ports and airports) in order to improve access in the territory; strengthen the institutions connected to transportation in order to make the targeted interventions	Infrastructures in an advanced state of decay (only 15% of the primary network and 30% of the secondary and tertiary networks are in good condition; only 10% of the roads are regularly	<ul style="list-style-type: none"> ▪ contracts signed for 77 km (emergency road rehabilitation works) ▪ ISPS code obtained for the port of P-a-P ▪ startup of rehabilitation work 	<ul style="list-style-type: none"> ▪ startup of the Road Maintenance Fund ▪ startup of the engineering studies for the construction of bridges and box drains in the northwest regions, Nippes and Grande Anse 	<ul style="list-style-type: none"> ▪ completion of the erection of 12 Baily bridges ▪ completion of the emergency road rehabilitation works (77 km) ▪ completion of dredging of the access channel and 	<ul style="list-style-type: none"> ▪ completion of the rehabilitation work on the Route de Rails and Boulevard des Industries (for access to the port of P-a-P) ▪ completion of the rehabilitation of docks 1, 2, R0-R0 North and South of the Port of P-a-P 	<ul style="list-style-type: none"> ▪ completion of the rehabilitation works on National Highway 2 (18 km) and 5 bridges ▪ completion of the rehabilitation work for National Highway 1 (St. Marc/ Gonaives) ▪ completion of the strip/runway/apron for the

AXIS 3. PROMOTE ECONOMIC RECOVERY

THEMES/ SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
	sustainable	maintained; deterioration of the port and airport infrastructures combined with ineffective management; more than half the rural population has no access to any transportation service	on streets in urban areas ▪ institutional strengthening of the MTPTC [Ministry of Public Works, Transportation and Communications], APN [National Port Authority] and the AAN [National Airport Authority] (see Theme 2.ID- Economic Governance for the APN and the AAN)	▪ follow-up	the port basin ▪ follow-up	▪ completion of the redevelopment of the Cape-Haitien airport ▪ follow-up	P-a-P airport ▪ follow-up
3.7 Environmental Protection and Rehabilitation <u>Costs</u> AF03-04: US\$0.8m AF04-05: US\$13.7m AF05-06: US\$9.1m TOTAL: US\$23.6m	Encourage the substitution of wood and charcoal in urban households and SMEs; fight against the degradation of land and vital natural resources as part of the CCD and CDB; sustainable and integrated management of risks and disasters through the implementation of	72% of energy requirements come from wood, contributing to deforestation and the degradation of the land and water resources; situation of extreme vulnerability to unforeseen natural events; absence of	▪ 3,500 additional households use LPG and 1,500 use kerosene; 100 SMEs converted to LPG or diesel	▪ 11,200 additional households use LPG and 4,800 use kerosene; 300 SMEs converted to LPG or diesel ▪ 3 villages equipped with solar panels ▪ 2,000 hectares reforested	▪ 18,200 additional households use LPG and 7,800 use kerosene; 650 SMEs converted to LPG or diesel ▪ 6 villages equipped with solar panels	▪ 21,000 additional households use LPG and 9,000 use kerosene; 1,000 SMEs converted to LPG or diesel ▪ 10 villages equipped with solar panels	

AXIS 3. PROMOTE ECONOMIC RECOVERY

THEMES/ SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
	the Nat. Risk and Disaster Management Plan	coherent national strategies and policies, weak institutional and legal framework and limited response and prevention capacities	<ul style="list-style-type: none"> ▪ activities in preparation for the hurricane season completed ▪ National Response Plan revised 	<ul style="list-style-type: none"> ▪ 5 municipal plans implemented in 4 regions ▪ Emergency Operations Center operational 	<ul style="list-style-type: none"> ▪ financial support for fuel brick manufacturers ▪ implementation of layout plans for 3 priority parks (La Visite, Foret des Pins, Pic Macaya) ▪ 5 municipal plans implemented in 4 regions ▪ National Weather Center strengthened and capable of transmitting weather alerts in time ▪ structural mitigation actions initiated at Camp Perrin (South and Southeast Dept.) 	<ul style="list-style-type: none"> ▪ formulation of a National Action Plan for Forests ▪ 5 municipal plans implemented in 4 regions ▪ Risk and Disaster Management Units created in 3 ministries (MTPTC, MARNDR and MPECE/SEE) ▪ MARNDR hydro-meteorological tracking network rehabilitated ▪ structural mitigation actions initiated at Morne l'Hôpital (P-a-P) 	<ul style="list-style-type: none"> ▪ 5 municipal plans implemented in 4 regions ▪ legal and normative framework validated ▪ building codes applied ▪ seismic hazard observation network functional ▪ National biological and chemical risks observatory in place ▪ national communication system operational ▪ municipal early alert system operational for Arbonite

AXIS 4: IMPROVE ACCESS TO BASIC SERVICES

THEMES/ SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
<p>4.1 Urgent Humanitarian Aid</p> <p>Costs: included in various themes/sectors</p> <p><i>Please note:</i> an additional analysis will soon be carried out so as to make an update available on the financing needs in this domain not covered by the ICF.</p>	<p>Sustainable and integrated management of risks and disasters by implementing a Nat. Plan. for Management of Risks and Disasters</p> <p>Strengthen food security and risk management</p> <p>Improve nutritional conditions of target groups; improve access to health care with micro-insurance; support community development through financial transfers from outside (creation of a Solidarity Fund); strengthen social assistance programs targeting vulnerable groups</p> <p>Reduce the households' share in health financing for the general population and for vulnerable groups</p>	<p>Situation of extreme vulnerability to the vagaries of nature; limited capacity for response and prevention</p> <p>23% of children under five years with malnutrition, 5% with acute malnutrition, 2/3 of rural households with food insecurity</p> <p>Large part of the population is vulnerable; lack of long-term strategy; public interventions for social protection remain very segmented, scattered and without significant impact; interventions from the non-government sector provide most of the social protection services but they are not</p>	<ul style="list-style-type: none"> ▪ activities to prepare for the hurricane season completed ▪ analysis document for risk vulnerability and cartography of risks ▪ monthly flash publication on tracking indicators for the food situation ▪ Support activities for nutritional needs for students (335,000), young mothers and their children (400,000), orphans (12,000), street children (1,000) and destitute elderly (1,000) as defined in the ICF in progress 	<ul style="list-style-type: none"> ▪ Emergency Operations Center operational ▪ the security reserves essential to PROMESS are 10 months (instead of six) ▪ monthly flash publication on tracking indicators for the food situation ▪ Support activities for nutritional needs for students (450,000), young mothers and their children (470,000), orphans (12,000), street children (1,000) and destitute elderly (1,000) as defined in the ICF in progress 	<ul style="list-style-type: none"> ▪ Nat. Meteorological Center strengthened and capable of transmitting alerts in time ▪ monthly flash publication on tracking indicators for the food situation ▪ Support activities for nutritional needs for students (500,000), young mothers and their children (500,000), orphans (15,000), street children (1,000) and destitute elderly (1,000) as defined in the ICF in progress 	<ul style="list-style-type: none"> ▪ MARNDR's hydro-meteorological tracking network refurbished ▪ monthly flash publication on tracking indicators for the food situation ▪ Support activities for nutritional needs for students (500,000), young mothers and their children (500,000), orphans (15,000), street children (1,000) and destitute elderly (1,000) as defined in the ICF in progress 	<ul style="list-style-type: none"> ▪ seismic hazard observation network functional ▪ national communication system operational ▪ monthly flash publication on tracking indicators for the food situation ▪ Support activities for nutritional needs for students (500,000), young mothers and their children (500,000), orphans (20,000), street children (1,000) and destitute elderly (1,000) as defined in the ICF in progress

AXIS 4: IMPROVE ACCESS TO BASIC SERVICES

THEMES/ SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
	and thus contribute to the prevention of crises	coordinated and have variable quality					
<p>4.2 Water and Sanitation</p> <p>Costs: FY03-04: US\$0m FY04-05: US\$18.4m FY05-06: US\$29.5m TOTAL: US\$47.8m</p>	<p>In the short-term increase the production capacity in order to be able to supply water an average of four hours per day, and then improve the service provided, especially to vulnerable groups in urban and rural areas; strengthen sector capacity, perform project feasibility studies to continue improvement of service level and coverage rate beyond 2006.</p>	<p>Only half of the urban population covered by potable water services; progressive deterioration of existing infrastructure and institutions; extensive damage to infrastructure caused over recent months</p>	<p><u>CAMEP</u></p> <ul style="list-style-type: none"> ▪ 80% of urgent network repairs performed ▪ for financial audit and management contract for CAMEP, see Theme 2.1 D-Economic Governance <p><u>SNEP/URSEP</u></p> <ul style="list-style-type: none"> ▪ 80% of urgent network repairs performed in 8 cities ▪ rehabilitation works underway in Port de Paix and St. Marc; network repairs for 3 secondary cities 	<p><u>CAMEP</u></p> <ul style="list-style-type: none"> ▪ 100% of urgent network repairs performed ▪ 50% of network rehabilitation works performed ▪ serve 20,000 people in disadvantaged neighborhoods ▪ 5 markets equipped with toilets managed by communal committees and hygiene training received <p><u>SNEP/URSEP</u></p> <ul style="list-style-type: none"> ▪ 100% of urgent network repairs performed in 8 cities ▪ works underway at Port de Paix, St Marc Ouaminthe and Cayes; network repairs in 10 secondary cities 	<p><u>CAMEP</u></p> <ul style="list-style-type: none"> ▪ 100% of network rehabilitation works performed ▪ serve 50,000 people in disadvantaged neighborhoods ▪ 20 schools equipped with toilets and hygiene training received ▪ works underway in Port de Paix, St Marc Ouaminthe and Cayes 	<p><u>CAMEP</u></p> <ul style="list-style-type: none"> ▪ serve 100,000 people in disadvantaged neighborhoods ▪ 5 neighborhoods equipped with toilets and/or latrines managed by communal committees or families and hygiene training received ▪ work finished at Port de Paix and Ouaminthe 	

AXIS 4: IMPROVE ACCESS TO BASIC SERVICES

THEMES/ SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
			<ul style="list-style-type: none"> ▪ sector capacity strengthening activities (MITPTC, SNEP, CAMEP) under way 	<p>performed</p> <ul style="list-style-type: none"> ▪ sector capacity strengthening activities (MITPTC, SNEP, CAMEP) under way ▪ tariff decree for tariffs published by the Government 	<p>performed</p> <ul style="list-style-type: none"> ▪ set up toilets in 100 schools and public markets ▪ sector capacity strengthening activities (MITPTC, SNEP, CAMEP) under way ▪ project feasibility studies for continuing improvement of service and coverage rate beyond 2006 	<ul style="list-style-type: none"> ▪ set up toilets in 200 schools and public markets ▪ project feasibility studies for continuing improvement of service and coverage rate beyond 2006 ▪ application of tariffs according to the decree's norms 	<p>POCHEP/SNEP</p> <ul style="list-style-type: none"> ▪ 300 pumps repaired or replaced; 36 rural networks built and toilets and/or latrines built ▪ sector capacity strengthening activities (MITPTC, SNEP, CAMEP) under way ▪ project feasibility studies for continuing improvement of service and coverage rate beyond 2006 ▪ new tariffs applied in majority of the network
<p>4.3 Health and Nutrition Costs: FY03-04: US\$25.1m</p>	<p>Make PMS available and accessible around 15 UCS; strengthen the MSPP in its abilities to regulate, administer and</p>	<p>Life expectancy: 53 years, child mortality 80 per thousand, malnutrition of children under</p>	<ul style="list-style-type: none"> ▪ functional restart of the HUEH hospital and departmental hospitals (10), Isate Jeanly 	<ul style="list-style-type: none"> ▪ 40% of children under one-year in 15 UCS have received DTP3 ▪ 3 departmental 	<ul style="list-style-type: none"> ▪ 60% of children under one-year in 15 UCS have received DTP3 ▪ 10 departmental 	<ul style="list-style-type: none"> ▪ 70% of children under one-year in 15 UCS have received DTP3 	<ul style="list-style-type: none"> ▪ 80% of children under one-year in 15 UCS have received DTP3 ▪ 20 departmental

AXIS 4: IMPROVE ACCESS TO BASIC SERVICES

THEMES/ SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
<p>FY04-05: US\$27.5m FY05-06: US\$29.6m TOTAL: US\$82.2m</p>	<p>manage; reduce the portion of the households' share in health financing for the population in general and for vulnerable groups and therefore contribute to crisis prevention; strengthen certain priority programs (MEG availability, vaccination coverage, maternal and child health services, HIV/AIDS, tuberculosis, malaria)</p>	<p>five, high maternal mortality (523 per 100,000 births), HIV/AIDS prevalence stable at 5%; health system's organization deficient; low vaccination coverage (49% DTP3); hospital mortality under 5 years; 27%; acute malnutrition (5%), high rate of anemia among women and children; no departmental hospital can adequately perform its reference function</p>	<p>maternity and the hospital CHOSCAL by assuring them water and electricity, proper disposal of waste water and treatment of wastes</p> <ul style="list-style-type: none"> list of services to subsidize and their costs is established 	<p>hospitals can fill their reference function (operational operating room)</p> <ul style="list-style-type: none"> the security reserves essential to PROMESS are 10 months (instead of six) <u>HIV/AIDS</u>: 35 new testing centers; 6 centers of excellence for ARV treatment; 500,000 youth made aware; 30 million condoms distributed reduction of mortality of HIV/TB co-infected patients to 50%; 5,000 co-infected patients have access to ARV tuberculosis: 60% of institutions applying DOTS; 80 new DOTS clinics (20% in the metropolitan area) 	<p>hospitals can fill their reference function (operational operating room)</p> <ul style="list-style-type: none"> <u>malaria</u>: impregnated nets available 	<ul style="list-style-type: none"> the HCR and SSPE are regularly supplied with MEG <u>HIV/AIDS</u> 40 new centers; 10 centers of excellence for ARV treatment; 1 million youth made aware; 30 million condoms distributed reduction of mortality of HIV/TB co-infected patients to 35%; 5,000 co-infected patients have access to ARV tuberculosis: 65% of institutions applying DOTS; 120 new DOTS clinics (25% in metropolitan area) 	<p>hospitals can fill their reference function (operational operating room)</p> <ul style="list-style-type: none"> households' contribution for MEG and priority services falls by 10%

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THEMES/ SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
	<p>Increase the prevention and management of malnutrition particularly among women and children</p>		<ul style="list-style-type: none"> reinforcing the salt iodization program: 80% of salt samples have the regulated level human resource strengthening and training activities as defined in the ICF in progress 	<ul style="list-style-type: none"> supplemental vitamin A linked with 80% vaccination coverage; 80% of households have salt iodized at regulated level human resource strengthening and training activities as defined in the ICF in progress partnership framework between MSPP and its partners established 	<ul style="list-style-type: none"> supplemental vitamin A linked with vaccination coverage or parasite elimination program in 100% of UCS human resource strengthening and training activities as defined in the ICF in progress a human resources policy document is available 	<ul style="list-style-type: none"> human resource strengthening and training activities as defined in the ICF in progress 	<ul style="list-style-type: none"> nutritional guide developed and used at local level (100% UCS) human resource strengthening and training activities as defined in the ICF in progress partnership agreements signed at departmental level
<p>4.4 Education, Youth and Sports Costs: FY03-04: US\$23.2m FY04-05: US\$51.5m FY05-06: US\$7.5m TOTAL: US\$82.2m (Education: US\$80.3m; Youth and Sports: US\$1.8m)</p>	<p>Improve access to and quality of education and professional training; set up measures supporting governance by developing tools for regulation and quality control; promote physical and sporting activities, community life, public-spiritedness and participation of the youth in the country's</p>	<p>80% of the education offering is private but poor public/private sector dialogue; problems with quality, access, offering and gender; only half of the population is literate and 1/3 of the children do not attend school; impact of four months of political instability (classes interrupted,</p>	<ul style="list-style-type: none"> ensure the start of the school year by subsidizing school fees, teaching supplies and uniforms for disadvantaged students in public and private schools 		<ul style="list-style-type: none"> ensure the start of the school year; increase the budgetary allocation for subsidizing school fees, supplies and uniforms for disadvantaged students in public and private schools 300 schools rehabilitated and educational environment improved 	<ul style="list-style-type: none"> 900 schools rehabilitated 	<ul style="list-style-type: none"> ensure the start of the school year; ensure in the budget for education the entirety of the payment for subsidizing school fees, supplies and uniforms for disadvantaged students 1500 schools rehabilitated; 25 centers for vulnerable groups rehabilitated

AXIS 4: IMPROVE ACCESS TO BASIC SERVICES

THEMES/ SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
	development	schools destroyed, four universities vandalized and CEEC destroyed, disadvantaged children dropping out); training and literacy program ineffective; sociocultural and sporting infrastructure for youth rare and inadequate	<ul style="list-style-type: none"> ▪ 4 universities rehabilitated 	<ul style="list-style-type: none"> ▪ 21 universities and institutions of higher education computerized and inter-connected ▪ launching of the rehabilitation of 8 professional training centers and construction of 2 centers ▪ launching of new system of accreditation for professional training underway; launching of a mechanism for including business and civil society associations 	<ul style="list-style-type: none"> ▪ 18 universities and centers of higher education rehabilitated ▪ training of 100 administrative staff at the central and departmental level of INFP and at the central level 	<ul style="list-style-type: none"> ▪ 8 professional training centers rehabilitated and 2 new centers constructed ▪ national plan for supervision of quality control adopted, standards adopted, functions defined, training started ▪ creation of Partnership Office and Partnership Funds 	<ul style="list-style-type: none"> ▪ 1800 classes constructed for an additional reception of 5% of the excluded children ▪ 350 inspectors trained ▪ Office of Partnership and Partnership Funds operational
			<ul style="list-style-type: none"> ▪ activities involving training teachers and renewal of programs as defined in the ICF in progress ▪ activities involving setting up and equipping 	<ul style="list-style-type: none"> ▪ activities involving training teachers and renewal of programs as defined in the ICF in progress ▪ activities involving setting up and equipping 	<ul style="list-style-type: none"> ▪ activities involving training teachers and renewal of programs as defined in the ICF in progress ▪ activities involving setting up and equipping 	<ul style="list-style-type: none"> ▪ activities involving training teachers and renewal of programs as defined in the ICF in progress ▪ activities involving setting up and equipping 	<ul style="list-style-type: none"> ▪ activities involving training teachers and renewal of programs as defined in the ICF in progress ▪ activities involving setting up and equipping

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THEMES/ SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
<p>4.5 Culture, Media and Communication</p> <p>Costs: FY03-04: US\$0m FY04-05: US\$6.1m FY05-06: US\$6.3m TOTAL: US\$12.3m</p>	<p>Strengthen capacity of cultural institutions, and public and private media; strengthen the role of media and culture to promote a pluralistic and democratic society; safeguard the Haitian cultural heritage, elaborate policy for its transmission and promote Haitian culture; strengthen the role of culture and media in educating in the pursuit of development objectives</p>	<p>Disrepair and paralysis of RNH and non-functional technical status at TNH, lack of information on government policy and actions, gaps in journalistic training; fragility of Haitian social cohesion and cultural identity; rapid deterioration of cultural sites and decline in artistic production</p>	<p>sporting and sociocultural structures and infrastructures, and of socio-professional orientation and integration for youth as defined in the ICF in progress</p>	<p>sporting and sociocultural structures and infrastructures, and of socio-professional orientation and integration for youth as defined in the ICF in progress</p>	<p>sporting and sociocultural structures and infrastructures, and of socio-professional orientation and integration for youth as defined in the ICF in progress</p>	<p>sporting and sociocultural structures and infrastructures, and of socio-professional orientation and integration for youth as defined in the ICF in progress</p>	<p>sporting and sociocultural structures and infrastructures, and of socio-professional orientation and integration for youth as defined in the ICF in progress</p>
			<ul style="list-style-type: none"> ▪ 100% of the TV-radio transmission sites reactivated in time for the electoral campaign ▪ RNH studios in minimal working order for news and electoral campaign coverage 	<ul style="list-style-type: none"> ▪ government communications cell operational, regular communication activities ▪ starting off the media and information self-regulation authority 	<ul style="list-style-type: none"> ▪ State Secretary's Office modernized, provided with functional equipment and qualified staff ▪ training course for journalists given in the capital and regions ▪ adoption and distribution of an ethics and professional code of conduct ▪ setting up the Press Council ▪ partial inventory of the most significant items of the Haitian cultural heritage 	<ul style="list-style-type: none"> ▪ RNH and TNH operational 	<ul style="list-style-type: none"> ▪ action plan for protection and preservation of the inventoried parts of the cultural heritage

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THEMES/ SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
4.6 Food Security <u>Costs:</u> FY03-04: US\$0.1m FY04-05: US\$0.7m FY05-06: US\$0.5m TOTAL: US\$1.3m	Strengthen food security and risk management	23% of children have chronic malnutrition, 5% have acute malnutrition, 2/3 of rural households have food insecurity	<ul style="list-style-type: none"> ▪ monthly flash publication on tracking indicators for the food situation ▪ autonomous budget allocation to CNSA ▪ analysis document for risk vulnerability and cartography ▪ operation of early warning systems 	<ul style="list-style-type: none"> ▪ monthly flash publication on tracking indicators for the food situation ▪ establishment of regional CNSA branches 	<ul style="list-style-type: none"> ▪ monthly flash publication on tracking indicators for the food situation ▪ updating national food security plan 	<ul style="list-style-type: none"> ▪ monthly flash publication on tracking indicators for the food situation 	<ul style="list-style-type: none"> ▪ monthly flash publication on tracking indicators for the food situation ▪ CNSA framework law submitted to Parliament
4.7 Solid Waste <u>Costs:</u> FY03-04: US\$7.7m FY04-05: US\$14.8m FY05-06: US\$12.8m TOTAL: US\$35.3m	Ensure the collection of solid waste in the urbanized zones and their elimination responding to social and environmental standards	Significant amount of trash in the streets (only 20% of daily waste collected in Port-au-Prince); absence of a plan for the management of solid waste	<ul style="list-style-type: none"> ▪ collection of 50% of the daily waste and evidence of a significant reduction of trash in the streets (urbanized zones, not shantytowns) ▪ rehabilitate the 	<ul style="list-style-type: none"> ▪ collection of 100% of the daily waste and near absence of trash in the streets (urbanized zones, not shantytowns) ▪ 10% of the slums' 	<ul style="list-style-type: none"> ▪ 15% of the slums' 	<ul style="list-style-type: none"> ▪ 20% of the slums' 	<ul style="list-style-type: none"> ▪ 25% of the slums'

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			<p>garbage dump at Truttier and those of the principal secondary communities</p> <ul style="list-style-type: none"> ▪ program for maintenance/replacement of the GDS equipment (50% maintenance level) ▪ 3 recycling projects underway ▪ activities for strengthening of existing institutions' capacities and program for raising public awareness underway 	<p>population in Port-au-Prince benefits from improved access to waste collection/treatment services</p> <ul style="list-style-type: none"> ▪ adoption of a National Plan for Management of Solid Wastes ▪ program for maintenance/replacement of the GDS equipment (100% maintenance level) ▪ 10% recovery rate for recurring costs ▪ 3 recycling projects underway ▪ activities for strengthening of existing institutions' capacities and program for raising public awareness underway 	<p>population in Port-au-Prince benefits from improved access</p> <ul style="list-style-type: none"> ▪ 5 treatment and elimination sites in Port-au-Prince and other communities ▪ apply elements of the Plan; start operation of the National Waste Agency ▪ program for maintenance/replacement of the GDS equipment (100% maintenance level) ▪ 30% recovery rate for recurring costs ▪ 4 recycling projects underway ▪ activities for strengthening of existing institutions' capacities and program for raising public awareness underway 	<p>population in Port-au-Prince benefits from improved access</p> <ul style="list-style-type: none"> ▪ 15 treatment and elimination sites in Port-au-Prince and other communities ▪ program for maintenance/replacement of the GDS equipment (100% maintenance level) ▪ 80% recovery rate for recurring costs ▪ 5 recycling projects underway ▪ activities for strengthening of existing institutions' capacities and program for raising public awareness underway 	<p>population in Port-au-Prince benefits from improved access</p> <ul style="list-style-type: none"> ▪ 22 treatment and elimination sites in Port-au-Prince and other communities ▪ program for maintenance/replacement of the GDS equipment (100% maintenance level) ▪ 100% recovery rate for recurring costs ▪ 5 recycling projects underway ▪ activities for strengthening of existing institutions' capacities and program for raising public awareness underway

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<p>4.8. Slum Upgrading</p> <p><u>Costs:</u> FY03-04: US\$1.3m FY04-05: US\$12.4m FY05-06: US\$14.8m TOTAL: US\$28.5m</p>	<p>Improvement of the living conditions in the slums; participatory preparation of a national program for improvement of the urban living conditions; institutional strengthening of relevant agencies</p>	<p>Quantitative and qualitative housing deficit; progressive deterioration of neighborhoods; absence of a State entity that specifically takes care of the actions for improvement of the urban living conditions; lack of interdepartmental coordination of relevant entities</p>	<ul style="list-style-type: none"> ▪ 500 units improved 	<ul style="list-style-type: none"> ▪ 2,000 units improved ▪ construction of 500 housing project units ▪ new legal framework for land ownership regularization approved and implementation mechanism adopted; property tax collection improved by 10% 	<ul style="list-style-type: none"> ▪ 5,000 units improved ▪ construction of 1,000 housing project units ▪ adoption of a National Program for Improvement of Urban Living Conditions ▪ system of land ownership regularization improved in 10% of Port-au-Prince and 2 secondary cities; property tax collection improved by 25% 	<ul style="list-style-type: none"> ▪ 7,500 units improved ▪ construction of 1,500 housing project units ▪ system of land ownership regularization improved in 30% of Port-au-Prince and 4 secondary cities; property tax collection improved by 40% 	<ul style="list-style-type: none"> ▪ 10,000 units improved ▪ construction of 2,000 housing project units ▪ system of land ownership regularization improved in 50% of Port-au-Prince and 5 secondary cities; property tax collection improved by 50% ▪ activities for institutional strengthening as defined in the ICF in progress ▪ 50% of EPPLS debts canceled
<p>4.9 Safety Net and Social Protection</p>	<p>Increase access to identity cards for</p>	<p>Large part of the population is</p>	<ul style="list-style-type: none"> ▪ activities for institutional strengthening as defined in the ICF in progress 	<ul style="list-style-type: none"> ▪ activities for institutional strengthening as defined in the ICF in progress ▪ 50% of EPPLS debts canceled 	<ul style="list-style-type: none"> ▪ activities for institutional strengthening as defined in the ICF in progress ▪ Support Fund for Rent Securitization set-up 	<ul style="list-style-type: none"> ▪ activities for institutional strengthening as defined in the ICF in progress ▪ 25,000 people have received their 	<ul style="list-style-type: none"> ▪ 50,000 people have received their

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THEMES/ SECTORS	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
<p>Costs: FY03-04: US\$1.0m FY04-05: US\$11.8m FY05-06: US\$13.0m TOTAL: US\$25.8m</p>	<p>people without documentation; improve nutritional conditions for target groups; improve access to health care with micro-insurance; promote community development through financial transfers from outside (creation of a Solidarity Fund); strengthen social assistance programs targeting vulnerable groups, strengthen MAST's institutional capacities</p>	<p>vulnerable; lack of long-term strategy; public intervention for social protection remain very segmented, scattered and without significant impact; interventions from the non-government sector provide most of the social protection services but they are not coordinated and have variable quality</p>	<ul style="list-style-type: none"> ▪ support activities for nutritional needs for students (335,000), young mothers and their children (400,000), orphans (12,000), street children (1,000) and destitute elderly (1,000) as defined in the ICF in progress 	<p>documents</p> <ul style="list-style-type: none"> ▪ support activities for nutritional needs for students (450,000), young mothers and their children (470,000), orphans (12,000), street children (1,000) and destitute elderly (1,000) as defined in the ICF in progress ▪ 10,000 people covered by micro health-insurance ▪ 5,000 beneficiaries of projects financed in collaboration between Diaspora and Government ▪ creation of a Social Assistance Fund targeting the most vulnerable groups (financing about 400 projects before September 2006) 	<p>documents</p> <ul style="list-style-type: none"> ▪ support activities for nutritional needs for students (500,000), young mothers and their children (500,000), orphans (15,000), street children (1,000) and destitute elderly (1,000) as defined in the ICF in progress ▪ 50,000 people covered by micro health-insurance ▪ 15,000 beneficiaries of projects financed in collaboration between Diaspora and Government 	<p>identity documents</p> <ul style="list-style-type: none"> ▪ support activities for nutritional needs for students (500,000), young mothers and their children (500,000), orphans (20,000), street children (1,000) and destitute elderly (1,000) as defined in the ICF in progress ▪ 100,000 people covered by micro health-insurance ▪ 35,000 beneficiaries of projects financed in collaboration between Diaspora and Government 	<p>identity documents</p> <ul style="list-style-type: none"> ▪ support activities for nutritional needs for students (500,000), young mothers and their children (500,000), orphans (20,000), street children (1,000) and destitute elderly (1,000) as defined in the ICF in progress ▪ 200,000 people covered by micro health-insurance ▪ National Fund for Social Protection operational ▪ 65,000 beneficiaries of projects financed in collaboration between Diaspora and Government

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			<ul style="list-style-type: none"> ▪ activities for reinforcing the capabilities of MAST, micro-insurance operators and support organizations as defined in the ICF in progress 	<ul style="list-style-type: none"> ▪ activities for reinforcing the capabilities of MAST, micro-insurance operators and support organizations as defined in the ICF in progress 	<ul style="list-style-type: none"> ▪ activities for reinforcing the capabilities of MAST, micro-insurance operators and support organizations as defined in the ICF in progress 	<ul style="list-style-type: none"> ▪ activities for reinforcing the capabilities of MAST, micro-insurance operators and support organizations as defined in the ICF in progress 	<ul style="list-style-type: none"> ▪ activities for reinforcing the capabilities of MAST, micro-insurance operators and support organizations as defined in the ICF in progress

CROSS-CUTTING THEMES

THEMES	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
<p>Women Status and Rights (also see other themes/sectors)</p> <p>Costs: included in various themes/sectors</p>	<p>Promote the establishment of a legal and normative framework and of policies and programs favoring consideration of women issues and aimed at the improvement their living conditions</p>	<p>National legislation falls seriously short of conformance with international conventions ratified by Haiti; women's strategic interests are not included in poverty reduction strategies; low participation of women in the political arena</p>	<ul style="list-style-type: none"> ▪ startup of an information and awareness campaign in the media on the women's status and rights, and on the political participation of women and qualification of women candidates 	<ul style="list-style-type: none"> ▪ media campaign continues 	<ul style="list-style-type: none"> ▪ media campaign continues ▪ 10% of health centers equipped and personnel trained, and 5,000 information leaflets distributed, to ensure taking abused women into protection 	<ul style="list-style-type: none"> ▪ media campaign continues ▪ 7 preliminary bills to bring the national legislation in compliance with the international conventions revised and validated; proposal for ratification of the optional protocol on the CEDAW convention validated ▪ 60% of health centers equipped and personnel trained and 7,500 information leaflets distributed 	<ul style="list-style-type: none"> ▪ proposal for ratification of the Pact on Socio-Economic rights presented ▪ 100% of health centers equipped and personnel trained and 10,000 information leaflets distributed ▪ 10% of police recruited for the PNH are women

<p>HIV/AIDS (see also theme 4.3-Health and Nutrition)</p> <p>Costs: included in theme 4.3-Health and Nutrition</p>	<p>Set up voluntary testing centers (VCT) and PTME, and centers of excellence for ARV treatment; reduction of patient mortality; distribution of condoms</p>	<p>Prevalence stable at 5% of the population</p>	<ul style="list-style-type: none"> means of inter-ministerial consultation defined and specific projects/programs identified to take into account gender issues in HIMO, agriculture, and development of private-sector/SMEs projects 30% of temporary employment created goes to women 	<ul style="list-style-type: none"> project managers are sensitized on the need to take into account gender issues 30% of temporary employment created goes to women draft organic law for MCFDF finalized; development of an organizational chart and new description of tasks completed curricula and training programs on women issues developed for public service managers 	<ul style="list-style-type: none"> monitoring and interim evaluation 30% of temporary employment created goes to women MCFDF staff operate under new descriptions of tasks and are trained in project planning and management; procedural manual in place; 4 departmental directorates strengthened members of the ministerial cabinet and DGs sensitized; 30 public service managers sensitized 	<ul style="list-style-type: none"> monitoring 30% of temporary employment created goes to women 8 department directorates operational 30 public service managers use the approach in their field of work 	<ul style="list-style-type: none"> final evaluation and formulation of recommendations 30% of temporary employment created goes to women 20 MCFDF staff qualified to spread the gender analysis and four staff qualified for continuous training evaluation of the level of acquisition of knowledge, and formulation of recommendations
			<ul style="list-style-type: none"> 30% of temporary employment created goes to women 	<ul style="list-style-type: none"> 35 new testing centers; 6 centers of excellence reduction of mortality of HIV/TB co-infected patients to 50%; 5,000 co-infected patients have access to ARV 500,000 youth made aware 		<ul style="list-style-type: none"> 40 new testing centers; 10 centers of excellence reduction of mortality of HIV/TB co-infected patients to 35%; 5,000 co-infected patients have access to ARV 1 million youth made aware 	

<p>Sustainable and Integrated Management of Risks and Disasters (see also theme 3.7- Protection and Rehabilitation of the Environment)</p> <p>Costs: included in theme 3.7- Protection and Rehabilitation of the Environment</p>	<p>Implement National Plan for Management of Risks and Disasters</p>	<p>Situation of extreme vulnerability to the vagaries of nature; absence of coherent national strategies and policies, weak institutional and legal framework, and limited capacity for response and prevention</p>	<p>activities to prepare for the hurricane season completed</p> <ul style="list-style-type: none"> ▪ National Response Plan revised 	<p>30 million condoms distributed</p> <ul style="list-style-type: none"> ▪ Emergency Operations Center operational 	<p>National Meteorological Center strengthened and capable of transmitting weather alerts in time</p> <ul style="list-style-type: none"> ▪ structural mitigation actions started at Camp Perrin (South and South-East Dep.) 	<p>30 million condoms distributed</p> <ul style="list-style-type: none"> ▪ Risk and Disaster Management Units created in three ministries (MTPTC, MARNDR and MPECE/SEE) ▪ MARNDR's hydro-meteorological tracking network rehabilitated ▪ structural mitigation actions started at Morne l'Hôpital (Port-au-Prince) 	<ul style="list-style-type: none"> ▪ legal and normative framework validated ▪ building codes applied ▪ seismic hazard observation network functional ▪ national observatory on biological and chemical risks in place ▪ national communication system operational ▪ municipal early warning system for operational for Arbonite
<p>Human Rights (see also theme 1.2-Justice, Penitentiary Institutions and Human Rights)</p> <p>Costs: included in theme 1.2-Justice, Penit. Institutions and Human Rights</p>	<p>Strengthening of national capabilities for promotion and protection of human rights</p>	<p>Situation of violations of human rights, absence of policy and coordination, lack of respect for international commitments in this domain</p>	<p>development of mechanisms and strategies at the national level</p>	<p>30 million condoms distributed</p> <ul style="list-style-type: none"> ▪ dissemination of educational programs on human rights ▪ implement structure for national policy coordination 	<p>national action plan elaborated</p> <ul style="list-style-type: none"> ▪ joint committees for promotion and protection of individual rights active ▪ presentation of at least one periodic report to the conventional bodies 	<p>capacities for administration, management and investigation of the OPC strengthened</p> <ul style="list-style-type: none"> ▪ preparation and sensitization on the bill clarifying the status and role of OPC 	<ul style="list-style-type: none"> ▪ 3 human rights documentation centers established (Cap, P-au-P, Cayes) ▪ OPC organic law adopted

MECHANISMS FOR AID COORDINATION AND ICF FOLLOW-UP

THEMES	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
<p>Aid Coordination and ICF Follow-Up</p> <p>Costs included in theme 2.2 Strengthening of Institutional Capabilities</p>	<p>Set up mechanisms for dialogue and coordination between the Government, civil society and the international community</p>	<p>Weak functions for coordination and control of central agencies, strong recourse to parallel structures for service provision to the population, insufficient coordination of external aid</p>	<p><u>Vertical integration of coordination on the Haitian side</u></p> <ul style="list-style-type: none"> ▪ The Prime Minister Office's Strategic Coordination Cell operational; ICF's Inter-ministerial Coordination Committee continues to operate ▪ first public report on the ICF progress <p><u>Donor coordination</u></p> <ul style="list-style-type: none"> ▪ Haiti Contact Group at the agency level (presided by the World Bank) meets biannually, and donors' group in Haiti (presided by the UNDP Representative) meets monthly to coordinate the interventions and evaluate ICF progress <p><u>Interface between Government, civil society and international community</u></p> <ul style="list-style-type: none"> ▪ Joint Committee for the Implementation and Monitoring of the ICF operational; Support Unit operational; collaboration 	<ul style="list-style-type: none"> ▪ various coordination entities functional ▪ biannual report on the progress of the ICF 	<ul style="list-style-type: none"> ▪ various coordination entities functional ▪ biannual report on the progress of the ICF 	<ul style="list-style-type: none"> ▪ various coordination entities functional ▪ biannual report on the progress of the ICF 	<ul style="list-style-type: none"> ▪ various coordination entities functional ▪ final report on the ICF

THEMES	PRIORITY OBJECTIVES	BASELINE	TARGETS AND MONITORING INDICATORS SEPT. 2004	TARGETS AND MONITORING INDICATORS MARCH 2005	TARGETS AND MONITORING INDICATORS SEPT. 2005	TARGETS AND MONITORING INDICATORS MARCH 2006	TARGETS AND MONITORING INDICATORS SEPT. 2006
<p>Participatory preparation of a Poverty Reduction Strategy</p> <p>Costs included in the theme 2.2 Strengthening of Institutional Capabilities</p>	<p>Prepare a Poverty Reduction Strategy Paper (PRSP) in a participatory manner and covering the period 2006-2009</p>	<p>Consultations and preparation of the first draft of the Poverty Reduction Strategy Paper initiated in 2003; analysis on the state of poverty completed; the ICF could serve as basis for the preparation of the PRSP</p>	<p>with MPECE/MFE begun and contacts made with the ministerial branches</p>	<p>recruitment and remuneration scales</p>	<p>harmonization have been analyzed and recommendations are made to the Contact Group</p>	<p>effort continues</p>	<p>effort continues</p>
			<ul style="list-style-type: none"> ▪ consensus on mechanisms for dialogue and consultation 	<ul style="list-style-type: none"> ▪ continuation of the preparation and consultation for the PRSP 	<ul style="list-style-type: none"> ▪ continuation of the preparation and consultation for the PRSP 	<ul style="list-style-type: none"> ▪ presentation to the new government of a draft PRSP 	<ul style="list-style-type: none"> ▪ implementation of the PRSP and regular monitoring and evaluation

ANNEX II

List of agencies which participated in the ICF preparation
and consultations

List of Organizations which participated in the preparation of the ICF¹

The Transitional Government of Haiti

Bureau du Premier Ministre (BPM)
Cour Supérieure des Comptes et du Contentieux Administratif (CSCCA)
Ministère de l'Agriculture, des Ressources Naturelles et du Développement Rural (MARNDR)
Ministère des Affaires Sociales (MAS)
Ministère de l'Economie et des Finances (MEF)
Ministère de l'Education Nationale et de la Culture (MENC)
Ministère de l'Intérieur et des Collectivités Territoriales et de la Sécurité Nationale (MICTSN)
Ministère de la Planification, de l'Environnement et de la Coopération Externe (MPECE)
Ministère de la Santé Publique et de la Population (MSPP)
Ministère des Travaux Publics Transports et Communication (MTPTC)
Ministère de la Justice et de la Sécurité Publique (MJSP)
Ministère du Commerce, de l'Industrie et du Tourisme (MCIT)
Ministère de la Condition Féminine et aux Droits de la Femme (MCFDF)

Administration et Développement Local (IDR)
Administration Générale des Douanes (AGD)
Autorité Aéroportuaire Nationale (AAN)
Autorité Portuaire Nationale (APN)
Bureau des Mines et de l'Energie
Centrale Autonome Métropolitaines d'Eau Potable (CAMEP)
Centre de Techniques de Planification et d'Economie Appliquées (CTPEA)
Coordination National pour Sécurité Alimentaire (CNSA)
Direction Générale des Impôts (DGI)
Electricité d'Haïti (EDH)
Entreprise Publique de Promotion des Logements Sociaux (EPPLS)
Institut du Bien-être Social (IBSR)
Office d'Assurance Travail et Maternité (OFATMA)
Office Nationale d'Assurance (ONA)
Office Nationale de la Migration (ONM)
Office Nationale pour les Artistes (ONART)
Police Nationale d'Haïti / Service des Garde-Côtes
Secrétairerie d'Etat à l'Environnement
Secrétairerie d'Etat à la Culture et à la Communication
Secrétairerie d'Etat à la Jeunesse et aux Sports
Secrétariat Permanent de Gestion des Risques et Désastres (SPGRD)
Service Maritime de Navigation d'Haïti (SEMANAH)
Service Nationale d'Eau Potable (SNEP)
Services Métropolitain et de Collecte des Résidus Solides (SMCRS)
Télécommunication d'Haïti S.A. (Téléco)

¹ This list is not exhaustive.

The International Community

Agence Allemande pour la Coopération Technique (GTZ)
Agence des Etats Unis pour le Développement International (USAID)
Association Universitaire de la Francophonie (AUF)
Banque Interaméricaine de Développement (BID)
Banque Mondiale (BM)
Bureau du Haut Commissariat des Droits de l'Homme (OHCHR)
Bureau International du Travail (BIT/ILO)
Bureau pour la Coordination des Affaires Humanitaires (OCHA)
Commission Européenne(CE)
Fonds des Nations Unies pour la Population (FNUAP/UNFPA)
Gouvernement de l'Espagne
Gouvernement de la Belgique
Gouvernement de la France
Gouvernement du Canada (ACDI)
Instituto Interamericano de Cooperación para la Agricultura (IICA)
Mission des Nations Unies pour la Stabilisation en Haïti (MINUSTAH)
Organisation des Etats Américains (OEA/OAS)
Organisation des Nations Unies pour l'Education (UNESCO)
Organisation des Nations Unies pour l'Enfance (UNICEF)
Organisation des Nations-Unies pour l'Alimentation et l'Agriculture (FAO)
Organisation Internationale pour la Francophonie (OIF)
Organisation Internationale pour la Migration (OIM)

Organisation Mondiale de la Santé/Organisation-Organisation Panaméricaine de la Santé/Organisation Mondiale de la Santé (OMS/OPS, WHO/PAHO)
OXFAM-Québec
Programme Alimentaire Mondiale (PAM/(WFP)
Programme Commun des Nations Unies sur le VIH/SIDA (ONUSIDA)
Programme d'Alimentation pour le Développement (PAD)
Programme des Nations Unies pour l'Environnement (PNUE/UNEP)
Programme des Nations Unies pour le Développement (PNUD/UNDP)
Projet Accompagnement d'Haïti dans la Société de l'information
United Nations Human Settlements Programme (UNHABITAT)

Haitian Associations

Association Haïtienne de génie sanitaire et des sciences de l'environnement (ADISH)
Association Nationale des Magistrats Haïtiens (ANAMAH)
CIPEA
Fédération des Barreaux
Forum Citoyen
Groupe de Recherche et d'Intervention en Éducation Alternative (GRIEAL)
Groupe de Recherche Intègre de Développement (GRIDE)
Solidarité Union Coopérative (SUCO)

List of organizations/actors consulted by thematic groups during the preparation of the ICF and who participated in regional and national consultations

(this list is not exhaustive)

ACCP les Anglais	Cabinet Archer et Associés
ACCP/SUD	CARE
Action Contre la Faim (ACF)	CARITAS
Action pour un Développement Durable (ACDED)	Catholic Medical Mission Board (CCBM)
Agence Suédoise pour le Développement International (SIDA)	Centre Canadien d' Études et de Coopération Internationale (CECI)
American Chamber of Commerce in Haiti	Centre de Développement Santé (CDS)
ANGAN	Centre de Recherches et de Formation Economique et Sociale pour le Développement (CRESFED)
ASAKO	Centre Oecuménique des Droits de l'homme (CEDH)
ASSAVEJ	Centre pour la Libre Entreprise et la Démocratie (CLED)
Association Écologique	CEPAL-Mexico (ONU/ECLAC)
Association de Coopération avec la Micro Entreprise (ACME)	Chambre de Commerce et d'Industrie d'Haïti (CCIH)
Association des Artisans d'Haïti (ADAH)	Chambre de Commerce, d'Industries et de Professions du Nord (CCIPN)
Association des Assureurs d'Haïti (AAH)/Groupe 184	Chambre Franco-Haïtienne de Commerce et d'Industrie (CFHCI)/184
Association des Directeurs d'Écoles Privées (ADEPH)	Christian Aid
Association des Industries d'Haïti (ADIH)/184	CNC/SUD
Association des Œuvres Privées de Santé (AOPS)	Coalition Nationale de Réfugiés Haïtiens (CNRH)
Association des Victimes de Coopératives (CONASOVIC)	Collectif Haïtien pour l'Environnement et le Développement
Association Haïtienne des Économistes (AHE)	Collectif Haïtien pour la Protection de l'Environnement et un Développement Alternatif (COHPEDA)
Association Haïtienne pour la Maîtrise des Eaux et des Sols en Milieu Rural (ASSODLO)	Collectif pour la Protection de la Nature (COPE)
Association Haïtienne pour la Promotion et un Développement Autonome (PROVEDA)	Comision Natyonal Peyzan
Association Médicale Haïtiens (AMH)	Comité Protos Haïti (CPH)
Association National des Femmes Victimes des Coopératives (ANFVC)	Confédération des Écoles Privées d'Haïti (CONFEPH)
Association Nationale des Institutions de Micro-Finance d'Haïti (ANIMH)	Confédération Nationale des Éducateurs Haïtiens (CNEH)
Association Nationale des Médias Haïtiens (ANMH)	Conférence Épiscopale Éducation Catholique (CEEC)
Association Nationale des Pêcheurs (ANP)	Congres National des Mouvements Démocratiques KONAKOM
Association Nationale pour l'Unité Haïtienne (ANUH)/184	Convention Baptiste d'Haïti (CBH)
Association pour la Coopération avec la Micro-Entreprise (ACME)	CONVERGENCE DEMOCRATIQUE
Association Touristique d'Haïti (ATH)	Cooperative Housing Foundation (CHF)
AYITI KAPAB	
Bureau de Nutrition et de Développement (BND)	

Interim Cooperation Framework-Haiti

Coordination des Programmes de Développement / Église Méthodiste d'Haïti (COD/EMH)	Fonds de Développement Industriel (FDI)
Coordination Nationale de Plaidoyer pour les Droits de la Femme (CONAP)	Fonds Kore Fanm
Coordination Syndicale Haïtienne (CSH)/184	Force Populaire de Delmas (FOPOD)
Corps National des Enseignants haïtiens (CONEH)	FRONTCEPH
CPPNE	GAIPP/ Projet PADEDD
Croix-Rouge	GARR
Development Activities and Services for Health (DASH-PROCARE)	GRAMIR Jérémie
Development Alternative International (DAI-FINNET)	Groupe 184
Développement International Desjardins (DID)	Groupe de Recherche et d'Échanges Technologiques (GRET Haïti)
Direction Centrale de Pharmacies	Groupe des Personnes Ressource DSRP-I
Direction de la Protection Civile	Groupe d'Initiative des Enseignants de Lycée (GIEL)
Église Épiscopale	Groupe Santé Plus
ENFOFANM	Groupe Technologie Intermédiaire d'Haïti (GITH)
Faculté de Médecine et de Pharmacie	GTIH (Branche Nord)
FANMYOLA/184	HELVETAS
FCDNEM	Hervé Lerouge Construction (HL Construction)
Fédération des Amis de la Nature (FAN)	Initiative de la Société Civil (ISC)
Fédération des Écoles Catholiques de Port-au-Prince (FECAP)	Institut de Recherches et d'Application des Méthodes de développement (IRAM)
Fédération des Écoles Protestantes d'Haïti (FEPH)	Institut Haïtien de Statistique et d'Informatique (IHSI)
Fédération Luthérienne Mondiale (FLM)	INUJED
Femmes / N.E.	Justice et Paix
FENATEC/184	La FAN (Fédération des Amis de la Nature)
FEUH/184	Les Scouts d'Haïti (Girl Scouts)
Financial Services	MCC
FINCA / Haïti	Médecins sans Frontières
FNMH	Micro Crédit National (MCN - Unibank)
Fondasyon Kole Zepol (FONKOZE)	MOUFHED
Fondasyon Nouvel Hayti	Mouvement Chrétien pour une Nouvelle Haïti (MOCHRENA)
Fondation Écologique du Nouveau Collège Bird (FNCB)	Mouvement Démocratique pour la Libération de Haïti (MODELH)
Fondation Haïtienne de l'Enseignement Privé (FONHEP)	Mouvement des Femmes Haïtiennes pour l'Éducation (MOVFED) / 184
Fondation Haïtienne de l'Environnement (FHE)	Mouvement National des Paysans de Congrès de Papaye (MPNKP)
Fondation Haïtienne Healing Hands	Mouvement Paysans Papaye (MPP)
Fondation Héritage pour Haïti, (Transparency International)	MOVIMONDO
Fondation Internationale pour la Réhabilitation des Démunis (FIRD)	National Coalition for Haitian Rights (NCHR)
Fondation pour la Santé Reproductrice et la Famille (FOSREF)	OCODE
Fondation Pour le Relèvement de Cap-Haïtien (FORCAP)	OCP/SUD
	ODNE

Interim Cooperation Framework-Haiti

Organisation de Défense des Droits des Enfants (ODDE)
Organisation Peuple en Lutte (OPL)
Organisation pour la Réhabilitation de l'Environnement (ORE)
Pan-American Development Foundation (PADF)
Plate-forme des Organisations Haïtiennes des Droits de l'Homme (POHHDH)
Plate-forme Haïtienne de Plaidoyer pour un Développement Alternatif (PAPDA)
Project Measure
Projet d'Appui à la mise en oeuvre du Plan d'Action pour l'Environnement (PAPAE)
POSHEP
Radio Galaxie
Radio Méga Star
Radio Métropole
Radio Signal FM
Rassemblement des Démocrates Nationaux Progressistes (RDNP)
Réseau d'Enseignement Professionnel et d'Intervention Ecologique (REPIE)
Réseau de Développement Durable d'Haïti (RDDH)
Réseaux Haïtiens des Plantes Médicinales
RPK
Société Audubon d'Haïti
Société Caribéen de Banque (SOCABANK)
Société Générale de Banque (SOGEBANK)
Société Haïtienne d'Épargne et de Crédit (SHEC)
SOFIHDES
SOPROS
Surveillants Parc Macaya
Technique d'Administration, d'Animation et de Gestion (TAG)
TET ANSANM
UBRD
Union des Parents d'Élèves Progressistes d'Haïti (UPEPH)
Union des Patriotes Haïtiens (UPH)
Union Nationale des Normaliens d'Haïti (UNNOH)
Unité d'Appui Coopération Canadienne (UAPC)
Unité Reforme Secteur Eau Potable (URSEP)
United Nations Development Fund for Women (UNIFEM)

Université d'État d'Haïti (UEH)
Université Quisqueya (UNIQ)
World Vision

ANNEX B

TO THE FINAL REPORT

PROPOSAL FOR A MEDIUM-TERM ACTION PLAN FOR THE

CARIBBEAN DEVELOPMENT BANK

IN HAITI

INTERIM COOPERATION FRAMEWORK (ICF)

ORIGINAL DONOR PLEDGE TABLE (July 2004)

ANNEX C

TO THE FINAL REPORT

PROPOSAL FOR A MEDIUM-TERM ACTION PLAN FOR THE

CARIBBEAN DEVELOPMENT BANK

IN HAITI

INTERIM COOPERATION FRAMEWORK (ICF)

FIRST YEAR ACHIEVEMENTS LIST

First Year of Haiti's Interim Cooperation Framework – Achievements

Highlights as of May, 2005

Pillar 1. Strengthen Political Governance and Promote National Dialogue

1.1 Security, Police and Demobilization, Disarmament and Reintegration (DDR)

- ✍ Recruitment and training of 2,300 police of which 800 will be licensed to serve in September.
- ✍ Support for nearly 800 victims of organized violence and training of 1,489 health professionals to provide treatment to victims of violence.
- ✍ Development of a Strategic development plan for the Haitian National Police 2004-2008 and approval by the Superior Council of the National Police.
- ✍ Assessment of twenty commissaries in the 10 departments of the country underway and the bids are being prepared for rehabilitation works.

1.2 Justice, Penitentiary Institutions and Human Rights

- ✍ 150 government officials trained in the prevention of trafficking in persons.
- ✍ Training and support program for judges, prosecutors and clerks from Justice of the Peace Courts to Supreme Courts has trained more than 300 participants on court and case management, helped develop and implement uniform procedures for Justice of the Peace Courts, and supported the creation of the first Masters in Law program in Haiti. The program is also improving capacity for judicial independence through need-based budget training at the Supreme Court.
- ✍ Bidding documents for the rehabilitation of four (4) courts being prepared
- ✍ Educational radio programs in Creole on human rights developed and broadcast on community radio stations in the 10 departments of the country.
- ✍ Training to strengthen capacity of human rights organizations and networks.
- ✍ Training of six (6) trainers in human rights issues and awareness raising activities for some 600 civil society organizations on basic notions of human rights.
- ✍ Increased capacity for Haitian-Dominican network to observe and denounce human rights violations in the border area and increased awareness of local populations and authorities of both countries on the rights of Haitians living in the border area.

1.3 Electoral Process

- ✍ Establishment of 194 voter registration sites that will serve 70 percent of the electorate.
- ✍ Training for 20,106 political party members through forums, debates, and roundtables.

1.4 National Dialogue

- ✍ Expert task force established in charge of analysis and research to support eventual Dialogue and Concentration Tables.
- ✍ Strengthening of local governance structures to increase people's participation in decision-making
- ✍ Establishment of Forum for dialogue and consensus for civil society organization and local

authorities in four communes

- ✍ Thousands of youth in South East department taught their civic responsibility
- ✍ Establishment of structures that promote civic action in local communities

Pillar 2. Strengthen Economic Governance and Institutional Development

2.1 Economic Governance

- ✍ First government budget prepared since 1995 and shared with civil society and donors.
- ✍ Budget execution strengthened and proceeding in accordance with budget plan shared with civil society and donors and adjusted budget prepared to reflect modifications.
- ✍ Preparation of the audit of the 2001-02 government budget
- ✍ Spending through discretionary accounts reduced from 60 percent to less than 10 percent this fiscal year.
- ✍ Preparation of account rehabilitation of Electricité d'Haïti and TELECO are underway.
- ✍ Establishment of an Anti-Corruption Unit.
- ✍ Creation of a civil society oversight committee to track economic governance reforms.
- ✍ Increased awareness among general public of the budgetary process and reforms

2.2 Strengthening of Institutional Capacity

- ✍ Creation of a National Procurement Commission to improve bidding and procurement practices.
- ✍ Staffing of the Road Maintenance Fund.
- ✍ Creation of project implementation unit to manage donor projects and help speed up implementation (at PL-480 PCU).
- ✍ Training for community-based organizations on participatory planning, accounting and project management, environmental protection, soil conservation and cleaning ravines, and rehabilitating small roads.
- ✍ Foreign technical advisors deployed to help strengthen government functions, including on security; relations with the Caribbean Community (CARICOM); public affairs; statistics for Ministries of Interior and Agriculture, respectively; customs; commerce; port security; public communications; finances and education, among others.
- ✍ Rehabilitation of the building of the Ministry of Justice and part of Ministry of Agriculture, and office equipment and furniture installed at the Ministries of Agriculture, Economy and Finance, Planning, Justice and Public Health and Population, and at the Water Sector Reform Unit (URSEP).
- ✍ Technical advisor hired to help the government in the justice sector.
- ✍ Construction of decentralized branch (department) of Ministry of Planning in the Artibonite Department.
- ✍ Strengthening of capacities of various ministries for the execution and monitoring of infrastructure projects.
- ✍ Establishment of a department for the promotion and protection of women's rights and a department for mainstreaming gender analysis, both at the Ministry of Women Affairs,
- ✍ Creation of a network on population and development in order to conduct strategic planning of development.
- ✍ Upgrading of facilities of the Ministry of Women Affairs so it can fulfill its mandate
- ✍ Technical support to the transition government for the analysis and publication of the 2003

Population Census.

- ✍ Five regional offices established by the Social Investment Fund (FAES)

Pillar 3. Promote Economic Recovery

3.1 Macroeconomic Stability:

- ✍ Improved the macroeconomic framework.

3.2 Electricity

✍ From May 2004 until early March 2005, fuel was made available to Electricité D’Haiti (EDH) to guarantee an average of 12 hours of electricity a day in Port-au-Prince and surrounding suburbs, a significant increase over the two hours per day which were being provided after the February 2004 civil disturbances. An average of 80,000 gallons of fuel per day was purchased to keep the lights on and businesses operating. A total of 16.4 million gallons of diesel fuel was purchased over the course of the program.

✍ Contract signed with Louis Berger Group to repair four thermal units for EDH, which will add an additional 30 megawatts of electricity for distribution.

✍ Essential electricity services maintained in Jacmel, where, under a successful program with EDH and Hydro-Quebec since 2001, citizens have paid for and received 24 hours of electricity services.

3.3 Rapid Job Creation and Micro-Finance

✍ Some 200,000 person-days of work created for small basic infrastructure projects, including small roads, and community development projects.

✍ Promotion of activities that generate short-term employment in sanitation, infrastructure rehabilitation, handicrafts, recycling, micro-enterprise, coffee and agribusiness: This has employed 145,528 person-months which translate into 2,763 long-term jobs and 55,015 short-term jobs. The target for the current fiscal year is 101,678 person-months.

✍ Development Credit Authority agreements were approved with two Haitian banks to leverage additional loans. The lending activity will complement existing micro-finance program which has reached more than 90,000 micro-entrepreneurs, most of whom are women. The target for fiscal year 2004-05 is to distribute 112,500 loans.

✍ Establishment of a “school-loan” program through network of credit unions to help finance school attendance of 2,100 students; some 420 micro-loans were made.

3.4 Agriculture and Food Security

✍ Projects of agricultural production, irrigation and support to the commercialization of local products have been conducted in partnership with Haitian and international NGOs, to the benefit of at least 2,500 families in rural Haiti.

✍ Rural infrastructure projects have supported the strengthening of irrigation systems, agricultural roads, special structures for drying agricultural products such as rice and coffee beans (700 glaxis), water conservation (some 600 family cisterns), containment of rivers, and correcting ravines. These projects have created 873,332 person-days of jobs.

✍ Support for agriculture actors (farmers, cooperatives, local institutions) involved in fruit crops, forestry, forest nurseries, rearing livestock, aquaculture, and fisheries, including the

distribution and planting of some 3.9 million plants, 1 million mangoes, 40,000 papaya plants, bamboo trees, distribution of chickens, pest control and other activities. These activities have created some 275,000 person-days of jobs.

☞ Support for management of natural resources including soil conservation, watershed protection, reforestation and environmental protection and rehabilitation in the West, Southeast, Center and South departments of the country. These activities created some 795,000 person-days of work.

☞ 15 tons of seeds and 10,000 plants have been bought and distributed to 130 farmers in a project to of seed multiplication that aims at producing and marketing good-quality autochthonous seeds.

☞ Seeds and tools for the benefit of 3,500 farmers in the Artibonite Department to restore agricultural production following Tropical Storm Jean.

☞ Five contracts worth US\$9 million signed to undertake civil works and studies to strengthen the operations of the South Artibonite Canal.

☞ Local development plan created by commune in Marmelade to protect the environment and improve incomes through water and soil conservation, replanting of trees, and rehabilitation of the environment. The plan promotes health, education, commerce, cultivation of diverse produce, coffee, livestock and beekeeping.

3.5 Roads and Transportation

☞ Rehabilitation of the road Port-au-Prince/Mirebalais (bidding process underway).

☞ Rehabilitation of the road Port-au-Paix/ Carrefour Limbé (bidding process underway).

☞ Within the framework of infrastructure rehabilitation programs, works are in progress for 12 Km of urban roads in 6 provincial cities which in total will employ an average of 6,000 people for 9 months.

☞ Construction of a link road of 900 meters to improve circulation and connect the south of Port-au-Prince to Route National.

☞ Reinforcement of 47 Km of masonry canals in rural areas in 4 Departments (South, North, South east and Artibonite).

☞ Some 5 Km of rural roads have been rehabilitated in the Department of the South and Grande-Anse. This corresponds to the creation of 210,000 person-days of employment.

☞ Bridge reinforcement to prevent erosion in Meyotte (West Department). Some 30,000 people will benefit from this improvement.

☞ 5 kms roads completed in Grande-Anse and 58 kms in execution in departments of Grande-Anse and the South.

☞ Bidding process completed and firm selected for works on 10 kms of tertiary roads in Departments of Artibonite and the South

☞ 112 kms of secondary and tertiary roads under evaluation in the Departments of the North, Artibonite, North West and South East.

☞ Studies and arrangements completed for 85 kms of secondary roads to be rehabilitated from Port de Paix to Cap Haitien and Limbé to Cap Haitien beginning in July 2005.

☞

3.6 Environmental Protection and Rehabilitation

☞ Plans completed for a flood early warning system in Fonds Verrettes (system should be in place by August 2005).

- ☞ Plans completed for auto-construction of permanent houses by the victims of the Fonds Verrettes floods, with construction to start in July 2005.
- ☞ Plans completed for watershed management (mainly replanting); activities/works to start in July 2005.
- ☞ Activities completed by small farmers to upgrade plots of land through improved watershed management in an effort to mitigate flooding.
- ☞ Three soil conservation projects underway in Artibonite, creating more than 5,000 person-days of work

Pillar 4. Improve Access to Basic Services and Humanitarian Assistance

4.1 Emergency Humanitarian Aid and Post-Disaster Rehabilitation (includes food security)

- ☞ Food assistance program in seven Departments includes distribution of 20,390 metric tons of to 514,685 recipients (A recipient is one person receiving a food ration). This program includes development of a system to provide early warning of problems that could lead to increased food insecurity. Called FEWSNET, this activity is now embarking on a national livelihoods survey to identify how Haitians in different ecological zones and economic strata feed their families. The resulting information will help improve emergency and development responses to climatic or economic shocks at the household level.
- ☞ 3,400 metric tons of food aid provided to drought-affected populations in the Northwest.
- ☞ Transitioning from disaster assistance to reconstruction and recovery, a Cash-For-Work program organized clean-up activities or replacement of lost assets in rural areas. All of Gonaïves' 200,000 residents are benefiting indirectly from these projects, as cleaning up the city will reduce the risk of disease and increase mobility. Following the floods, initial estimates placed the amount of mud at close to 600,000 cubic meters. To date, approximately 159,723 cubic meters of mud have been cleared from the city as part of Cash-for-Work clean-up programs has created employment for some 30,380 people.
- ☞ Emergency kits for pregnant women going into labor, sexual violence and sexually-transmitted infections distributed in areas affected by 2004 floods.
- ☞ In aftermath of flooding disaster in Gonaïves in 2004, facilities restored at 48 schools and supplies provided, including 742 school benches, 250 school boards, 250 meters of cement fences, 10,518 school kits, and 28 cases of chalk.
- ☞ Mobile clinics organized and deployed to server some 3,600 people in the Valley of Three Rivers following floods caused by Tropical storm Jean in 2004.
- ☞ Establishment of a guarantee fund of \$100,000 Canadian to finance emergency loans for merchants that were victims of extortion and looting in Port-au-Prince.
- ☞ Counseling and schooling program for 2,000 children victims of violence in Gonaïves; school equipment provided to 12 schools affected.
- ☞ Following the February 2004 crisis, support for children to return to 118 schools in Artibonite (including provision of school supplies, remedial programs, subsidies, light rehabilitation, distance learning, psycho-social support, etc) and 50 schools in the Bas Plateau Centrale, of Gonâve and of Saint-Martin (Port-au-Prince neighborhood).
- ☞ In aftermath of floods in South East Department in 2004, Support for 6,500 school children, including support for organizing final exams and organizing school camps, school feeding program and counseling.

✍ Emergency programs for 56 schools following Tropical Storm Jean, including kits for students and teachers for schools in Artibonite, the North West and Gonaïves; rehabilitation to fences to make schools safer and basic hygiene education for students.

4.2 Water and Sanitation

- ✍ Accounting firm hired and providing technical assistance to improve accounting practices of CAMEP, the Port au Prince metropolitan area water authority.
- ✍ Training in administrative management and technical issues provided to CAMEP and SNEP, the National agency for potable water services.
- ✍ Strengthening of SNEP laboratory to ensure sound analysis of water quality following flooding in Gonaïves,
- ✍ An additional 250,000 people have been given access to drinking water. Also, 5 systems to provide drinking water have been accomplished in the West and South of the country, and their corresponding management committees have been set up.
- ✍ Three studies to strengthen water systems in Port de Paix, Cayes and Ouanaminthe are being prepared.
- ✍ Four (4) sanitary blocs (latrines, toilets, and safe water) built for schools in the South department.
- ✍ Ninety (90) latrines in Fonds Verette and 1,200 family latrines in Gonaïves built and 80 school latrines in Gonaïves rehabilitated.
- ✍ Emergency rehabilitation work has started on the water systems in 8 cities, namely in Gonaïves, Croix des Bouquets Cap-Haitien (which includes drilling of two wells, equipment and reconnections), Kenscoff, Les Cayes, Port de Paix, Petit Goave; and Saint Marc.
- ✍ 80,000 families given access to safe water following Gonaïves floods.
- ✍ 3,500 mosquito nets produced and distributed to Gonaïves.

4.3 Health and Nutrition

- ✍ Strengthened governance of health sector through: Establishment of round-tables in communal health centers of St Marc where 90 percent of organizations fighting HIV/AIDS and Sexually Transmitted Infections coordinate their activities; trained 70 percent of medical staff of communal health centers targeted
- ✍ Significant increase in prevention based on number of screening tests given and communities taking in people living with HIV/AIDS
- ✍ Repairs and equipping of health centers in Jeremie, Saint Marc, Lachappelle, Aquin, Port Salut, Jean Rabel, Petit Goave and Jacmel.
- ✍ 400,000 people have been given access to health services, and 5,000 women have received maternity training to learn safe behaviors.
- ✍ Rehabilitation of Fort-Liberty hospital and health depots in Cap Haitian and Les Cayes, resulting in improved health care for the populations of the North East, North and South

4.4 Education, Youth and Sports

- ✍ Support provided for 2.4 million schoolbooks to be distributed for the 2004-05 school year. Additional support will be provided to purchase and distribute schoolbooks for the 2005-06 school year.
- ✍ School materials distributed to 20,000 school children in flood affected communities of Gonaïves, Mapou and Fonds Verette.

- ☞ Some 5,200 tons of food aid was distributed to 150,000 students in school cafeterias around the country.
- ☞ Rehabilitation and reconstruction of 24 schools on-going in the north, south-east and Artibonite regions.
- ☞ Interactive radio instruction program has been produced and is teaching mathematics and reading in Creole to 2nd to 4th graders in 75 schools in Gonaïves and Gros Morne. This initiative is also furnishing books and radios to schools that lost most of their materials in the September 2004 floods.
- ☞ Launching of a non-formal education program equivalent to primary education, for out-of-school youth emphasizing literacy, basic math, life skills, and workforce behaviors. The program will be ready to pilot with over 450 out-of-school youth during the second half of 2005. In the meantime, nine grassroots NGOs in Carrefour-Feuilles, Mirebalais, and Jérémie are receiving funding to strengthen their ability to provide education and livelihood preparation services to out-of-school youth.
- ☞ Emergency program serving internally displaced families in the lower Artibonite. Two thousand children received scholarships, school uniforms and shoes, and school materials. Three hundred school benches were provided to schools in Dessalines, l'Estere, Desdune and La Croix Perisse.
- ☞ Summer camp program addressing the psycho-social rehabilitation needs of primary school children affected by violence in five Haitian cities and provision of scholarships to over 13,000 camp participants to ensure their return to school. The scholarship package includes school fees, uniforms, learning materials, and support to teachers.
- ☞ 160 schools renovated or with renovations underway. 210 parent associations and School management committees have been created and are operating.
- ☞ 150,000 school books, notebooks and learning guides have been distributed between March-April 2005. A new order is being prepared for the 2005 school year.
- ☞ Creation of a Program of Post-graduate studies on Population and Development taught by the Center for Population and Development.
- ☞ Two schools rehabilitated in the North East and four are being rehabilitated in the South East.
- ☞ One new school built in the North East and one under construction in Gonaïves
- ☞ 45,000 school kits distributed in disadvantaged neighborhoods of Port-au-Prince, including for 120 schools in Cité Soleil.
- ☞ Support for income generating activities of the Episcopal Commission of Catholic Schools.
- ☞ 280 youth alphabetized through a pilot project promoting functional literacy for children in rural areas that have not attended school.

4.5 Culture Media and Communications

- ☞ Establishment of the Ministerial Commission on Cité Soleil (IMC), an office mandated by the Prime Minister to focus on facilitating positive change in the troubled slum area called Cité Soleil; activities have included promotion of cultural activities and a festival.

4.8 Solid Waste Management

- ☞ The Haitian Environment Foundation (HEF) program of solid waste collection in the Port-au-Prince area is being implemented by the mayoral offices in Pétiön-ville and Cité Soleil, with

operational support provided by Service Métropolitain de Collecte et de Ramassage des Déchets Solides (SMCRS). There have been 300,805 cubic meters of garbage collected thus far for October 2004 - May 31, 2005. The target for fiscal year 2004-05 is 255,000 cubic meters (50 to 60 percent of Port-au-Prince monthly garbage).

☞ Waste collection underway in Cité L'Éternel and treatment of 3 kilometers of canals in downstream area of Ravine Bois-de-Chêne.

Cross-Cutting Themes

Local Development Activities:

☞ Implementation of mini-projects in rural communities throughout the country in partnership with NGOs to support small scale health, education (including 34 school rehabilitation/construction projects) and micro credit projects and small rehabilitation works on roads, soil conservation, and clearing of ravines to mitigate impact of heavy rains and reduce potential for flooding.

☞ Small income generating projects.

HIV/AIDS:

☞ Various programs to reduce incidence and provide treatment and counseling, including for vulnerable populations such as young street girls and homosexual teens.

Gender Equality:

☞ Four projects for the promotion and protection of women's rights are underway, focused on fighting violence against women, in five departments of the country. Rehabilitation and/or establishment of centers for women victims of violence in 28 communes.

☞ Training for women technicians of 45 community radios throughout the country and support for the production of programs to lobby for and raise awareness about women's rights and gender equality.

☞ Modernization and expansion of a center of feminist documentation and information in the context of national coordination of women's organization.

☞ Support to 400 female candidates for 2005 elections and promotion of women's participation in the political and electoral process.

Prepared by the ICF communications working group and the Strategic Coordinating Unit of the Prime Minister's Office, based on information provided by donor agencies, including the European Commission, Inter-American Development Bank, Organization of American States, UNDP, UNESCO, UNFPA, MINUSTAH, USAID and World Bank; and progress reports from Sector Tables for Agriculture and Water and Sanitation. To be updated as additional information is made available.

ANNEX D

TO THE FINAL REPORT

PROPOSAL FOR A MEDIUM-TERM ACTION PLAN FOR THE

CARIBBEAN DEVELOPMENT BANK

IN HAITI

COMPLEMENTARY LIST OF NGOs and MFIs in HAITI

COD/EMH

COD-EMH (*Coordination des Programmes de Développement de l'Eglise Méthodiste d'Haiti*) is the executing body of the Methodist church, whose presence in Haiti began in 1817.³⁶ COD-EMH is a non-profit organization that provides health and literacy education, agricultural expertise and micro credit services throughout Haiti. Operating village banking lending services since 1993, COD/EMH's village-banking clients are mostly poor micro-entrepreneurs. COD-EMH now operates in five departments (Grande Anse, West, South, North, and Northeast.)

As of December 1999, COD/EMH was serving more than 6,300 microfinance clients, 95 percent of who are women, and they hope to reach 15,000 clients. COD/EMH is a founding member of the KNFP (National Council of Popular Financing) which consists of eight microfinance institutions. In 2000, COD/EMH partnered with Freedom from Hunger to offer Credit with Education's services of group-based lending and health and business education to women in Jeremie, Haiti. As of March 31, 2002, this last program was reaching 1,604 members.

FINCA

Founded in 1998 as a FINCA affiliate, FINCA Haiti provides loans using village banking methodology to micro-entrepreneurs.³⁷ FINCA Haiti is based in the south, clustered around Les Cayes. FINCA Haiti is accelerating its expansion plans with two new southern branches. Credit officers are being trained to start village banking programs by late 2004 in Petit Goâve, a rough town where there are currently no microfinance providers and hardly any economic activity. As of March 2005 FINCA had a total of 12,175 clients (99% women) in 484 Village Banking Groups with an average loan size of \$144 in Petit Goâve. Total Client Savings stand at \$426,458. FINCA has worked with USAID, Citigroup Financial, Sogebank, and Banque de l'Union Haitienne to support and direct local micro financing programs.

Fondation Haïtienne de Développement (FHD)

Fondation haïtienne de développement specializes in guaranteeing loans by financial intermediaries, short-, medium- and long-term financing, and credit for small- and medium-sized enterprises.³⁸ The FHD is a private company partly financed by USAID and the European Development Fund (EDF).

FONDHSUD

FONDHSUD was created on 25 September 1995 and provides support to farming organizations and village groups in southern Haiti.³⁹ It is active in the solidarity economy, where it essentially provides support activities for the organisation of the groups through the

³⁶ UNCDF, *Haiti Companion Report UNCDF Microfinance Programme Impact Assessment*, 2003

³⁷ http://www.villagebanking.org/work-lat_hai.htm

³⁸ www.wto.org/english/tratop_e/tpr_e/s99r1-4_e.doc

³⁹ <http://www.sidi.fr/doc/2003-Rapport-activites-ENG.pdf>

establishment of solidarity credit unions and their financing. Today, FONHSUD supports 96 solidarity credit unions that have 1,395 members, 63% of whom are women.

Groupe pour l'Intégration de la Femme du Secteur Informel (GRAIFSI)

GRAIFSI an association that grants loans to individuals and grassroots organizations, is continuing to grow in the northeast and southeast of the country. ⁴⁰ GRAIFSI also offers *Mutuelles de Solidarité*, a hybrid between savings and loan cooperatives and ROSCAs. More than thirty credit and savings unions have been refinanced in the southeast, and some thirty in the northeast. In addition to its financing activity, GRAIFSI has also undertaken a literacy project for the members of credit and savings unions.

Groupe Technologie Intermédiaire d'Haïti (GTIH)

The GTIH started micro credit activity in 1995. ⁴¹ It is engaged in infrastructure projects in poor neighbourhoods operating microfinance services. Loans are offered to finance activities related to both commerce and production; agricultural credit is under consideration for the future. The minimum loan of Gds 5,000 effectively excludes the lowest social strata. The maximum loan, given only to customers with at least three prior loans, is fixed at Gds 40,000. Loans are conditioned on the provision of a guarantor with an income and a security deposit of ten per cent of the loan is required. Unlike other MFIs, the GTIH operates from a single branch, which has restricted its ability to reach a broader range of borrowers.

Conseil National de Financement Populaire (KNPF)

KNFP was created on the initiative of three Haitian organizations - COD-EMH, GRAIFSI and KOFIP. ⁴² The KNFP was created with the aim of promoting and studying popular financing. The KNPF took part in the setting up of a mobile training institute dedicated to technicians and the elected officials of financing initiatives as well as community members seeking to develop their own financing instruments. They have been active in developing a legal framework for microfinance organizations that are not subject to banking and cooperative laws.

Concern Worldwide Haiti

In Haiti, Concern works in capacity building for community action, training for community health workers, food security, school improvement programs and microfinance. It is currently executing two microfinance projects:

The *Urban Microfinance* program provides credit services to inhabitants (particularly women heads of households) in Port-au-Prince. ⁴³ This program is expanding to new areas of the city to allow more of the urban poor to have access to credit. Concern implements appropriate and pro-poor savings plans to encourage savings mobilization. To date the program serves 1,539 active clients with a loan portfolio of GDES 7,533,028 and with a delinquency of only 18%. Future plans are to expand the program to reach 1,800 active clients and achieve 70% operational sustainability.

⁴⁰ <http://www.sidi.fr/doc/2003-Rapport-activites-ENG.pdf>

⁴¹ *ibid*

⁴² <http://www.sidi.fr/doc/2001-Rapport-activites-ENG.pdf>

⁴³ www.concernusa.org

The *Sodo Microfinance* project is an initiative of Concern and FONKOZE in the area of Saut D'Eau, where prior to Fonkoze's involvement, there were no MFIs in operation. The objective of this project is to provide appropriate microfinance service for the rural poor piloted in the Mirebalais branch. Before Concern's involvement, the branch had only 40 clients receiving loans. Now, the total number of active clients of the branch has increased to 2,200 and with a loan portfolio of Gds 11,000,000 and an average delinquency of 1-2%. The Mirebalais branch has become operationally sustainable marked with a 112% operational sustainability.

Pwogram Fomasyon pou Oganizasyon Dyakona (PWOFOFOD)

PWOFOFOD was established in 1992 through CRWRC, and today serves four urban communities in the Port-au-Prince area specializing in training deacons.⁴⁴ PWOFOFOD also includes literacy and micro credit in their programming. PWOFOFOD, through one of its current projects, is assisting small entrepreneurs by providing basic business training and provides small loans for start-up and expansion of small businesses. PWOFOFOD aims to form a number of small business associations as well as increase the amount of training it provides to micro entrepreneurs who are members of these associations. In addition, funds will be made available for small loans to these members, to begin or further develop existing businesses.

Pan American Development Foundation (PADF)

For over 25 years, PADF has promoted the development of hundreds of local communities and strengthened the resiliency and improved the lives of thousands of Haitian households, particularly in rural areas.⁴⁵ Current projects include:

The *Sustainable Agriculture and Natural Resource Management Project* aims to increase targeted crop yields and sustainable rural jobs, which benefited close to 70,000 rural families in 2004. Overall, the program achieved a 21% increase in agricultural crop revenues in 2004 through quality improvement and more produce sold. In addition, the program has rejuvenated Haiti's reputation for premium specialty coffee with the Haitian Bleu® brand catapulting exports to record highs both in quantity and value.

Through the *Rural Infrastructure Development in Haiti* project, more than 20 kilometres of farm-to-market mountain roads were repaired along with three irrigation systems covering 1,100 hectares. More than 280 hectares of highly productive land was brought back under cultivation and 20,000 virus-resistant new plants were introduced to the area. The additional plantain produced will offset \$1 million per year in imports of this staple crop.

The USAID funded *Our Border* program is building institutional capacities of 110 Haitian and Dominican non-governmental organizations to deliver vital community services with an

⁴⁴ <https://newdea.com/vela/Project/projMain.aspx?UnitID=1338>

⁴⁵ <http://www.padf.org/>

ultimate goal to facilitate adoption of broader strategic plans for the frontier area that will attract further investments to promote the region's social and economic development.

A World Bank-funded *Community-Driven Development* project provides small grants through democratically-elected community councils for small infrastructure, social, and productive projects. In 2004, over 100 community associations received training in project design and implementation, and some 44 activities were selected that benefited close to 40,000 people and empowered local residents. Projects included the rehabilitation of irrigation and potable water systems, road and bridge repair, grain mill installation, fishing fleet improvement, fruit and produce transformation and marketing, small loans, and municipal clean-up.

Save the Children-Canada

Save the Children Canada has been in Haiti since 1980, and is recognized there as a leader in the promotion of Children's rights.⁴⁶ The areas of operation include: Port-au-Prince, Jacmel, Mapou, Pichon, Galette, and Anse a Pitre. Save the Children Canada offers programming in the area of promotion of children's rights, work with street children, and access to basic education.

Save the Children-USA

Save the Children USA has been working in Haiti since 1985 through an integrated multi-sectoral program that includes education, health, nutrition and agriculture.⁴⁷ The majority of development and relief programming targets poor children and families in the Central Plateau, Maissade and Dessaline regions through initiatives in education, health, nutrition, and food security. SCF's mission in Haiti is to contribute to the sustainable improvement of the living conditions in the lives of children in Haiti. Interventions strive to achieve a balanced approach between longer-term development projects that build community capacity and ownership and short-term emergency responses to meet the immediate needs of communities affected by natural or man-made disasters.

World Vision in Haiti

World Vision currently operates 18 community development projects in five regions of Haiti, addressing the chronic survival needs of more than one million Haitian citizens.⁴⁸ World Vision offers programs in education, maternal and child health, and micro credit to the most vulnerable, especially women through the FONDEPE micro credit program. World Vision commits to a community for a minimum of 15 years supporting their community development efforts. In 2002, WVI began a five-year program with the U.S. Agency for International Development (USAID) to improve food security for 100,000 beneficiaries in

⁴⁶ <http://www.savethechildren.ca/wherewework/caribbean/haitisuccess.html>

⁴⁷ InterAction Member Activity Report: Haiti September 2004

⁴⁸ Remarks by Carolyn Rose-Avila, Senior Policy Advisor, World Vision United States at Security Council "Arria Formula" Meeting on Haiti, <http://www.globalpolicy.org/security/mtgsetc/050408wv.pdf>

the Central Plateau and La Gonâve through watershed management, water filtration systems and agricultural assistance to small farmers.

ANNEX E

TO THE FINAL REPORT

PROPOSAL FOR A MEDIUM-TERM ACTION PLAN FOR THE

CARIBBEAN DEVELOPMENT BANK

IN HAITI

CONTACT LIST OF NGOs and MFIs IN HAITI

CONTACT LIST OF NGOs and MFIs IN HAITI

	Name of Organization	Responsible	Address	Tel
1	ACLAM Action Contre la Misère/World Concern Haïti	Jean-Marie DUVAL	# 5, Impasse Soray, Avenue N	245-1064
2	ACME	Sinior RAYMOND	11, Bois Patate, P-au-P	245-4584
3	Catholic Relief Services (CRS)	Christian HENNENEYER	Delmas 81 # 1 BP.1118, P-auP	249-1992 / 249-0308
4	COD/EMH		Delmas 95 - # 15 Frères - P.O.Box 6 -P-au-P	257-7544
5	Concern Worldwide	Patrick MCMANUS	Rue Borno # 17, P-V, BP.15016	257-2800
6	CARE	Sandra Rogers LAUMARK	Rue Grégoire # 92, BP.15546, P-au-P	257-5359
7	Christian Reformed World Relief Committee (CRWRC)	Leanne Talen GEISTERFER	Delmas 77 Ruelle Praslin, P-a_P	246-1454 / 510-0712
8	Développement International Desjardins (DID)	Jacques DUROCHER	Rue Ogé # 31, P-V, BP.15041	257-2751/257-7114/ 257-3285
9	FINCA	Mike GAMA-LOBO	# 94 Ave. Cartegena, Les Cayes-Sud, Haiti	286-1917
10	Fondation Haïtienne de Développement (FHD)	Guy R. PAUL	Ave. Christophe # 106, P-au-P, BP.15326, P-V	245-2206 / 245-2207/ 245-4635
11	Fonds Haïtien d'Aide à la Femme (FHAF)	Elisabeth Colimon WOOLLEY	# 14, Rue des Miracles (Immeubles Sogebank)	510-7373 / 510-7390/ 558-5244
12	FONHSUD	Natacha BOYER	Rue Berne, # 19, Bois Vernat– BP 1041 - P-au-P	245 42 86
13	FONKOZE	Anne HASTINGS	Avenue Jean Paul II, #7, P-au-P	221.7631, 7641, 513.7631
14	GRAIFSI	Franck DONATIN	17, ruelle O, Turgeau - Port -au-Prince	245 4819/ 249 0949
15	Groupe Technologie Intermédiaire d'Haïti (GTIH)	Philippe BECOULET	2ème Ruelle Wilson # 17, BP.15233, P-V	245-4125
16	KNFP	Lionel FLEURISTIN	c/o COD - Delmas 95 - N° 15, Frères -P.O. Box 6 –P-au-P	57-7444
17	Pan American Development Foundation (PADF)	Arlin HUNSBERGER	Delmas 31 # 27, BP.15574, P-V	246-3938 / 246-4616 / 246-4676 /246-0786
18	Productive Coopératives Haïti (PCH)	Janet BAUMAN	# 6, Delmas 81, P-au-P	246-1410 / 404-0573
19	PWOFOD	Louis Jean ERNST	Rte de Christ Roi, Angle rue Moïse & Testard # 3, P-au-P	244 3412
20	Save The Children Federation (SCF)	Michel BELISLE	Mongtana, P-V	260-0513 / 260-0514
21	SKDE	Guillomet Ernst PIERRE	Delmas 33, rue Toussaint Louverture, Ruelle Euclide # 6	245 6173 / 246 0477
22	Société de Coopération pour le Développement International (SOCODEVI)	René GRAVEL	31, rue Ogé, P-V	257-7114
23	World Vision International (WVI)	Salnave SYLVESTRE	Delmas # 65 Etage Valério Canez, BP.13401, Delmas	222-6430/222-7206/ 222-8103/222-6541

ANNEX F

TO THE FINAL REPORT

PROPOSAL FOR A MEDIUM-TERM ACTION PLAN FOR THE

CARIBBEAN DEVELOPMENT BANK

IN HAITI

ESTIMATES FOR COUNTRY OFFICE SET-UP

AND

FIRST YEAR OPERATIONAL

COSTS

TABLE 1: PROVISIONAL CAPITAL AND OPERATING BUDGET FOR HAITI OPERATIONS 2006

Initial Capital Acquisitions and Set-Up Costs	Total Cost USD
Vehicles (2)	50,000
Office Furniture (6 offices incl. Reception area + 1 Conference room-Library)	21,500
Office Equipment (6 Computers, 1 Photocopier, 1 Fax, 2 Printers, 1 Internet router)	12,500
Air Conditioning equipment	8,000
Representational Equipment (coffee maker, microwave, cutlery, cups and saucers, pots and pans, fridge, stove)	3,000
Satellite dish and local area set up	130,000
Generator	25,000
Water system	4,000
2 - Radio base + 2 sets	1,200
Satellite Phone	2,000
Video conferencing	25,000
Cellular phones	450
Translation of CDB documents (\$40 per page)	20,000
Office set-up, renovation and fit-up costs (painting, repairs, electrical connections, etc.)	5,000
Sub-Total Capital and Set-up Costs	307,650

OPERATING BUDGET	
CDB Personnel:	
Unit Head (Portfolio Manager level) (salary, pension, medical and life insurance costs)	100,000
Deputy Unit Head (Operations Officer - 1 level)	83,000
Recruitment costs	12,000
Hardship Allowance	37,000
Relocation (Transportation of effects) (\$15,000 x 2 persons)	30,000
Air transport + 30 days hotel accommodation (\$1,000 + 30 x \$300) per person	20,000
Local Personnel:	
Local Programme Officer H/Q rates (Young Professional level)	51,000
Administrative-Accounting Assistant H/Q rates	46,000
Secretary/Receptionist/Translator H/Q rates	30,000
Head Driver H/Q rates	21,600
Driver-messenger (\$600/month x 13 months)	7,800
Cleaning person (\$200/month x 13 months)	2,600
Contracted Translation Service (\$0.20/word)	2,000
Contracted local Technical Consultants for Project assessment and/or monitoring (\$250/day/45 days)	11,250
Security Services (\$5,000/month)	60,000
Language Training for CDB officers:	
Creole training (4 hrs/week/2 persons/\$20./30 weeks) individual lessons	4,800
French training (4 hrs/week/2 persons/\$20./20 weeks) individual lessons	3,200
Utilities & other services:	
Electricity (\$600/month)	7,200
Telephone, including Long distance calls and Fax (\$250/month)	3,000
High speed Internet (\$50/month)	600
ISDN Line	18,000
Office rental:	
\$10,000./month	120,000
Office supplies (paper, pens, pads, scissors, etc.)	6,000
Travel Budget - CDB staff	
4 trips to Haiti by 2 project staff per year (PSD and PSDD)	12,400
4 trips to Barbados for country staff per year	11,000
In-country travel budget:	
- CDB officers (\$2,500 x 2)	5,000
- Local Programme officer	2,500
Vehicles (Insurance \$2,000/year/2 vehicles, operation and maintenance \$400/month x 12 months x 2 vehicles)	13,600
Contingency	25,000
Sub-Total (Operational Costs)	725,450
GRAND TOTAL	1,033,100

ANNEX G

TO THE FINAL REPORT

**PROPOSAL FOR A MEDIUM-TERM ACTION PLAN FOR THE
CARIBBEAN DEVELOPMENT BANK
IN HAITI**

LIST OF PERSONS CONSULTED

List of Persons consulted:

Roland Pierre, Minister of Plan and Cooperation

Yves Robert Jean, General Director of the Ministry of Plan and Cooperation

Hervé Sylvain, Coordinator of the Interim Cooperation Framework in the Office of the Interim Prime Minister

Yves Bastien, Member of the Public Enterprise Modernisation Council, from the Office of the Prime Minister

Gabriel Verret, Ministry of Economy and Finance, Responsible for the Component of Economic Governance of the CCI

Ms Vanelte Vincent, Ministry of Economy and Finance.

Yves Clément Jumelle, Coordonateur, Ministry of Economy and Finance.

Joel Jean Pierre, Chief Cabinet, Ministry of Education, Youth and Sports

Edouard Vallès, General Director of Customs

Patrick Merveille, Deputy General Director of Customs

Frantz Verella, Coordinator, IDB Infrastructure Project

Lhermite François, General Director, Fonds de Développement Industriel

Erold Joseph, Responsible Education and Health Unit, Ministry of Education

Jacky Lumarque, President of the Board, Quisqueya University

Ms. Séline Grandchamp, Program Analyst, Haiti Desk, CIDA HQ

Darky Gagné, Programme Officer, Haiti Desk, CIDA HQ.

Ms Jill Careless, Program Manager, FIDA Canada PcH.

Ms Janet Bauman, Country Office Director, FIDA PcH, Haiti

Ms Anne H. Hastings, Director, FONKOSE

Ms Sylvie Gauvin, Project Director and Chief of Mission, Desjardins Développement International (DID), Haiti.

Jérome Bernier, Director, CIDA Program Support Unit, Port-au-Prince, Haiti.

ANNEX H
TO THE FINAL REPORT

PROPOSAL FOR A MEDIUM-TERM ACTION PLAN FOR THE
CARIBBEAN DEVELOPMENT BANK
IN HAITI

Rate for Services:

Program Support Unit of CIDA's
Office in Haiti.

Grille des tarifs

Services rendus

Personnel professionnel (Coût au contrat de l'expert)	
Informatique	Gdes/hre 350
Comptabilité	Gdes/hre 350
Secrétariat	Gdes/hre 250
Planton	Gdes/hre 50

Location équipement

Appareil pour power point avec écran	Gdes/jr 500
Laptop	Gdes/jr 200
Caméra digitale	Gdes/jr 150
Rétroprojecteur	Gdes/jr 150
Téléphone Cellulaire	Gdes/jr 150

<u>Location espace bureau</u>	Gdes/hre 80
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Location salle de conférence

½ journée (4hrs de temps - 15 personnes)	Gdes 2 500
Groupe supplémentaire de 5 personnes	Gdes 600

Transport

Accueil ou Départ/Aéroport (forfait 3 heures)	Gdes 1 000
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Transport/Hôtel-UAPC ou Ambassade 2 fois par jour (forfait 2 heures)	Gdes 700
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Location véhicule avec chauffeur À l'heure	Gdes 400
Pour la journée (7:30 à 16:30)	Gdes 3 000
Toute heure additionnelle	Gdes 300

Photocopie et impression

Photocopies 8.5 x 11 (noir et blanc)	Gdes/page 2.50
Traitement de texte 8.5 x 11	Gdes/page 150
Reliure (1 acétate +1 boudin à spirale+1 feuille de Bristol)	Gdes/doc. 40
Impression laser 8.5 x 11 (noir et blanc)	Gde/page 5
Impression laser 8.5 x 11 (couleur)	Gde/page 15

Notes:

- *.- Les véhicules se louent seulement avec chauffeur.
- **.- Lors des déplacements en province, les missions seront facturées au coût réel pour l'hébergement des chauffeurs et les per diem versés selon les taux approuvés par le Conseil du Trésor du Canada.

Tout déplacement interurbain est interdit aux chauffeurs de l'UAPC après la tombée de la nuit pour des motifs de sécurité routière.

Possibilités de paiement:

- Argent comptant (gourdes, dollars US)
- Carte de crédit (Visa et MasterCard)
- Chèques de voyage (dollars US)

Nous vous rappelons qu'il vous faudra prévoir à votre départ les taxes réclamées à l'aéroport qui s'élèvent à 35 \$US et 10 gourdes.

*Musseau, Imp. Démesvar n° 11
B.P. 15473 Pétion-Ville, Haïti
Tél.:257-4708; 257-6376; 298-4270 à 298-4278
Tél. et fax:298-4279
Email: uapc@uapc.org*

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**UNITÉ D'APPUI
AU**

PROGRAMME DE LA COOPÉRATION CANADIENNE (UAPC)

L'équipe de l'UAPC est heureuse de vous accueillir à Port-au-Prince. Nous travaillons à rendre votre séjour agréable et des plus enrichissant.

Nous vous invitons à prendre connaissance des informations contenues dans cette brochure.

Certains de nos services comportent des frais, car l'UAPC est soumise à la politique de récupération des coûts de l'ACDI. Veuillez consulter notre grille tarifaire.

Merci et bonne mission.

Heures d'ouverture

Nos bureaux sont ouverts de 07:30 à 16:00 hres les jours ouvrables sauf le vendredi où nous fermons à 13:00 hres.

Vos contacts

UAPC - général
257-4708

Sylvain Diamond - Directeur 404-7658
Jérôme Bernier - Directeur adjoint 404-7657

Robert Denis - Logisticien
1538

404-

Les services de l'UAPC

Notre mandat

L'UAPC est un projet de coopération bilatérale visant à appuyer la planification, la mise en oeuvre, la livraison et le suivi de tous les programmes de l'ACDI en Haïti.

Centre de documentation

Le Centre de documentation de l'UAPC privilégie les documents traitant des projets et des programmes de l'ACDI en Haïti mais offre aussi des ouvrages provenant de divers organismes de coopération et abordant plus largement la problématique du développement international. Nous vous invitons à consulter notre vaste collection.

Logistique

Nous sommes en mesure de vous fournir des services tels que:

- ✗ Réservation d'hôtel et billets d'avion;
- ✗ Accueil à l'aéroport;
- ✗ Mission en province;
- ✗ Achats locaux (sur demande);
- ✗ Transport urbain (sous réserve de la disponibilité de notre flotte de véhicules);
- ✗ Reprographie, fax, téléphone;
- ✗ Ordinateur portatif;
- ✗ Accès à internet et au courrier électronique

Facturation

L'UAPC vous demande de prévoir deux heures à votre agenda, tout en tenant compte des horaires de fermeture du bureau, pour les modalités de finalisation et de règlement de votre facture.

Selon les circonstances, le montant inclura également les services à venir préalables à votre départ. Nous vous serions gré de la régler auprès de notre réceptionniste.

Évaluation services rendus

Afin de s'assurer d'un service de qualité continu, nous vous demandons de bien vouloir remplir, à la fin de votre mission, le questionnaire reçu lors de votre arrivée à Port-au-Prince et de le remettre au chauffeur vous accompagnant.

Des numéros utiles

Ambassade 298-3090
Pharmacie 249-1055

Hôtel El Rancho	257-2080/257-2081
Hôtel Montana	257-1920/510-4020
Hôtel Villa Créole	257-1570/257-1050