Post-Earthquake USG Haiti Strategy

Toward Renewal and Economic Opportunity

January 3, 2011

Strategic Framework

5 Principles

- USG assistance will be country-led and build country capacity
- USG assistance will be comprehensive and integrated
- USG assistance will leverage and be coordinated with the resources of other partners
- USG assistance will leverage multi-lateral mechanisms wherever appropriate
- USG assistance will be sustained and accountable

4 Core Development Pillars

- Infrastructure and Energy
- Food and Economic Security
- Health and Other Basic Services
- Governance and Rule of Law

3 Development Corridors

- Port-au-Prince Corridor
- Saint Marc Corridor
- Cap Haitien Corridor

2 Objectives

- To catalyze economic growth through investments in agriculture, energy and infrastructure
- To ensure long-term stability through investments in public institutions

1 Goal

- A stable and economically viable Haiti

I. Introduction

This post-earthquake reconstruction strategy sets forth the goals the U.S. will pursue in helping Haiti build back better after the January 2010 earthquake. Because the United States seeks to support a Haitian-led response and to coordinate with other international, regional, and local actors, this strategy identifies priority pillars and regions for U.S. government engagement. The strategy describes how the United States will use elements of U.S. national power (including diplomacy, development assistance, economic tools, and public diplomacy) to further near-term (18-month) and medium-term (five year) reconstruction goals. Instrumental to achieving these objectives is the identification of concrete, sustainable results. This document is a living document, and while setting strategic parameters, must be agile in responding to the continually changing landscape in which it operates. Developments like the outbreak of cholera in October 2010 and the ongoing contestation of the November 2010 Presidential and Parliamentary elections will undoubtedly require flexibility in refining the parameters and implementation of the strategy. Sections of this strategy will require the strong partnership from the Government of Haiti (GOH) to be successfully executed; the USG will amend its approach if the appropriate partnership is not realized.

Background

The earthquake that struck Haiti in January presented yet another serious challenge to the development of this country, which has experienced an inspiring yet challenging history. Before the earthquake, a wave of economic opportunity was cresting on Haiti's horizon. With the partnership of the international community and other stakeholders, that economic opportunity, and the social and human development it can bring, can and should once again be Haiti's future.

A Tragic Setback

On January 12, 2010, Haiti experienced its most powerful earthquake in two hundred years. The earthquake, which registered 7.0 on the Richter scale, was the worst humanitarian and economic disaster recorded in the Western Hemisphere. It killed more than 230,000 people, injured at least 300,000 more, and destroyed the homes, livelihoods, and families of a million other Haitians. For a country on the cusp of meaningful economic progress, the earthquake was a devastating setback.

The earthquake affected not only the human but the physical infrastructure of Haitian society as well. Approximately 115,000 homes were destroyed, and more than 208,000 were severely damaged. More than 1,300 schools and more than 50 health centers collapsed, 1.3 million people are now living in temporary shelters in and around Port-au-Prince, and an estimated 600,000 people, who migrated to secondary cities throughout the country in the wake of the disaster, appear to be moving between Port-au-Prince and secondary cities in search of shelter, food, and work. Of the displaced population living in camps in Port-au-Prince, over 50% are poor households headed by single women who have either lost their home, their means of livelihood or both. Their increased vulnerability to theft, assault and rape compounds Haiti's challenges.

The earthquake's epicenter was ten miles from Port-au-Prince, the country's economic and political capital, a congested city built using inadequate construction standards. The earthquake's reverberations damaged the country's main port and the only runway of its international airport, severely impeding the arrival of relief supplies. The toppling of twenty-eight out of twenty-nine Haitian Ministry buildings and the United Nations (UN) compound killed nearly eighteen percent[1] of the Haitian civil service and 101 senior UN employees – each of whom would have played a critical role in organizing relief and recovery efforts.

The earthquake destroyed not just lives and buildings but also many of the legal and financial underpinnings of the Haitian state: decades of administrative records, land and civil registries, voter rolls, payrolls, tax maps and records, court records, financial management systems, and much more. These losses pose serious challenges to the long-term reconstruction of Haiti.

According to the March 2010 Post-Disaster Needs Assessment led by the World Bank, the earthquake caused a total of $7.8 billion in damages and losses, amounting to 120 percent of Haiti's 2009 GDP. To "build back better," the World Bank estimates that Haiti will need at least $11.5 billion in assistance from all sources (public, non-governmental organization, and private), as well as countless hours of labor by Haitians and their partners from the international community.

Towards Renewal

Building a better future for Haiti is a monumental task, but a stronger Haiti can and will emerge from the rubble. The GOH has made clear that it will not rebuild the past – rather, it will build a new, more robust Haiti.

Haiti must determine how to rebuild and restructure an overcrowded capital that has absorbed multitudes of rural migrants. Before the earthquake, sixty-five percent of economic activity in Haiti was located in greater Port-au-Prince; in the outer provinces, economic opportunities in agribusiness, manufacturing, and tourism were nascent. The migration towards Port-au-Prince has concentrated Haiti's social and economic problems; over the last ten years, poverty declined by more than eight percent across Haiti while increasing by thirteen percent in Port-au-Prince.

Consistent with the GOH Haiti Action Plan, the USG's reconstruction and long-term development plan seeks to support new and diverse economic opportunities outside of Port-au-Prince using focused and catalytic investments in housing, energy, agriculture, health, security and national and local governance. Although population movements are hard to predict, especially with the uncertainty inherent in Port-au-Prince's currently evolving shelter situation, the changing distribution of Haiti's population may offer a window of opportunity to develop new development corridors.

Pre-Earthquake Haiti: Promising Signs of Recovery after Decades of Economic Decline

[1] As of July 2010, the GOH is placing the number of civil servants lost at 30%, but the number has not been independently substantiated.

After the twenty-nine-year Duvalier dictatorship ended in 1986, Haiti had more than a dozen government turnovers, including six military regimes, three appointed transition governments and four elected presidencies, only one of which lasted for its full, legal term. Transparent and predictable election cycles have been rare, and the transitions of power that have occurred frequently involved violence and repression of dissenting voices. In many cases, the resulting regimes were not accountable to the people of Haiti, and many national and local government institutions failed to fulfill their public functions.

This long period of political instability fostered economic and social instability. For example, a coup against the democratically elected government of Jean-Bertrand Aristide resulted in an international trade embargo from 1991 to 1994. The embargo and the consequent economic uncertainty led to the decline of the garment-assembly industry. In the late 1980s, the industry employed an estimated 80,000 urban residents, mostly women; today its workers number only about 25,000. As a result of this and other reverses, Haiti's per capita GDP has declined to nearly *half* its 1980 level, adjusted for changes in prices, and the decline has pushed living standards down to perilously low levels; as of 2005, nearly eighty percent of Haitian citizens lived on less than $2 a day. The poorest 20% accounted for 1.5% of national income, while the wealthiest 20% accounted for 68% of national income.

In recent years, however, there have been signs of progress. After 2004, increased political and social stability laid the groundwork for an economic rebound in Haiti. Growth in GDP, adjusted for prices, averaged two percent from 2005-2008, and several indicators of human development improved as well. In the health sector, where the USG had already implemented widely successful programs, Haiti's under-five mortality declined from 109 per 1,000 births in 2000 to 72 in 2008. During the same period, the adolescent fertility rate in women aged 15-19 also declined from 57 to 46 births per 1,000; life expectancy inched upward from 59 to 61 years and the country's HIV rate was cut in half from 4.4% to 2.2%.[2] The garment-assembly industry led the modest recovery, due in part to the combined effects of increased stability and the HOPE legislation in the US, with apparel exports increasing from $254 million in 2000 to $418 million in 2008.

Tragically, the earthquake knocked Haiti off its path toward economic and social renewal. The USG strategy seeks to capitalize on the gains that Haiti made before disaster struck to both reinforce and build upon those gains.

A Moment for US Partnership, Leadership, and Strategic Investment

Haiti now faces many challenges. A long-term response to the earthquake requires vast investments, and Haiti is fortunate to be joined in its rebuilding effort by a broad array of countries, multilateral institutions, NGOs, private sector actors and other stakeholders, all of whom want a brighter future for Haiti. More than 40 major donors pledged to invest in Haiti's reconstruction at the conference convened in New York on March 31, 2010. (*See* Annex A). The USG will work strategically with these

[2] Source: World Bank, World Development Indicators 2010.

partners and other stakeholders to ensure that aid is deployed in the most effective and efficient ways. The USG has already coordinated or collaborated closely with all of Haiti's other key donors – Brazil, Canada, the EU, France, Spain, Venezuela, Cuba, the UN, the World Bank and the IDB – and is working to leverage as many dollars as possible in aid with matching dollars from the private sector.

The USG will also apply the many lessons learned by the international community during its long history of engagement in Haiti. First and foremost, it will be imperative to work hand-in-hand with the GOH throughout the entire development and recovery process. Though some past aid efforts provided essential, lifesaving services to Haitians, these efforts often neglected to ensure GOH ownership and leadership, which is required to build capacity in the Haitian public sector. We recognize that in moving forward with critical programs, we must simultaneously build the GOH capacity to be an effective leader of the development effort.

The USG will play an active role as a member of the board of the Interim Haiti Recovery Commission (IHRC), an entity formally created by the GOH to coordinate and oversee recovery and reconstruction efforts. It is designed to empower the Haitian Government and people in leading Haiti's long-term recovery and development, while harnessing the cooperation and confidence of Haiti's international partners. The IHRC is charged with continuously developing and refining Haiti's development plans, assessing needs and gaps for investments, and ensuring that the implementation of development plans is coordinated, effective, and transparent and delivers measurable change in the lives of the Haitian people.

The USG will also seek to ensure that its assistance is coordinated and strategic. The impact will be far greater through a holistic approach that involves all USG stakeholders in Haiti—a whole-of-government approach. The USG will also target its assistance in specific areas, in service of the GOH's priorities and using the best evidence and analysis available, rather than diluting the impact of USG programs by spreading limited resources too thinly.

In addition, the USG will seek to harness the potential contributions of the Haitian Diaspora community and the private sector. Both can provide resources and links to the Haitian people that will make it easier to identify problems and find innovative solutions. Finally, the GOH, the international community and other stakeholders will hold one another accountable for honoring commitments and making measurable progress toward shared objectives and the vision Haiti has for its future.

Applying these lessons, the USG will make infrastructure investments in areas where it can materially add value and generate results, with the objectives of catalyzing economic growth and assisting Haiti in building its own institutions and capacity. In pursuing this strategy, the USG will adhere to the GOH's priorities for decentralization, using its resources to target nascent economic opportunities and facilitate sound urban planning in the new GOH-designated growth poles outside of Port-au-Prince.

To achieve economic growth and long-term stability, the USG will seek to strengthen public institutions devoted to providing basic services and ensuring public safety. In particular, the USG's investments will support critical public infrastructure, the liquidity of public and private finance, the transparency and accessibility of markets, and regulatory systems that can catalyze private-sector growth. Electricity, ports, roads, irrigation, plant and animal health, microfinance, national commodity pricing, taxation systems, housing, universal education standards, government-led health services, streamlined licensing and titling systems – investments in all of these critical areas will form the economic foundation that the private sector needs to thrive in the Haitian market.

In the past, donors have been reluctant to undertake critical and often basic investments because they are complex, costly and most importantly, require considerable national and local political will. Yet as the GOH has publicly stated, the earthquake presents a new beginning for Haiti. The March 2010 International Donors' Conference yielded in excess of $9 billion in pledges for long-term development, in addition to substantial commitments from the private sector. The GOH, USG and international community will seek to ensure that this unprecedented level of investment meets Haiti's present needs and also exploits its future opportunities.

Guided by these imperatives and the priorities of the Haitian people, the USG will partner with the people and GOH, the international community and other stakeholders to build a new Haiti. In the long term, the USG seeks a stable Haiti whose sustained democratic governance contributes to national and regional security, and whose growing economy yields improved resilience in the wake of natural disasters.

II. The Foreign Policy Imperative

Haiti will be a test of this Administration's foreign policy. In the first Presidential Policy Directive (PPD) on development, the USG has elevated development alongside diplomacy and defense as core pillars of American power – and few challenges have more sharply defined the need for, and potential impact of, effective development and the successful integration of development and diplomacy. The PPD recognizes that natural disasters, poverty, and political instability in other countries can threaten security at home. Haiti experiences all of these challenges only 600 miles from our shores.

The future of Haiti implicates specific American interests. Without progress, Haiti may be a source of regional instability, a haven for illegal trafficking in drugs, weapons, and people, and a source of refugee flows that place strains on neighbors and put Haitian lives at risk when traversing rough waters in unstable vessels. The United States' historical relationship with Haiti – and the ties between the Haitian diaspora and its homeland – creates greater responsibility for and greater investment in a better future for Haiti. And as Haiti develops, it can become a more capable partner in addressing regional challenges and in promoting trade and investment.

As Secretary Clinton stated, while the United States seeks a safer, more prosperous, more democratic and more equitable world, we cannot hope to achieve that goal when one-third of humankind lives in poverty. The USG cannot rely on regional partners to help stop conflicts and counter global criminal networks when those countries are struggling to stabilize and secure their own societies. Similarly, the USG cannot advance democracy and human rights when hunger and poverty threaten to undermine the good governance and rule of law needed to realize those rights. Haiti's recovery is therefore a strategic imperative for the United States. Consistent with the PPD, the United States will seek to foster economic growth and support democratic governance and rule of law in Haiti. The USG will engage in sustained, robust and innovative diplomacy and development, through programs that link meeting basic human needs to broader economic development – such as the Feed the Future program to address hunger and food security and the Global Health Initiative. The USG's development strategy will focus on stimulating economic activity and enhancing the delivery of basic services in designated development corridors, while promoting stronger democratic governance and rule of law at the local and national levels, and engaging the private sector in the reconstruction process. Through these and other efforts, the USG and its partners will lay the groundwork for a more stable and self-sustaining Haiti. Ultimately, the USG and GOH share a vision of a Haiti that: 1) no longer requires a continued foreign international military presence (MINUSTAH); 2) no longer requires substantial development and humanitarian assistance, 3) contributes to the global economy; and 4) becomes a thriving emerging market that can be a beneficial economic and strategic partner close to our shores.

Inconsistencies, gaps, and lack of coordination across multiple international interventions in Haiti have been one source of unsustainable and unsuccessful international efforts in Haiti. While one of the largest donors, the USG is only one of a wide range of international, local, and private actors assisting Haiti. The international response to Haiti has generated more private giving and has done more to

galvanize the nations and institutions of the Americas than any other disaster response recorded in the hemisphere, and organizations like the American Red Cross are engaging on a scale equivalent to large, national governments and international organizations. Likewise, remittances represent an annual two billion dollars in transfers to Haiti, and through the Temporary Protected Status (TPS) program, the USG seeks to leverage the power of remittances in enabling economic growth in Haiti. The USG seeks to build effective multilateral partnerships to address its national security interests, with its activities fully integrated into a multilateral framework of assistance. The USG will therefore coordinate closely with the GOH, the Haitian people, Haiti's international partners, Inter-American and International Financial Institutions, International Organizations, civil society, and other stakeholders to realize common goals. While focused on USG objectives, this strategy outlines how USG activities within various sectors are coordinated with other those of other donors, the GOH, and international and local actors, to ensure that USG efforts are focused on contributions that bring a comparative advantage to the international effort.

No partnership is more central in this venture than the USG partnership with the GOH. The GOH, in its "Plan of Action", has committed to reforms and measures necessary to empower international assistance to be positively impactful, including improvements to the commercial, regulatory, and legal environment. No reconstruction strategy in Haiti will succeed unless it addresses fundamental disparities in Haitian society by realigning incentives for more open, transparent, and competitive economic opportunity. To improve sustainability, the USG strategy incorporates mechanisms to ensure that the benefits of assistance and investment reach wide swaths of Haitian society. In the midst of this reconstruction effort, however, Haiti is electing new leadership at both the national and local levels. Presidential and Legislative elections occurred on 28 November, and local elections will occur in 2011. While many Haitians who were affected by the earthquake do not consider elections to be a high priority in rebuilding their lives, the choices that Haitians make about the leadership of their country will directly impact Haiti's chances of success in building back better. Reconstruction depends upon the advancement of critical reforms, including decentralization, and justice and commercial reform. The USG will employ its political capital and diplomatic resources, and will work with other donors and international actors, to urge the Preval administration and its successor to advance these necessary reforms. Working in a politically unstable environment requires a flexible approach that holds the GOH accountable to its commitments and empowers Haitian reformers and agents of change wherever they are found.

Development in Haiti is a long-term proposition, and the earthquake response is an opportunity to seal long-term international and Haitian commitment. Progress depends upon the quality of state institutions and their responsiveness to the people of Haiti. Central to the USG strategy is wedding development assistance to the effort to build the public administration of the Haitian state and accountable systems of service delivery. For many years in Haiti, international and Haitian non-governmental organizations have filled the vacuum of public administration and the delivery of services. The USG strategy links development assistance to state decentralization, a tie that is critical in fostering sustainability, so elusive to date. Approaches to immediate needs like housing and job creation

complement the wider strategy of economic and political stability. In some sectors, assistance that replaces state function will have to continue in the near-term, but the USG strategy will strive to build the capacity of state and local institutions to respond to local constituencies as a strategy for sustainability.

III. The Government of Haiti's Plan of Action

Building upon the April 2009 Donor Conference plan, the GOH presented a "Plan of Action" at the March 31, 2010 Donor Conference in New York City. This plan, which envisions $3.9 billion in new development projects over the next eighteen months[3], seeks to mobilize efforts and resources to achieve a "qualitative leap" for Haiti within twenty years. Four key pillars comprise the Action Plan's central framework:

1) **Territorial Rebuilding**: In addition to Port-au-Prince, three new regional poles of development – Cap Haitien, St. Marc, and Les Cayes – are proposed. The initial phase of the reconstruction will target critical infrastructure investments such as roads, electricity, ports and housing in these three cities.

   Key investments include: Two new international airports and deep water ports in Les Cayes and Cap Haitien and close to Port-au-Prince; six hundred kilometers of roads and bridges for the development of a national highway system connecting all major cities; intensive risk mitigation in Gonaives, Jacmel, and Cabaret.

2) **Economic Rebuilding:** Recovery investments will target four key sectors: agriculture, construction, manufacturing, and tourism.

   Key initiatives include: Creating 500,000 new jobs in construction, agribusiness and manufacturing; creating a new land register; construction of new thermal and renewable/hydropower plants; increasing the tax base to eighteen percent.

3) **Social Rebuilding:** Providing shelter is both an immediate and long-term priority. An expanded primary care health network and education system, including vocational and higher education, is deemed critical for rebuilding.

   Key initiatives include: A $155 million reconstruction fund for housing; school feeding for 2.2 million children; reconstruction of thirty hospitals.

4) **Institutional Rebuilding:** Redefining the legal and regulatory framework and establishing a governmental institution to manage the reconstruction [the Interim Haitian Reconstruction Commission (IHRC) will evolve into the Haitian Development Authority (HDA)] is prioritized for investment and action.

[3] An additional $1.2 billion was identified for budget support with a further $800 million requested from the private sector or through public-private-partnerships.

Key initiatives include: A recruiting program for Diaspora executives and technicians to join the civil service; twenty percent reduction in central government staff, eighty percent increase in local government staff, and creation of the IHRC.

IV. Five Principles of the USG Post-Earthquake Strategy

The post-earthquake USG Haiti strategy will hinge on partnerships with the GOH and other stakeholders to catalyze economic growth. Consistent with the country plan, the USG will invest in critical infrastructure and industries, especially in agriculture and energy, and build long-term stability by strengthening the capacity and effectiveness of public institutions, particularly those responsible for health, justice and security.

To ensure maximum impact and sustainability, the USG strategy will adhere to the five development principles set forth by President Obama at the G8 summit in L'Aquila, Italy in 2009:

1) USG assistance will be country-led and build country capacity
2) USG assistance will be comprehensive and integrated
3) USG assistance will leverage and be coordinated with the resources of other strategic partners
4) USG assistance will leverage multi-lateral mechanisms wherever appropriate
5) USG assistance will be sustained and accountable

Principle #1: USG assistance will be country-led and build country capacity. In its pursuit of economic growth, the GOH recognizes the importance of stabilization and institutional capacity-building. In support, the USG strategy will be equal parts growth and stabilization. The USG will invest in energy, transport infrastructure, and agriculture as a means of creating jobs and unlocking potential markets across the Haitian economy. USG investments will support the GOH's priorities for job creation in farming, construction, and manufacturing. At the same time, the USG will also invest in the regeneration and stabilization of the public sector, with a particular emphasis on public finance and planning, health care, education standards, and security.

The USG will involve Haitians in all the productive aspects of its investments. The USG will work with Haiti's workforce to plan and execute the major infrastructural projects needed to underpin economic growth, such as the design and construction of a new container port, farm-to-market roads, irrigation systems, power grids, hospitals, and police stations. Haitians will also provide training and, in turn, be trained to staff hospitals and clinics as doctors, nurses, and community health workers; to work as agriculture extension workers, soil scientists, prison wardens, police officers, judges; and to manage public institutions from posts in the Ministries of Health, Justice, Agriculture, Finance and Public Works. Wherever possible, these jobs will be long-term positions that impart lasting skills and knowledge to Haitians, and to ensure that these investments lead to sustainable improvements in the capacity of the Haitian state and the growth of the Haitian economy,

USG investments in the IHRC and the follow-on Haitian Development Authority (HDA) will build the requisite human capital and competencies within the GOH to coordinate donor efforts toward the integrated Haitian plan and future development.

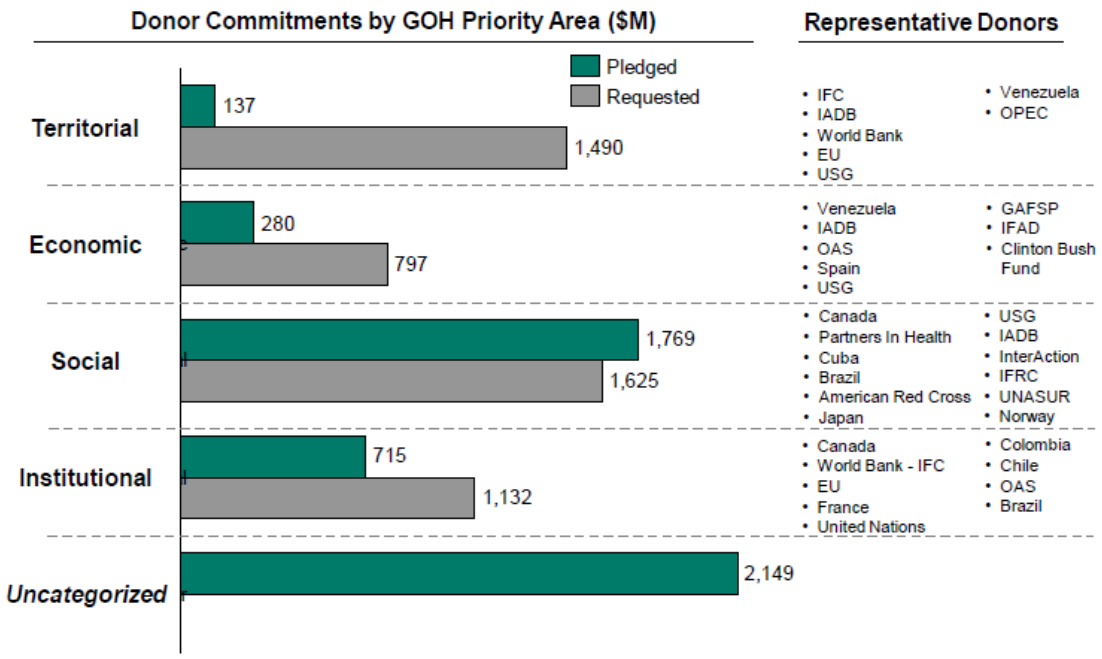
Principle #2: USG assistance will underpin a comprehensive, integrated plan. The USG's investments will support four essential pillars of Haiti's development: infrastructure and energy, food and economic security, health and other basic needs (such as education), and the rule of law as reinforced by democratic governance. Together, these four pillars will be the foundation for a comprehensive strategy for growth and stability that will be carried out in three development corridors anchored by the three hubs designated by the GOH's plan of action as poles for growth.

In each pillar of the strategy, the USG will strive to address the critical aspects of the challenge. The USG's projects in health and security will build and strengthen public sector institutions across every dimension, from training to infrastructure. In agriculture, the USG will pursue a "grow more, save more, sell more, and earn more" approach that encompasses production, processing, and access to strong markets for Haitian farmers, with a geographic focus centered on specific watersheds[4]. In energy, the USG will invest in the efficient commercialization, generation, transmission, and distribution of electricity and fuels. To integrate sectors of the Haitian economy, the USG will seek to develop renewable technologies for harvesting, sorting, and preserving crops while electrifying the factories that will sanitize, process, package, and export crops from Haiti's economic hubs. Similarly, nutrition programs will bridge USG health and agriculture investments. Secondary and tertiary roads built to improve market access for agricultural production will also connect families living in rural areas to critical health services, electrified health clinics, courthouses, town halls and police stations. To maximize impact, the USG will target its investments in three development corridors, which the USG prioritized based on the GOH's Action Plan.

Principle #3: USG assistance will leverage and coordinate its resources with other partners. The international effort to partner with the people and GOH to bring stability and growth historically has suffered from a lack of coordination between governmental and non-governmental stakeholders, implementing organizations, the private sector, and the GOH. The United States and other donors have pledged significant investments in the GOH's priority areas, presenting myriad opportunities for the USG to coordinate its own investments and collaborate with its counterparts.

[4] A watershed is a geographic area of land that drains water, including its rivers and accumulated rainwater, to a shared destination, such as the sea or a lake.

Table: Initial Pledges by Donor In Support of GOH Priorities[5]



* Territorial includes half of pledges classified as "economic recovery and infrastructure;" Economic includes agriculture and half of pledges classified as "economic recovery and infrastructure"; Social includes health, food, shelter, education, water and sanitation; Institutional includes pledges classified as "coordination and support services"; Uncategorized includes pledges classified as "multi-sector," "other" or "sector not yet specified."
Source: Plateforme pour la Refondation d'Haiti PRH, http://www.refondation.ht; Dalberg analysis of various online resources.

Coordination among donors must start with the leadership of the GOH. The IHRC and follow-on HDA provide this leadership role for the GOH and a valuable mechanism for donors to coordinate their activities. With Haitians in the lead, the international community will have to route its programs and projects through a central decision-making filter, make changes in line with Haitian guidance, and proceed only with the approval of the GOH. Consistent with this principle, the USG has worked closely with the GOH and with other stakeholders to develop its Haiti Strategy.

Principle #4: USG will use multilateral mechanisms wherever appropriate. Multilateral institutions and facilities help further the goal of coordinated action and investment aligned with a single national plan. In addition to its bilateral investments, the USG will invest in a multi-donor trust fund to capitalize on efficiencies and economies of scale that individual donors might miss.

Principle #5: USG commitment will be sustained and accountable. The rebuilding of Haiti will span more than ten years. The GOH and other Haitian partners and stakeholders must be able to rely on

[5] GOH priority areas include the following categories of donor pledges:
Territorial – includes half of pledges classified as "economic recovery and infrastructure"
Economic – includes agriculture and half of pledges classified as "economic recovery and infrastructure"
Social – includes health, food, shelter, education, water and sanitation
Institutional – includes pledges classified as "coordination and support services"
Uncategorized – includes pledges classified as "multi-sector," "other" or "sector not yet specified"
Source: Plateforme pour la Refondation d'Haiti PRH, http://www.refondation.ht

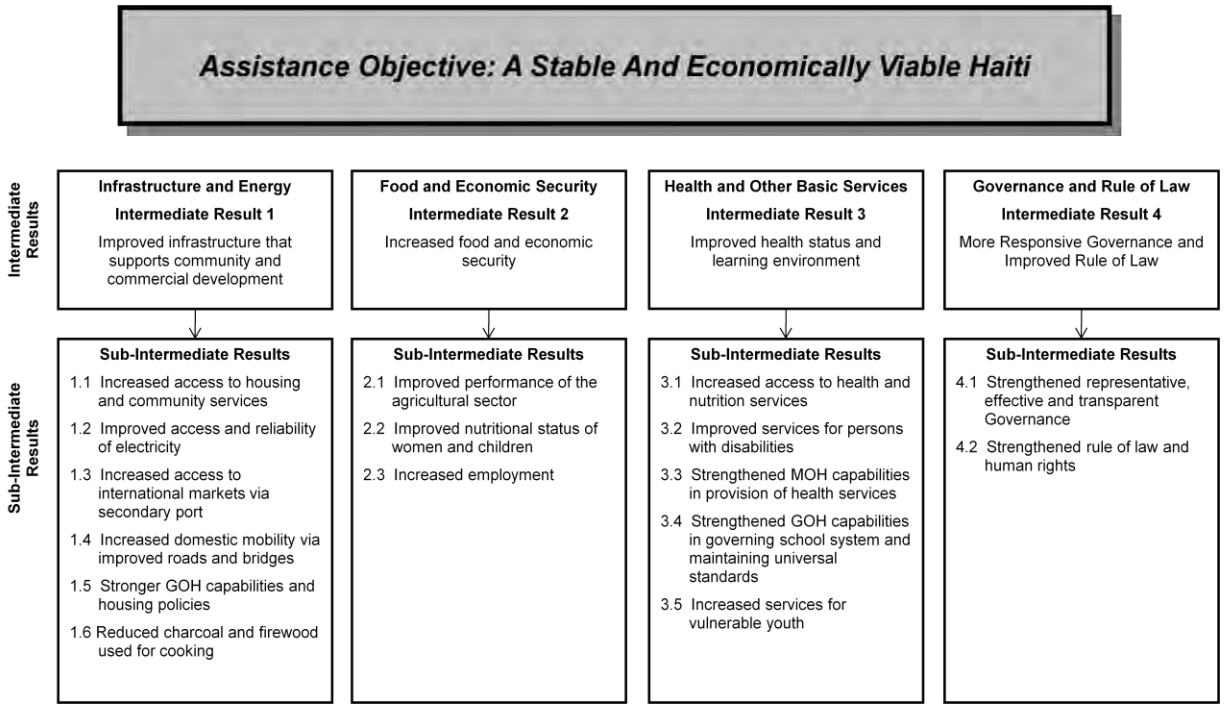
consistent and substantial support from the international community. To achieve sustainable, long-term growth, the USG will make a long-term commitment to Haiti, and use its leverage to encourage our international partners will do the same.

To maximize the effectiveness and sustainability of its investments, the USG will, wherever possible, design programs with clear exit strategies. It will also monitor implementation to track performance – which is essential to effective use of taxpayer dollars. Going forward, the USG will invest in a robust monitoring and evaluation system to cover USG operations in Haiti. A dedicated monitoring and evaluation unit within the Haiti mission will set benchmarks and targets. It will also release an annual report card tracking the progress of the USG's strategy and highlighting any lessons learned. This system will allow the GOH and USG to close programs that don't work, modify programs that show potential but are falling short of their targets, expand programs that achieve measurable and cost-effective results – and determine when to transition the USG-funded programs to GOH or other appropriate entities' responsibility.

V. Four Focus Development Pillars

As Secretary Clinton stated, aid is critical, but aid has never saved a country. The success and sustainability of international assistance will ultimately depend on the response of the Haitian people to new opportunities. It hinges on growing enterprises, both Haitian and foreign, to infuse capital, skills and networks to the Haitian economy and provide much needed jobs.

The USG has identified four focus areas or "pillars" of investment critical to achieving economic growth and stability, including private-sector led sustainable development: (A) infrastructure and energy, (B) food and economic security, (C) health and other basic services, and (D) governance and rule of law. The USG has outlined a set of objectives and intermediate results to guide efforts over the life of this five-year strategy:



Pillar A: Infrastructure and Energy

Even before the earthquake, the Haitian economy was hamstrung by the deficiencies in its economic infrastructure. For many years, Haiti's gross domestic product grew slowly at best, in part because of recurrent problems in transporting goods and services and delivering electricity, water and fuel to households and businesses. The earthquake exacerbated this deficit, with physical damage to infrastructure alone estimated at $4.3 billion. In support of Haiti's rebuilding, the USG will focus its efforts on infrastructure investments in the three priority development corridors of Port-au-Prince, Saint Marc and Cap Haitien.

The Infrastructure and Energy pillar of the USG strategy has three priorities to help the GOH meet its targets for decentralized economic development in the Action Plan:

1. Housing
2. Ports
3. Energy
    a. Electrification
    b. Alternative cooking technologies

Priority 1: Housing

Summary of Goals

The earthquake left 1.3 million Haitians without shelter. Though the damage has been tremendous, it also presents a unique opportunity to "build back better" in greater Port-au-Prince, as well as to enable new communities to flourish in Haiti's designated development corridors.

The housing priorities set out in the GOH's Action Plan[6] are summarized below:

Support existing camps and movement to transitional housing of displaced persons	1. Improve the living conditions in current displaced persons camps 2. Evacuate sites prone to damage from natural disaster 3. Move displaced persons from camps to provisional shelters on five sites
Provide permanent housing and services	4. Provide sustainable infrastructure for permanent housing and services 5. Develop a fund to support reconstruction efforts in municipalities and neighborhoods
Strengthen housing sector institutional capacity and increase access to financing	6. Develop a reconstruction fund to improve access to home loans 7. Provide technical assistance to local government authorities, including planning, land tenure and quality control of construction materials

[6] Lancement du plan d'action pour le relèvement et le développement d'Haiti, March 2010. NB: Categories and activity groups simplified for ease of reference.

More than six months after the earthquake, 1.3 million Haitians remain in temporary camps. In the immediate aftermath of the earthquake, the USG supported intensive relief efforts, providing emergency and transitional shelter, engineering assessments of quake-affected homes, home repairs, and other technical assistance. Out of emergency assistance funds, the USG has funded 33,000 shelter solutions. These shelters, of which 9,739 have been constructed as of 2 December 2010, can be upgraded to more permanent homes and provide the foundation for the USG's medium-term housing strategy. However, the majority of these transitional shelters are still to be constructed. Bottlenecks, notably the amount of rubble, complex land ownership issues and a lack of services and infrastructure at the community level, stand in the way of accelerating progress in transitional housing and are also inhibiting the construction of permanent housing. This meant the USG and other donors have increasingly focused on the repair of yellow houses and incentive packages to allow IDPs to stay with families and friends as more permanent housing is being built. The USG's emergency efforts and long-term reconstruction efforts intersect.

In addition to ongoing efforts in transitional housing, the USG will:

1) Support the upgrading and renewal of up to five Port-au-Prince neighborhoods, including additional resources to accelerate rubble removal through heavy equipment, and support to community-based adjudication and resolution of land and property claims.
2) Undertake integrated housing and energy investments to facilitate the establishment of up to three new communities that offer housing, access to electricity, jobs and sustainable economic opportunities close to Port-au-Prince and in the USG's development corridors of St. Marc and Cap Haitian.
3) Provide support to critical institutions such as the Presidential Commission on IDP resettlement, the IHRC and the tax office (Direction General des Impôts (DGI)) underneath the Ministry of Finance in charge of land ownership and property tax records to enhance coordination and assist in reforms vital for a thriving housing sector,
4) Increase access to housing finance, such as home improvement loans and mortgages for the middle class

Overview of Needs

The housing sector in Haiti suffered from several shortcomings that directly contributed to the extensive level of damage it sustained. Prior to the earthquake, Haiti lacked building codes and oversight, and land use was lightly regulated. A high proportion of the Haitian population lived in dense, congested neighborhoods within Port-au-Prince and its surrounding areas. The earthquake destroyed an estimated 114,927 houses and severely or moderately damaged several hundred thousand more units.[7] The total damage to Haitian housing, estimated to be $2.3 billion, has forced 1.3 million individuals into 1,300 temporary camps in Port-au-Prince alone.

[7] PDNA 2010 Haiti, Secteur Infrastructure, section logement, version provisoire.

Estimates from surveys of the International Organization for Migration (IOM) suggest that women make up more than 50% of the occupants of these camps. Given that women-headed households in Port-au-Prince are more likely to be extremely poor (living on less than US$1.20 a day) than their male counterparts, it is likely that a significant portion of these women do not have assets or livelihoods.

Wherever possible, the GOH has prioritized returning IDPs to their former homes and communities. To facilitate this process, the Ministry of Public Works (MTPTC), supported by the United Nations Office for Project Services (UNOPS) and USG-funded engineering assessment teams, have assessed nearly 377,446 buildings in the greater Port-au-Prince area for their safety and habitability as of 2 December 2010. To date, 54% of the houses and apartments have been assessed as green and are considered safe for families to return. Twenty-six percent have been assessed as yellow and are structurally safe, but require repairs before they become habitable; and 20% have been assessed as red and are not safe to live in.

Immediate housing priorities include: identifying appropriate sites for transitional housing] in planned settlements and neighborhoods of origin, accelerating the removal of debris, repairing structurally sound homes, ensuring provisional arrangements on land are respected by authorities and communities, and providing a fair selection process for beneficiaries that receive housing assistance (including vulnerable groups such as single female-headed households, the disabled and elderly).

In the medium-term, providing access to permanent housing will require: provision of core housing and upgraded transitional shelters, provision of services at designated sites, community upgrades (e.g., sanitation, access roads, and street lighting), and community-based land adjudication that transforms provisional occupancy arrangements into a clean and legitimate title. Access to housing finance has to be expanded, to create a market where people can rent and ultimately own their homes, as a foundation for stability and future economic growth. Ensuring the sustainability of these investments requires support to GOH institutions whose capabilities are essential to the emergence of a healthy housing sector.

Overall Objectives and Donor Activities

Immediately after the earthquake, the international community launched a massive response to the Haitian people's need for shelter. As Haiti rebuilds, donors, NGOs, and technical agencies are focusing on moving people from camps to transitional shelters. The donor community has pledged to fund 125,000 transitional shelters to house an estimated 600,000 people, although a September 22 Shelter Cluster report (Transitional Shelter Needs Analysis) indicates that transitional shelter needs may have declined to 100,000-113,000 units and decline further as the emphasis shifted to repairing homes and providing longer-term solutions. Major commitments of $30 million have been made by the IDB to establish a new settlement with transitional shelters and basic services for 5,000 families,[8] and the

[8] The $30M pledge includes a number of costs for the community such as access roads, public lighting, water and sanitation. The settlement will be established on public lands in Les Orangers. Source: Inter-American Development Bank news release, April 29 2010.

International Federation of Red Cross and Red Crescent Societies (IFRC,) also has pledged 30,000 transitional shelters together with basic services and livelihood support as part of its commitment of $200 million,[9] together with other major organizations including Habitat for Humanity, UN-Habitat, and Catholic Relief Services. As of 13 October 2010, a total of approximately 17,400 shelters had been constructed.[10] These transitional homes offer families a dry floor, shelter from the harsh weather, and a chance to rebuild their lives. The USG has provided funding for 47,500 shelter solutions, and as of December 2, had constructed 9,739 of these hurricane resistant shelters. This shortfall is due to the fact that the USG has prioritized the repair of yellow homes, incentive packages to encourage temporary cohabitation with friends and families and the building of housing that families can call home for the long-term. This shift is due to the higher than expected number of green and repairable yellow homes identified by engineering teams, but also due to the challenges donors have encountered in the construction of temporary shelters and the recognition of insufficient progress made.

Immediate needs have dominated the international community's response, and therefore specific pledges to support permanent housing requirements, including support to GOH institutions, the repair of damaged homes and the conversion of transitional to permanent homes, have been less significant. To date, it is estimated that donors have pledged about one third of the funding required for new permanent housing units.[11] Total pledges from the international community to address all infrastructure needs totaled $732 million at the March 31st International Donors' Conference, covering housing (emergency, transitional and permanent) as well as urban and community infrastructure, transport, telecommunications and energy. According to the GOH Post-Disaster Risk Assessment (PDNA), 75% of the infrastructure need is in housing alone.[12]

USG Assistance Objectives, Intermediate Results, and Sustainability Model

The USG housing strategy aims to support the GOH in creating safe and sustainable communities in Port-au-Prince and in GOH-designated development corridors. In implementing USG housing investments, the USG will place particular emphasis on quality, hurricane and seismic resistance, cost-effectiveness, strengthening the local construction industry, and the use of Haitian labor. With this in mind, the USG will invest resources in four areas:

1. Support the upgrading of up to five Port-au-Prince neighborhoods, including resources to accelerate rubble removal using heavy equipment. In conjunction with multilateral funding mechanisms, the USG will invest in urban upgrading in Port-au-Prince neighborhoods, with emphasis on the repair of homes assessed as "yellow," upgrades to transitional shelters to create permanent housing and essential infrastructure such as access roads and sewage. In the short-term, to accelerate debris removal and identify sites for housing, the USG is contributing funding towards the implementation of a debris

[9] IFRC Operations Update for June 5 2010
[10] June 8, 2010 IASC Shelter cluster reported figures. Additional OFDA estimates indicate number may be as high as ~150,000.
[11] Estimate from UN-Habitat, June 25 2010
[12] GOH Haiti Reconstruction Platform, including information in the Haiti Pledge Data Set.

removal plan. To help clarify land rights, mitigate areas of potential conflict and accelerate land availability, the USG will fund a property claims documentation process in collaboration with the DGI, the Presidential Commission for IDP Resettlement and UN Habitat. These activities address the key constraints of rubble, land availability and the lack of community infrastructure that currently prevent IDPs from settling back into their former neighborhoods. Furthermore, repairs of yellow homes and the upgrading of transitional shelters, which based on needs and demands can include vouchers for kitchen sets, the construction of concrete walls or home extensions, allows IDPs to settle more permanently and rebuild their lives in their home communities.

Intermediate Results and Sustainability Model: Within 18 months, the USG, working with the GOH, NGOs, and donor partners, will have helped to fund the relocation of IDPs to 65,000 habitable homes and 35,000 homes made habitable through repairs; supported host arrangements with neighbors, family and friends for 25,000 households; housed approximately 250,000 IDPs in 47,500 shelter solutions; ; launched urban upgrading programs in three Port-au-Prince neighborhoods, including support for expedited rubble removal, design of an urban plan for neighborhoods that lays out building standards, access roads and community spaces, building access roads, water works, and sewage systems. The USG will also coordinate the issuance of vouchers and loans for home improvement and repairs to transform transitional shelters into permanent homes, and assist community-based resolution of documented ownership and occupancy claims for 40,000-80,000 parcels in Port-au-Prince. In five years, the USG will have made a significant contribution to the rebuilding of neighborhoods in Port-au-Prince that offer economic prospects, secure housing and services to its residents. The USG expects that once beneficiaries have been provided with a safe home to rebuild their lives, families will benefit from the opportunities created through USG related investments in health and energy.

2. Undertake integrated investments to facilitate the establishment of up to three new communities that offer housing, jobs, and sustainable economic opportunities. The USG will work with the GOH, donors, and international organizations to establish housing in up to three new communities that offer economic opportunities, access to electricity and sustainable economic opportunities close to Port-au-Prince and in the USG's development corridors of St. Marc and Cap Haitien. Construction of new homes on allocated lots will prioritize Haitians who have not received transitional shelter and may be staying with friends or family, with a particular focus on households headed by single women. These homes will meet disaster-resistant building standards, and their construction will involve newly trained local staff wherever feasible. At the same time, the USG will support the transformation of transitional shelters at planned settlements within the USG development corridors into more permanent homes following the model used in Port-au-Prince neighborhoods. In addition to creating thousands of temporary construction jobs and building construction capacity within secondary cities, these settlements will benefit from an integrated USG-led investment package that includes electricity, transport infrastructure, health, and the creation of job opportunities in agriculture and industry.

Intermediate Results and Sustainability Model: Within 18 months, the USG will have identified sites for new shelter settlements for IDPs and middle income families, contracted projects and monitored

construction of permanent housing units and related services and infrastructure ;supported at least 4,000 new core homes benefiting 20,000 people and provided infrastructure to other new shelter sites to facilitate the construction by other organization of 11,000 more houses to benefit approximately 70,000 people, with the component benefiting 75,000-90,000 people in the Port-au-Prince and Cap Haitien development corridors; and designed integrated investments for these communities in concert with other donors. In five years, the USG will have contributed to sustainable communities in development corridors, supported by services and economic opportunities. Similar to the approach in Port-au-Prince neighborhoods, related investments will target job creation in agriculture and in formal businesses that allow communities to have a sustainable future income base, from which to pay for essential services , ongoing home repairs and any further home improvement loans families might wish to take out.

3. Provide capacity building and policy reform support to the GOH. The USG is already building capacity and providing policy assistance in a number of GOH institutions, including to the Presidential Commission on IDP Resettlement and the Ministry of Finance, in close coordination with other donors. Going forward, the USG will provide technical assistance in urban planning, management, construction, and housing administration. USG policy assistance will be focused on land tenure and titling, the creation of an enabling environment for housing finance and mortgage markets, and regulation and supervision of building codes.

The USG will continue to: 1) fund the IHRC and the HDA to improve the coordination of Haiti's strategy for permanent housing, 2) support the Presidential Commission on IDP Resettlement to facilitate the relocation of IDPs, and 3) assist the Ministry of Economy and Finance, particularly the DGI in the Ministry of Finance, to help improve the land title and property tax records.

Intermediate Results and Sustainability Model: Within 18 months, USG will have provided significant technical capacity to the IHRC, the Ministry of Finance and the Presidential Commission on IDP Resettlement. In five years, the USG will have supported the GOH in designing improved and effective housing policies and in managing the urban expansion of Port-au-Prince and secondary cities in Haiti's development corridors; and strengthened municipal capacity to improve service delivery, mobilize and manage funds, and plan for urban expansion. The aim of USG assistance is to support the GOH is devising sound policies and train and retrain skilled professionals to direct and support the sustainable growth of Haiti's housing sector in accordance with safe building codes and seismic-resistant construction practices.

4. Increase access to housing finance. Recognizing that the majority of the Haitian population lacks access to housing finance, the USG will support the expansion of the housing sector with mechanisms tailored for different segments of the population. A number of options will be assessed for implementation, including home improvement loans, construction finance, mortgage lending for the middle class and working poor, and subsidies and vouchers for the poorest. The expansion of housing finance will occur alongside existing USG programs aimed at improving access to finance, including the

Development Credit Authority (DCA). These investments will enhance rental and ownership opportunities for households and create a personal asset base that can serve as a foundation for future expansion of the financial sector. USG support will be targeted to generate incentives to attract additional investment from the private sector for both Port-au-Prince and the new settlement areas.

Intermediate Results and Sustainability Model: Within 18 months, the USG will have enabled access to financing for people to repair and upgrade their homes in Port-au-Prince. In five years, the USG will have increased access to housing finance for Haiti's low- and middle-income households. Over this time span, banks will have improved their ability to assess borrowers' risk in the housing market and offer more developed, affordable and diversified products to meet the needs of Haitian consumers.

Priority 2: Ports and Economic Growth Poles

Summary of Goals

A main driver of growth is the extent to which entrepreneurs are able to capitalize on one of Haiti's biggest assets – the country's proximity to the world's largest market. The USG will complement existing trade preferences with Haiti and our investments in agriculture with investments in a competitive international container port and the establishment of a regulatory policy environment for the port to operate in an efficient, well-regulated and transparent manner that serves Haiti's vision of a modern economy and valued trade partner.

The port priorities set out in the GOH's Action Plan[13] are summarized below:

Rehabilitate the existing port of Port-au-Prince	1.	Short term: Rehabilitate the damaged facilities of the public port in Port-au-Prince to ensure the continued flow of goods
	2.	Short term: Provide temporary equipment to enhance the capacity at critical ports of entry for the increased demand during reconstruction
Develop a long-term port strategy for Port-au-Prince and Haiti's growth poles	3.	Short term: Develop a viable strategy for Port-au-Prince and regional ports that improves Haiti's competitiveness and access to global markets by harnessing public-private partnerships in a well-regulated sector
	4.	Short-term: Undertake a detailed feasibility study and strategy for a large modern container port on the coastline just north of Port-au-Prince
Construct additional port facilities	5.	Medium to long term: design and construct major container ports in Gonaives, Les Cayes and Cap Haitien

Based on the GOH's priorities, the USG will:

1) Assist the GOH in leveraging Haiti's proximity to the US market by increasing the efficiency of Haiti's port sector and improving the regulatory environment and oversight.

[13] Lancement du plan d'action pour le relèvement et le développement d'Haiti, March 2010.

2) Invest in the design and development of a major international container port in partnership with other bilateral and multilateral partners and the private sector.
3) Develop an integrated investment package in coordination with the GOH and other partners to grow a competitive economic growth pole anchored by the port development.

Overview of Needs

The inadequacy of Haiti's main port and international airport in Port-au-Prince became clear in the immediate aftermath of the earthquake, when life-saving relief supplies and food could not reach the affected populations. Poor market integration also carried a high social cost in 2008, when produce rotted in the port while hunger and malnutrition soared in remote and inaccessible communities. As long as poor roads and the sole international container port concentrate economic activity in Port-au-Prince, migrants will be compelled to resettle in the greater metropolitan area complicating adequate service delivery, enforcement of building codes and disaster risk mitigation.

Proximity to the U.S. is a major asset to Haiti and low-cost container shipping can be the source of accelerated economic development. In agriculture, Haiti's mangoes are routinely flown to the U.S. by plane at high costs for want of efficient ports and regular container vessel traffic to Miami. Other produce rots in storage facilities and Haiti's premium coffee beans are regularly sold informally across the border to the Dominican Republic as modern Haitian processing and shipment facilities do not currently exist.

Haiti's proximity to the US market is complemented by a competitive labor force and trade preferences that make Haiti an attractive sourcing location for garments. The apparel industry is uniquely positioned to complement rural jobs with urban jobs in new growth poles. The value of Haitian apparel exports to the U.S. amounted to roughly $512 million in 2009, employing just over 25,000 Haitians. It is by far the largest private industry in the country, contributing 10% of Haiti's total GDP. Two decades ago, an estimated 100,000 workers were employed in the garment and light manufacturing sector, cutting and sewing U.S. baseballs and a range of apparel destined for the North American market. The industry can now re-emerge as a dominant engine of job creation with targeted investments in competitive economic clusters and local and international manufacturers, including leading Korean and Brazilian companies expressing concrete commitments to take advantage of Haiti's opportunities an d create thousands of permanent jobs.

Haiti can ill-afford a port system that ranks 144th (out of 181) in 'trading across borders' in the World Bank's global *Doing Business Report 2010*. Increased competition in the port sector and significant investments by the private sector, including in a second major transport hub, are required to capitalize on Haiti's advantages. Significant improvements in productivity and reductions in cost are possible in the Haitian port sector, particularly in Port-au-Prince which hosts 90% of the country's international trade.

There are currently nine primary port facilities in Haiti. Two of these ports have facilities and harbor depth to cater to larger vessels, namely Port-of-Prince and to a lesser extent Cap Haitien. The other

Haitian ports serve local towns and typically accommodate smaller ships and barges. Generally, Haitian ports, including the two larger ports, are located in congested and densely populated urban centers, providing little space for expansion and slowing the transportation of goods to and from the ports. The GOH therefore called for investments in container facilities close to major cities, but with sufficient distance from their crowded urban centers. The port sector is regulated by the National Port Authority (APN). Amid growing concerns by Haitian businesses over the high costs and inefficiency of the ports, the GOH has worked with APN and in consultation with the three private operators at the Port-au-Prince main port to restructure APN with significant cuts in staffing and a greater focus on the regulation of the sector as a result. The role of the private sector in managing and investing in the sector has increased over the past years with growing activity of private ports and the transfer of handling operations at the Port-au-Prince public port to a consortium of shipping agents.

As a result of the earthquake, the infrastructure of the public port in Port-au-Prince literally collapsed. Today, containers are being handled by shipboard cranes with other cargo being off-loaded at a make-shift ramp. These measures allow port operations to manage day-to-day in the short-term, but it is not a long-term solution. The Haitian private sector has announced plans to make significant investments to increase capacity in the Haitian port sector, especially in and around Port-au-Prince. Given the urgent imperatives to act, the USG and others anticipate that the GOH will be compelled to make critical decisions in terms of the financing, investment operations, maintenance and regulation of the Haitian ports which will impact the sector for the long term.

Overall Objectives and Donor Activities Haiti's Action Plan prioritizes the rehabilitation of port facilities in Port-au-Prince and the construction of additional deep-water ports in other regions of the country to facilitate imports and exports and to encourage the emergence of industrial and commercial activity.

The GOH has enlisted the advisory services of the World Bank's International Finance Cooperation (IFC) to conduct an independent study on the Haitian port sector and to develop a set of recommendations. The IFC's report will provide a road map to guide the Government's decisions on the contours and potential expansion of the sector, including improvements in competitiveness, private sector participation, regulation and locations for new port developments based on forecasted demand for incoming and outgoing containers and other cargo.

The IFC's port development study is being closely coordinated with ongoing IDB assessments of the feasibility and locations for major industrial zones close to Port-au-Prince and adjacent to Cap Haitien. Several donors, including the EU and the IDB, as well as private investors, have publicly indicated an interest in participating in the development of a major new international trading hub for Haiti. Large foreign conglomerates have signed Memoranda of Understanding expressing intent to locate manufacturing facilities for export, notably garments, in Haiti. In addition to private resources, realizing a complex port development project requires public grant resources and close coordination with investments in other sectors in an integrated regional development strategy.

The USG is well placed to be a strategic partner to Haiti in the development of a new trading hub. The Haiti Economic Lift Program (HELP) passed by the U.S. Congress in May 2010 expands Haiti's already generous trade preferences in the U.S. and provides enhanced opportunities to launch the country on a path of economic growth, with temporary jobs in reconstruction providing the foundation for employment opportunities in new enterprises. The U.S. is also Haiti's main trade partner for agricultural commodities. The USG's Feed the Future initiative seeks to raise agriculture productivity, farmers' incomes and the marketability of their produce, which will likewise stimulate growth for a new trading hub. These USG investments will only succeed if the Haitian people have much improved access to markets for their goods, which a major port will meaningfully facilitate.

USG Assistance Objectives, Intermediate Results, and Sustainability Model

1. Assist the GOH in leveraging Haiti's proximity to the US market by increasing the efficiency of Haiti's port sector and improving regulatory oversight. An efficient and competitive port system is a critical missing link in Haiti's industrial and agricultural value chains. During the 2008 food crisis, rice, beans and other staples were rotting in the port of Cap Haitien, while malnutrition soared in Haiti's nearby mountainous regions. Any investments in the physical infrastructure of Haiti's ports system has to be underpinned by efforts to reduce costs while maintaining the viability of the sector, and increase the processing speed of both imports and exports through customs. The USG, in partnership with other bilateral and multilateral partners and the private sector, will support the GOH in developing an appropriate strategy for Haiti's port sector, including reforms in regular oversight that enhance transparency and competition.

Intermediate Results and Sustainability Model and Sustainability Model: Within 18 months, the USG will support the GOH in the development of the long-term port development strategy and contribute to the engineering, commercial and regulatory assessments required to determine the appropriate structure and management of the sector. Technical assistance during this timeframe may include support for customs, APN and the Ministry of Finance. Within five years the USG will have contributed to visible and lasting improvements in Haiti's ports sector, as demonstrated by a significant drop in port charges, shorter processing times through customs and an improvement in Haiti's ranking in the category trading across borders of the *Doing Business* Survey. The USG expects that these reforms will translate to significant benefits for Haiti's exporters and importers, which will in turn be passed on to the consumers. As such, there will be little incentive for authorities to reverse reforms in the port sector, guaranteeing the sustainability of our investments in this area.

2. Invest in the design and development of a major international container port in partnership with other bilateral and multilateral partners and the private sector. Exporters of high-value fruits report that produce is regularly shipped by air cargo at significant costs given limited frequency of container vessels to Miami. There is currently no notable container handling facility in Northern Haiti, hence major export-oriented businesses do not locate to the region. Without access to international markets, improvements in the productive base of the economy -- including through enhanced access to electricity, expanded irrigation canals and improved seeds and marketable produce like mangoes and cocoa – will be undermined by a lack of marketability and limited revenue streams for farmers and businesses. The USG is considering investing in one of two possible port locations, in line with the GOH's designated growth poles and anticipated watersheds prioritized for USG agriculture investment: 1) the region between Cap-Haitien, and Ouanaminthe which offers untapped potential in cocoa, high-value vegetables and mangoes as well as the potential for light manufacturing, especially in apparel (with its proximity to Miami, a new container port in this region could become a hub for the North; however, it will require significant ancillary investments and new economic zones to make such a port viable); or 2) The less developed coast line between northern Port-au-Prince and Saint-Marc, with potential port locations around the communities of Lafiteau and Aubry, especially if integrated with nearby industrial,

commercial and residential developments and the mango-growing areas in the Cabaret watershed; Lafiteau and Aubry, both proximate to Corail and between 10-15 miles from Port-au-Prince along a new highway, could serve as a future hub for existing demand in Port-au-Prince and growing secondary cities.

USG investments are anticipated to occur within the framework of a public-private partnership that harnesses the expertise and competitiveness of private operators, while ensuring that the port generates significant revenue for the GOH. This revenue can be reinvested in the ongoing maintenance of critical infrastructure assets in the surrounding region and become an engine for regional renewal.

Intermediate Results and Sustainability Model: Within 18 months, the USG will have contributed to: 1) a completed feasibility study that sets forth the engineering assessments, budget, management model, regulatory oversight, including an adequate port security regime, and private participation strategy for one of the two potential port locations; 2) support port capacity enhancements to facilitate the movement of supplies during reconstruction and prevent price escalations; and 3) the launch of ground preparation and construction for a new or expanded port. Within five years, the USG will have made significant contributions to a modern container port. The USG also will have provided assistance to the Ministry of Finance to harness the revenue from the port for productive uses, including maintenance and regional development. The port investment will create revenue through docking fees and cargo handling charges. The USG will ensure that these fees will sustain the operation and continued maintenance of the port without a need for continued USG assistance.

3. Develop an integrated investment package in coordination with the GOH and other partners to spur the development of a competitive economic growth pole anchored by the port development. Any USG port development has to be integrated with other U.S. investment strategies to lay the foundations for small and medium size businesses to prosper and to attract modern companies into competitive industrial parks to take advantage of Haiti's workforce and nascent economic potential. In addition to upgrades of existing transitional housing and new housing investments with water and sewage in this area, the USG will ensure the energy infrastructure is in place to support residential and commercial developments, and that feeder roads are rehabilitated and expanded that link the community to nearby agricultural production areas. In addition, the USG will provide basic health care infrastructure and coordinate with the GOH and other donors through the IHRC to ensure the growth pole benefits from industrial space, schools and other essential services. The port will be designed to serve as catalyst of regional development, credibly committing the GOH and its international partners to improving prospects outside of Port-au-Prince.

Intermediate Results and Sustainability Model: Within 18 months, the USG will have contributed to: 1) an integrated investment plan, including permanent housing, transportation, electricity, with sufficient incentives to attract 1-2 major manufacturers and/or agribusinesses to the designated growth pole; and 2) technical assistance that enables the GOH and the IHRC to effectively facilitate private investments in these poles and showcase Haiti's competitive advantages. Within five years, the USG will have

contributed to a growing center of economic activity through a new port and integrated investments with the other donor partners and the private sector in a globally competitive industrial park, housing and productive infrastructure, creating over 25,000 jobs in manufacturing, agriculture and formal businesses, and significantly increasing the value of Haitian exports over 2009. The USG expects that initial USG investments will help local and foreign businesses operating in Haiti be more competitive and create the growth in incomes and purchasing power needed to sustain a commercially viable power supply and other essential services in the area.

Priority 3a: Energy – Electricity Provision

Summary

The USG will work with the GOH to modernize the electricity sector and expand access to reliable and affordable electricity service. This will require investments to rehabilitate damaged infrastructure, reduce technical and non-technical losses, and expand generation, transmission, and distribution systems. In addition, Haiti needs an institutional and regulatory framework to make the electricity sector commercially viable and to attract investment from the private sector. The USG strategy aims to help Haiti "build back better" by addessing the fundamental challenge to commerical viability and alleviating the need for substantial subsidies.

The electrification priorities[14] set out in the GOH's Action Plan are summarized below:

Improve technical and commercial efficiency	1. Short term: Improve the management of the distribution network, including reducing illegal connections and improving network maintenance to reduce technical losses 2. Short term: Review electricity generating costs to balance with different consumers' ability to pay
Improve the legal framework to support a financially viable sector	3. Short term: Enable public-private partnerships in the energy sector and accelerate the ongoing efforts to modernize the business and investment sectors
Rehabilitate the existing electricity infrastructure	4. Short term: Repair substations (in order of priority: Canapé Vert, Toussaint Brave, Martissant, Rivière Froide, Croix Des-Bouquets, Croix des Missions, Ancien Delmas, Nouveau Delmas) 5. Short term: Restore electricity distribution networks in (medium and low voltage) in Port-au-Prince (addressed by IDB) and other cities[15] 6. Rehabilitate transmission lines 7. Restore the power plants at Péligre, Sault-Mathurin (addressed by CIDA), Caracol-Nord, Onde Verte, Drouet, and Varreaux

[14] Consolidation of Government of Haiti Action Plan, March 2010 and GOH Lancement du plan d'action pour le relevement et le développement d'Haiti, May 2010.

[15] Cap Haïtien, Gonaïves, St Marc, Hinche/Pignon/St Raphael/ St Michel de l'Attalaye/Maissade, Les Cayes, Jacmel, Miragoane, Jérémie, and Port de Paix

Build new capacity to increase access to electricity	8. Expand power plant at Varreux 9. Build the Artibonite C-4 hydroelectric dam[16] 10. Build additional power plants to meet requirements from economic development activity 11. Integrate the national transmission network[17] 12. Set up various local medium and low voltage networks for the distribution of electrical energy in Port-au-Prince and other cities[4] 13. Build Tabare substation

In support of the four priority actions described in the left column of the table above, the USG will undertake technical and commercial assessments to define in depth the key issues, needs and priority interventions. The USG will first focus on technical assessments needed to improve the understanding of immediate infrastructure repair and rehabilitation priorities. Based on power system and economic modeling, these assessments also will identify and prioritize longer term infrastructure requirements best suited to matching new generation with forecasted load. These investments will be coupled with other investments that generate permanent jobs, such as the development of globally competitive industrial parks. Furthermore, an assessment of the commercial performance of the sector and of the existing governance framework will be undertaken to identify where opportunities exist for improving commercial operations, strengthening the regulatory and legal framework and attracting private sector participation.[18]

The USG strategy will focus on two overall priorities that will be further refined based on the assessment outcomes:

1) Modernize the electricity sector by enhancing its commercial viability, improving sector governance, strengthening institutional capacities, and attracting private sector participation; and
2) Improve and expand the generation, transmission, and distribution of electricity through rehabilitation and new construction to reduce cost, increase access, and improve reliability – using mini-grids and renewable resources when and where feasible.

Overview of Needs

Before the earthquake struck, the electrical power sector in Haiti hindered investment, constrained the development of competitive businesses, prevented the full provision of high-quality social services, and degraded living standards for residential customers. Even prior to the earthquake, the power sector did

[16] Additional funding necessary before work can commence

[17] The national grid entails a high and medium voltage network as follows: Port au Prince/ St Marc/ Gonaïves/ Port de Paix; Portau Prince/ Cap par le Plateau Central (Port au Prince/ Mirebalais/ Péligre/ Hinche/ Pignon/Saint Raphael/ CapHaitien/ Ouanaminthe); Port-au-Prince/ Miragoane/ Cayes/J érémie with a fork under Anse-A-Veau)

18 Assessments of priority rehabilitation projects and of the commercial performance of the utility are currently being undertaken on behalf of the USG by POWER Engineers, Inc and PA Consulting Group, respectively. This strategy reflects their preliminary findings to date.

not come close to addressing the country's roughly 500MW worth of demand. Moreover, it did not take full advantage of opportunities to use renewable and alternative energy sources such as solar, biomass, wind, and hydroelectric.

Haiti has no integrated national power grid, but rather nine separate small grids throughout the country. Only one eighth of the population has a regular, legal connection to one of these grids, and a roughly equivalent share connects illegally, bringing overall access to 25 to 30 percent. Even for those with access to electricity, the flow of power is unreliable: average service in Port-au-Prince covers only about ten hours per day, and both businesses and residences must install costly generators to ensure consistent access to power.

The electricity utility, Electricite d'Haiti (EDH), faces considerable challenges in all aspects of its business. Many of its substations needed rehabilitation before the earthquake, and now its infrastructure requires additional repairs. EDH has annual commercial losses estimated at 31 to 46 percent and technical losses of approximately 18 to 20 percent, with the ongoing losses requiring the utility to receive an annual subsidy from the GOH of approximately $100 million a year, or 12 percent of the national budget. There is relatively small participation by the private sector, with independent power producers representing approximately 23 percent of overall generation. As a result of these conditions, the average residential tariff exceeds the average throughout Latin America, at roughly $0.176 per kilowatt-hour instead of $0.115, and the actual cost per kilowatt-hour is much higher. The rate for commercial customers is set at approximately 32 cents. The sector also lacks a formalized and independent regulatory and oversight mechanism. [19]

The earthquake has created further complications. Its overall impact on the power sector was $57 million, with roughly $15 to $20 million from damage to infrastructure and the remainder from lost income.[20] Approximately 35MW of generation capacity was lost because of the earthquake, with generating facilities in Port-au-Prince suffering significant damage, mainly at the central Carrefour plant. Damage to the grid further reduced access to power; the central transmission dispatch building was heavily damaged, and minor breakdowns were identified on the transmission lines. Additionally, the installation of new management systems has been interrupted by the earthquake, further constraining EDH's ability to address power sector needs.

Overall Objectives and Donor Activities

The short-term objectives of the GOH are to restore the areas affected by the earthquake, while other restoration tasks and new construction are medium- to long-term objectives. The GOH's estimate of the costs of these investments is approximately $1.07 billion.[21] The donors and stakeholders who have committed to the largest investment projects and fueling the power sector include the USG, Venezuela, IFC, Development Bank of the Netherlands (FMO), the IDB, OPEC Fund for International Development

[19] U.S. Government Haiti Energy sector program: Initial support of regulatory and oversight options, May 2010
[20] Haiti Post Disaster Needs Assessment 2010.
[21] $900 million is estimated in the May 2010 assessment while an additional $170 million is estimated from the March 2010 assessment.

(OFID), German development bank KfW, Canadian International Development Agency (CIDA) and the World Bank. The investment projects currently ongoing or in various planning stages amount to approximately $330 million, with two thirds in new construction, one fourth in rehabilitation and the remainder in capacity-building and legal reform. Several of the stakeholders' projects directly address the GOH's objectives, but significant investment is still required to modernize the sector and improve generation, transmission and distribution.

USG Assistance Objectives, Intermediate Results, and Sustainability Model

As described in the table above, the GOH Action Plan articulated the following priority actions in the electricity sector:

a) Improve technical and commercial efficiency
b) Improve the legal framework to support a financially viable sector
c) Rehabilitate the existing electricity infrastructure
d) Build new capacity to increase access to electricity

To support the GOH in achieving its goals, the USG will use a two-pronged investment strategy that will be further defined by the aforementioned technical and commercial assessments:

1. Modernize the electricity sector by enhancing its commercial viability, improving sector governance, strengthening institutional capacities, and attracting the participation of the private sector. The USG will support the GOH in identifying appropriate models for modernizing the sector and enhancing opportunities for public-private partnerships. This will include assessing the legal and regulatory framework and supporting the development of appropriate regulatory and oversight mechanisms. The USG will strengthen the overall management of the sector to improve revenue collection and reduce commercial and technical losses in the system.

Intermediate Results and Sustainability Model: Within 18 months, the USG will have supported GOH efforts in developing an appropriate reform model for modernizing the sector, including establishing the necessary legal and regulatory mechanisms. USG efforts will lead to the identification and implementation of specific reforms, which may include greater private participation in generation, transmission and distribution; establishing a competitive electricity market; enhancing transparency; and establishing performance criteria. The USG will also work to improve EDH's revenue collection and reduce its losses to enhance its commercial viability. In five years, improvements in the governance and management of the sector will result in significant reductions in losses and subsidies and attract greater participation from the private sector. Similar to the reforms in the ports sector above, a modern and competitive energy sector will create strong benefits to Haitian consumers that help safeguard against a reversal of reforms and associated gains.

2. Improve and expand the generation, transmission, and distribution of electricity through rehabilitation and new construction to reduce cost, increase access, and improve reliability, using micro-grids and renewable resources when feasible. The USG will prioritize and sequence its efforts in

specific regions, including the three USG development corridors where the economic and social investment returns are greatest. Specific investments in generation, transmission, and distribution will be informed by ongoing technical and commercial assessments, described above. New generation will be targeted to improve Haiti's competitiveness and attract businesses to less developed regions, where the absence of grid infrastructure and sufficient power are major roadblocks to entrepreneurs starting new companies or existing ones.

Intermediate Results and Sustainability Model: Within 18 months, the USG will have assisted in the: rehabilitation of critical generation, transmission, and distribution assets based on the technical assessment; identified cost-effective and affordable renewable energy resources that can be used for expanding generation; launched grid investments to serve electricity needs in areas with high potential for economic and social returns. In five years, targeted rehabilitation projects and a number of new generation, transmission, and distribution projects that were identified in the technical assessments and system analyses for USG funding will be completed in the three USG development corridors. This includes providing the power infrastructure for global competitive parks and underserved communities surrounding these parks. These investments will help reduce system losses and improve the overall viability of the electricity system such that the sector generates sufficient revenues to finance maintenance and further expansion. The USG is considering incentives to operators that would ensure access to energy for very poor consumers without adequate ability to pay, but these incentives would be phased out over time as the sector becomes more cost competitive and incomes of Haitians rise in response to new economic opportunities.

Priority 3b: Energy – Alternative Cooking Technologies

Summary of Goals

The USG will partner with the GOH to achieve large-scale reduction in consumption of charcoal and firewood by households, food vendors, and energy-intensive businesses. Doing so will require an investment program that supports a transition to more efficient cooking technologies and alternative fuels. This transition will reduce challenges associated with the use of charcoal and wood as fuel, both in production (e.g., deforestation, lack of natural hurricane shelter and soil erosion) and consumption (e.g., respiratory ailments and other health effects).

The alternative cooking technology priorities set out in the GOH's Action Plan are summarized below:

Support the provision of alternative cookstove technologies and fuels	1.	Disseminate more efficient charcoal stoves in residential and service sectors or improved boilers or ovens in small industry.
	2.	Substitute fuel wood by kerosene, LPG, imported charcoal and briquettes produced from waste cellulosic materials, mainly office paper and agricultural wastes

In support of GOH's stated priorities, the USG strategy will focus on one overall objective:

Design and implement a comprehensive alternative cooking technologies program that encourages households, food vendors, and energy-intensive businesses to reduce their consumption of charcoal by using cleaner and more efficient cooking technologies such as improved biomass cookstoves and/or switching to alternative fuels such as Liquefied Petroleum Gas (LPG).

Overview of Needs

The use of firewood and charcoal for cooking currently comprises 60% of Haiti's energy consumption; approximately 50% of family income is spent on charcoal for cooking. The production and use of charcoal has serious environmental and health implications. Charcoal production, which entails felling and pruning live trees, contributes to deforestation, soil erosion, and the destruction of natural watersheds. These environmental affects significantly increase the population's vulnerability to severe weather. The overreliance on firewood and charcoal harms the respiratory health of the population, worsening cases of tuberculosis and asthma by exposing women and children to indoor air pollution. Respiratory illnesses are the second-largest killer of children under the age of five in Haiti. Furthermore, the fuel efficiency of cookstoves being used in Haiti is very low, at approximately 22% for traditional charcoal stoves and 30% for improved charcoal stoves, offering significant margins for improvement.

The earthquake has exacerbated the problems related to traditional fuels and cooking technologies. As a result of the earthquake, many families lost their cookstoves, and the minority of the population that had been using gas has switched back to traditional fuels. Much of the food aid distributed by the World Food Program (WFP) and other organizations has been rice, which requires cooking. Furthermore, many Haitians have resorted to collecting firewood, producing charcoal, and selling traditional fuels as a temporary way of earning a living.

Overall Objectives and Donor Activities

The GOH's short-term objectives are to review lessons learned from past programs, assess the potential challenges of replacing existing cooking technologies and traditional fuels with a range of alternatives, and test the impact of the most promising options. The GOH's medium-term objective is to replace polluting and resource-depleting cooking technologies and fuels to prevent deforestation and improve respiratory health. The USG will focus investments on developing a comprehensive alternative cooking technologies and fuels program in coordination with other donors, investors and the GOH.

USG Assistance Objectives, Intermediate Results, and Sustainability Model

The overall objective of the USG's strategy in Haiti is to meet the cooking needs of the Haitian population while protecting their health and maintaining sustainable forestry resources.

Design a comprehensive transition program that encourages households, food vendors, and energy-intensive businesses to reduce their consumption of charcoal by using cleaner and more efficient cooking technologies such as improved biomass cookstoves and/or by switching to alternative fuels such as Liquefied Petroleum Gas (LPG). The USG will generate incentives and awareness among consumers of alternative cooking technologies and fuels, offer financing and technical assistance to

entrepreneurs to develop supply chains of cleaner fuels and cooking technologies, and help move consumers from the existing firewood and charcoal supply chains to the new supply chains. Specific recommendations for the improved cooking technology and fuels strategy will depend on the findings of an ongoing independent assessment of the current market and feasible alternatives in Haiti.

Intermediate Results and Sustainability Model: Within 18 months, a comprehensive assessment will be completed and the program will have been rolled out to realize a significant expansion of cleaner fuels and cooking technologies in the market. The USG will have identified potential entrepreneurs to engineer new supply chains, and traditional charcoal and firewood entrepreneurs will be retrained for incorporation into this emerging sector. In three to five years, the USG will aim to reduce consumption of firewood and charcoal for use in cookstoves by 20%. Pending the recommendation of the ongoing assessment, the USG anticipates investing to develop and supply adequate alternative cooking technologies; however, the USG does not anticipate subsidizing this market over the long-term. Once the technology has been introduced and is marketed at sufficient scale, cost reductions for consumers as compared to more traditional cooking practices will ensure the sustainability of the USG investment.

Pillar B: Food and Economic Security

Agriculture is central to the Haitian economy, generating nearly 25 percent of GDP and employing more than 60 percent of the population. Although agriculture did not suffer the effects of the earthquake as severely or directly as other sectors, it is under increasing pressure to serve as a near-term engine for economic recovery and employment opportunities. The importance of jumpstarting agricultural productivity immediately has been echoed strongly by the GOH and throughout the donor community. Without a quick infusion of resources into Haiti's agricultural sector and associated infrastructure, the economic development of the country risks bypassing the majority of Haitians who make their livelihoods in agriculture. At the same time, Haiti's prosperity rests on building growing and diversified industries. In particular, an inclusive economy and a strong middle class, requires a more conducive environment for micro, small and medium-sized enterprises (MSMEs).

The USG food and economic security pillar has two main priorities:

1. Food security – Agriculture and Nutrition
2. Economic security – Support to Micro, Small and Medium-Sized Enterprises

Priority 1: Food Security – Agriculture and Nutrition

Summary

The USG's investments in food security in Haiti will focus on the comprehensive development of agriculture among rural farmers and other groups involved in the production and marketability of viable commodities. The USG goal is to significantly improve rural income and increase food security,

especially among vulnerable populations, through investments in value chains for 2-3 important staples crops within the three USG development corridors. Assessments have further identified specific export value chains that will receive support (Francisque mango and cocoa) with a target to double exports over the next five years. These value-chains will be supported through selective natural resources management to protect high-priority fertile plains through targeted investments in sections of surrounding watersheds, based on a set of agreed guidelines. A watershed is the geographic area of land that drains water, including its rivers and accumulated rainwater, to a shared destination, such as the sea or a lake. Given the importance of properly managing waterways and associated irrigation and drainage systems to yields and rural incomes, agricultural production areas have traditionally been organized around watersheds in Haiti. The USG will coordinate investments in the agricultural sector with a nutrition strategy to ensure that the sector contributes to better caloric intake and diet.

The food security priorities set out in the GOH's Action Plan are summarized below:

Agricultural development	1. Increase local production of food staples to ensure food security 2. Increase farmers' incomes and create jobs in rural areas 3. Increase foreign exchange earnings from agriculture 4. Half post-harvest losses in priority watersheds
Nutrition and food security	5. Improve health and nutrition of the Haitian population, and especially the vulnerable 6. Reduce vulnerability to national disasters

Aligning with the stated GOH's priorities and consistent with the U.S. global hunger and food security initiative (Feed the Future), the USG strategy will focus on two key objectives:

1) Ensure inclusive agriculture sector growth within priority watersheds; and
2) Improve nutritional status

Overview of Needs

Agriculture is central to the Haitian economy, employing approximately 65% of the population and serving as the primary source of income in rural areas. The challenges facing the agriculture sector in Haiti are significant and well documented, and while they largely predate the earthquake, the earthquake further threatened the country's food security.

There is a direct link between the degradation of the environment in Haiti and the productivity challenges within the agricultural sector. The country's forest cover has decreased dramatically over the past 30 years and currently covers just two percent of Haiti. As a result, approximately 85% of the country's watersheds are degraded, causing frequent flooding, soil erosion, and depletion of the basic nutrients and soil quality critical for agricultural production.

Compounding factors such as decreasing investments in agricultural research and technology, a lack of enforceable property rights, scarcity of credit, and poor or non-existent rural infrastructure have further constrained the efficient use of agricultural production areas. Limited access to water and disputes over water rights further constrain farmers. Also, the very basic infrastructure – farm to market roads – that enables farmers to move product to market often does not exist in Haiti; and, technology is simply unavailable. As a result, agricultural value chains are fragmented and inefficient, increasing the burden on women who are primarily responsible for the transportation and sale of domestic market crops.

Lack of organization among smallholder farmers and limited investment in mechanization and processing results in post-harvest losses that reach 35% or more, depending on the crop. The earthquake exacerbated the already significant challenges in the agricultural sector by damaging distribution centers, food processing facilities, warehouses, irrigation canals, and the Ministry of Agriculture's Natural Resources and Rural Development (MARNDR) headquarters, with damage to the sector estimated at $31.3M.

Perhaps even more significant than these financial losses is the extra strain on an already vulnerable rural population, many of whom were already suffering serious food insecurity. Before the earthquake, Haiti already had one of the heaviest burdens of hunger and malnutrition in the Western Hemisphere: 40% of households were undernourished (3.8 million people) and 30% of children suffered from chronic malnutrition. In 2009, acute undernutrition rose to 10%, the World Health Organization's threshold for an emergency. After the earthquake, 600,000 Haitians migrated from Port-au–Prince to rural areas; accordingly, in several departments,[22] the average number of people per household suddenly rose from five or six to as many as 10.

The earthquake not only aggravated all the existing problems, it reduced the government's ability to manage the situation. According to the PDNA, the pre-existing malnutrition represented an opportunity cost of U.S. $ 1.2 billion in lost GDP (30% of *current* GDP) under conservative estimates. Acute undernutrition is expected to rise even further beyond the WHO threshold as accessibility to food has been jeopardized for the millions of displaced persons and families. Chronic undernutrition continues to be a priority, with the USG approach focusing on acute undernutrition. Although the drastic increases in acute undernutrition frequently associated with shocks like natural disasters have not yet been evident in post-earthquake Haiti (likely because of the extensive food assistance provided to earthquake-affected populations), there is still significant risk of a near-term spike in acute undernutrition. Haiti cannot achieve economic growth and national stability if these challenges are not addressed in conjunction with the longer-term reconstruction effort.

Overall Objectives and Donor Activities

[22] The term for a Haitian local governing body, which is equivalent to a county in the United States.

The GOH has developed a country-owned, results-focused agriculture investment plan – the National Agricultural Investment Plan (NAIP). The investment activities in Haiti's NAIP are organized around 30 watersheds in the country.

The strategic approach of the NAIP has three axes agreed upon by major donors, civil society and the private sector in a series of high level meetings from March through June 2010.[23] Those axes are: 1) the development of rural areas/infrastructure, including watershed management, irrigation, and rural infrastructure; 2) the production and development of competitive value chains; and 3) the strengthening of research, education, land tenure, and the agricultural services and institutions of the Ministry of Agriculture.

In Haiti's Country Investment Plan for agriculture, the Ministry of Agriculture has estimated financial requirements of $224M in the first 18 months and $567M in next five years, totaling $790M for improvements along the three axes. Major donors such as the governments of Canada and France, as well as multilaterals including the IDB, International Fund for Agricultural Development and the Global Agriculture and Food Security Program (GAFSP), have already committed $369M. There is still a gap in funding requested from donors for each of the axes, totaling approximately $192M; this gap is concentrated in the five year funding request with the majority of the short-term needs already funded.

[23] March 16 – 17, Santo Domingo, where the United States, Argentina, Brazil, Canada, the Dominican Republic, France, Korea and the European Union attended, along with the IDB, the World Bank, Food and Agriculture Organization (FAO), International Fund for Agricultural Development (IFAD), World Food Program (WFP)and Inter-American Institute for Cooperation on Agriculture (IICA). On June 2, the GOH hosted a high level meeting to endorse the NAIP. The United States, Brazil, Canada, the DR, EU, France and Spain represented their bilateral assistance. The IDB, the World Bank, the UN Special Envoy, UNEP, WFO, FAO, IFAD and IICA attended. Haitian civil society and private sector representatives, and international NGO representatives, also participated.

Anticipated and pledged donor commitments against Country Investment Plan (CIP): $369M anticipated commitments to-date

IDB: $200M pledge
- Watershed management and irrigation, land tenure, and agricultural productivity and market access

USG: $110M pledge
- Watershed management and irrigation, agricultural productivity and market access, farm to market roads, storage and processing facilities

IFAD: $21M likely commitment
- Watershed management and irrigation

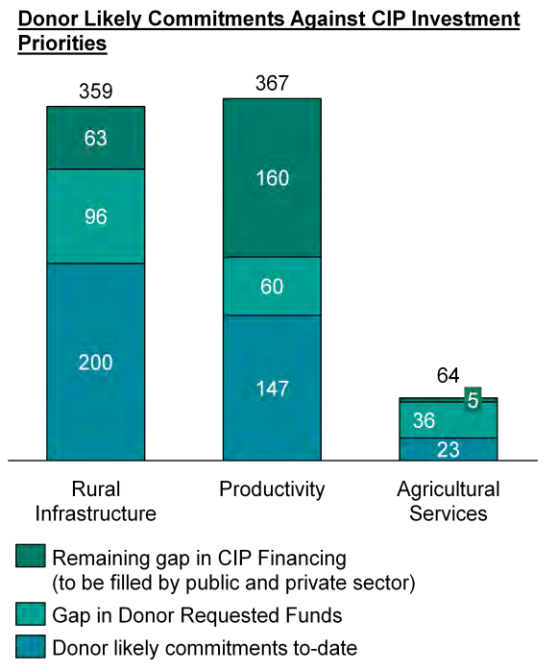
GAFSP: $35M approved
- Small farmer productivity and agricultural services

World Bank: amount unknown, but will be substantially in
- Institutional strengthening

France: $1M for agricultural inputs, $15M for canals

$369M (65%) of the $572M requested from donors in the $791M CIP is likely to be committed based on available information

Additional financing needs remain across all areas of the Country Investment Plan (CIP)



Note: Assumptions made on allocations across CIP axes for IDB and GAFSP, as allocations not yet known: IDB $200M was estimated at $140M rural infra, $50M productivity, $10M ag services across CIP investment priorities was estimated. The $35M GAFSP funds were estimated as $25M to productivity and $10M to agricultural services.
Source: IDB website; US State Department, "CIP funding by donor by CIP axis;" GAFSP Notification of Grant; GOH Agriculture CIP.

Ensuring food security is an enormous undertaking. More than 9,000 non-governmental organizations are active in Haiti, and all of the major multilateral institutions – the IDB, World Bank, UN World Food Program, IFAD, FAO, and IICA – also have a presence. Donor coordination will therefore be a critical part of the USG strategy. On June 2, donors committed to align their strategies with Haiti's NAIP, and a mapping of donor investment through an in-country agricultural working group (the "table sectorielle") is underway. The USG will work through the IHRC to ensure that the USG shared strategy and ensuing implementation plans are fully aligned with the priorities of the GOH and coordinated and sequenced with the activities of other partners.

USG Assistance Objectives, Intermediate Results, and Sustainability Model

Focusing within four important watersheds prioritized by the Ministry of Agriculture[24] in the USG development corridors and targeting peasant farmers and other rural groups, the USG will invest in comprehensive agricultural development for competitive commodities to significantly raise rural income and increase food security, especially among vulnerable populations. The four watershed have been identified for USG investment based upon selection criteria, including agricultural potential, number of beneficiaries that can be reached, distance to markets, availability of rural credit, alignment with other USG investments within an integrated development corridor, our prior experience in the

[24] As defined in Haiti's National Agriculture Investment Plan (NAIP), endorsed by the development partners on June 2, 2010 in Punta Cana, the Dominican Republic.

watershed and whether the watershed has been identified as a priority by the GOH; these are Cul-de-Sac, Saint-Marc/Cabaret, Cap Haitien, and Limonade/Ouaniminthe.

To realize Haiti's agricultural income growth potential, priority will be given to those markets where Haitian farmers can be most competitive in domestic, regional and international arenas. When Haitian farmers' wealth increases, the rural economy grows, and overall dependence on food assistance and other social welfare programs decreases.

Within these watersheds, the USG will target two to three important value chains for domestic staples selected among bananas, cereals, tuber, legumes and fruit based on their revenue-generating potential for farmers. Assessments have indentified specific export value chains that will receive support, namely Francisque mango and cocoa, with a target to double exports over the next five years. Some support for mangoes and cocoa will be provided outside of the USG development corridors to bring the benefits of USG investments to a greater number of farmers along the value chain. The USG seeks to transform these value-chains by rehabilitating rural roads, boosting productivity, creating enabling policies, improving local governance, and supporting commerce.

1. Ensure agriculture sector growth within targeted corridors: Peasant farmer groups ("producer groups") will be the main targets for assistance, with some are already organized that share a common vision around appropriate solutions to impediments in the sectors. Increased incomes will be the key driver of improved food security in the priority areas. Working in an integrated fashion will ensure that investments made in irrigation in a fertile plain within the lower watershed are supported by interventions in the upper watersheds to better manage water flow and use, and to prevent soil erosion and corresponding losses in yields. These investments in natural resource management will not cover the whole watershed, but instead are focused on the protection and improvement of yields in high-priority fertile plains, based on a set of agreed guidelines. Selected plains are the Plaine de Cul-de-Sac, Plaine du Nord, Plaine de Maribaroux, and Plaine de l'Arcahaie.

The USG strategy exploits synergies between investments in increased productivity, post-harvest processing, transportation, and market access with a focus on empowering the women who run these value chains[25] to modernize and improve efficiency. The USG approach will be centered around land use planning in the fertile plains and wider U.S. government development corridors and will incorporate improvements in three areas: 1) core infrastructure and management, such as rebuilding canals and strengthening local farmers' governance of water use; 2) on-farm productivity via commercially produced seeds, fertilizer and tools, as well as support to producer associations, use of applicable research, and access to finance; and 3) post-harvest and market access support through critical feeder roads, infrastructure, access to price information, veterinary services, plant disease diagnostic information, and support to traders.

[25] Women, known as "Madame Saras", work as traders of crops in Haiti., and are one of the key human "infrastructure" links between farm and market

The USG will also invest in national agricultural information systems to implement policies that stimulate economic growth. These approaches will be initiated in our target watersheds with the goal of growing to have national reach over time. Establishing market information systems that leverage mobile technologies can generate incentives for the growth of the private sector in agribusiness while also increasing the government's capacity for monitoring.

2. Improve nutritional status: Nutrition is a multi-sectoral priority and will be coordinated with our health strategy. The USG will address nutrition not only by encouraging income growth in rural areas but also by expanding the GOH's program for community management of acute malnutrition to all communities where the USG is supporting services. The USG will strengthen social welfare programs treating and preventing acute undernutrition, and target appropriate food aid to the most vulnerable population, including displaced persons unable to meet their food needs. The USG will also support the multi-donor effort alongside the GOH to establish early warning systems as part of a nutrition surveillance system, as well as to incorporate water, sanitation, and hygiene interventions into nutrition programming.

Specific activities will include training of community workers, establishment of referral sites at health facilities for nutritional treatment, and counseling and education of mothers and caregivers on the feeding of infants and young children. In addition, the USG will adopt a network-based approach to the provision of local health services. As part of its decentralization drive, the GOH instituted a system of 63 commune health units, *Unités Communale de Santé (UCS)*[26], each a network of health services, of which approximately 13 are operational. The USG will identify nine to twelve UCS networks to support to serve as models for the national UCS system, ensuring the continuity of services from community to dispensary to hospital.

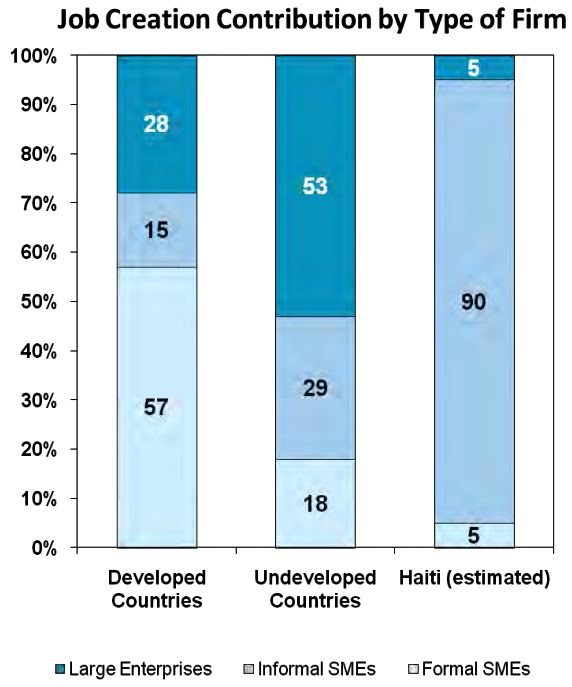
Intermediate Results and Sustainability Model: The success of the strategy will be defined across agriculture and nutrition according to measurable indicators and milestones. Key indicators of outcomes will include changes in prevalence of poverty and prevalence of underweight children. Indicators to measure achievement of initial objectives will include the change in incomes of rural smallholder farmers, and the changes in prevalence of stunted children, wasted children, and underweight women. The USG strategy focuses heavily on creating income earning opportunities for farmers and improving the overall efficiency and competitiveness of Haiti's rural economy, targeting sustained livelihood improvements for over 1000,00 smallholders farmers households, corresponding to 8%-10% of the rural population in Haiti. This allows farmers to ultimately sustain their livelihoods from selling their produce in domestic and international markets, without the need for continued US assistance over the long-term.

[26] A UCS (Commune Health Unit) is composed of one Commune Reference Hospitals (HCR), which provides four basic hospital services (pediatrics, obstetrics/gynecology, internal medicine and surgery), and the community health centers that use the HCR as the first referral level - typically 5-8 of them. There are 63 UCS throughout the country, each one serving between 80,000 to 140,000 people.

Priority 2: Economic Security – Access to Opportunity

Summary

Economic security is predicated on people having secure livelihoods. Improved infrastructure and stimulus plans for industry will help create jobs but in most economies, the real engines for economic growth are small and medium-sized enterprises (SMEs). In developed countries, formal SMEs contribute an average of almost 60 percent of employment[27] (see figure). As formal businesses, they also provide a significant tax base to support broader economic and social investment.



For the last several decades, the formal Haitian economy has been dominated by a few large enterprises directed by a small group of economic elites.

The economic security priorities set out in the GOH's Action Plan are summarized below:

Support an enabling policy environment for MSME growth	1. Action plan for improving key "doing business" indicators 2. National laws for enabling e-commerce and e-government 3. Policies to set up and support mortgage lending 4. Policies to support the expansion of the private ownership base 5. Improved laws and regulations related to the insurance sector
Provide technical assistance and professional and vocational training services to MSMEs	6. Support informal Micro, Small and Medium Enterprises (MSMEs) to improve management and governance, register and become formal enterprises 7. Support MSMEs access new sources of capital 8. Provide MSMEs with professional and vocational training programs
Increased access to capital, where appropriate	9. Assist with restructuring of existing loans to businesses damaged in the earthquake 10. Support mechanisms to extend new loans to support MSME growth 11. Provide technical assistance to banks and microfinance institutions

The overall objective of the USG's MSME strategy in support of the GOH strategy is to increase the number of new jobs created by formal MSMEs, capitalizing on support in USG target sectors, including

[27] Source: SMEs Across the Globe, Ayyagarri, Beck, Dimurguc, World Bank, 2003. Estimate for Haiti based on best available data. Note: Formal SMEs have between 3-100 employees and pay all applicable taxes and hold relevant licenses. Large firms are those with >100 employees.

housing construction, cookstove manufacturing, and agribusiness, among others. Within five years, the USG will seek to contribute to the creation of jobs in formal MSMEs that yield a substantial proportion of total job creation in Haiti, with a corresponding increase in household incomes, savings and assets. Intermediate results will include increases in the number of businesses accessing capital from formal sources and in the amount of new finance mobilized to MSMEs.

In support of the GOH priorities, the USG MSME strategy will focus on three objectives:

1) Support an enabling policy environment;
2) Provide technical assistance and professional and vocational training services to MSMEs; and
3) Increase access to capital, where appropriate, through investments and partial guarantees.

Specifically, the USG will help to provide: asset financing for housing and infrastructure construction; mortgage financing for home ownership; rural access to credit for smallholder farmers and small and medium-sized agricultural enterprises; support for rural livelihoods through microfinance; and commercial and residential financing for cookstoves.

Overview of Needs

Before the earthquake, the Haitian economy was dominated by large enterprises and informal businesses; it was ranked 151st out of 180 countries for the overall ease of doing business by the World Bank. According to the best available data, the Haitian economy is primarily driven by informal MSMEs, which generate up to 90% of new jobs. These informal MSMEs have difficulties accessing financing from formal institutions like banks and thus are limited in their ability to grow and add new employees. Haiti's informal MSMEs also do not contribute to the tax base of the government. The result is a country with one of the lowest percentages of tax-receipts as a share of GDP in the world; at approximately nine percent, Haiti has a lower tax-receipt percentage than Afghanistan. With such a limited tax base, Haiti must continually rely on foreign aid.

This situation has been exacerbated by the earthquake. Based on a survey conducted by USAID, micro and small and medium-sized enterprises in Haiti require an estimated $2 billion in financing to repair, rebuild and restart their businesses (see figure below*).* These estimates include massive losses to infrastructure and inventory as well as loss of life. Several of the markets for informal trading have been destroyed in Port-au-Prince and their supply chains disrupted.

Figure: Survey of Losses and Financing Needs by Size of Haitian Enterprise[28]

Enterprise Category	Total Losses (USD)	Total Financing Needs (USD)	% of Total Financing Needs
Micro-enterprises	$771,544,594	$771,544,594	28%

[28] Source: Post-Earthquake Survey on Private Sector Losses, FESP, USAID / WINNER, March 2009, n=501.

Small and Medium-sized enterprises	$87,965,460	$1,234,286,194	45%
Large Enterprises	$890,47,504	$280,850,405	10%
Very Large Enterprises	$412,355,625	$437,250,000	16%
Total	**$2,152,602,326**	**$2,723,931,193**	**100%**

Because of their difficulties in accessing credit from the financial sector, MSMEs have had an especially hard time recovering from the earthquake. While many banks do not face capital shortages, they do face several constraints when serving MSMEs, including asset-liability mismatches, a lack of appropriate product lines, and a lack of experience. All of these factors only heighten the risks associated with financing Haiti's MSMEs, many of which lost their main sources of collateral in the earthquake.

The inability to serve MSMEs is only one of the challenges facing the financial sector as Haiti looks toward the future. With weak legal and institutional policies, limited governance and credit management, poor contract enforcement, large spreads between savings and lending rates, and the absence of a functioning credit registry, banks' conservative attitude to risk is understandable. The cumulative effect of these challenges, however, has been low credit growth, low access to credit, and dependence on collateral to make credit decisions without regard to a borrower's projected cash flow, credit history, or business plan. As the IMF has observed, Haiti's is "a financial system that plays a limited role in economic growth."[29] For the Haitian economy to thrive, this must change.

Overall Objectives and Donor Activities

The GOH's Action Plan identifies a stronger and more formal MSME sector and increased access to credit as prime objectives. Donors have embraced these priorities and are aiming to address the policy environment and issues related to access to credit. The IFC is focusing on improving Haiti's scores in the World Bank's Doing Business Indicators, and the IMF is helping the Central Bank with its macroeconomic and banking policies. International financial institutions and private foundations recently have announced several liquidity funds and guarantees, including a partial credit guarantee through the Central Bank aimed at helping to restructure bank loans for businesses damaged in the earthquake. In addition, there are several proposed funds targeting new investments and loans for microfinance, SMEs, and other sectors. These include several funds proposed by the IDB, as well as others announced by the Clinton Foundation and private investors.

USG Assistance Objectives, Intermediate Results, and Sustainability Model

[29] IMF, "Haiti: Financial System Stability Assessment, including a Report on the Observance of Standards and Codes on Banking Supervision", March 27, 2008.

The USG is positioned to help build the formal MSME sector in Haiti. The financing vehicles noted above require an anchor investor to coordinate, negotiate, close and administer transactions. In addition, there are gaps in support for targeted policies and the MSMEs themselves. With its investment capital and expertise, entrepreneur support programs, and policy convening capacity, the USG can help fill these gaps. Summarized below are the key activities, outcomes, and impact sought by USG investments in support of Haiti's MSME strategy.

1. Support for an enabling policy environment. The USG will focus on enabling the development of a competitive financial sector by supporting the efforts of the Ministry of Finance and the Ministry of Commerce to: reduce the burden of the existing regulatory environment on SMEs, coordinate with the IFC; champion national laws for enabling e-commerce and e-government; establish policies to set up and support expanded mortgage lending (as a particular support to the housing sector); support policies to facilitate the expansion of the private ownership base of the economy, currently controlled by a small share of the population; enact an updated tax code; and improve laws and regulations related to the functioning and supervision of the mobile banking and insurance sectors. The USG, through USAID and the Department of Treasury's Office of Technical Assistance, will provide support to reform these regulatory frameworks, and will support the GOH in attracting domestic and foreign direct investment (FDI) through business climate improvements, investments promotion and facilitation, and targeted infrastructure investments that help bring in private capitol and attract entrepreurs.

Intermediate Results and Sustainability Model: In 18 months, USG will have contributed to an improved policy environment for doing business in Haiti as measured by a better ranking in the World Bank's "Doing Business" indicators; enabled increased mortgage lending; and improved regulation and supervision of the insurance sector. In five years, the USG will have made a sustained contribution to Haiti's overall business climate, measured by greater ease and lower costs to start a business, gain construction permits and trade with U.S. and regional partners; signifcantly increased foreign direct investment; lower and more reliable access to energy, and reforms in the registration and publication of land title that allow businesses and households to benefit from secure tenure and leverage their assets.

2. Technical assistance and professional and vocational training services to MSMEs. Through the provision of intensive business development services, especially to female entrepreneurs, the USG will help informal MSMEs to improve their management and governance, register with regulators and tax authorities to become formal enterprises, and access new sources of capital. USG programs will work through service providers specializing in business development, such as local Chambers of Commerce and non-profits, and will continue existing programs that use business plan competitions. In addition, recognizing the large burden imposed on the Haitian economy by illiteracy, low educational attainment, and the flight of talent, the USG will offer professional and vocational training programs to MSMEs. These training programs will focus on specific sectors and value chains supported by the USG, namely agriculture, agribusiness, garment assembly, and construction.

Intermediate Results and Sustainability Model: In 18 months, the USG will have partnered to help build the capacity of local business development service providers to support and formalize Haitian MSMEs. In addition, the USG will have structured and delivered professional and vocational training services within its target sectors to upgrade the job skills and productivity of MSME employees. In five years, the USG will have contributed to an increased skill base in target sectors such as agribusiness, construction, cookstove distribution, etc.

3. Increased access to capital, where appropriate, through investments and partial guarantees. The USG will improve access to capital by restructuring existing loans to businesses damaged in the earthquake and extending new loans to support MSME growth and expansion. The USG will consider several options, including the multi-donor Partial Credit Guarantee Facility; USAID Development Credit Authority guarantees for asset-financing, mortgage development, SME lending, and portfolio funds that bring together international financial institutions and private investors. Options will be evaluated based on their ability to address market constraints, facilitate the flow of capital, mitigate risks, and achieve growth in MSMEs. Where appropriate, technical assistance to banks and microfinance institutions will be provided to build their capacity.

Intermediate Results and Sustainability Model: In 18 months, the USG will have catalyzed financing facilities to restructure existing business loans and extend new loans, either directly or through guarantees. In five years, the USG will have contributed to the business expanison and substantial job creation in across MSMEs, and particularly in target sectors, such as construction, agribusiness, and germents within the focus development corridors.

Pillar C: Health and Other Basic Services

Unemployment, inadequate protection from exploitation and abuse, sickness, lack of adequate nutrition, and limited education often pose roadblocks to young Haitians and prevent them from reaching their full potential and becoming more active and productive members of society. Additionally, lack of access to basic preventive health services leads to more costly health and societal outcomes down the road when, for instance, a person contracts HIV and has to be kept on antiretroviral therapy for the rest of his life or a mother dies in childbirth, leaving orphaned children to be cared for. To assist the GOH in addressing certain of these roadblocks and improving the health of its population, the USG health strategy will address a wide range of health care needs in Haiti, with a particular focus on health system strengthening in USG development corridors The USG will also provide smaller scale assistance for other critical basic services, including education and child protection. This assistance will reinforce the work of major education donors[30], continue ongoing USG-funded public system strengthening programs, enhance education services in USG development corridors, and facilitate private offers of assistance to build schools, assist vulnerable children, and provide other basic services for children.

To help Haitians to realize their full potential, the USG third pillar has a primary and secondary priority:

1. Health
2. Education and Youth-focused Services

Priority 1: Health

Summary

The USG's chief objective in the health sector is to improve the quality of services delivered to Haitians by strengthening health system referral networks at the communal and departmental level within the US development corridors. In addition to its support of the basic package[31] of health services, the USG's comprehensive approach within the corridors will include the reconstruction and upgrading of facilities; investments in equipment, supply chain management, health information systems, technical training; as well as enhanced disease management, disability and other tertiary care. Outside the corridors, the USG will maintain support for the delivery of a core package of basic services at the primary care level.

The GOH recognizes that its citizens' health is essential to their full participation in the development of a prosperous and stable Haiti. Pre-earthquake, the USG was a major health donor partner in Haiti; indeed, health has been the largest sector of activity for US development funding in the country. The USG's

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[30] On 15 May, 2010 Haitian President René Préval gave the Inter-American Development Bank (IDB) a mandate to work with Haiti's Ministry of Education and National Education Commission to prepare a major reform of the Haitian education system. The five-year plan, which would require around $2 billion in funding from foreign donors, will be aimed at expanding tuition-free education services in Haiti. IDB has already planned $250M over five years for the program. Canada and France as well as many private donors have also signaled plans to make significant investments in the education sector.

[31] The basic package of services includes maternal, child, nutrition and family planning services.

programs have been providing access to health services for 50% of the people of Haiti for the last 5 years, including a basic package of health services and HIV/AIDS prevention and treatment services. The GOH recognizes that its health system requires significant strengthening, both to serve the basic needs of the population and to respond to new health needs of its population after the earthquake.

Consistent with the GOH Action Plan, the health priorities set out in the Ministry of Health's (MOH) 18-month Interim Plan are summarized below:

Service delivery including disability care	1. Providing health services to displaced people 2. Ensuring continuity of service across the health system 3. Ensuring financial access to services for old and new vulnerable groups (including the disabled and those psychologically affected by the earthquake) 4. Improving water, sanitation and hygiene
Strengthening management and governance of the health system	5. Strengthening governance and capacity of the Ministry of Health 6. Strengthening MOH capacity to respond to disasters 7. Defining modality for public private partnerships 8. Operationalizing the Donor Coordination Cell within the GOH
Rebuilding health infrastructure	9. Defining plans for rebuilding affected structures 10. Rehabilitating priority structures

Over the next five years, the USG will support these objectives to enable Haiti to "build back better" its health system by working in partnership with the MOH. The USG will continue to be a major contributor to Haiti's health system, targeting USG development corridors for focused investment, while seeking to support access to essential health care across the country and embracing the increased commitments of other donors and contributing to mechanisms through collaboration that avoids duplication.

Overview of Needs

The earthquake struck a weak health system and weakened it further. Before the earthquake, 40% of the population had no access to basic health services. Infant mortality in Haiti was the highest in the Americas, at 57 deaths per 1,000 live births with approximately 80 in 1,000 children (live births) dying before reaching the age of five. The maternal mortality ratio was 630 deaths in 100,000 live births. Although, fertility rates have fallen from 6.3 children per women in the 1960s to 3.5 in 2008, the fertility rate sought by the Ministry of Health is still lower (2.4), indicating an unmet need for family planning. Chronic malnutrition was widespread, with 25% prevalence of stunting for children under five. With the highest rates of tuberculosis (TB) in the Western Hemisphere (with the high use of charcoal cook-stoves as a potentially aggravating factor), Haiti's 2008 TB incidence rate was 306 cases per 100,000 people. HIV/AIDS prevalence was 2.2%. A health network capable of meeting basic primary care needs did not exist and access to tertiary care was extremely limited.

Deficiencies in the Haitian health system directly impact many of these poor health outcomes. There are shortages of health workers, low retention, and low skill level and knowledge base at all levels. The

roles and responsibilities of different levels of care (primary, secondary, and tertiary) are poorly defined and often overlap. Procurement and distribution networks for medicines and medical supplies are unreliable and fragmented. The national health information system is inefficient in part because of the parallel systems linked to specific programs that are funded by multiple donors with little interaction with the Ministry of Health's information system. High-quality, intensive healthcare is hardly available outside Port-au-Prince. In addition, Haitian patients pay for most health services out of their own pockets, and insurance coverage is low.

Despite these challenges, several key indicators of health outcomes were improving before the earthquake. According to the Demographic and Health Surveys, the infant mortality rate decreased from 80 per 1000 in 2000 to 57 per 1000 in 2006 and the under five mortality rate fell from 109 per 1000 to 80 per 1000 live births. The percentage of children fully immunized before their second birthday increased from 34% to 41% during the same time period. The acute malnutrition rate among children under five, which increased from 4.5% in 2000 to 9.1% in 2006, dropped again to 4.5% in 2009. And with the help of large-scale HIV/AIDS treatment and prevention initiatives like the USG's $100M+ PEPFAR program, the country's HIV rate was cut in half from 4.4 to 2.2% between 1996 and 2006.

The USG has played a significant role in supporting provision of health services in Haiti over the last decade, and it was the largest donor to the health sector in 2009. Before the earthquake, USG health programs in Haiti funded roughly $150 million a year for access to basic health services and HIV/AIDS disease management and prevention for approximately 4.8 million Haitians – nearly 50% of the population. In the 147 U.S.-supported clinics, a basic package of primary services was managed and delivered in coordination with the Ministry of Health. An additional 115 health facilities, including referral hospitals in each of the 10 provincial departments, provided a range of HIV/AIDS services, including antiretroviral drugs, to more than 24,000 people. In addition, USG work on safe water systems has provided more than 400,000 Haitians access to clean water.

The earthquake has added a new dimension of challenges to the health system in Haiti by:

- increasing demand for basic services, the exodus of people to periphery areas without requisite systems to handle the new influx of people, and IDP camps with new risks of communicable diseases;
- creating new demand for specialized post-disaster services, such as treatment for physical and psychological trauma;
- destroying infrastructure such as hospitals, clinics, medical schools, and MOH buildings;
- destroying information systems, human capital, and institutional memory through the deaths of MOH staff and medical professionals and damage to archives;
- decreasing demand for and consequential closure of private Haitian fee-for-service health facilities as a result of vastly expanded network of international NGOs offering free health care.
- generating a proliferation of health actors that has made it harder for the MOH to provide leadership, coordination, management, and appropriate regulation of the health system.

Since the earthquake, a cholera outbreak originating in the Artibonite Valley and spreading to the Central Plateau and the Ouest Department, has further strained the health system. With limited health service coverage in rural areas of the country, Haitians infected with cholera are traveling long distances to departmental hospitals in urban areas to receive care and presenting densely populated IDP camps and city neighborhoods with a serious public health threat.

Overall Objectives and Donor Activities

The MOH has estimated the financial requirements for the Interim Plan to be $462 million in the next 18-month period. Pledges for health in the wake of the earthquake so far amount to approximately $425 million for FY2010 and FY2011 from bilateral, multilateral and NGO donors including Brazil, Canada, France, Venezuela, the USG, Partners in Health, Japan, and UNASUR. Donor financing is supporting the provision of services, rebuilding of health infrastructure, technical assistance to the MOH and support for strengthening the health system. These financial pledges will be complemented by services from more than 250 NGOs providing health services in Haiti, in addition to technical support to the MOH from the Pan-American World Health Organization (PAHO) and additional in-kind bilateral contributions by governments such as Cuba.

The MOH, supported by its partners, is mapping the investments and operations of donors and NGOs throughout the country, the results of which have not yet been published. Meanwhile, the USG is actively engaging with other donors to coordinate investments and create mechanisms that will enable the MOH and the IHRC to coordinate effectively on an ongoing basis.

USG Assistance Objectives, Intermediate Results, and Sustainability Model

The USG's efforts and investments will expand current programs for service delivery within the development corridors, placing a greater emphasis on strengthening the health system and renovating damaged infrastructure. The health strategy has been coordinated across USG agencies (USAID, the Centers for Disease Control and Prevention (CDC), and the Department of State's Office of the Global AIDS Coordinator (OGAC)) to meet common strategic objectives, in support of the GOH'S priorities set forth in the Action Plan, the MOH Interim Plan and its longer term vision for the development of the health sector. The key activities, outcomes and impact sought by the US government's investments in support of Haiti's health strategy are:

1. Develop comprehensive referral networks at the communal and departmental levels within the US development corridors. The USG will adopt a new system strengthening approach to the provision of health services by making "comprehensive" investments all GOH-designated "communal health referral networks"[32] within the US development corridors. Beginning with the community health clinic, and

[32] As part of its decentralization strategy, the GOH instituted a system of 64 health networks, each serving 80,000 to 140,000 people, of which only 12 are operational. Each health network consists of five to eight community health clinics – offering basic care that a nurse or auxiliary nurse can provide – and one commune reference hospital to which the community clinics refer patients that need more specialized care (e.g., pediatrics, obstetrics/gynecology, internal medicine and surgery).

working up through the communal reference hospital and the departmental hospital, the USG will invest in all aspects of the network—from facilities to equipment to training to supplies to human resources, including community health workers. To start the USG will invest in 3 health networks, including Matheux near Port-au-Prince, Milot in the North, and St. Michel de l'Attalaye in the Artibonite. Within five year, support expanded all 12 health networks within the development corridors.

Components of the "comprehensive" service package within communal health networks will include both the MOH basic package of services (maternal and child health care, HIV/AIDS and tuberculosis control, reproductive health and family planning, as well as health interventions related to nutrition and water, sanitation and hygiene) as well as services related to broader range of diseases and public health and safety issues including emergency obstetric complications, cardiovascular disease, diabetes, mental illness, gender based violence, and child protection. Diagnostic services provided by public health laboratory systems will be coupled to community and clinical services ensuring that the two systems are coordinated to improve quality of patient care.

Nutrition and WASH are multi-sectoral priorities and will be coordinated with food security and infrastructure plans respectively. As detailed in Pillar B—"Food and Economic Security" – nutrition will be addressed by expanding the GOH's community management of acute malnutrition program to all communities where the USG will be or is already providing supporting services. This will include the training of community workers, establishment of referral sites at health facilities for nutritional treatment, and counseling and education of mothers and caregivers on infant and young child feeding. In Pillar A, USG WASH activities will entail the installation of water and sanitation (latrines) infrastructure in housing settlements and in Pillar C, USG WASH activities will focus on promoting education and change in behavior, as well as distribution of water purification products.

Intermediate Results and Sustainability Model: In 18 months, three communal health networks, consisting of six to eight community clinics and one communal reference hospital, will be fully equipped, staffed, and operational. In five years, all 12 communal reference networks within the US development corridors will be fully equipped, staffed, and operational delivering a wide range of primary and secondary health services. Investing in the public health system at the primary care level with its emphasis on preventive care and health education is a means of reducing overall national health costs – a healthy population requires less hospitalization – and thus making it easier for the Haiti health system to achieve some level of sustainability. Over time, the USG objective is to work with the GOH to reduce costs of service delivery while maintaining quality services and adequately budget for health care such that they are able to fully manage a combination of private and public financing for operational costs of the system and to grow the network of public healthcare facilities. To this end, the USG will support the MOH in examination of various cost-recovery models, including public and private health insurance, and health care procurement models, including performance-based contracting, that will make the health system more efficient.

2. Support the delivery of a "basic package" of services and targeted infectious disease prevention and management outside the US development corridors. For epidemiological, sustainability and humanitarian reasons, USG will continue to make a "core" set of investments in service delivery and health systems outside of the development corridors. The USG will support the MOH agreed "basic package" of services as well as targeted interventions for infectious disease (e.g. HIV, malaria, Lymphatic filiriasis, cholera) as well as interventions to address gender-based violence and child protection.

3. Establish disability care to support GOH and civil society capacity to provide care and rehabilitation services for persons with disabilities. The USG will expand disability care to rehabilitate and reintegrate into society persons with disabilities due to the earthquake, while building the capacity of governmental and non-governmental institutions to sustainably and effectively support persons with disabilities in the future. The USG will establish service centers to provide surgical interventions, mobility aids, physical rehabilitation, psychosocial and social service support, and vocational programs for persons with disabilities. Also essential will be the development of protocols related to care, treatment, and access to services for persons with disabilities, as well as training of paramedical staff, including rehabilitation technicians, prosthetists, orthotists, physical and occupation therapists, to provide services in existing or newly established rehabilitation centers. The USG will provide technical assistance to the MOH and Social Affairs to build capacity in developing clear standards, accreditation, and monitoring/coordination activities, as well as to organizations of disabled people and local institutions working for people with disabilities so that these organizations can further their rights and opportunities through advocacy and education. The USG will also support the revision and enforcement of building codes to ensure that all new public buildings are accessible to persons with disabilities

Intermediate Results and Sustainability Model: In 18 months, USG assistance will have helped to establish guidelines, standards and accreditation processes that strengthen the GOH's capacity to establish and monitor care and rehabilitation services and to integrate people with disabilities. Thirty technicians will have been trained to provide care for persons with disabilities and one spinal cord injury center will be functioning according to international standards for quality of care. In five years, there will between 4 and 6 service centers and referral systems established or strengthened to provide medical, therapeutic, pyshco-social, vocational, and/or independent living services. Disability care will need to be a long-term investment for Haiti, as Haitians disabled in the earthquake will need to be refitted for new prosthetics as they grow and age. Given the many NGOs that have indicated they will provide resources for such services, the USG will focus its investments in infrastructure and training for local technicians.

3. Increase support to the Ministry of Health in strengthening systems and governance. The USG will work with the MOH and other donors to enhance the MOH's ability to govern, manage, and supervise the health system. Part of this effort will occur through the establishment of a governance unit (entitled "Coordination Cell" in the MOH's Interim Plan) within the Ministry that will plan and coordinate all sources of health funding and eventually contract out to NGOs and the private sector for service delivery while maintaining oversight and accreditation functions. USG assistance will also strengthen MOH

systems for information management, disease surveillance and epidemiology, logistics and procurement of drugs and other commodities, laboratory testing, decentralized planning, management and coordination of services, maintenance of the health supply-chain and associated storage, human resources, administration, and budgeting. The USG will also assess opportunities to use technology to improve health system performance, including through the collection of health information, diagnoses, education of patients, and payment for services.

In the spirit of the overall strategy, the USG will support the development of the health workforce and the retention of workers at all levels to enhance the effectiveness of the MOH and the decentralized management units in development corridors, as well as the creation of specific cadres of health professionals (e.g., nurse anesthesiologists, field epidemiologists, public health laboratory experts, and field public health officers known as "*officiers sanitaires*"). The USG will seek to improve the capacity of the existing health workforce to provide services at all levels, while simultaneously enhancing the GOH's capacity to expand that workforce. The USG will also work with other donors to reduce the flow of talented staff from the MOH to donor programs and to attract new talent into the public system. Initiatives to recruit and retain health workers will include gender and equity opportunities, to ensure that doctors, civil servants, nurses, allied health professionals, and community health workers can earn a living wage. Finally, the USG will assess and support opportunities develop health financing mechanisms in coordination with other donor efforts in this area.

Intermediate Results and Sustainability Model: In 18 months, USG assistance will result in an integrated budget compiled and approved by GOH for the entire health system (including its own funds and funds contributed by donors); the identification and development of plans for appropriate reforms of the MOH structure and processes; four departmental warehouses functioning for stocking, managing, and distributing essential drugs and commodities; and a plan for an appropriate mix of health professionals to be trained and deployed in adequate numbers nationwide. In five years, a Governance Unit will be established and functioning effectively, strengthening the MOH's ability to govern, manage and supervise the entire health system. Its roles will include planning, coordination and management of all external assistance. The USG will support the establishment of a consolidated, single health management information system functioning under the direction, management and supervision of the MOH. Similar to USG efforts in growing the USC clinics, our investments in building public sector capacity, will allow for donor exit and ultimate sustainability.

4. Rebuild and reform management of public health infrastructure. The USG will support physical infrastructure projects related to the delivery of health services. This will include renovating earthquake-damaged structures in the Port au Prince metropolitan area as well as filling critical facility gaps within communal referral networks in the development corridors. Within Port-au-Prince, the USG will build the national blood bank and will work with the GOH and the Government of France to rebuild the State University Hospital, contingent on a set of key conditions including reform of the management and governance and development of a sustainable business plan. Connected to this project, the USG will create a national health science campus by rebuilding the Public Faculty of Medicine, the Faculty of

Pharmacy, the Midwifery School and the Laboratory Technician Training School. The USG will seek a twinning relationship with a medical school in the United States to support teaching exchanges and curriculum development.

Intermediate Results and Sustainability Model: To ensure continuity of services from the community to the dispensary to the commune reference hospital, the USG will identify networks of health clinics in at least 2-3 health networks to support as pilot projects in the next 18 months, to serve as models for scaling up support to 9-12 health networks over the next five years. In five years, the general hospital, the blood bank and the National Health Science Campus will be reconstructed and fully operational, with clearly defined responsibility for maintenance and ongoing operational costs.

Ongoing measurement of progress and evaluation of results will be essential to ensuring USG investments are indeed delivering impact and are supporting the development of a sustainable health system. As the lead funder of the Demographic Health Survey (which the USG has supported every five years since 1990), the USG can use the 2011 survey as a baseline against which progress can be measured. The DHS and additional baseline studies will include measures for the inclusion, participation, and leadership of women, children and people living with disabilities, so that the impact of the USG strategy for helping these populations can be effectively measured. Resources will also be set aside to track the progress of implementation closely, and to undertake both sectoral evaluations to see if national goals are being reached and more micro-level impact evaluations to determine the cost-effectiveness of particular interventions and approaches to strengthening health systems. Of particular importance will be the results of a randomized impact evaluation of households residing within and outside the US development corridors which aims to demonstrate the effects of the comprehensive communal health network approach.

Priority 2: Education and Youth-Focused Services

Summary of goals

Haiti's ability to compete in the international arena depends on its human capital and the safety and productive capacity of its young people. The second priority of the health and basic services pillar addresses education and youth focused services. The USG will leverage its convening capacity, leadership on curriculum standards, and training in support of education and youth services to extend the impact of its annual investment in this sector. An educated populace is a source of wealth for any nation, with proven causal links to better health, increased productivity of workers, and political stability. Vocational training for out-of-school youth and child protection services for orphans and other vulnerable children and youth are not only needed to provide the most vulnerable children with a genuine opportunity to reach their full potential, but to promote public safety and to protect against the potential for human trafficking or other abuses.

The education priorities set out in the GOH's Action Plan are summarized below:

Restarting School Activities	• Guarantee equitable return to school of all students affected by the earthquake • Provision of aid for education to all children • Provision of necessary pedagogical and administrative support to teachers and other education personnel • Supporting the restarting of higher and vocational education

In this context, the USG will:

1) Support and improve GOH capacity to plan, coordinate, regulate and deliver quality education services
2) Contribute to the GOH and IDB's education reform plan via the Multi-Donor Trust Fund.
3) Increase the provision of complementary youth-focused services in targeted communities within the GOH development corridors selected as priorities by the USG
4) Facilitate private public partnerships for youth-focused offers of assistance

Overview of Needs

With over fifty percent of the population under the age of seventeen, the education of Haiti's young people is critical to the country's emergence from its debilitating cycle of poverty and political instability. Despite high social demand for schooling, Haiti's education indicators are the worst in the Western Hemisphere – less than half of the population is literate[33] (compared to 68 percent literacy in Guatemala, the next least literate country in the hemisphere), and only about one third of children complete primary school. Gender parity is apparent in primary and secondary enrollment and completion figures.[34] Still, most people lack access to quality basic education, thereby limiting their capacity to participate in the formal economy. The lack of education opportunities increases children's risk of exploitation and abuse, including harmful forms of labor. The public education system is extremely limited – 80 - 85% of schools in Haiti are privately owned and run while just 15 - 20% are public. Seventy-five percent of the private schools are not licensed. The earthquake destroyed an estimated 4,230 public and private schools and the headquarters of the Ministry of Education; eliminated ninety percent of educational assets in greater Port-au-Prince; and killed thousands of students and teachers. Over 300,000 students have been displaced to other departments, either accompanied by their parents or, more frequently, placed with host families.

One result of the failing education system is a soaring out-of-school youth population. Before the earthquake, out-of-school youth comprised roughly 25% of the population. This number rose significantly after the earthquake. At the same time, UNICEF estimates that there are as many as 500,000 orphans in the country after the earthquake; an estimated 70,000 children are thought to have lost the head of their household, 124,000 to have lost one parent, and 7,000 to have lost both parents due to the earthquake. These children, both out-of-school and orphaned, are among the most

[33] 39.9% of men and 36% of women are illiterate.

[34] 51% of boys and 48% of girls attend primary school and 21% of boys and 18% of girls complete secondary school.

vulnerable in Haiti right now. To sustain themselves, out-of-school youth may resort to criminal activity. A separate but equally vulnerable population is under 15 years of age, where families unable to support these children give them up to live as a *restavek* with host families, where they may be subject to abuse and exploitation.[35]

Overall Objectives and Donor Activities

Education reform has long been a pressing issue in Haiti – in 2007, the Presidential Commission on Education (GTEF) led a consultative process involving the government, the private sector, community-based organizations, and the Diaspora to establish a platform for systemic change.

The Ministry of Education and GTEF jointly addressed the Education Donor Coordination Group in May 2010 regarding their vision for the sector. Eight opportunities were identified:

- early childhood development programs to ensure education and protection of pre-school aged children,
- eradication of illiteracy which affects approximately 3 million Haitians,
- free and obligatory primary education,
- standardization of the secondary school curriculum,
- standardization of the structure of the primary and secondary school systems,
- consolidation and extension of the network of vocational training centers,
- consolidation and modernization of the higher education system, and
- reinforcement of special education through the integration of psychosocial activities.

Responding to these concerns, the IDB has partnered with the GOH to come forward with a sweeping education reform strategy with an estimated cost of $2B. Of this amount, the IDB has already committed $250M over five years. Under the proposed reform, most Haitian schools would become publicly funded but privately run institutions, foregoing tuition charges. Schools adhering to the new model would receive subsidies from a central fund through which the government will pay the salaries of all the teachers and school administrators. At the same time, the plan anticipates financing the construction of new schools. The IDB likely will a the lead donor in this sector, with numerous other bilateral donors and private foundations expressing their intention to make substantial investments in this sector. Canada has indicated that its forthcoming youth-focused strategy will entail substantial support to the education sector. On the child protection front, UNICEF and a number of EU donors, including Norway, have also advised that they too will have education investment plans.

USG Assistance Objectives, Intermediate Results, and Sustainability Model

The USG's objective in education is building the GOH's capacity to govern and set standards for the education sector. Additionally, the USG will supplement development corridors with targeted

[35] *Restavek* is a Creole term which literally means "stay with." In theory, children do stay with their hosts working as domestic servants in exchange for a roof over their head, some leftover food and, supposedly, the ability to go to school. In practice, however, the *restaveks* are easy prey for exploitation. Many are beaten, sexually abused and frequently denied access to education, since many host families believe that schooling will only make them less obedient. A 1997 UNICEF report cites an estimated 250,000-300,000 children, mainly girls, living as *restaveks*; the earthquake will almost certainly increase this figure.

community-based youth-oriented programming, including school feeding programs and vocational training for out-of-school youth. Finally, the USG will establish a dedicated Private Sector Development Unit at USAID and in the MOE to facilitate private sector proposals for education and other youth-focused investments. USG specific objectives are as follows:

1. Improve the GOH's capacity to plan, coordinate, regulate, and deliver quality education services. USG assistance to the education sector must, first and foremost, build the GOH's capacity to manage education services if there is to be sustainable, measurable impact and a significant return on investment. In previous years, dictatorships, anarchy and weak governance has led donors to circumvent official channels to fill the void created by an unresponsive public sector. These systems have been, for the most part, established and maintained through a multitude of NGOs. Forward-looking solutions must be coordinated and jointly implemented with the GOH to ensure investment in sustainable community-based structures and systems that carry forward decades of well-intentioned but independent, donor-driven programs in education. Key donors in the sector are on board to collaborate closely with the GOH to reinforce technical, managerial, and administrative capacity, including the training of teachers.

The GOH and the IDB have developed a sweeping and comprehensive plan to overhaul the entire education system; the USG will support this plan by contributing to the IDB through the Haiti Reconstruction Fund and by supporting the design and implementation of national education standards and, where appropriate to further the implementation of such standards, teacher training. These standards will encompass three core areas for investment as delineated by the GOH's plan: learning quality (student performance), professional development (performance guidelines for teachers and principals), and institutional performance (criteria for high performing schools). Uniform standards and accountability will enable GOH to make evidence-based decisions for further education reform.

Another key component of the USG's investment is strengthening the GOH's capacity to license non-public schools. Eighty-five percent of the school system in Haiti is run by largely unregulated, non-public entities such as churches and private organizations. GOH data indicate that at least seventy-five percent of these non-public schools do not have a permit to operate. A great majority of the schools are of very low quality, despite the fact that many low-income parents devote about 40% of their income to their children's school fees.

School licensing would allow GOH to exercise oversight and influence a variety of issues ranging from building codes to teacher credentialing to prevention of exploitation and abuse. The GOH's plan for facilitating and automating school licensing shifts major responsibility for school licensing to the departmental, district, and zonal levels. It also creates the opportunity for community based planning around schools as well as for a communication and data transfer system that reduces the time needed to finalize school licensing decisions. Previously, the USG helped the GOH to pilot non-public school licensing in the Nippes department of Haiti, and this work, which was evaluated and deemed successful, has created a solid foundation upon which future investments can build.

GOH is poised to take a major step forward in increasing its governance of the entire education sector. This component will need to be supported by a comprehensive monitoring and evaluation system to ensure: (1) accurate data entry, (2) the rapid identification and resolution of technical issues, and (3) the effective tracking of the percentage of schools licensed. The immediate goal is to support the GOH in ensuring a minimum standard of quality education in both public and non-public primary schools.

USG assistance will include direct technical support in the middle-to-long term. In particular, the USG will use its comparative advantage based on experience working in Haiti to help the GOH establish mechanisms for coordinating the myriad offers of assistance from the private sector, institutions of higher learning, foundations, and others. This unit would be housed wholly within GOH or, more specifically, given the fact that eighty-five percent of schools are non-public, within the National Office for Partnership in Education (ONAPE), which is the entity mandated to manage private partnerships with and facilitate GOH's funding of non-public schools.

Intermediate Results and Sustainability Model: Within 18 months, the USG will have helped to create, staff, and equip offices in the GOH managing basic community-based education, standards, licensing, and teacher training. Draft standards will be identified, and the physical structure of a licensing system will be in place. Until the GOH is able to develop a broad tax-base, the Haitian education system will rely on donor support or tuition fees. In the medium term, USG support to the GOH will, at the very least, put the MOE in the position to govern the overwhelmingly non-public school system. With an expanded tax base, the GOH could convert the non-public school system into a charter system, where schools accept standards in exchange for public funds.

2. Increase provision of complementary youth-focused services in targeted communities within the development corridors. The USG's immediate response to the disaster was to reprogram FY2010 education to assist in constructing, furnishing and equipping more than 300 temporary classrooms. Building on this investment and expanding beyond the earthquake-affected zone, the USG will provide targeted youth-focused services across the USG development corridors. These services will include instructional and psychosocial training, vocational training, especially focused on construction trades, for out-of-school youth, the provision of associated educational equipment and pedagogical supplies, school feeding, and community mobilization for school improvement. USG assistance will also incorporate school health and nutrition activities that improve learning outcomes, such as providing de-worming pills and vitamin A. The development corridors will benefit from the primary school refurbishment program, which will simultaneously provide improved services in new areas while reducing strain on educational services in Port-au-Prince.

Intermediate Results: Within 18 months, target communities will be identified and will begin to receive school meals, school supplies, and complementary health and nutrition services. Out-of-school youth will obtain basic numeracy and literacy skills and be placed in minimum-wage paying jobs, such as construction.

3. Facilitate public private partnerships to support offers of assistance for education and youth-focused projects. The USG is regularly contacted by private foundations, corporations, universities and individuals from the United States who wish to support in part or in full the Haitian education or child protection (i.e., systems and interventions to prevent and respond to violence, exploitation, abuse or neglect in children) sector. Many private entities are interested in working in or funding education and child protection projects in Haiti, but lack the requisite connections, infrastructure and knowledge to start such a project. Without dedicated support from the USG, these offers of assistance often go unaccepted or proceed without regard to standards, other donor activities or Haitian priorities. To remedy this information and skills gap, the USG will develop a Public Private Partnership Unit within the USAID Mission and support the creation of one within the Haitian Ministry of Education and support to the National Office for Partnerships in Education. The USG will work with interested private entities through the USAID-Private Sector Development Unit in Haiti provide information, support, a comprehensive toolkit for getting started and appropriate support to facilitate contacts with the MOE as well as the implementation of promising partnerships. In certain cases, the USG may contribute matching funds to the proposed project.

Intermediate Results and Sustainability Model: 1) Within 18 months, USAID Private Sector Development Unit will be operational with website and a fully developed toolkit for interested private philanthropists; 2) MOE Private Sector Development Unit will be operational with trained multi-lingual staff. Within 5 years the USG will facilitate and provide matching funds to qualified public private proposals for education development and child protection services. By developing the PPP office within the Ministry of Education, the USG will channel private offers of assistance directly to the Ministry once the office gains sufficient capacity.

Pillar D: Governance and Rule of Law

Underlying every economic and social development success story is a responsive, just, and effective state capable of ensuring the legal rights and personal safety of its people and investors. The earthquake severely degraded the institutional capacity of a government that was just getting on its feet after years of instability. Haiti will only achieve long-term stability and economic growth through inclusive, transparent and accountable governance, credible political processes, and national and local governance institutions that deliver basic services, including security and the rule of law. Moving beyond a perpetual state of fragility requires a responsive and capable national and local government. The GOH must be committed to political, economic and institutional reforms that address security and social inclusion. In turn, donors need to sustain their commitment to helping set the foundation for effective democratic governance.

U.S. government policies and programs under Pillar D work to support more responsive governance and improved rule of law in Haiti. The USG fourth pillar has two priority areas to help the GOH meet the targets for public administration effectiveness, the administrion of justice, and the provision of security in the Haiti Action Plan:

1. Governance
2. Rule of Law[36]

Political Will and Constraints

In governance and rule of law, the absence of political will has been a perpetual impediment. Over the years, the GOH has repeatedly committed itself to reform, but taken only limited action to support its commitments.

In its Action Plan, the GOH reaffirmed its desire to decentralize governance and improve rule of law through justice sector reform. This public commitment creates a window of opportunity for engagement to press for the fulfillment of those commitments. Given broad US and Haitian consensus on the need to strengthen governance and the rule of law in Haiti, USG projections and anticipated investments are based on the following assumptions:

- That the security situation will remain relatively stable;
- That credible elections result in a legitimate government;
- That the GOH will show commitment to adopt and implement constitutional and decentralization reforms, as well as reforms in the justice and security sectors;
- That civil service reform and land reform will be engaged in through multi-donor activities;
- That court structures destroyed by the earthquake will be rebuilt to modern standards;

[36] Under the UN definition, "The rule of law refers to a principle of governance in which all persons, institutions and entities, public and private, including the state itself, are accountable to rules that are publicly promulgated, equally enforced, and independently adjudicated, and which are consistent with international human rights norms and standards." For the purposes of this strategy, Rule of Law will include activities in the justice (courts and corrections) and security (police and law enforcement) sectors.

- That justice (courts and corrections) and security (police and law enforcement) sector reforms , will proceed in parallel; and
- That the IHRC and Multi-Donor Trust Fund are functioning.

In the short term, the GOH may choose to defer important decisions, particularly with respect to the nomination of key government personnel and the passage of legislation necessary to facilitate democratic governance and rule of law in Haiti, until after the November 2010 elections. Irrespective of elections, the GOH, USG and other donors will develop sequenced benchmarks for these reforms. Should the incoming Haitian government seek to revise or block progress toward the Preval Administration's stated priorities or should a new, duly-elected government change these priorities, such efforts will likely extend USG timelines for assistance and may also require adjustments in this pillar of the USG strategy. Continued donor support should be contingent upon the GOH meeting agreed benchmarks.

Priority 1: Governance

Summary

The goal of USG assistance in governance is a more responsive Haitian government increasingly capable of performing essential governance functions without reliance on international assistance. Meeting this objective will require a substantial investment by the USG, in coordination with other donors, to support Haiti's ability to regain the basic capacity for self-administration and overcome new challenges that have emerged in the post-earthquake environment.

The governance priorities set out in the GOH's Action Plan are summarized below:

Support for democratic institutions	1. Rebuilding the executive staff of the government 2. Strengthening parliament (including provision of physical facilities) 3. Election support (including institutions such as the Provisional Electoral Council and the Office of National Identity)
Rebuilding public administration	**3.** Relocating key ministries into new permanent facilities 4. Strengthening local government 5. Facilitating decentralization and improving service delivery to the population 6. Reconstituting and improving civil service

Aligning with the GOH's stated priorities, the USG strategy will focus on three key objectives:

1) Supporting credible electoral and legislative processes;
2) Strengthening public administration; and
3) Improving local governance capacity

Overview of Needs

The election of President Rene Preval in February 2006 ushered in a period of greater political stability and economic progress. The January 12 earthquake had an immediate and deleterious impact on governance and rule of law in Haiti. The parliamentary elections scheduled for February 2010 were postponed, and the terms of most members of parliament expired in May 2010, leaving President Preval to rule by decree. Presidential and parliamentary elections took place on November 28, 2010 despite significant logistical and political challenges. The human losses from the earthquake affected every government ministry as well as parliament, and the subsequent out-migration from Port-au-Prince to secondary cities and rural areas placed new strains on local governance. The GOH is now reporting that as much as thirty percent of the civil service[37] perished in the earthquake. The government's physical infrastructure has also been badly damaged, including the destruction of the National Palace, the Parliament, courts, 28 of 29 government ministry buildings, the headquarters of the Haitian National Police, and several correctional facilities.

Overall Objectives and Donor Activities

The principal GOH priorities for the governance sector include holding credible elections, restructuring the central administration, including through recruitment of new talent, rebuilding destroyed ministries, and building up the capacity of local government to deliver basic services. The Haiti Action Plan calls for significant technical support to rebuild and train a new public administration.

The PDNA estimates of the financial requirements for strengthening democratic institutions (including rebuilding executive staff capacity, support for parliament, and strengthening electoral institutions) total $155 million for the next 18-month period. The PDNA also states that resources required to strengthen public administration (including salary augmentation, operating costs and equipment) will be approximately $372 million over the same period.

To facilitate better donor coordination, MINUSTAH has developed project portfolios for parliament, local government, and elections support. In addition to the United States and UN agencies, several key donors, including the EU, France, and the World Bank have earmarked funds for institutional strengthening.

Historically moderate-to-low donor interest combined with difficulty in making progress in the governance sector will place a premium on the effective and efficient use of USG resources and present the U.S. with the opportunity to play a leadership role. The USG strategy will build on the significant investments the USG has made in these areas over the past twenty years, with limited success. The GOH's commitment to undertake governance reforms will be critical to securing USG investment. In the coming period, the USG strategy will benefit from strong coordination among donors, a refined set of best practices (benefiting from past failures), alignment with the goals and objective of the GOH, and targeted investment of resources.

[37] The official estimate remains 18%; the GOH new estimate of 30% has not been independently substantiated.

USG Assistance Objectives, Intermediate Results, and Sustainability Model

The core objectives for USG governance assistance over the next five years are to support GOH efforts to strengthen the Haitian state by investing in democratic electoral and political processes, rebuilding physical and human infrastructure of Haiti's public administration and civil service, and supporting Haitian-led governance reform efforts. Over the next five years, USG strategy will seek to strengthen governance in Haiti through supporting credible electoral and political processes, more inclusive, transparent and accountable public administration, and enhancing the capacity of the GOH to deliver basic services at the national and local levels.

The governance strategy has been coordinated across USG agencies (including State, USAID, and Treasury) to meet common strategic objectives. Below are the key activities, outcomes and impact sought by the USG's investments in support of Haiti's broader governance strategy.

1. Support Credible Electoral and Legislative Processes: The success of USG strategy in Haiti is predicated on a credible, legitimate counterpart in the GOH. Conversely, a GOH hobbled by election delays, the long term absence of an elected parliament, or an election process that does not meet international standards for transparency and fairness has the potential to negatively impact reform efforts. Effective and representative institutions are essential to strengthen the quality of governance in Haiti. In partnership with the international community, the USG will seek to support a credible democratic electoral process in 2010-11. The USG will provide long-term technical assistance to Haitian electoral institutions, as well as support for international and domestic observation, capacity building for political parties, and civic education. The USG will also contribute to election security and logistical support through MINUSTAH. These efforts, combined with critical electoral benchmarks and long-term electoral reforms linked to the legitimacy and cost-effectiveness of elections will seek to increase the chances of elections that reflect the popular will. After the 2010-11 electoral cycle, the USG will assist the GOH in building a new social compact between citizens and the government, and provide support to parliament to represent constituent interests, oversee GOH reconstruction efforts, and draft and enact effective reform legislation supporting Haiti's development across all sectors. In light of the notable irregularities and allegations of fraud during the first round of national elections, the nature of USG support to the GOH will be intrinsically tied to the outcome of the 2010-11 elections.

Intermediate Results and Sustainability Model: In 18 months: 1) Haiti holds a credible election process in 2010/2011 that yields a legitimately elected president and parliament; 2) Haiti's Electoral Council increases its capacity and reduces its reliance on outside support. In 5 years: 1) Haiti undertakes electoral and constitutional reforms to streamline the burdensome and expensive electoral calendar; 2) Haiti adheres to its constitutionally-mandated election cycles to avoid future expirations or lapses of parliament; 3) Haitian authorities assume greater management of the electoral process, have in place an electoral inventory system,[38] and the role of outside donors is reduced to targeted technical support and

[38] The international community annually finds itself in the position of buying elections supplies that it has purchased for past Haitian elections; this model is not sustainable. Going forward, the USG work with the GOH to maintain elections supply inventories and maintenance systems

periodic electoral observation missions; and 4) there is an increase in the percentage of reform legislation introduced by the parliament and acted upon.

2. Strengthen Public Administration and Financial Accountability: A central component of USG strategy to enhance the capacity of the Haitian state is supporting the GOH's goals for restructuring and reforming public administration. Historically, public management in Haiti is underdeveloped, with limited institutional capacity to absorb or manage donor investments. To become a more effective manager of international and Haitian resources, the Haitian state must build a capable public administration, including sound budget formulation and financial reporting, and remedy underperforming administrative and procurement systems. Donor support to Haiti's central ministries and civil service lack an assessment and framework under which all donors can work. The USG will contribute to a multi-donor effort to pursue critical civil service reforms and compensation supplements. In the more immediate term, the USG, through USAID and the Department of Treasury, is assisting key GOH institutions, including the IHRC and the Ministries of Planning, Justice, Interior, Economy and Finance, Health, and Agriculture by providing technical staff, training, and capacity-building. The USG will also create a Fellows Program to attract talented members of the diaspora and other qualified individuals to contribute to transparent, effective public administration in key Ministries of the GOH.

Intermediate Results and Sustainability Model: In 18 months: 1) Participate in a multi-donor civil service reform program and spur reforms in key ministries; 2) Better public finance management and procurement systems as demonstrated by enhanced budget and accounting procedures within five of the agencies and ministries designated by the Haitian government to be "crucial to re-launch the country;"[39] and 3) Establish a Haitian Government Fellows program to attract new talent, particularly from the diaspora, to the Haitian public sector. In 5 years: 1) Financial Management Systems functioning across 41 GOH entities and expanding to regional and municipal levels, with at least 50% of GOH revenues and expenditures tracked by the system; and 2) Improvement in Haiti's ranking in international indicators such as the World Bank Government Effectiveness Scores and Transparency International's Corruption Perception Index. With the enactment of key reforms, and technical support and training, the GOH should achieve a level of independence and efficiency that allows donors to exit the sector over time.

3. **Improving Local Governance Capacity:** Following the earthquake, the GOH devolved significant responsibilities to the country's municipal governments to coordinate emergency relief and recovery operations. Yet, local governments have publicly observed that they have not successfully secured the budgets they need to fulfill their responsibilities. The dual need for rapid reconstruction and effective

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and will leverage the expertise and support of the newly-created Elections Task Force[38] to thoroughly parse elections budgets to ensure that equipment and supplies are not re-purchased year on year. Technical support to the CEP will also provide a means to achieve sustainability.

[39] The March 2010 Action Plan for National Recovery and Development of Haiti identified the following agencies and ministries as high priority investments in public administration: the Presidency, the Prime Minister's Office, and the Ministries of Economy and Finance, Interior and Territorial Communities, Planning and External Cooperation, Public Works and Telecommunications, State Education and Professional Training, Public Health and Population, Justice and Public Security, and Agriculture and Natural Resources.

management of post-earthquake migration necessitate programs to meet the rising demand for effective institutions and services at the local level. Given that most GOH service delivery for health, education or basic infrastructure, even by central ministries, occurs at the local level, local governance and citizen participation will be increasingly critical as the GOH pursues decentralization. Effective decentralization and local governance is critical across a range of pressing areas that are part of the broader USG strategy, including economic growth in development corridors, disaster risk reduction and conflict mitigation. In the near term, USG assistance will support local government planning, budgeting and management capacity, and improve service delivery and citizen participation as more services devolve to local levels. Technical assistance will focus on tax administration and revenue collection, improving information technology, and debt collection procedures. USG efforts will build synergies between existing long-term USAID local government programs and shorter-term community cohesion projects currently implemented by USAID's Office of Transition Initiatives (OTI) so that they transition seamlessly. Programs will be geographically focused on the strategy's development corridors.

Intermediate Results and Sustainability Model: In 18 months: 1) Quality of local service delivery (sanitation, small infrastructure upgrades, etc.) improves significantly as measured by citizen satisfaction such as through Americas Barometer surveys; and 2) Local GOH officials are able to begin implementation of broader decentralization plan with new technical skills provided by USG technical support. In 5 years: 1) Increased levels of citizen confidence in local governments within the development corridors; 2) the emergence of growth poles outside of the capital, coupled with decentralization reforms that grant more local control over locally-collected revenues may enable local jurisdictions to steadily leverage a growing tax base which in turn could allow them offer a more extensive range of citizen services; and 3) Local governments will demonstrate improved disaster reduction planning.

Priority 2: Rule of Law

Summary

The GOH has prioritized the need to rebuild government institutions and enhance the performance of the justice sector (including courts, corrections, and police). The core objectives for USG investments to support Haiti's Rule of Law over the next five years are to strengthen the Haitian state by rebuilding physical and human infrastructure of Haiti's justice and security sectors, supporting Haitian-led reform efforts in the judicial system, and strengthening the Haitian National Police (HNP) to provide for Haiti's domestic security and protection of vulnerable populations, especially women, children, and those who remain displaced by the earthquake. The USG also aims to support the build out of the GOH's counternarcotics capacity to reduce drug flows through Haiti. The end goal is the emergence of a Haitian state increasingly capable of ensuring the rule of law and the protection of vulnerable populations throughout its territory. In the coming period, meeting these objectives will require a substantial investment by the USG, in coordination with other donors, to allow Haiti to regain the basic

operational capacity of justice and security institutions, and overcome new challenges to the rule of law that have emerged in the post-earthquake environment.

The rule of law priorities set out in the GOH's Action Plan are summarized below:

Justice sector reform	1. Re-establishing the operational capacities of the judicial stakeholders 2. Extending rule of law to communities hosting displaced people 3. Penal reform and reconstruction of correctional facilities

Security sector reform	1. Re-establishing the operational capacities of the security stakeholders 2. Extending security to communities hosting displaced people 3. Recruiting police officers (approx. 500 officers) and rebuilding the units affected by the earthquake and increasing the total force level to 16,000 officers by 2015 4. Increasing capacity for HNP counternarcotics forces to locate, interdict, and arrest drug traffickers.

In line with the GOH's stated priorities, the USG strategy will focus on the following key objectives:

1) Strengthening judicial independence and operational capacity of the courts;
2) Enhancing the effectiveness of the criminal justice system
3) Enhancing the effectiveness of the civil justice system
4) Increasing protection of human rights and vulnerable populations
5) Renovating the corrections sector
6) Developing a sustainable HNP
7) Assisting the HNP to develop an effective counternarcotics strategy
8) Enhancing transparency and combating corruption in GOH institutions

Overview of Needs

The rule of law, as supported by justice and security institutions,[40] is a basic foundation of citizen security and economic growth. Even prior to the January 2010 earthquake, needed reforms to Haiti's rule of law sector, and in particular corrections facilities, lagged behind the country's progress in other areas. Extended pre-trial detention was rampant, access to legal services was limited, and judicial independence was lacking. The 17 prisons fell short of international standards. The prison administration, before the earthquake, was characterized by insufficient accommodation infrastructures, with 80% of prisoners in crowded facilities, a condition which was further exacerbated by the earthquake.

[40] Under the UN definition, "The rule of law refers to a principle of governance in which all persons, institutions and entities, public and private, including the state itself, are accountable to rules that are publicly promulgated, equally enforced, and independently adjudicated, and which are consistent with international human rights norms and standards."

The earthquake severely affected this already fragile arena. According to the PDNA released in March 2010, 80% percent of the justice sector in Port-au-Prince was affected by the earthquake, and financial requirements for rebuilding the sector (including facility reconstruction, services and training, and social housing for the HNP) are estimated at $255 million for next 18-month period. Of the estimated 5,400 prisoners held across the quake-affected area, approximately 5,000 escaped. Forty-nine justice-related buildings were damaged and the archives were largely destroyed. The HNP lost approximately 500 officers – at least 77 died and many others simply disappeared or have not returned to duty, leaving fewer than 9,500 officers in place. The headquarters of the HNP was destroyed, and 46 police stations must be rebuilt or renovated. Further compounding this situation, an estimated 1.6 million IDPs find themselves particularly vulnerable to crime, including trafficking, gender-based violence and other human rights abuses.

The HNP requires vehicles, uniforms, communication systems, and housing facilities. As the only Haitian security and law enforcement body – which also is cited as the most trusted GOH entity in the country – the HNP are and must continue to be a primary target of assistance. The eventual drawdown of UN Peacekeeping forces is conditioned upon the successful and sustainable development of this body. Ambitious recruiting targets will need to be accompanied by funding to train and equip the new recruits. In addressing the HNP's staffing needs, particular emphasis must be placed on developing the mid-level managerial capacity and the HNP's internal administrative structures.

Overall Objectives and Donor Activities

Prior to the earthquake, President Preval had identified judicial reform as a central priority for his last year in office. Among the many potential areas of reform, the revision of both the criminal code and criminal procedure code were slated for completion and the long-sought appointment of a Supreme Court President and the initiation of the Magistrate's School were on the horizon. The GOH was also in discussions with MINUSTAH and other donors to refurbish or relocate the largest and most substandard corrections facilities. Post-quake, these priorities remain the same, with the addition of a set of infrastructure investments. The GOH seeks reconstruction or refurbishment of the courts, the partially-destroyed National Penitentiary, HNP headquarters, and police stations. In addition to these buildings, material and equipment, including vehicles, furnishings and office equipment, and personnel are also priorities. Addressing the personnel shortfalls in the Haitian National Police, in particular, will require not only restoring the physical structures at the Police School, but supplying, equipping and training the incoming 22nd class of 900 recruits and subsequent classes to meet the GOH's goal to increase the current police force of fewer than 9,500 officers to 12,000 police officers by 2012, and 16,000 officers by 2015. This increase should include a sizable increase in counternarcotics and Coast Guard officers.

The UN is committed to a significant expansion of rule of law investments, including through MINUSTAH (training, case tracking and management, access to justice, construction and prisons) and UNDP (training and prisons). To facilitate better donor coordination, MINUSTAH has developed project portfolios for the rule of law sector, including in justice, corrections, human rights, and civilian police, to ensure transparency and coordination at all levels. In addition to the USG and UN agencies, several other

donors will likely be active contributors, including Canada (prison construction, corrections training, and infrastructure for the HNP), Norway (protection of women and children from violence), France (judicial sector), and Sweden (judicial sector). In addition, several countries in the hemisphere, including Colombia and Chile, have indicated their interest in providing technical support and training on rule of law issues. Brazil maintains the mandate of leading MINUSTAH, which includes peripheral involvement in developing the justice and corrections sector.

A number of donors are supporting efforts to protect human rights, including International Organization on Migration (cross-border migration and anti-trafficking); UNICEF (child protection); Save the Children (child protection and education); MINUSTAH (child protection); Cadet Foundation (Restavek); and UNFPA (integration of persons with disabilities).

In support to the HNP, Canada has publicly committed $9 million to building a new police headquarters building, and $6 million to reconstructing two large police stations in Croix-des-Bouquets and in Port au-Prince (Delmas 33). Canada also is considering rebuilding stations in Jacmel, Leogane, Petit Goave and Grand Goave. Canada has provided 5 new vessels to the Haitian Coast Guard and will furnish 100 new small trucks and motorcycles to the HNP. Canada also has a two-three year project to support the Police Academy for mid-level training at Ganthier. Other bilateral donors to the HNP include France (which recently provided 110 used vehicles including large transports and fire trucks), Japan (which recently provided equipment for border forces), Chile (which trains police instructors on doctrine), and Colombia (which has offered to partner with the USG on in-service training). The HNP has requested USG assistance to reconstruct damaged areas of the Police School and to supply incoming classes. The GOH and MINUSTAH also have requested USG support for the re-launch of the Haitian counternarcotics program.

USG Assistance Objectives, Intermediate Results, and Sustainability Model

The USG objectives in promoting the rule of law in Haiti include strengthening the operational capacity of the criminal and civil courts; code reform and the appointment of critical personnel; building the justice sector's human and physical capacity; strengthening mechanisms to protect the human rights of Haitians, with particular emphasis on vulnerable populations such as children, women, displaced and disabled; the development of both a functional prison system and non-incarceration alternatives to prison; and training at the Police School required to address immediate personnel shortfalls and long-term personnel targets in the HNP. The success of this assistance will be dependent in part on the GOH's commitment to pay the salaries of its police. The HNP's Brigade for Minors will also be targeted for capacity development; particular focus will be given to enhancing the force's efficacy in IDP camps and surrounding insecure neighborhoods. As a linkage to the economic development pillars of this strategy, the USG will work with the HNP to ensure that deployments provide adequate security in the anticipated economic development corridors. USG assistance will also help re-launch the HNP's counternarcotics force – the BLTS—as well as the Haitian Coast Guard (HCG). Finally, the USG is also committed to working with the GOH to fight Haiti's historically pervasive corruption, which, if unchecked, will undermine progress in numerous sectors.

1. Strengthen judicial independence and operational capacity of the courts: With USG assistance, Haiti adopted three laws to increase judicial independence and capacity in 2007: a law on the Superior Judicial Council, a law on the Status of Magistrates, and a law on the Magistrate School. Implementation of these laws has not moved forward, however, due to the lack of appointment of a President of the Supreme Court, who by law heads up the Judicial Council and also serves as President of the Administrative Council for the Magistrate's school. The Supreme Court Presidency has been vacant since 2004, despite pressure to move forward from justice sector stakeholders and the international community. The USG and other international stakeholders will address this vacancy through appropriate diplomatic channels. Until the Supreme Court President has been appointed, however, the USG and other donors cannot effectively provide assistance in implementing these new laws. In the interim, the USG will continue to coordinate with other donors to support the rebuilding and supply of equipment to the Ministry of Justice and Public Security (MJPS) and courts. The USG will support the re-implementation of manual case registry systems[41] and, with other donors, the development of court civil registries as well as a national criminal database system to track cases from start to finish, along with training for police officers, prosecutors and judges to implement the system.

Intermediate Results and Sustainability Model: Within 18 months: 1) Manual case tracking system re-established in three target jurisdictions;[42] 2) Significant reduction in pre-trial detention in targeted jurisdictions; 3) Contingent upon appointment of a Supreme Court President, implementation of the 2007 laws, including standing up the Superior Judicial Council; and 4) After appointment of a Supreme Court President, Superior Judicial Council issues a set of operating procedures and regulations and begins to process disciplinary cases.[43] Within 5 years: 1) Civil and criminal database systems are developed and in process of implementation; 2) Thirty percent reduction in the mean and median rates of pretrial detention; and 3) Ministry of Justice and Public Security offices are rebuilt. Over time, the Haitian judicial system should be able to operate efficiently and independently, adjudicating cases in a timely fashion, such that donors may exit.

2. Enhance the efficiency of the criminal justice system: Criminal justice is the most visibly broken part of Haiti's justice sector and must be improved through legislative and administrative changes. The GOH has taken important steps in recent years to address legislative needs. The Presidential Commission on Justice Sector Reform has undertaken a complete revision of the country's antiquated and largely unworkable criminal and criminal procedure codes. Revision of the criminal procedure code has been completed and it is in the peer review process; the revision of the criminal code draft is still in process. The USG will support the Commission in hosting fora to promote public dialogue on the proposed

[41] The USG-funded NCSC project developed a manual case registry that was implemented in Cite Soleil, St. Marc and Petit Goave, but a 4/2010 field visit showed that it is no longer in use in St. Marc. The prison database system that the NCSC funded in cooperation with the UNDP continues to function but needs to be improved and expanded so that there is a single system covering the prisons, prosecutor's office and courts.

[42] The three target jurisdictions will likely be St. Marc, Cap Haitien and Mirebalais.

[43] The Judicial Council, established by the 2007 legislation, would have primary responsibility for overseeing judicial performance and taking disciplinary actions against judges for corruption, abuse of office, etc. The Judicial Council is headed by the President of the Supreme Court and therefore cannot commence operations till this vacancy is filled.

changes, and in advocating for passage by the parliament. Once the legislation has been passed, and contingent upon the GOH moving forward on meaningful justice sector reform, the USG will support implementation of the new codes. In the interim, the USG will also continue to support citizen access to legal services through support for legal assistance centers (Bureaux d'Assistance Legale – BAL) established to serve low-income and marginalized communities and extend this assistance to localities serving significant IDP populations and places of detention.

Intermediate Results and Sustainability Model: Within 18 months: 1) New criminal and criminal procedure codes are completed and passed by the Parliament; 2) Access to justice services for criminal detainees increases. Within 5 years: 1) Judges, prosecutors, defense attorneys, and other justice sector personnel are trained on and using the new codes; 2) Existing legal aid centers are maintained and expanded to new localities; 3) The average days for a case to go to trial declines; 4) Significant reduction in pretrial detention in targeted jurisdictions; and 5) citizen confidence in the criminal justice system increases as measured by public opinion surveys.

3. Enhance the efficiency of the civil justice system: The Haitian state must guarantee the implementation of civil law and support economic activity through predictable laws and regulations. In the post-earthquake period, the USG will continue working with the GOH to improve access to key civil justice services for the most vulnerable populations by supporting emergency legal services in the camps, roving justices of the peace and alternative dispute resolution (ADR) mechanisms to provide restorative justice outside the criminal system. In addition, the USG will support efforts to resolve land tenure disputes.

Intermediate Results and Sustainability Model: Within 18 months: 1) Increased number of citizens served by roving Justices of the Peace; and 2) Increased number of people resolving dispute through ADR mechanisms. Within 5 years: 1) Increased number of land tenure cases resolved through the court system; and 2) Citizen confidence in the civil justice system increases as measured by Americas Barometer surveys.

4. Increase protection of human rights and vulnerable persons: Protecting human rights and vulnerable populations is a critical responsibility of the state. In Haiti, vulnerable populations include children, women, trafficked persons, IDPs and prisoners. The USG will continue to partner with the National Ombudsman, Ministry of Social Affairs and Labor and other government and civil society organization partners to provide for procedures and capacity to protect vulnerable populations and the free exercise of civil liberties by all Haitians. The USG will support human rights training for police, prosecutors and public defenders; the development and implementation of human rights monitoring and tracking systems; assistance to victims of abuse and violence; and support for reformed legal frameworks. These activities will focus on vulnerable populations, including children, trafficked persons and restaveks, IDPs and prisoners. In coordination with this program, the USG will train and support the HNP's Minors Protection Brigade (BPM) to prevent and respond to child abuse within and outside the IDP camps, in temporary shelters and in border areas. Recognizing that there are often early-warning

signs of social unrest, conflict and systematic human rights abuses, the USG will support the development and implementation of a hotline system for reporting abuses, and will promote a network of service providers for vulnerable populations. The USG will also support the ratification of relevant international and national protocols and public information campaigns on the prevention of violence against women and children and the prevention of trafficking in persons. As part of USG support to the protection of vulnerable populations, the State Department's Office to Monitor and Combat Trafficking in Persons (G/TIP) will support projects that strengthen Haitian institutional and civil society capacity to identify and respond to human trafficking and complement existing efforts for citizen protection, including technical assistance on anti-trafficking legislation and building awareness of the need for enactment and enforcement of a comprehensive TIP law; prevention and protection programs of both human trafficking victims and victims of gender-based violence; and investigations and prosecutions of cases in Haiti and the Dominican Republic.

Intermediate Results and Sustainability Model: Within 18 months: 1) The National Ombudsman office will establish a human rights tracking and reporting system; 2) U.S.-funded training results in an increase in the presence of the HNP's Minors Protections Brigade (BPM) in the Port-au-Prince region and major IDP camps outside the Port au Prince region; 2) A hotline system for reporting of abuses is established, operated by the HNP, and offers coverage throughout the Port au Prince region; 3) The number of children who disclose recent violence against their persons and who are appropriately cared for increases; 4) Reporting of cases involving child abuse and gender-based violence within and outside the IDP camps increases, as does monitoring of the cases; and 5) draft legislation considered by Haitian legislators and government officials. Within 5 years: 1) Standard operating procedures enabling human and civil rights protection will be mainstreamed across all relevant GOH institutions; 2) Structure and functioning of the Office of Citizen Protection (OPC) will be formalized in law and able to operate sustainably without external support; 3) Reduction in the number of children being sent from target areas to become restaveks and an increase in public awareness of the plight of restavek children and the number who are rescued; 4) Law enforcement officials will have increased capacity to investigate and prosecute human trafficking cases;5) Reduction in the number of at risk children and youth who participate in organized crime; 6) Increased citizen confidence in human rights institutions and protections as measured by Americas Barometer; 7)The BPM covers more than 50% of Haiti's population; 8) An expanded network of vulnerable population service providers offers services in major development corridors of the country; and 9) Haiti has ratified international protocols on trafficking and child protection and has created a framework for their practical implementation to reduce trafficking and protect vulnerable populations.

5. Renovate the Corrections Sector: Haiti's corrections sector suffered from massive overcrowding and human rights abuses prior to the earthquake; following the earthquake, it suffered significant structural damage. The earthquake also resulted in the escape of approximately 5,000 prisoners. Haiti's prison problems are deeply linked to problems in the country's justice sector, with significant resource investments in corrections being unlikely to yield significantly positive outcomes absent reforms to the justice sector. For example, most detainees – 85% or more in some facilities – are in pre-trial detention,

and the implementation of an effective judicial process would help to reduce overcrowding by providing bail or other release alternatives to those who do not pose a flight risk or danger to the public. Likewise, the development of community-based alternatives to incarceration would more effectively punish those guilty of relatively minor crimes while freeing up prison space for serious offenders. Within the corrections system itself, the Directorate of Prisons (DAP) must become independent of the HNP to assume full control of Haiti's inmates. Such an institutional change will require rewriting laws governing the structure of the HNP and obtaining parliamentary approval for those laws – changes that will take time. In the interim, the GOH and international donors must dedicate adequate resources to the DAP to ensure it has the ability to run a functional and transparent corrections system in the years to come and thus allow the GOH to assume full management and budgetary responsibility for the prison system.

Meaningful change within Haiti's prison system will require political will on the part of the GOH and the DAP to enact much needed legal reforms. Historically, the USG has faced a number of legal and administrative hurdles in providing assistance to the Haitian corrections system. For example, the DAP has not allowed USG vetting of prison management and other personnel, rendering the USG unable to provide assistance to prison management. Vetting will be necessary to achieve transparency. Likewise, the USG will be unable to provide assistance to build facilities without the GOH provision of clear title to the land underlying proposed construction sites.

Intermediate Results and Sustainability Model: Within 18 months: 1) Refurbishment of the Petionville women's facility; 2) Reconstruction of the Carrefour correctional facility; and 3) Assuming clear land title is received by October 1, 2010, construction approaching completion for a new women's prison in Port-au-Prince. In 5 years: 1) Establishment of a community corrections program, through strategically located centers within USG development corridors, to provide alternatives to incarceration, when appropriate, resulting in a decrease in pre-trial detainees; 2) A revised corrections training program, emphasizing the safe, secure, and humane treatment of prisoners; 3) Implementation of a procurement and maintenance system for equipment and vehicles separate from the HNP; 4) Establishment of an independent DAP—separate from HNP command and control – with an independent reporting chain to the MOJ; and 5) Construction of four medium-security correctional facilities in and around Port-au-Prince to provide humane facilities for incarceration and to reduce overcrowding. To achieve internationally acceptable standards, the Haitian correctional system will require donor support for many years to come. As a means of achieving some level of minimal sustainability, the USG will assist the Haitians to develop a maintenance fund such that new correctional facilities can be properly maintained.

6. Develop a sustainable HNP: The HNP is Haiti's sole indigenous security force. Improving and expanding the capacity of the HNP is critical to the GOH's ability to provide public order and protect vulnerable populations. The USG is committed to assisting the HNP through infrastructure development, salary and budget development assistance, contingency planning for natural disasters and other security emergencies, mid-level and command-level management training, administrative capacity building of the HNP, and enhancing the Office of the Inspector General. Coordination and cooperation

with other partners, such as MINUSTAH and international donors, will be crucial to this effort. Specific investments for USG assistance include training, communications systems, forensic equipment, computers, police equipment, boats, and other vehicles. A significant priority, based on pre-quake assessments that were revalidated since the earthquake, is the development of ongoing professional education for police officers, career tracks for police officers and mid-level management capacity. In close coordination with Canada, the USG will also support rebuilding the Haitian Coast Guard, a specialized unit within the HNP.

Intermediate Results and Sustainability Model: In 18 months: 1) Delivery of equipment for the next academy class, Promotion 22, which the HNP proposes to begin in August 2010; 2) Assisting the HNP and MINUSTAH in preparation for subsequent academy classes, to move toward the 12,000 officer target; 3) Improvement in HNP operational and administrative capacity beyond pre-earthquake levels, and decreased reliance on MINUSTAH; 4) Increased presence and capacity of HNP in operationally significant units on the streets; 5) Standardized reporting and publishing of records of reports of criminal activity in the Port-au-Prince region and other significant population centers. In 5 years: 1) Meet the goal of 12,000 trained and assigned police officers by 2012 and 16,000 officers by 2015; 2) An HNP-demonstrated capacity to make budget plans and manage internal finances using standard financial management and accounting practices; 3) Establishment of a HNP career path that requires merit-based promotion and permits specialty assignments; 4) HNP development and publication of an emergency preparedness/response plan, and performance of a simulation to demonstrate operational capacity to respond to a major emergency; 5) HNP establishment of a functioning procurement process for vehicles and other major equipment purchases, and demonstrated ability to maintain vehicles and other standard equipment with limited donor assistance; 6) Construction of eight to ten commissariats and sub-commissariats, and 7) Construction of a new Inspector General headquarters with a dedicated GOH-funded maintenance fund.

7. Assist the HNP to develop an effective counternarcotics strategy. Haiti is a transit country for cocaine from South America and marijuana from elsewhere in the Caribbean en route to the United States. Traffickers using clandestine flights from South America to make offshore air drops and land deliveries throughout Haiti; since the earthquake, tracking data indicates a shift from air to maritime routes. Prior to the earthquake, the USG partnered with the GOH to create institutions to fight drug trafficking and related money laundering, and expand the Haitian Coast Guard's capacity to prevent and interdict illegal maritime activity. In the current environment, the USG will provide support for the reconstitution and capacity building of the HNP Counternarcotics forces to combat the corrosive effects of narcotics trafficking and corruption of the government and its officials while disrupting the flow of illegal drugs to the United States. Relevant units for countering narcotics within the HNP include the drug unit (BLTS), Haitian Coast Guard, Haitian border forces, and anti-money laundering unit. The US anticipates working with the Canadians, Japanese, Colombians, among other donors, to support Haiti's border control and counternarcotics efforts by providing the BLTS and other HNP officers with training and funding for equipment and facilities. Given proximity, coordination with the Dominican Republic's counter-narcotics efforts will be critical. The USG will also seek MINUSTAH engagement in this area.

Intermediate Results and Sustainability Model: In 18 months: 1) The BLTS is reinforced, expanded, and operational in a Port-au-Prince facility; 2) Establishment of BLTS operational counternarcotics capacity at logistical chokepoints throughout the country with infrastructure development and training; and 3) Additional personnel dedicated to the Haitian Coast Guard from the upcoming HNP training class. In 5 years: 1) Increased training provided for border inspections and border enforcement skills; 2) Wiretap program is established within and operated by an unassisted BLTS; and 3) The number of drug trafficking investigations and attendant prosecutions increases proportionally to estimated drug trafficking statistics.

8. Enhance transparency in GOH institutions: Left unaddressed, the lack of transparency and accountability that existed in pre-quake Haiti will stall the country's economic and political recovery and undermine donor confidence in assistance. Prior to the earthquake, the USG made significant investments in Haiti's anticorruption and financial investigative bodies—the Unite de Reseignements Financiers (UCREF), Unite de Lutte Contre la Corruption (ULCC), and Bureau des Affaires Financiers et Economiques (BAFE)[44]— whose responsibilities are to investigate money-laundering activities and seize funds from illegal enterprises, and who will continue to prioritize anti-corruption activities during Haiti's reconstruction. The USG will press the GOH to reform the ULCC to make it an independent unit capable of preventing, detecting, and prosecuting corruption cases. The USG will also assist the GOH in developing and implementing a comprehensive anti-corruption strategy that focuses on financial crime issues, such as money laundering and procurement fraud, education, prevention, prosecution and enforcement operations.

Intermediate Results and Sustainability Model: Within 18 months: 1) BAFE, ULCC, and UCREF have operational capacity comparable to their pre-quake capacity; 2) GOH agrees to reform ULCC by providing it with the authority and capacity to prosecute corruption cases; and 3) GOH, with the support of the USG and other donors, develops a national strategy to combat corruption. In 5 years: 1) A national strategy to combat corruption is implemented resulting in increased transparency among government organizations; 2) Anti-money laundering training and services are expanded to increase investigations, arrests, and revenue generation through the seizing of funds used in illegal activities; 3) Passage of legal reform results in the establishment of an undercover unit to investigate allegations of corruption within the GOH; 4) Prosecutors are selected and vetted by the Ministry of Justice; 5) Investigations and prosecutions of corruption cases are increased; and 6) USG is able to increasingly reduce its investment support.

VI. Three Development Corridors

[44] UCREF and BAFE are two branches of the Haiti's Financial Intelligence Unit. Both are housed within the Ministry of Justice and Public Security. The UCREF is the administrative arm of the anti-money laundering body while the BAFE is the investigative unit. The ULCC, is a specialized unit to combat government corruption set up by the GOH in 2004 housed in the Ministry of Economy and Finance.

The USG Haiti Strategy supports the GOH pursuit of decentralization. To this end, USG resources will target nascent economic opportunities and facilitate sound urban planning in GOH designated growth poles outside of Port-au-Prince. At the same time, each development corridor will be anchored by one or two critical watersheds within the corridor boundaries. USG supported agricultural investments in each of these watersheds will both counterbalance and fuel the industrial and commercial growth in the pole cities. While this strategy will support vital basic services and public institutions, the animating ambition of the new USG strategy for Haiti is economic growth. In particular, the USG will target its investments to critical public infrastructure and financing, market information, and regulatory systems that can prove catalytic to real growth, creating islands of excellence within the country. Electricity, ports, roads, irrigation and phytosanitary technology, microfinance and national commodity pricing and taxation systems, a housing trust fund, streamlined licensing and titling systems—these are the critical investments and the foundation of national systems that the private sector requires to enter the Haitian market.

In partnership with the Haitian Private Sector Economic Forum and the Presidential Group on Competitiveness, the GOH has established priority industries to support economic growth: agriculture (fruits, tubers, and animal husbandry), housing and urban development construction, tourism and garments. These industries form the economic base for each of the GOH-defined new regional growth poles beyond Port-au-Prince, namely around Cap Haitian, Saint Marc and Les Cayes. The GOH envisions these industries as job creators – and economic incentives – for the Haitian people to thrive in and outside of Port-au-Prince. Future economic activity will define the likely private investment, job creation and population by region, which in turn will determine the requirements for energy generation, housing needs, health services and other USG investments.

The Haitian Presidential Group on Competitiveness has developed preliminary estimates of job creation potential over the next five years by industry cluster and regional growth pole. These estimates are presented in the table.

Table: Job Creation Potential by Region and Industry from 2010 to 2015

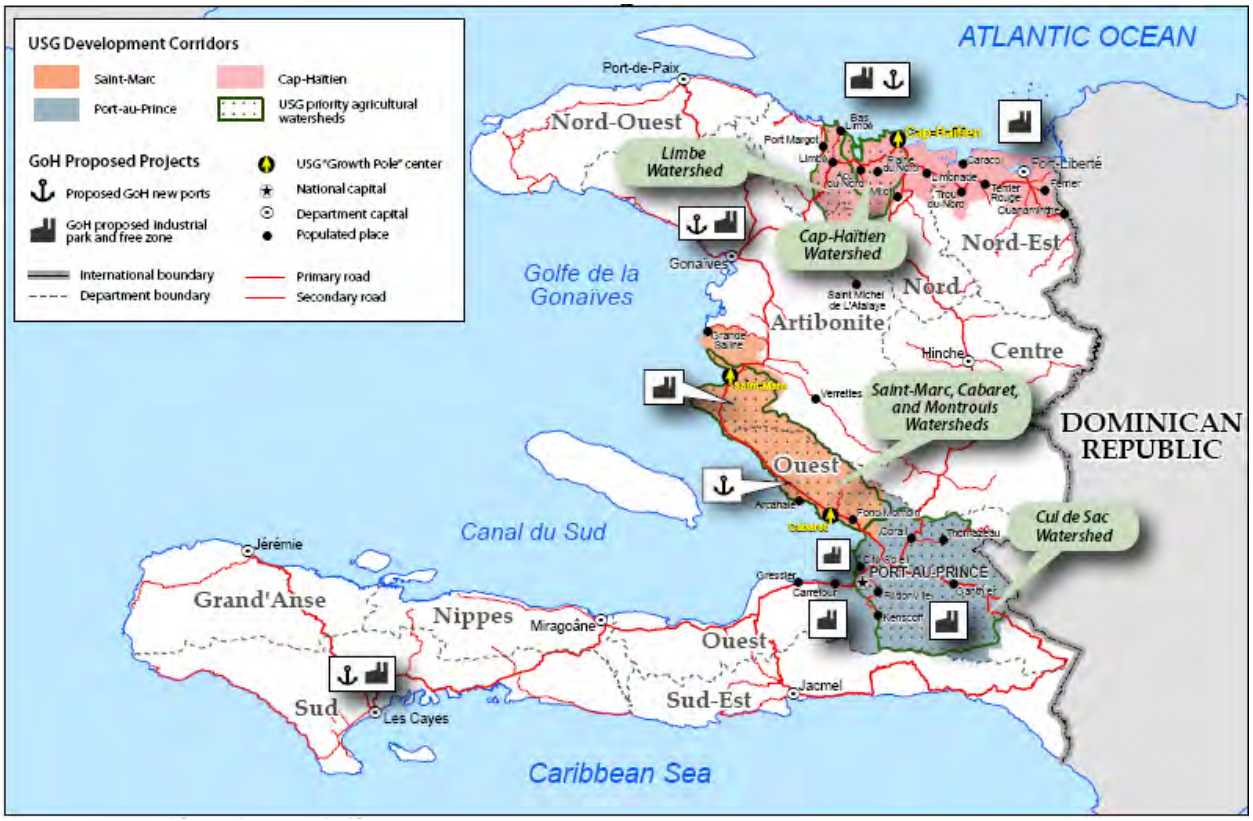
Cluster	Port-au-Prince	North	South	Artibonite	TOTAL
Fruits and Tubers	30,000	84,000	84,000	102,000	**300,000**
Animal Husbandry	40,000	160,000	160,000	40,000	**400,000**
Tourism	7,250	7,250	7,250	7,250	**29,000**
Housing & Urban Development	21,575	12,765	12,765	11,325	**58,430**
Garments/ assembly	39,600	48,000	32,400	0	**120,000**
TOTAL	**138,425**	**312,015**	**296,415**	**160,575**	**907,430**

To support the GOH territorial rebuilding priority and to consolidate gains in the four core development pillars, the USG, in partnership with Haitian stakeholders, will target and integrate investments across three geographic development corridors identified by the GOH as priority growth poles for development:

(1) Port-au-Prince Corridor which will be anchored by Port-au-Prince and the Cul-de-Sac watershed.[45]
(2) Saint Marc Corridor which will be anchored by the St. Marc growth pole and the Saint Marc/Cabaret watershed; and,
(3) Cap Haitian Corridor which will be anchored by the Cap Haitien growth pole and the Limbe and Cap Haitien watersheds.

[45] The Port-au-Prince Corridor is located in and just to the north of Port-au-Prince, extending east to the Dominican Republic border and encompassing the entirety of the Cul-de-Sac watershed; the Saint Marc Corridor will be anchored by the municipality of Saint Marc in the Department of Artibonite and will continue down the west coast of Haiti encompassing the Cabaret/Saint-Marc watersheds; the Cap Haitien Corridor, includes the area around Cap Haitien, and continues to the Haiti-DR border in the east and encompasses the entirety of the Limbe and Cap Haitien watershed on the western end.

Map: USG Investment Corridors



The USG strategy seeks to catalyze the private investment required to build a sustainable economy. Energy investments will reduce costs and improve reliability to make Haitian industry competitive. Road and port development will allow agricultural producers to get products to market. Housing and health services will provide the social services necessary to create jobs and sustain households. Governance, rule of law and security will provide stability for economic production, foreign investment, and local administrative support for doing business. The USG will work closely with private investors, international financial institutions such as the International Finance Corporation (IFC) and IDB, and across the USG with the Overseas Private Investment Corporation (OPIC), Treasury, and others, to develop the investment incentives, access to capital, infrastructure and social services required to spur private investment in these development corridors.

VII. Achieving Our Two Objectives

Achieving the USG's two objectives in Haiti – economic growth and long-term stability – requires constant monitoring and information regarding our progress, success and failures and an ability to be fast, flexible and innovative. The USG Haiti Strategy will be subject to rigorous monitoring and evaluation and the USG will aim to do business differently, delivering focused impact to meet urgent needs while building local capacity for longer-term sustainability.

Monitoring and Evaluation

The US Mission in Haiti will establish an independent monitoring and evaluation (M&E) unit staffed with specialists who will collect data on program performance, design evaluations, and use data to assess program progress and impact.

Rigorous assessments and thorough data collection and analysis will be integrated into the design and management of USG-funded programs in Haiti. As part of the program design process, a *results framework* has been created for each of the four pillars and for the strategy as a whole. The results framework graphically represents the *development hypothesis*, or the logic behind how USG assistance activities are expected to contribute to results and, ultimately, to tangible impact on the lives of Haitians. The results framework demonstrates the causal linkages between the various results, showing how proposed investments, when implemented successfully, will lead to effectively addressing the development challenge.

Each pillar, as well as the overall strategy, will also have a *performance management plan* (PMP). This PMP includes the indicators that the USG will use to measure performance against the expected results outlined in the results framework. Each pillar's PMP will contain baseline values and targets for each indicator, and will specify the source and method for obtaining data. The PMP will also describe the data quality assessment procedures that will be used and the plan for addressing any known limitations of each performance indicator. In addition, the PMP identifies possible *evaluation* efforts to complement performance *monitoring*. Program- and pillar-level evaluations will ladder up to an overarching impact evaluation of the whole strategy.

The M&E team will track inputs, outputs, outcomes and impacts of development activities at the program, pillar and national levels, as detailed in the PMP. By assessing this data, the M&E team will then use this information to evaluate the impact of the USG's development activity, the relevance of program objectives, the effectiveness of the design and implementation of the program, the efficiency of the use of resources, and the sustainability of the results beyond donor funding. Over time, the USG will learn from the successes and failures of its strategy and will make course corrections and amplifications as necessary. Future programming will benefit from evidence-based designs that take the lessons of past evaluations into account.

To meet the objective of making the USG Haiti strategy sustainable, M&E systems will be integrated, shared, and transferred to the public sector as appropriate. The USG will also partner with GOH officials for training on data collection and evaluation techniques and discussions on evidence-based best practices.

Doing Business Differently

Due to the urgency of the situation, USG agencies executing this program have pledged to find ways of doing business faster and more flexibly to achieve real results.

To fulfill this commitment, the USG will implement an innovative, results-oriented reconstruction program. This program will be guided by the principles of transparency, fairness, and efficiency. It will encourage greater involvement of non-traditional implementing partners and greater competition in procurement. This USG strategy will be continually vetted by government and non-governmental stakeholders within both the US and Haiti, including the GOH, the donor community, and the Haitian Diaspora.

The procurement strategy underlying this program will have dual emphases reflecting the immediate needs and long-term potential of the Haitian economy.

Quick Impact: To meet the urgent humanitarian, educational, health, and developmental needs of Haiti's population, within the first six months following appropriation of supplemental resources, USG implementing agencies will obligate those resources (and funds from the USG's FY 2010 DA and ESF accounts) through existing, high-performing contracts and grants, and through certain limited or non-competitive procurement actions. These urgent procurements will be limited to actions necessary for providing immediate assistance to Haitians most in need. They will fund development programs that can be launched on the ground within the first few months following enactment of the supplemental funding bill, and which can be expected to achieve results within a year from the same date. The USG anticipates that no more than twenty percent of total supplemental funding will be obligated through such mechanisms.

These "Quick Impact" programs are summarized in the table:

Indicator	Infrastructure and Energy	Food and Economic Security	Health and Education	Governance, Rule of Law and Security
Quick Wins	• Support to urban renewal, including expedited rubble removal • 47.5K IDP families have begun to move into transitional housing • Clear claims documentation process for housing underway for 40,000 – 80,000 parcels in Port-Au-Prince • Process for improving legal and regulatory framework underway • Critical distribution and generation facilities restored • Program for increasing market penetration of alternative cooking technologies and fuels underway.	• Feeder roads and irrigation canals rehabilitated in priority watersheds • Producer groups identified for training on production and harvesting methods • Outreach on nutritional counseling and education begun • Businesses have improved access to capital • Improved access to capital and business development services for small and medium-sized businesses.	• Increased access to basic package of essential services, especially for women, children and people living with HIV and TB • 2-3 first level facilities and referral networks established • One consolidated Health Information System established at MOH • Rehabilitation services serving earthquake trauma victims • Private Sector Development Unit at Embassy-Haiti and MOE to serve private offers of assistance for education.	• Increased mechanisms developed for civil society participation in community governance • Increased assistance provided to support local government capacity building • Clear process for justice and civil reform in place

Longer-Term Recovery: The USG longer-term recovery and reconstruction phase requires a different procurement approach. The procurement strategy must support transformational change in Haiti. As such, it will be both country-led and designed to build the capacity of: 1) the GOH to deliver quality services, and 2) local organizations to engage effectively with government to advance reforms.

With these objectives in mind, the USG longer-term recovery procurement strategy will feature the following key aspects in its approach:

Transparency:

- The USG will adopt a transparent system for publicizing tenders and information about program descriptions/statements of work to the GOH, the private sector, the international community, and the public at large. Where appropriate, program descriptions and statements of work will be translated into French and Kreyol to encourage the participation of Haitian firms.
- To the extent appropriate, after making an award the USG will hold public conferences to review the winning bid.
- The USG will organize a group of officers from various disciplines within the USG to review procurement plans with the goal of maximizing transparency and broadening and tracking the use of new partners.
- In line with M&E framework, the USG will hold non-performing contractors to account and put in place systems facilitating swift exit from contracts that do not deliver tangible impact to the Haitian people.

Consultation:

- The USG will convene consultations with relevant GOH representatives, civil society, and the international community as implementation plans are developed. The USG will hold conferences prior to the issuance of competitive solicitations to inform the public of procurements, and respond to questions and concerns.

Participation:

- The USG procurement strategy will encourage greater use of Haitians and Haitian-American firms, local NGOs, and U.S. small, minority and women-owned businesses. Direct engagement with the U.S. Haitian-American community will help the Diaspora understand the U.S. foreign assistance strategy and how to do business with the USG. Additionally, the USG will institute measures to: 1) facilitate the participation of the aforementioned categories of firms in the procurement process, and 2) to help ensure that firms receiving awards are able to meet USG stringent financial management and reporting requirements.

In an effort to make USG development cooperation programs more effective, faster, and more consistent with the principles of the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action, the USG will also consider using a variety of non-traditional instruments. These may include, among others: contributions to a planned Multi-Donor Investment Fund, policy-based sector assistance, or cash-on-delivery for results achieved by GOH-implemented programs.

VIII. Conclusion: One Goal

The USG goal is a stable and economically viable Haiti. Neither the GOH, nor any single donor can achieve this goal on its own. By working together, the GOH, the USG and other donors and stakeholders can and will lay the fundamentals for lasting prosperity and security for the Haitian people.

The USG will gear its strategy toward building the capacity of the Haitian state, and will encourage our counterparts in the donor and NGO communities to do the same. The USG strategy seeks not only the benefits to individuals generated by human development and economic growth, but also the overall sustainability and development of Haitian society. A crucial part of the USG goal therefore is for the GOH to be fully capable of providing the services expected of the public sector and of maintaining the legal, financial, and economic infrastructure needed by the private sector.

The focus on sustainability is a fundamental change in the USG's policy toward Haiti, as is the strategy of investing heavily in specific sectors and geographic development corridors. The USG believes that these shifts are essential to the success of the strategy and of our bilateral relationship. Without a sustainable approach, there is no end to aid. The USG cannot expect a strong, democratic government to lead the Haitian state if its assistance programs are excluding that government's input or replacing its functions. Nor can we expect Haitians to improve living standards for themselves and their families if they are crowded out of opportunities to exploit their talents and their country's unique economic advantages and natural resources.

The strategy described in this document offers guidance for what will undoubtedly be a long and arduous path to renewal and economic opportunity. But by developing good habits – coordinating with other donors, partnering with domestic stakeholders, and holding ourselves to a robust framework of evaluation – the USG can ensure that Haiti benefits as much as possible from the assistance that is forthcoming. Through the successful implementation of this strategy, the USG seeks to chart a new course of US engagement in Haiti, a course that will eventually allow Haiti to stand in the hemisphere as an ally for regional security, an important partner in trade, and a valued neighbor.

Annex A: Donor Commitments

Country/ Institution Name	Total Pledge	Pledge over 2010-2011	Target Sector(s) of Assistance	Geographic Area(s) of Assistance
Venezuela	2,417,700,000	1,325,000,000	TBD	
The United States	1,150,000,000	1,150,000,000	Infrastructure and energy; food and economic security; health and other basic services; governance and rule of law	Port-au-Prince; St. Marc Corridor; Northern Corridor
IDB	2,200,000,000	400,000,000	Education; transport; water and sanitation; agriculture; private sector development	
European Commission	620,782,726	377,867,746	Governance; infrastructure and transport; school construction; agriculture; shelter	North Central Provinces
Canada	375,234,522	375,234,522	TBD	
World Bank	399,000,000	266,000,000	Infrastructure; rural development; housing; telecommunications; electricity; water and sanitation; agriculture; education; disaster risk management.	
Spain	466,936,572	265,182,186	Water and sanitation; education; housing; private sector development	Port Au Prince; Southeast; and border region

France	188,933,873	188,933,873	Governance; security; disaster risk management; health care; cultural preservation; education	Gonaives; Jacmel; Cap Haitien; Port Au Prince; Sout-East, Nippes and Centre
IMF	178,000,000	141,000,000	Budget support	
Brazil	123,500,000	123,500,000	Budget support; health care; tbd	
Japan	75,000,000	75,000,000	Education; health care; sanitation; agriculture; governance; rule of law; border control	Port-au-Prince; Leogane; Jacmel
UNASUR	300,800,000	59,982,313		
Norway	100,000,000	58,626,466	Women and children; energy; reforestation; disaster management; sustainable livelihoods	
Italy	54,568,100	54,568,100	Debt relief	
Germany	53,171,390	53,171,390	Energy; agriculture; decentralization	Hinche
Netherlands	41,862,348	41,862,348	TBD	
OAS	110,000,000	36,000,000	Electoral process; civil registry; land cadastre; tourism; trade; investment planning; human rights	

Switzerland	33,210,332	22,140,221	Infrastructure; health care; water and sanitation; food security; reforestation	
Sweden	20,277,700	20,277,700	Governance; rule of law; social services; agriculture development	
Qatar	20,000,000	20,000,000	Education; health; shelter	
Ireland	17,543,860	13,900,135	TBD	
Finland	17,139,001	10,391,363	Debt relief	
Australia	10,150,044	10,150,000	TBD	
Kuwait	10,000,000	10,000,000	TBD	
Republic of Korea	10,000,000	10,000,000	Infrastructure; vocational training	Leogane
Belgium	26,990,553	8,996,852	Agriculture; food security; education	
Mexico	8,000,000	8,000,000	Governance, shelter	
Russia	8,000,000	8,000,000	Food aid, healthcare, shelter, water, and protection of children	
Oman	5,000,000	5,000,000	TBD	
Denmark	3,621,876	3,621,876	TBD	

Uruguay	3,300,000	3,300,000	Education; health care; engineering services	
Colombia	4,000,000	3,200,000	Trust fund contribution	Port Au Prince; Caberet
Luxembourg	5,195,682	2,685,560	Agriculture; poverty alleviation	
China	1,468,429	1,468,429	TBD	
Monaco	1,106,613	1,106,613	Reconstruction of public structures; health care; education	
Mauritius	1,012,832	1,012,832	TBD	
Argentina	1,000,000	1,000,000	TBD	
Gambia	1,000,000	1,000,000	TBD	
Turkey	1,000,000	1,000,000	TBD	
Czech Republic	809,717	809,717	Infrastructure; disaster preparedness	Leogane; Gressier
South Africa	652,742	652,742	Governance	
Poland	600,000	600,000	TBD	
Slovakia	809,717	404,858		
Benin	322,500	322,500	Education; rule of law	
Slovenia	290,148	290,148	Shelter; education	

Latvia	202,429	202,429	Shelter	
Estonia	100,000	100,000	Trust fund contribution	
Sudan	100,000	100,000	TBD	
Georgia	50,000	50,000	TBD	
Montenegro	13,495	13,495	TBD	
Algeria	200,000		TBD	
Chile	TBD	TBD	Housing; rule of law; governance; agriculture; health care; education	
Cuba	TBD	TBD	Health care; education; agriculture; infrastructure	
Cyprus	128,970	128,970	Trust fund contribution	
Dominican Republic	TBD	TBD	Higher education; health care; energy; agriculture	
Ecuador	TBD	TBD	Promotion of Diaspora assistance	
Mali	205,734		TBD	
Nigeria	5,000,000		TBD	

Senegal	1,000,000		Construction of the Haitian Consulate in Senegal	
Thailand	2,500,000		Trust fund contribution, shelter, agriculture, health care, education, and security	
CARICOM	8,097,166		Electoral process; in-kind contribution of 70 vehicles	
American Red Cross	320,000,000		Shelter; livelihoods; health care; disaster preparedness	
UNDP			Livelihoods; debris management; governance; environment	