



**USAID** | **HAITI**  
DU PEUPLE AMERICAIN

# FINANCING DEVELOPMENT IN HAITI

## USAID FUNDING MECHANISMS

**Post Earthquake Strategy for Haiti (2011-2015):**

*Toward Renewal and Economic Opportunity*

**April 2014**



## 1 GOAL

- A stable and economically viable Haiti

## 2 OBJECTIVES

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

## 3 DEVELOPMENT CORRIDORS

- Port-au-Prince Corridor ● Saint Marc Corridor ● Northern Corridor

## 4 CORE DEVELOPMENT PILLARS

- A - Infrastructure and Energy
- B - Food and Economic Security
- C - Health and Education
- D - Governance and Rule of Law

## 5 PRINCIPLES - USG assistance will:

- be country-led and build country capacity.
- be comprehensive and integrated.
- leverage resources and coordinate with other partners.
- leverage multi-lateral mechanisms, wherever appropriate.
- be sustained and accountable.



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# GOH-USG Strategic Alignment

## GOH ACTION AREAS (PSDH)

1. Territorial Rebuilding



2. Economic Rebuilding



3. Social Rebuilding



4. Institutional Rebuilding



## USG STRATEGY PILLARS

A. Infrastructure and Energy

B. Food and Economic Security

C. Health and Education

D. Governance & Rule of Law

All USG Strategy Pillars are aligned with GOH Action Areas.



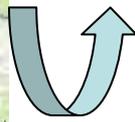
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# Three Development Corridors



DATA SOURCES: USG Corridor Boundaries derived from USAID Geographic Reports and USG Strategic Plan





### Infrastructure and Energy

- 10 Megawatt power plant constructed in Caracol
- 5 electrical substations in Port-au-Prince repaired and upgraded, to serve an estimated 72,000 consumers
- 906 permanent homes completed at Caracol and Cabaret/Haut Damier
- Ports: joint GOH-USG task force, with defined terms of reference, formed to facilitate collaboration on port activities (rehab of Cap Haitian Port)
- 10,000+ people purchase cooked meals each day at the Charcoal-free food zone at the SONAPI industrial park

### Food Security

- More than 30,000 households benefitted from irrigation, technical training, and agricultural association strengthening and 30,000 farmers introduced to improved seeds, fertilizers, and new technologies since June 2009.
- \$5.22 million invested in ravine treatment and soil conservation to reduce the impact of heavy rains; 371,288 linear meters of ravines treated; 192,300 m3 of soil and sediments conserved by ravine treatment work.
- \$20 million quickly allocated from USAID Office of Food for Peace to respond to 3 natural disasters in 2012 improving food security situation for 400,000 people in 26 of the most food insecure communes.



- The newly-launched \$87.8 million Feed the Future North (FTFN) program expected to **double agricultural incomes for 40,000 households** and double export volume for cocoa produced by supported farmers.
- New USAID program with the GOH to develop and implement a four-year, **\$80 million social safety net and nutrition program that supports the GOH's goal of cutting hunger in half by 2016 and eradicating hunger and malnutrition by 2025**. The program will affect **1.1 million people** in Haiti.

### **Economic Security**

- **Leveraged over \$6million through a matching fund mechanism** to support the expansion of 20 small and medium enterprises and provided them with Business Development Services (LEAD program)
- **Leveraged up to \$30 million in lending**—by local commercial banks, microfinance institutions, and credit unions—to develop new products targeting underserved markets (DCA Credit Guarantee Program)



## Economic Security - continued

- Provided over \$12 million in support to 33 microfinance institutions to increase lending to underserved areas resulting in 42,000 loans to micro, small and medium enterprises, particularly small-scale farmers and agricultural cooperatives (HIFIVE) .
- Supported the launch and scaling of competitive mobile money services in Haiti through a \$15million partnership with the Gates Foundation to foster financial inclusion.
- Supported the training and hiring of 2,000 people in textile manufacturing.
- The new Local Enterprise and Value Chain Enhancement (LEVE) program is a 5-year, \$32.6 million project that aims to to create more than 14,000 jobs by providing support to than 2,000 micro-, small, and medium-sized enterprises (MSMEs) in the target sectors of construction, apparel/textiles, and agri-business.



## Health

- Since January 2009, over \$750 Million spent resulting in over 54,000 HIV/AIDS patients currently receiving anti-retroviral treatment – and 68,000 more HIV positive patients receiving care.
- Since the Cholera outbreak in October 2010: over \$100M in funding for cholera, which resulted in a robust cholera surveillance, treatment and prevention response. Cholera cases in 2013 are down 83% from 2011; the case fatality rate remains around 1%.
- Supports 300 healthcare sites—which serve 50% of the population.
- 6,000 health staff salaries currently funded via USAID, including ~1,500 community health workers and 30 Ministry of Health advisors.
- Helped **stabilize HIV and cholera epidemics** – 48,000 people receive HIV treatment (ARV) and cholera hospitalized case fatality rate below 1%



## **Health (Continued)**

- 10 health facilities renovated in the communes of: Caracol, Trou du Nord, Terrier Rouge, Ouanaminthe, Cap Haitien, Quartier Morin, St. Marc, Cabaret, Martissant, and Belair.
- Signed contract to rebuild Haiti University Emergency Hospital— funded by U.S. (\$25m), France (\$25m) and Haiti (\$33m).
- 257,406 pregnant/lactating women provided pre and post natal care services.
- A new 3-year primary health care project to support the direct delivery of clinical and community-based services for 43% of Haitians (SSQH) project

## **Education**

- 13,000 at-risk youth received vocational training.
- 39,714 students received improved reading instruction.
- 230 education officials applying new reading standards
- \$1+ million in educational equipment provided



## Democracy and Governance

- USAID configured the Parliament with current **Internet technologies to facilitate communication and the legislative process.**
- **Support to new legislation** for anti-money laundering, e-signature, adoption, budget law, and anti-trafficking
- Over **\$10 million provided for Elections Support Programs** launched for upcoming local and senate elections.



**Objective:** USAID FORWARD aims to change the way USAID does business—with new partnerships, an emphasis on innovation and a focus on results.

**Methods/Approaches:**

1. Implementation and Procurement Reform
2. Talent Management
3. Rebuilding Policy Capacity
4. Strengthening Monitoring and Evaluation
5. Rebuilding Budget Management
6. Science and Technology
7. Innovation



## **Mechanisms:**

1) Public Private Partnerships (PPPs) / Global Development Alliance (GDAs)

USAID is committed to partnering with the private sector to leverage private sector markets, expertise, interests, and assets to solve critical development problems and promotes effective market-led development.

- Currently, USAID/Haiti is considering 15 different GDAs with a total value of over \$50 million.
- The LEAD project anticipates to leverage an additional \$6 million dollars in private investment by 2015.



## **Mechanisms- Continued**

### 2) Implementation and Procurement Reform

Through an APS mechanism USAID will provide assistance to private sector and civil local organizations to enable them to seek expansion, develop new products, or to extend services in the development corridors.

- USAID/Haiti is planning to put \$40 millions for local organizations and partnerships.
- Through the LEVE, the Feed the Future North, and a new Feed the Future West follow-on programs USAID will reinforce capacity of local organizations to make them ready to receive direct funding from USAID and or other donors.



## **Mechanisms - Continued:**

### **3) Development Credit Authority (DCA)**

The Development Credit Authority (DCA) guarantee micro, small, and medium-sized enterprises program of the UG supports financial institutions in lending to borrowers, such as and sectors of the economy that are perceived as higher risks, particularly the agriculture and housing sectors.

The most recent agreements will support the housing sector with up to 7 year loans available for expansion, renovations and incremental construction needs.



## **Mechanisms - Continued:**

### **4) Rebuilding Policy Capacity**

- USAID supports GOH institutional reforms in the areas of PFM and Fiscal Reform through embedded OTA Advisors and TA to support GOH Cash Management, IFMIS, Investment Budgeting and Tax Revenue Generation.
- USAID provides support to the GOH PPP-unit to develop PPPs with a focus on the use of Cost-Benefit Analysis (CBA) as a tool for public investment decision-making.
- USAID is also strengthening public health systems financing and management capacity of the MSPP



## **Mechanisms - Continued:**

### **5) Science Technology and Innovation**

USAID supports several activities to identify and scale up innovative solutions to complex development challenges, such as electronic payment systems, bank accounts and mobile money. Mobile money enables unbanked households and micro, small and medium enterprises, particularly in the non-urban areas to access lower cost and more secure financial transactions.