

# USAID/HAITI



## PROGRAM OBJECTIVES DOCUMENT

*FY 1995-2000*

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**Foreword**

*Ayiti se tè glise.  
(In Haiti you are on slippery ground)  
———Haitian Proverb*

This document covers the period 1995-2000, and assumes the current political impasse has been resolved and democracy has been sufficiently restored that Section 513 sanctions have been lifted. Because these conditions have not yet arrived, this POD is based on a number of assumptions about the nature of the political resolution scenario and the makeup, policies and outlook of the resulting government. To the extent any of these assumptions prove inaccurate, adjustments may have to be made in Mission strategy. This paper also assumes that the interim period of democratic and economic consolidation takes place during fiscal year 1994, and Haiti is prepared in FY 1995 to begin a longer-range development program. This POD addresses Bureau guidance with respect to a need for a clearer enunciation of longer-term development strategy and objectives.

The last full Country Development Strategy Statement (CDSS) for Haiti, intended to cover the years 1993 to 1997, was submitted to AID/Washington three days before the coup that ousted President Aristide on September 30, 1991. Because of unsettled country conditions, it was never formally reviewed. The 1984 CDSS, covering the years 1986 to 1990 could not be followed because of the turmoil, uncertainty, and the legal prohibitions subsequent to the ouster of Jean-Claude Duvalier. Because of the fluid Haitian political situation since 1986, only interim strategy papers have been formally approved; the most recent of which were: the Interim Strategy for Humanitarian Assistance in January 1992, a Strategy for Partial Reactivation in June 1992, and a Post-Crisis Resolution Strategy in January 1993.

This document consists of two volumes: the main body, of which this is a part, and a companion volume containing strategic goal and objective logic trees and a breakout of the budget by objective.

## *Executive Summary*

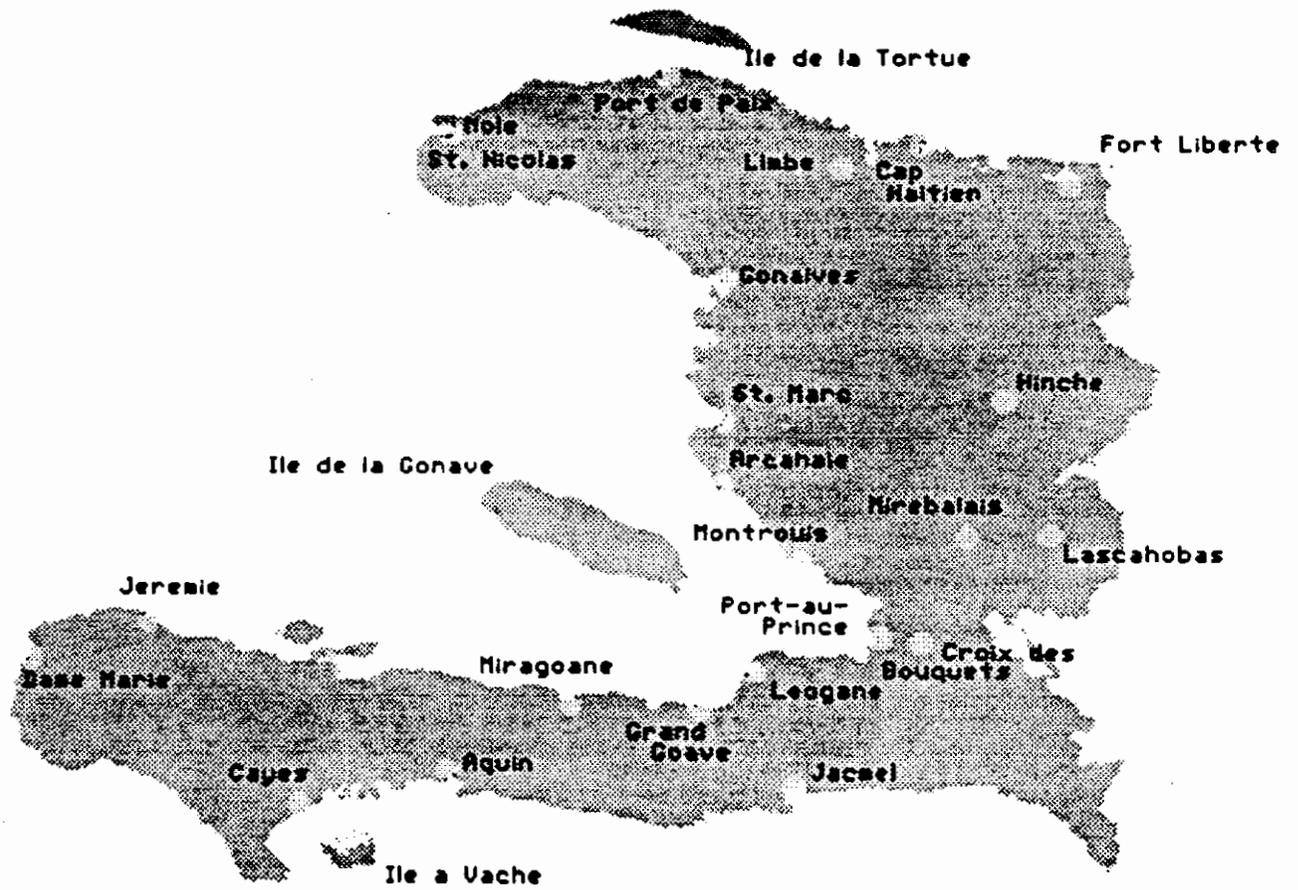
Resolution of the 1991-1993 political crisis will provide Haiti with a renewed opportunity to break out of its five-century old pattern of ruthless exploitation of its population and land. The country has a number of strengths that could be enhanced by more open political and economic systems: a weak but established private sector base, a large, hardworking, and inexpensive labor force, and climatic conditions that offer tourism and agricultural opportunities in the vast nearby North American market.

In 1990 and 1991, the United States provided critical and substantial support for the short-lived transition to democracy. Major assistance will probably also be needed in FY 1994. This document presents a strategy for rebuilding this essential foundation for Haiti's future democratic and economic development.

The overall goal of the USAID program is the establishment of the necessary conditions for the majority of the Haitian people to improve the quality of their lives. The USAID strategy focusses on three critical, interdependent elements necessary for goal attainment: 1) the evolution of public and private democratic institutions that respond to the needs of the Haitian people, 2) sustainable, private sector-led, equitable economic growth and development, and 3) protection and development of the human resources needed to lay a sound basis for enduring democracy and sustained economic growth.

The Mission's intent is to keep the project portfolio as tightly focused as possible on an essential group of elements necessary to ensure steady progress toward goal achievement. Given the synergy among the ailments of Haitian society and the current, historic window of opportunity, the strategy requires involvement in a greater variety of sectors than would otherwise be preferred. In any case, it is clear that because of Haiti's extreme poverty, health, population and feeding programs must be priorities. The further consolidation of democracy and rule of law must also be allocated substantial resources. Long term development will not be possible without the generation of jobs and income through the private sector.

Assuming the restoration of constitutional government, a commitment to human rights and the adoption of Haitian Government policies fostering sustainable economic growth, the U.S. Mission recommends combined Development Assistance and Economic Support Fund program levels of \$100 million in 1995 rising to \$150 million in 2000. Given Agency personnel constraints, but cognizant of the explosive growth of oversight and program requirements, staffing increases are limited to three additional USDH by FY 1995, and very modest growth in the number of other personnel.



## I. Overview

*Baton ou genyen se li-k "pinga chen ou."*

*(The stick that is in your hand is the one you can count on to help you.)*

Except for a few brief periods, Haiti has been badly governed for 500 years. From the time of the island's sighting by Christopher Columbus, the main business of government has been the extraction of wealth from the land and population. After five centuries of abuse, what remains is a stripped, exhausted country in which most of the population is illiterate, undernourished, unable to earn a decent living and fearful of authority. Where government has touched the people, its effect has been largely pernicious. Over the years, many of the most talented Haitians have been forced into exile or murdered by the state. Nevertheless, there was hope that the successful elections of December 1990 might have broken this dismal pattern permanently. The September 1991 *coup d'état* that deposed President Aristide set back that hope once again.

The way to enduring democratic government and a flourishing, just economy will be long and difficult. In the five years treated in this document, the best possible outcome will be the establishment of political, economic, and administrative systems that hold out the prospect of shaping the kind of future Haitians desire. The role of the United States in this process is inherently limited: we can train, advise, and provide some cash and commodities, but the outcome will depend on Haitian political will and the wisdom of the country's leaders over this and future generations.

## II. Problems and Opportunities

*Rive Prezidan pa anyen, se kondwi bak la ki kishoy.*

*(Getting to be President is nothing, it's guiding the ship of state that requires ability.)*

### Democracy

The overthrow of President Aristide was only the latest manifestation of Haiti's history of unstable government. The Republic has had 21 constitutions and 41 heads of state in its 189-year existence. Of the heads of state, seven served for more than ten years, nine declared themselves heads of state for life, and 29 were either overthrown or assassinated in office. Only seven finished their terms. Other historical features of the Haitian political system have included 1) a state of chronic crisis in the succession to power; 2) the army as supreme arbiter of political destiny; 3) intolerance of opposition; 4) a state whose key functions are extracting wealth and extending patronage; 5) feeble development of government institutions; and 6) the absence of personal security.

These features of the Haitian state are reflected especially in the area of Port-au-Prince, which comprises an estimated 1.2 million people, about a fifth of Haiti's population of 6.5 million. Data indicate that, in 1984, the Port-au-Prince metropolitan area received 65 percent of all government revenue and about 80 percent of government salaries. Outside the capital, the state has acted primarily through the Army. Since promulgation of the Rural Code of 1864, local civilian organizations have been appointed by the central government, but they have been given little real authority. In rural areas, the military Section (village) Chiefs have wielded the real power, from tax collection to police and judicial functions, and have been a major source of popular intimidation.

Haiti's latest crisis in the succession to power has lasted over seven years, from the departure of Jean-Claude Duvalier in February 1986, to the restoration of legitimate democratic government anticipated in 1993. President Jean-Bertrand Aristide was freely and fairly elected by an overwhelming majority in December 1990, under the terms of a new constitution approved by the electorate in March 1987. In December 1990 and January 1991, for the first time in Haitian history, the electorate also chose a slate of over 2,000 local government and 110 national legislative representatives to administer a tiered system of constitutional structures. The Haitian people and the large group of international observers who were present considered the successful elections and the new government to be clear expressions of the Haitian commitment to move toward democracy. The new democratic structures produced great hope among the historically disadvantaged.

After centuries of centralized authoritarian rule, Haiti appeared to be making the difficult accommodation to the notion that power must be shared — among the executive, the legislature, and the judiciary, among the central government and the governments of the departments and rural sections, and among the range of political parties. The September 1991 coup was but one further indication that the transition to honest, responsive democratic government has only just begun. To doubt that there will be additional challenges would be to deny the Haitian historical experience.

This document assumes the lawful President will be restored to office. Even when that is accomplished, the more difficult tasks of sustaining a civilian-led democracy will still lie ahead. Any democracy is only as responsive as its citizens demand, only as effective as its citizens are competent, and only as durable as its citizens are vigilant. Little in Haiti's traumatic history has prepared her citizens for these responsibilities. For democracy to succeed in Haiti, a balanced, and coordinated approach must be taken to building democratic institutions in the public and private sectors. Legal, military and democratic institutions must be made responsive to the needs of the people, who in turn must demand accountability for performance and resources.

In the first eight months of the Aristide presidency, a major reorganization and reduction of personnel had started in the executive branch.<sup>1</sup> Virtually all ministries continue to suffer from massive overstaffing of menial and phantom employees and acute shortages of

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<sup>1</sup> Most of which was reversed following the coup.

skilled personnel. Treasury revenues are extremely low (less than seven percent of GDP in FY 1992), and constitute a major element in the resolution of the inflation-causing deficit. The *Cour Superieure des Comptes et du Contentieux Administratif*, (the GOH statutory audit agency), which failed to uncover a single financial irregularity in the entire 29-year Duvalier dictatorship, remains largely unreconstructed. The national legislature must start, nearly from scratch, to build its own internal organization, staff and logistics, while at the same time resolving legal issues stemming from the illegitimate elections of January 1993 and writing and passing enabling legislation to support provisions of the constitution. After the wholesale dismissal of the Aristide Government, many of the infamous rural section chiefs were returned to power by the Army. Even before that, however, the newly elected local governments were incomplete because local assemblies were to be elected according to a law still under discussion in Parliament. Thus, local governments had no defined authority, no financial resources and were reluctant to take initiatives in the absence of the necessary national legislation. Even after enabling legislation is passed, there will likely be an extended period of adjustment and definition of the role of local government vis-a-vis central authority. A fear of a return to power of the Section Chiefs, as happened after the 1991 coup, will haunt the countryside for some time after political resolution. The judiciary remains in desperate need of reform.

Haiti has very little experience with either justice or democracy. These concepts are poorly understood by nearly all Haitians, even the well-educated. Haiti's Constitution of 1987 specifically mandates the separation of the police from the military, in order to end the long-standing corruption and abuse of the people by the armed forces. It is widely accepted that separation is essential to restore Haiti to democracy and rule of law. The decentralization of the police will also be important to eliminate the abusive rural section chief system. U.S. policy in Haiti fully recognizes the high priority that must be given to the separation process and, concomitantly, to providing immediately assistance in the professionalization of the Haitian army and police. For this, the country must have a well-functioning judicial system in place. A reliable judiciary is not only important to the basic security of the people of Haiti, but also is key to economic development. At all levels of the economy, rich and poor, people must feel confident that the law will protect them from arbitrary treatment. Only then will they be willing to take the investment risks necessary to create the jobs and income necessary to the future well-being of the country.

The historic victimization of the Haitian population, first as slaves and later as politically and economically disenfranchised peasants, has left deep scars on the national psyche. People have suffered from years of intimidation in virtually all aspects of their lives, the vast majority unable even to understand one of the official languages of government (French). This has generated widespread skepticism and mistrust, and a resultant unwillingness to take risks. Today, Haiti has a second opportunity to build on democratic beginnings. The country has a number of strengths that can be enhanced by more open political and economic systems: a resourceful, energetic private sector, a large, hardworking, and inexpensive labor force, and climatic conditions which offer agro-industrial and tourism opportunities in the vast nearby North American market. Nevertheless, the long-term success of democracy in Haiti and the development of its economy will continue to require a substantial amount of risk-taking by

all Haitians, no matter how poor or removed from political decision-making. Empowerment is a slow, fragile and uncertain process, in which an inexperienced government must stay ahead of soaring popular expectations while maintaining both solvency and internal and external credibility.

### *The Economy*

*Diyè mòn gen mòn.*

*(Behind the mountains, there are more mountains.)*

Haiti's absolute poverty is unmatched in the Western Hemisphere. A comparison of social and economic indicators reveals that in the 1980s Haiti was falling behind even other low-income developing countries. The 1991 coup and the subsequent embargo accelerated this downward spiral, characterized by explosive growth of an undernourished, unhealthy and illiterate population, a severe shortage of cultivable land, and dismal economic performance with declining GDP, rising prices, and under- and unemployment rates estimated as high as 60 percent. Weak development management capability and an acute scarcity of financial resources have further constrained growth.

Evidence of overwhelming population pressure is everywhere: bare mountainsides; waves of migration to the United States and other countries in the Caribbean; the burgeoning of teeming, fetid slums in which the malnourished and unlettered attempt to scrape out a living peddling handfuls of small items to each other; and bloody fights over what little good farmland remains. The Malthusian disaster so feared elsewhere in the developing world is already happening in Haiti.

Rapid economic growth during the late 1970s was achieved through the integration of private sector dynamism in exports of agricultural crops and assembly manufactures, and increased public sector investment in infrastructure, basic services, and tourism. This spurt in economic activity was short-lived, however, as the government increasingly intervened by enacting fiscal and trade practices that were restrictive of continued private sector growth, biased against exports, and supportive of predatory extractive behavior on the part of Duvalier cronies. The Government created monopolistic public enterprises and squandered public resources without increasing productive capacity. This further diminished an inefficient and inequitable economic system, and significantly eroded the country's revenues, living standards, and financial health. During 1980-85, production declined markedly in all sectors. This depressed the economy, lowered domestic savings and private investment, and led to internal and external imbalances that resulted in higher inflation, exchange rate misalignment, and the drawdown of scarce international reserves.

Faced with economic decline and rising unemployment, the Haitian Government pursued wide-ranging economic reforms during 1986 and 1987, which focused on the tax system, public expenditures, monetary policy, investment policy, state-owned enterprises, industrial incentives, and trade liberalization. The reform measures stabilized the economy, which recorded modest improvements in the growth rates of real GDP, agricultural output,

industrial production, and services. With the onset of frequent political crises in mid-1987, the economy was beset by work stoppages, uncertainties for private investors, shortfalls in public revenues, curtailment of external assistance, exchange rate depreciation, inflation, and pervasive economic deterioration. In 1989, in response to the gravity of the situation, the Government initiated a stabilization program which was not fully implemented due to political instability. Since the 1991 coup, mounting government deficits have caused a rapid fall in the value of the currency, which for most of this century had been one of the most stable in the hemisphere.

In many ways, the economy and the government policies relating to it are at a crossroads: important decisions on development must be made quickly and correctly in the face of adverse circumstances. Many of the factors that benefitted Haiti in the past are no longer in place. The assembly sector, which had already lost more than 20 percent of its jobs in the previous two years — 5,000 to 7,000 between October 1990 and June 1991 alone — virtually ground to a halt in the months following the September 1991 coup and the Executive Order prohibiting U.S. trade with Haiti. Although the February 1992 relaxation of the order specifically exempted Haiti's export assembly operations, the sector was not able to mobilize more than 8,000 jobs thereafter, as once-loyal but now reluctant U.S. clients shied away from Haiti's political uncertainties, which were exacerbated by the OAS trade embargo. When direct and indirect jobs are totaled, the decline in the assembly sector alone accounts for the loss of more than 50,000 formal sector jobs since 1991. Exports from this sector are down 60 percent from 1991. Coffee, sugar, and other traditional agricultural exports, the major sources of foreign exchange earnings in the past, face unpromising prospects, and were already in decline prior to 1991. Meanwhile, domestic production has also declined; adoption of new technology has lagged; and Haiti's agricultural potential has been further retarded by policy distortions. At a time when most old problems remain and new constraints are emerging, policies that will contribute to a revitalization of the economy are essential.

While the policies that would be pursued by a restored democratic government are impossible to know with certainty, the first eight months of the Aristide Presidency may provide an indication. The Aristide Government's willingness to implement economic reforms was evidenced by the economic program presented to the World Bank Consultative Group in Paris in July 1991 and its acceptance of the basic criteria for an IMF Standby Agreement. The International Monetary Fund should be eager to proceed with Enhanced Structural Adjustment Facility negotiations once a Standby is in place, and the World Bank's IDA window should be available to assist in the needed macroeconomic policy and sectoral reforms through both policy-based loans and sector loans in agriculture, health, education, and power generation, among others. In its first months the Aristide administration had begun to improve tax collection, had started eliminating unjustified and non-essential public sector expenditures, had dismissed as many as 15 percent of the employees of the government and the public enterprises, had suspended indefinitely the requirements for rice import licenses and substantially reduced the import tariff on rice, and had eliminated the 20 percent surrender requirement on private personal remittances of foreign exchange.

As part of its Standby Agreement negotiations with the IMF, the GOH under Aristide agreed to several other important reforms. First, the government announced its intent that petroleum imports and all public sector transactions, such as debt and public enterprise imports, occur at the free market exchange rate.<sup>2</sup> A commitment to reduce interest rate restrictions was made, as well as an agreement to widen the coverage of the value-added tax. The Aristide Government agreed in principle that certain products are excessively protected (edible oil, steel, cement) and declared its intent to review tariffs and licensing requirements for the seven agricultural products still officially protected. There was also a commitment to review the operational efficiency and management of the major parastatals, including the possibility of privatization in the longer term. These policy directions provide solid grounds for optimism regarding likely economic policy directions should democracy be restored. Any new government must also pursue a policy of active encouragement of private investment by establishing a permanent policy dialogue with the private sector and avoiding calls to violence to resolve social and economic differences.

### *Agriculture*

*Bon tè pa pou abitan  
(Good productive lands are not left to peasants.)*

Some two-thirds of the Haitian population attempt to subsist from traditional agriculture. The bulk of farming practices resembles those of many centuries ago, and market relations continue to revolve around family and community structures. The limitations of that system have become increasingly evident as population growth has imposed mounting stresses on Haiti's resource base. Policy-induced distortions have encouraged the production of annual food crops on Haiti's fragile hillsides for domestic consumption. Twenty-eight percent of Haiti's land is considered arable, but about 46 percent is actually cultivated. This pattern, together with insecure land and resource tenure, has promoted unsustainable land use and aggravated erosion of the topsoil. Per capita agricultural production has fallen some 15 percent over the past 20 years, as irrigation systems have deteriorated, and fertile topsoil has silted rivers and reservoirs, or washed into the sea. If current trends continue, the sector faces continuing stagnation, severe environmental degradation, and further decreases in agricultural productivity.

Key factors stunting the development of agricultural production have been the state's failure to protect civil rights, to curb abusive local authorities, to provide the appropriate policy environment or to enforce property rights. This has discouraged investment, accelerated environmental degradation and constrained the modernization of agriculture by limiting transactions beyond the traditional community sphere. As part of a general lack of legal protection,

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<sup>2</sup> The use of the overvalued official exchange rate for the 40 percent foreign exchange surrender requirement on export earnings was eliminated, and the use of the official rate for determining the price of petroleum products was also subsequently phased out, ironically, as a result of the embargo-induced shortage of foreign exchange at the Central Bank in November 1991. In effect, this amounted to adoption of a floating, market-based exchange regime.

there are constant threats to land rights, especially after value-adding investments by the state, such as road construction or irrigation. These threats create so much insecurity and intimidation that not only are peasants reluctant to make any long-term investments in their holdings, but they often oppose by force or vandalism any attempt to bring technological improvement to their land or the area in which it is located. Thus have cultivators reacted in the Artibonite Valley and in the Jacmel area by destroying irrigation ditches and refusing fertilizer offered by regional development programs for fear that any resulting increase in value of their property would tempt others to take it for themselves.

Other major constraints to agricultural development include the absence of public sector investment in technology generation and transfer, the lack of maintenance of public irrigation systems and other infrastructure, and the failure of the government to provide appropriate policies that could contribute to the development of rural financial markets. Finally, the sector's efficiency and growth have been hampered by some policy-induced distortions, mainly restrictions on international trade and government interventions in financial markets. The sector was a major priority for the Aristide government, which had planned to address the problems of stalled agricultural production and low rural income of that sector by improving infrastructure, encouraging backward linkages from industry to agriculture and establishing mechanisms to distribute state land to farmers. The restored constitutional GOH can be expected to look for substantial donor help in these areas.

The deteriorating environmental condition caused by, and contributing to, worsening poverty is the best indicator of human deprivation in Haiti. With limited access to off-farm jobs and productive land, a large sector of the rural population is forced onto marginal and fragile hillsides for agricultural production. In a country the size of Maryland, about 15,000 hectares of fertile topsoil are lost each year due to unsustainable and inappropriate agricultural practices. Large areas of over-exploited land have been abandoned and are no longer farmed.

Inappropriate policies, inadequate financial, human and institutional resources as well as a low environmental awareness have lead to the over-exploitation of common-property natural resources. The toll on these natural assets takes many forms, including depletion and pollution of the ground waters, erosion of soil and forest resources, reduction of the river base flows, siltation of the water bodies and loss of bio-diversity. Since 1986, environmental degradation has been further exacerbated and compounded by the continuing political crisis.

### *The Private Sector*

*Byen mal pa lanmò*  
*(Very sick is not death.)*

Haiti has talented and resilient entrepreneurs. There are people in all subsectors and at all levels of society striving for business success and willing to take risks to achieve it, political conditions permitting. In addition, Haiti has a large pool of eager and hard-working women and men necessary to implement a labor-intensive manufacturing strategy and make Haiti competitive internationally. Haiti's proximity to the North American markets makes it competitive among overseas manufacturers because of short shipping times. Under normal

circumstances, Haiti could also benefit from U.S. import preferences such as the Caribbean Basin Initiative, the Bilateral Investment Treaty and the Tax Information Exchange Agreement, and from the Lomé Convention. With the lifting of the embargo, insurance and lending programs for U.S.-owned investment could become available from the Overseas Private Investment Corporation (OPIC), which has expressed interest in the past in gaining official recognition from the GOH to provide collateralized loans for new businesses or business expansion.

There are, however, major weaknesses in the private sector and significant constraints to investment. These include: 1) lack of investor confidence induced by political instability and an uncertain policy environment, 2) direct and indirect government intervention in the economy, including the regulatory context in which businesses must operate, 3) inadequate availability of capital and long-term credit, 4) an immature level of industrial development including inadequate public infrastructure, both physical and social, 5) lack of access to commercial and economic information, 6) the possibility of labor unrest over wages and benefits, 7) lack of well-defined and protected property rights, 8) excessive high charges for public services, such as power, telephone and the port, and 9) monopolistic control of many major industries and commodities.

The 1991 *coup d'état* and subsequent disruptions caused by the irresponsible policies of the *de facto* authorities and by the embargo greatly accelerated an economic decline that began in the early 1980's. New investment and commercial bank lending fell to virtually nil, with businessmen waiting for political change and an end to the embargo. The Port-au-Prince industrial park, which employed some 35,000 workers in the late 1980s, is largely inactive. As of this writing, the value of the Haitian gourde has dropped almost 50 percent vis-a-vis the U.S. dollar.

***Special Concern: Quality of Life***

*Lè ou bwè nan sous, pa kaka ladan.*  
(When you drink from the spring, don't foul it.)

Haitians suffer the worst health status in the Western Hemisphere. The infant and child mortality rates of 101 and 150 per thousand live births, respectively, are close to the average for Sub-Saharan Africa; the maternal mortality ratio is 350 per 100,000 births, compared to only 100 per 100,000 births in the Dominican Republic. Life expectancy, at 54 years, is two-thirds of that attained in many other Caribbean countries. The major cause of this deplorable situation is the country's absolute poverty and overexploitation of natural resources. The GOH expends a relatively large percentage of its total budget on health care, but it is used inefficiently and the amount is grossly insufficient given the enormity of the problem. As a result, there is a severe lack of available, effective health services throughout the country. Most Haitian families do not have the wherewithal to meet their basic needs. Severe undernutrition, in the face of decreasing agricultural production, influences the morbidity and mortality rates of both sexes and all age groups, but especially children less than five years old and women of reproductive age. Nearly 50 percent of households consume less than 75 percent of the recommended caloric intake, and nearly 36 percent consume less than 75 percent of the

recommended amount of protein. Diarrhea, acute respiratory infections, neonatal tetanus, and measles are major causes of infant and childhood morbidity and mortality. Only 60 percent of the urban population and 25 percent of the rural population have access to potable water, while 40 percent of the urban and 15 percent of the rural population have safe excreta disposal through latrines and septic tanks. Open sewers and improper disposal of solid waste are the norm. Safe disposal of other refuse is almost unknown. Vaccination coverage rates for preventable childhood diseases have doubled in the past three years, but are still among the lowest in the hemisphere, so these illnesses account for a large number of infant deaths. The precarious health status of Haitians has also been affected by the adverse political conditions of the past decade.

Unlike elsewhere in Latin America, human fertility in Haiti has not declined. To the contrary, the total fertility rate has gone up from 5.5 to 6.4 children per woman over the past decade. Despite an encouraging recent increase to 10.2 percent, the contraceptive prevalence rate remains one fourth that of other countries in the region. The present population growth rate is 1.8 percent per year, and recent projections indicate that Haiti's total population (now about 6.5 million) could reach 15.5 million by 2025. Haiti would thus become the most populated country in the Caribbean during the first half of the next century, ahead of Cuba and the Dominican Republic, whose projected growth rates are much lower than Haiti's.

Haiti has the lowest literacy rate in this hemisphere, as low as 20 percent in rural areas and about 37 percent nationwide. Education suffers from low primary school enrollment and poor quality. The enrollment ratio in grades one through six is only 75 percent, despite steady increases over the last two decades. Deteriorating economic conditions, together with poor accessibility to children from isolated rural areas, have affected enrollments. The private sector has absorbed the bulk of rising demand for education; its contribution to primary education has increased from 40 percent of students 20 years ago to 72 percent today. Overall educational quality is low, especially in the rural schools. There is no standard curriculum or set of curriculum objectives. In rural areas, one book may be shared by ten students; 21 percent of the schools are simple straw shelters without walls; and only 20 percent of teachers meet the minimum certification standard.

### III. USAID Strategy

*Bourik chaje pa kanpe.  
(A loaded donkey must not pause.)*

The overall goal of the USAID/Haiti program is to advance the establishment of the necessary conditions for the majority of the Haitian people to improve the quality of their lives. These conditions include: 1) public and private democratic institutions that reinforce the rule of law, foster respect for human rights and respond to the needs of the Haitian people, 2) sustainable, private sector-led, equitable economic growth and development, and 3) protection and development of the human resources needed to lay a sound basis for enduring democracy and sustained economic growth.

It is essential to recognize the interrelationship and interdependence of these objectives: democracy cannot survive without notable improvement in the economy, in living conditions, and in education; the economy cannot grow without an environment of political stability, fairly applied rule of law, respect and protection of human rights and a healthy and educated workforce; and there can be little improvement in the quality of Haitians' lives without democracy and economic growth.

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#### Goal and Objectives

**Primary Goal:** The establishment of the necessary conditions for the majority of the Haitian people to improve the quality of their lives.

- Objective 1: Democratic institutions
- Objective 2: Economic growth and development
- Objective 3: Protection and development of human resources

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Successful transition to democracy has been the U.S. Government's highest policy objective in Haiti since before the end of the Duvalier dictatorship in 1986. The violently aborted elections in 1987, which led to the suspension of USG assistance to the GOH, and the numerous changes of government during the subsequent three years were, and remain, serious challenges to this policy. With the exception of limited P.L. 480 (since FY 1989) and balance-of-payments programs during the pre-election phase in 1990, the U.S. channelled virtually all assistance during that period through non-governmental organizations for programs in child survival, population, agriculture, natural resources, the private sector and education. As prospects for a transition to democracy improved in mid-1990, USAID initiated a more proactive strategy, focusing on support for the democratic transition and economic reactivation. The military *coup d'état* of September 1991 led to a second suspension of assistance to the

GOH, this time with tighter restrictions on the scope of PVO programs, a freeze on GOH financial accounts and a hemispheric trade embargo.

Of critical importance to the success of Haiti's renewed try at democracy, after the immediate stabilization phase, will be the development of democratic values and institutions at all levels of society. USAID strategy for the post-resolution period will therefore support the evolution of institutions that respond to the needs of the people, protect their rights and contribute to political stability and renewed economic growth. If democracy is to be institutionalized and persist over time, Haiti must have a supportive economic environment that meets the expectations of the population for jobs and services. This, in turn, will require sound economic policies and effective and accountable government administration. USAID will 1) help establish, at all levels, government and private institutions that are effectively administered and accountable, and respond to the needs of the Haitian people; 2) assist Haiti to undertake economic reforms that are necessary for private sector-led, equitable economic growth; and 3) help to improve the administration of justice and foster respect for human rights.

USAID's strategy for helping strengthen the role of the private sector coincides with LAC Bureau objectives, i.e. 1) the adoption of, and continued adherence to, economic policies that promote trade and investment, 2) the expansion of productive employment opportunities, 3) export-led economic diversification, 4) a vigorous response by the private sector to a favorable policy environment, and (5) accelerated opportunities for participation in income-generating activities by segments of the population previously isolated from the economic system.

Given Haiti's extreme poverty, there is also an urgent requirement to address basic needs. This is essential to any strategy in Haiti that seeks to sustain democracy and renew economic growth. Support will be provided for child survival, health, population, food distribution and basic education programs. Where appropriate, the role of the GOH in these efforts will be strengthened. Greater emphasis will be put on cost recovery and sustainability. The Mission will not disengage from PVO programs where strong and effective systems are in place, and where the GOH has limited capacity. USAID project activities will seek to strengthen appropriate components of the GOH to do those things that must be done by government (e.g., policy formulation, tax administration), while building further on the existing private service delivery base. Government service delivery capacity will be developed to work in partnership with PVOs, and to complement or fill in the areas not covered by current PVO capacity.

***Objective 1: More effective and enduring democratic institutions that respond to the needs of the Haitian people, reinforce the rule of law and foster respect for human rights***

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**Strategic Objective 1**

*This objective has two subobjectives:*

***Subobjective 1A: Strengthen governance and responsiveness in key public sector institutions***

- Independent Judicial System reinforcing the rule of law and respect for human rights
- Increased effectiveness of administrative systems in both chambers of the National Assembly
- Improved policy formulation capability and accountability of the Executive Branch
- Strengthened electoral systems
- Strengthened local and municipal governments

***Subobjective 1B: Strengthen private organizations participating in an emerging civic society***

- Strengthened independent and democratically-oriented trade unions throughout the country
  - Strengthened political parties with increased institutional identity
  - Broadened access to legal representation
  - Human rights organizations with enhanced capacity
  - Improved capability of civic, professional, and community organizations to increase citizen participation
  - Effective, functioning interest groups monitoring the judiciary.
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Historically, government institutions at all levels have not been effectively administered or accountable to the Haitian people, and corruption has been widespread. To address these problems, USAID will seek to work with the GOH on several fronts, to improve the planning, budgeting, and management capability of the executive branch. Responsible, responsive decision-making requires sound public policy formulation based on broad involvement of the citizenry and its elected representatives in the governing process. Toward that end, USAID will assist in the improvement of the professionalism and the operational capacity of local

government and the Haitian National Assembly, and encourage an active policy dialogue between components of the GOH and business, trade and NGO groups. USAID/Haiti will help enable local governments to assert their new authority, create employment, improve infrastructure, and make decisions on use of public resources. A critical element of the democratic strengthening strategy will be assistance to improve the operation of an independent, impartial, and fair judicial system that promotes the rule of law and respect for human rights.

Financial integrity will be vital to the credibility and preservation of Haitian democracy. USAID will seek an appropriate means to assist the GOH in the establishment of government-wide systems of public accountability. This will include: reform and redesign of the audit function, establishment of sound internal controls, emphasis on the application of ethical principles in public service, and searching out, disclosing, and prosecuting corruption.

Democratic development requires effective, participatory, non-governmental institutions operating at the national, regional, and local levels linked with each other and to their elected government bodies to facilitate broad-based participation in decision-making. Working through local NGOs, USAID/Haiti will expand as rapidly as possible civic education programs, emphasizing citizen rights and responsibilities, increase the capability of local communities to identify and respond to their own development needs, strengthen political parties, trade unions, and human rights organizations and improve the quality of the independent Haitian media.

The Organization of American States and the United Nations have sent civilian observer teams to monitor human rights and facilitate a return to constitutional government. As the situation stabilizes, this role will remain important. It is possible that the French might provide some form of assistance in the reform of the military and police systems. The UNDP may provide support to the National Assembly, the justice system, local government, and the Permanent Electoral Council (CEP). Three German political foundations that have been active in Haiti may resume their support to NGOs and political parties. The Canadians and Venezuelans had been interested in support to the legislature, local government, and NGOs prior to the coup, but it is not clear whether they have any plans after a possible return to democracy. USAID will continue to maintain contact with these donors to assure complementarity and avoid overlap.

## ***Objective 2: Sustainable, private sector-led, equitable economic growth and development***

Haiti's economy has been in decline largely as a result of mismanagement, structural weaknesses and poor policies. Overall, the decade of the 1980s saw a 25 percent reduction in per capita GDP, and an accelerated drop of ten percent in 1992. USAID expects the trend to continue for FY 1993. Inappropriate trade and foreign exchange policies contributed to declines in the

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## **Strategic Objective 2**

### ***Broaden private sector-led economic growth***

*This objective has two subobjectives:*

***Subobjective 2A: Sustainable growth in the industrial and service sectors:***

- Trade, licensing, import policies and regulations modified to stimulate economic growth
- Increased credit used by women and men in small businesses, microenterprises, and the informal sector, particularly in provincial areas to expand production
- Increase in value-added industry for competitive Haitian products
- New private-sector jobs created
- Increased provincial business and microenterprise activity
- Increased competition and investment resulting from elimination of monopolies and protectionism

***Subobjective 2B: Sustainable growth in agricultural production:***

- Increased small farmer response to expanded range of domestic and export markets
  - Improved management and conservation of productive soil and water resources
  - Increased production of higher value non-traditional crops for domestic and export markets
- 

assembly sector and key agricultural exports between 1988 and 1991. These declines accelerated rapidly following the coup and the imposition of the embargo. Protection of inefficient and corrupt state enterprises has drained public finances, increased prices of basic commodities, and limited service provision. Macroeconomic policy reform is therefore a key element in the Mission's country strategy. It is essential to note that while the general economic health of Haiti is extremely poor, its relative macroeconomic condition up until the time of the coup (e.g., fiscal deficit, international debt, debt arrears) was substantially better than that of most LAC countries, which could still be an asset in facilitating IFI assistance, particularly from the IMF. Even in the aftermath of the coup, and of the trade sanctions and assets freeze that followed, Haiti's official arrears to the IFIs and to its few bilateral lenders (e.g., the USG) are only expected to total about \$75 million by the end of FY 1993. Haiti's total official debt-to-GDP ratio, already among the lowest in the world, is largely to IFIs on concessional terms.

The USAID program seeks to preserve and expand that which is good in the economy, while effecting change where the economy clearly does not function properly. Through ESF-related policy dialogue and project-funded technical assistance, the Mission will target several priority policy reform areas, often serving as a catalyst, encouraging and facilitating GOH acceptance of, and compliance with, IFI conditionality, especially that of the IMF. The overall U.S. and IFI policy agenda is likely to include:

- Macroeconomic stabilization policy, including fiscal discipline and, most importantly, revenue mobilization;
- Trade liberalization and the fostering of private sector investment and production through the elimination of excessive tariffs and other taxes, the full introduction of a market-determined exchange system and credit policies, and the elimination of legal and administrative barriers to the entry of new entrepreneurs;
- Elimination of direct or indirect government protection for private and public monopolies, including the reform and eventual privatization of state enterprises and their submission to market competition;
- Promotion of sound agricultural policies that redress the current distortions in favor of import-substituting crops and against more efficient export production; and
- Land use and land tenure reform, with particular emphasis on both legal land ownership protection and the facilitation of the use of land as collateral for credit.

Substantial ESF balance of payments support from the United States, on the order of \$50 million per year, will be needed to clear and avoid future arrears to the IFIs, stabilize the economy and help restore private sector-led growth. Such assistance, which will buttress Haitian compliance with IMF and World Bank programs, is essential to support the continued transition to democracy and economic reactivation. The proposed Title III program of \$20 million to \$30 million per year will also respond directly to the urgent need of the restored democratic government for assistance to help reestablish economic growth. It will do this by helping to meet the need for critical commodities, such as wheat flour, while at the same time reducing the need to spend scarce foreign exchange. Haiti cannot meet its basic food needs through domestic production. Twenty percent of cereal consumption is currently assured through commercial imports and food aid, which total about 200,000 metric tons per year. Given the continued decline in agricultural production and rapid population growth, Haiti's demand for food imports will continue to increase. To meet the current nutritional gap based on international norms and thereby contribute an important element of short-term food security, an additional 300,000 metric tons per year would be required.

Local currency generated by these programs will enable the GOH to provide required counterpart contributions to a range of critical development programs, including the operating costs of the food volags, other USAID projects, and to capital infrastructure and employment-generating projects sponsored by Haiti's two other major donors, the World Bank and the Inter-American Development Bank.

The promotion of private sector trade, investment, and off-farm employment is also critically important to achieving sustained economic growth. USAID strategy in this sector focuses on job creation through promotion of investment, the easing of constraints to export production, and the expansion of trade through diversification. Key elements in the strategy are the identification of areas where Haiti has exploitable economic assets, such as its climate, geographic location and hard-working labor force, and promoting necessary reforms of commercial, investment, and banking codes. Special emphasis is given to promoting investment lower down on the economic scale and outside Port-au-Prince. Specific areas of attention during the next several years will include: (1) expansion of formal credit to small businesses and microenterprises, especially in provincial towns, which heretofore have not had access to formal commercial financing, 2) development of credit mechanisms for both urban and rural enterprises which operate in the informal sector, 3) increase of exports (particularly nontraditional agricultural products) by building entrepreneurial linkages between local producers and exporters, and 4) enhancement of the ability of sectoral associations and other business groups to work with the GOH on policies that foster business creation and expansion, and accentuate Haiti's comparative advantages in United States, European, and other foreign markets. Through policy assistance, USAID will seek to assist Haiti to re-energize its assembly sector and help facilitate the reestablishment of a tourism industry.

Since 1986, little direct assistance to the private sector has come from other donors. The IDB provided some lending capital to microentrepreneurs, and the UNDP created a private sector staff position and has made a modest amount of resources available to assist artisans and tourism. Apart from the United States, bilateral donors have not been involved in the sector at all.

The USAID strategy views agriculture as a key component of the private sector and small farmers as economically rational entrepreneurs. The agricultural strategy will focus on increasing rural incomes, food security, and agricultural productivity, while preserving the natural resource base. USAID programs will emphasize market linkages and income enhancement as a means of stimulating increased production, use of more effective production technologies and techniques as well as improved and sustainable environmental practices. A significant element of the Mission policy dialogue in the administrative reform, legal and judicial areas will be improving rural land tenure.

Other major donors have played important roles in the agriculture sector. Such assistance favored projects with the GOH, which has attached major importance to food production. The InterAmerican Development Bank is historically the principal sponsor of major irrigation projects and has planned a large water control project to protect some of the watersheds that feed the lake behind the Peligre hydroelectric facility. The Food and Agriculture Organization (FAO) has supported a small number of water management and irrigation activities. Prior to the coup, the World Bank supported the regional development authority in the North and was considering a large forestry and natural resources project. The French, Canadians and Germans have funded smaller, more diverse, rural development portfolios, while numerous PVO groups receive support through religious missions for small, localized activities.

The only sustainable, and therefore viable, environmental strategy for Haiti is one that seeks to create and reinforce positive economic incentives to preserve what remains of the severely degraded natural resource base, while reducing the rewards to short-term, non-renewable exploitation and reinforcing the negative consequences for resource abuse. This environmental strategy is also basic to avoid worsening Haiti's already debilitated food security. Recognizing this reality, USAID project and policy activities in agriculture are designed to have the maximum sustainable positive impact on environment and natural resource preservation, without depending on the GOH's unlikely capability to meet recurrent costs or the possibility of indefinite foreign donor subsidy. In maintaining the integrity of Haiti's remaining watershed and other ecologically sound areas, biodiversity will also be maintained. Project-level detail of USAID environmental activities is included in the FY 1994-1995 Action Plan.

One of the greatest long-term contributions USAID can make to environmental preservation is through assistance in the reduction of the birth rate and by responding to GOH interest in addressing the associated policy dilemmas. At the most basic level, population has so outraced development that other economic factors are overtaxed. A further doubling of the population will produce apocalyptic conditions for both the people and the land unless a viable, long-term, environmentally sound basis can be established for Haiti's future economy. The traditional agricultural economy, with charcoal as the primary source of energy, was viable for the Haitian population of 500,000, growing at 1.5 percent per year, that existed at independence in 1804. In the early twentieth century, when population growth began to accelerate, the imbalance between population and resources became unmanageable, as demonstrated by the first large-scale migratory flow of Haitian laborers to neighboring countries. The population now vastly exceeds the carrying capacity of the existing economic system. USAID's environmental strategy is therefore inherent in its overall economic and population objectives, and, by logical extension, the democratic, health, WID and education activities as well.

In the long run, peasant subsistence agriculture does not present a viable developmental, or even survival, alternative for the number of Haitians entering the labor market. The available land in Haiti cannot support even the current population using prevailing production practices. There is an urgent need to orient as much of the rural population as possible to more remunerative opportunities, including agricultural-based industry and services in rural areas. USAID programs in population and family planning will be enlarged. Together with education and small business development programs which encourage female participation in the labor force, these efforts could have a significant demographic impact over the longer term. The GOH must be convinced not only of the health and human rights aspects of access to family planning advice and services, but of the economic aspects as well.

### ***Objective 3: Protection and development of human resources***

To succeed in its development objectives, Haiti needs healthy, productive citizens. USAID will respond to this need by continuing to support cost-effective, mostly preventive health services for Haitian families, particularly those whose members are most susceptible to illnesses of poverty (children under five and women of reproductive age) and by supporting the reform and development of policies which directly affect family health. Services to be supported include:

- Increased immunization coverage with tetanus and measles as priorities;
- Diarrheal disease control, including the integration of water and sanitation activities with child survival programs, and promotion of oral rehydration;
- Family planning;
- Nutritional improvement, including targeted feeding programs, vitamin A capsule distribution, growth monitoring and promotion, nutritional surveillance in drought prone areas, and breast feeding promotion;
- AIDS prevention and control; and
- Action research and intervention programs to address acute respiratory infection and maternal and neonatal mortality.

The program will continue to be implemented largely through PVOs because of their relatively strong operational capacity and experience, but vital elements must be provided by the GOH. Nonprofit private sector and public sector partnerships to deliver health services will be strengthened to maximize capabilities and compensate for weaknesses. The public sector's unique advantages include its ability to set norms, standards and protocols for various health interventions, to define policies and priorities, and to coordinate the multiple organizations involved in providing health services, as well as its existing infrastructure and extensive personnel. PVO advantages include broad, recent experience in project design and implementation, as well as the ability to design and implement more flexible, innovative and risk-taking projects, and to adapt to rapidly changing circumstances. Coordination of the public and private sectors is an essential feature of the USAID strategy.

The USAID program will provide extensive assistance to promote the sustained, institutional delivery of health services. The population program will continue to be closely coordinated with the health and child survival program to avoid duplication of resources and to develop integrated service delivery programs at the least cost. The Mission will channel support through PVOs, the private commercial sector, and, where complementary support is needed, through the public sector.

While USAID is by far the largest donor in the health sector in Haiti, other important donors include the World Bank, the UNFPA, PAHO, UNICEF, Canada, France, and Japan. External donor assistance to the health sector, excluding A.I.D. resources, totals approximately \$12 million per year. Under the auspices of PAHO, donor coordination in the sector has recently been formalized and strengthened. Health will likely be the first area in which USAID will investigate the use of sector support grants as project components or as

freestanding programs as a means to impel important policy reforms and encourage more rational GOH management and budgeting.

Given funding and staffing constraints, and the recent history of high levels of assistance to national and regional water development efforts by Germany and France, the Mission does not plan to support capital-intensive, region-specific potable water and sanitation projects. Instead, water activities are being integrated into ongoing and planned child survival and Special Development Activities programs. Through these programs we are providing limited assistance to PVOs that want to construct small, cost-effective water systems to complement their other child survival activities.

To achieve longer-term democratic and economic objectives, it is essential to ensure that Haiti has a better educated population. The Mission's strategy in the education sector supports improvement in educational quality and efficiency, particularly in private primary schools serving disadvantaged, primarily rural areas, that is coordinated with public sector

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### **Strategic Objective 3**

#### ***Protect and strengthen the human resource base***

*This objective has four subobjectives:*

*Subobjective 3A: Improved health and nutritional status of Haitian families. This will be achieved by means of:*

- Improved health and nutrition status of infants and young children
- Improved nutrition of school-age children
- Improved health status of women of child-bearing age
- Reduced spread of HIV infection
- Increased access to potable water and sanitation for rural families in targeted areas
- As a special concern, increased access to drug prevention and rehabilitation services

*Subobjective 3B: Increase the contraceptive prevalence rate. This will be achieved by:*

- Increased access to information on modern contraceptive methods
  - Increased use of modern family planning methods (Continued)
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### **Strategic Objective 3 (continuation)**

*Subobjective 3C: Enhanced capacity of individuals to participate and contribute to personal and national development through formal education. This will be achieved through:*

- Increased numbers of girls and boys meeting standards in primary schools and completing education through grade 4
- Adult women and men trained to required professional levels managing private and public sector service delivery

*Subobjective 3D: Safety net provided for socially marginalized groups. This will be done through the following means:*

- Emergency food relief provided to families as required
  - Increased temporary employment for unemployed and underemployed in target areas
  - Improved access to food for pre-school and primary-school age children
- 

educational programs. Coordination with other donors, such as the World Bank, UNESCO, and the IDB, is an integral part of this strategy.

The P.L. 480 Title II food program is implemented by four cooperating sponsors: the Adventist Development and Relief Agency (ADRA), CARE, International Lifeline and Catholic Relief Services (CRS). There are two major objectives for the Title II program: a) to compensate partially for Haiti's large chronic food gap, and b) to use food as a resource to successfully attain the objectives of USAID's broader development strategy. The targeted feeding program supports, through schools and health institutions, the objectives of increasing child survival and improving basic education.

The provision of basic services to alleviate the worst manifestations of poverty is vital to an environment of political and economic stability and, therefore, democracy and economic development in Haiti. Over the next two to four years, an interim short term employment generation program will cushion and buffer the inevitable hardships and dislocations of the early stages of democratic transition and economic structural adjustment. USAID has already agreed to the use of P.L. 480-generated local currency as counterpart financing to a

large high-employment project of the World Bank and Inter-American Development Bank, and has in development a range of other employment-creating options.

Women play a key role in the economic and social fabric of Haitian society, not only in traditional areas such as child care and household management, but also in important sectors such as commerce, industry, and agriculture. Several GOH cabinet ministers have been women, as was the President who led the country through its first transition to democracy in 1990. Women play a dominant role in the transport and marketing of the nation's crops destined for internal consumption, and in the distribution of consumer goods. Tens of thousands of peasant women and professional intermediaries are involved in the internal marketing system. In manufacturing industries, women represent about 58 percent of the total labor force, and more than 70 percent in firms involved in the finishing and embroidery of apparel, the manufacture of baseballs and sporting goods, and the assembly of electronic components. In agriculture, women do most of the work in sowing, harvesting and processing of agricultural products. The control of agricultural produce is largely the women's domain. Women are often responsible for deciding what portion of the harvest is to be set aside for home use, what will be processed or sold, and how the cash proceeds will be used. Women are also the primary collectors, distributors and consumers of energy in Haiti. Through their roles as wood gatherers, charcoal makers and charcoal market intermediaries and retailers, they provide the country with 72 percent its energy requirements.

USAID's strategy is to integrate gender concerns throughout the program by incorporating women as full participants and beneficiaries in all projects. This is particularly important in light of the disparity that women generally experience in their workload because of their dual role as producers and reproducers. The primary objective is to bring women fully into the development process and, given the key role of women in the productive sectors and their economic role within the family, to ensure their continued integration into the economic mainstream. The design and implementation of all projects include the establishment and monitoring of gender-specific targets. Special attention is given to analyzing and understanding the impact on women of policy reforms and projects, and to allocating resources to equalize opportunities for women and men. USAID's objective is to consider carefully the impact of the program on women: how it affects their time allocation within the household, the increase in their work burden, the impact on girls' education, and women's potential loss or gain of employment from specific policies or projects and their effect on childbearing. Strengthening the role of women in business receives special attention, particularly concerning access to credit and training. USAID's strategy targets constraints to female economic participation both indirectly, for example through health and education services for female factory employees, and directly, for example through credit and training for micro-entrepreneurs, where 75 percent of the beneficiaries are women.

#### ***IV. Relationship to LAC Bureau Objectives***

*Couté premier, palé dènier.  
(First listen. Be the last to speak).*

In the areas of democratic development and sustainable economic growth, USAID objectives closely parallel those of the LAC Bureau. The conformance is particularly exact in the democracy area, where the Mission's Objectives 1A and 1B are paraphrases of the Bureau Objectives IIA and IIB, support to the public and private facets of democratic development.

In the economic area, the conceptual conformance is also precise, although the Mission has divided its strategic elements somewhat differently. Rather than split out policy reform and private sector responses to reform as separate elements as the Bureau has done, USAID has grouped policy concepts under an overall private sector objective, but split out agricultural development. The Mission's reasoning in this instance was based primarily on the importance of agriculture in the Haitian economy and the centrality of agricultural policies and programs to the rational economic motivation of farmers. USAID's view is that agriculture forms part of the private sector in the sense that farmers are independent entrepreneurs. Under agricultural development, USAID includes conservation and sustainable use of natural resources as critical outputs, because they are necessary elements to economic growth. Sustainability of environmental action rests upon the farmers' economic motivation to ensure the dependable availability of essential natural resources inputs: fertile land and useable water.

Rather than attempt to force-fit the USAID objective to "protect and develop human resources" under the Bureau's objective "participation of the disadvantaged in the economy," it has been split out as a specific challenge. As described in the analytical sections above, Haiti's social indicators are uniformly the worst in the hemisphere and will constitute unavoidable major elements of any assistance program for the foreseeable future. Simply put, this objective is to ensure that Haitians survive long enough and be fit enough to benefit from economic and democratic development. Outputs under this objective do include the Bureau's specific challenges regarding abuse of narcotics and epidemics, and the Bureau's economic objective of increased opportunities for the disadvantaged, especially in education and training.

#### ***V. Resource Requirements***

*Kay koule twonpe soley, men li pa twonpe lapli.  
(A leaky roof can fool the sunshine, but it can't fool the rain).*

Within the USAID strategy, the Mission intent is to keep the project portfolio as tightly focused as possible, while ensuring steady progress toward goal achievement. The interdependence of the necessary components of the USAID strategy requires involvement in a greater variety of sectors than might otherwise be preferred. Given the synergy among the ailments of Haitian society, however, a broadly-based program is essential to the achievement of USG policy objectives in Haiti. Accordingly, what follows is considered to be the minimum configuration of elements required to reach the stated objectives.

One of the primary characteristics that differentiates AID worldwide from other donors is the deployment of resident direct-hire and contract field staffs of Americans and foreign nationals. This gives USAID missions a major comparative advantage in the implementation of development initiatives which address the root causes of societal dysfunction, rather than the more overt manifestations of retarded development. Presence gives USAID an even greater advantage in policy dialogue. USAID personnel work with decision-makers on a regular basis and are thus able to insert policy issues into a much wider variety of matters and in more diverse circumstances than can other donors. The portfolio that USAID/Haiti is in the process of shaping will capitalize on AID's unique strengths and experience to work as closely as possible at the systemic level.

The USAID program monitoring and evaluation plan is designed to meet the needs of project and program managers. Information requirements are limited, to the greatest extent possible, to what is needed to make specific decisions or meet specific accountability requirements. Over the planning period, the emphasis will continue to be on evaluations and special studies which measure program-level impact and progress in meeting strategic objectives. Our intent is to assure that managers in USAID/Haiti are held accountable for their performance, and that "managing for results" is imbued into the USAID culture at all levels. Low-cost, rapid data collection methods are used whenever possible, and, where appropriate, local institutions are fully involved in the monitoring and evaluation process.

### *Program Levels*

U.S. aid to Haiti was resumed in 1973, after the accession to power of Jean-Claude Duvalier ("Baby Doc"), when the human rights situation appeared to have improved. Following the ouster of the Duvalier regime in February 1986, the A.I.D. program in Haiti increased to nearly \$100 million in FY 1987, double the FY 1985 level. Apparent GOH commitment in 1987 to democratic transition and economic reform led to a major increase in overall aid levels by both multilateral and bilateral donors. All assistance to the GOH was terminated after the November 29, 1987 democratic elections were aborted by government-condoned violence against the voters; but U.S. humanitarian assistance through non-governmental organizations was continued.

In 1989, Congress and the Administration agreed to a policy of gradual resumption of aid to Haiti conditioned on progress in democratization, protection of human rights, control of drug trafficking, and economic policy reform. In response to progress toward democratization, U.S. assistance increased to \$50 million in FY 1989, and \$58.7 million in FY 1990, with particular emphasis on support for restoring democracy and facilitating elections. Following successful elections in December 1991, the USAID program expanded by 34 percent in FY 1991 from the 1990 level. The cutoff in government-to-government programs dropped the FY 1992 funding level to about \$50 million, including Title II feeding. Limited additional project reactivations have raised the FY 1993 level to about \$53 million, as of this writing. The FY

1994 requested level, which is intended to fund a number of special short-term programs, is covered in the FY 1994-1995 Action Plan.

Assistance levels in FY 1995 and the outyears are projected to stabilize as the availability of development assistance resources diminishes.

**Program Funding (in millions of dollars)**

<b>Year</b>	<b>1990</b>	<b>1991</b>	<b>1992</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>
<b>D. A.</b>	40	38	27	28	40	45	45	45	45	45	45
<b>ESF</b>	3	12	5	9	55	50	50	45	40	35	30
<b>Title II</b>	16	8	18	15	18	20	15	15	15	10	10
<b>Title III</b>	0	21	0	0	20	20	20	20	20	20	20
	<b>59.0</b>	<b>79.0</b>	<b>50.0</b>	<b>52.0</b>	<b>133.0</b>	<b>135.0</b>	<b>130.0</b>	<b>125.0</b>	<b>120.0</b>	<b>110.0</b>	<b>105.0</b>

### *Staffing and Operating Expenses*

USDH staffing was cut by six positions between FY 1991 and FY 1992, and many vacancies created by the October 1991 evacuation were not filled for extended periods. To be able to carry out a substantially increased post-crisis resolution program, some of these staffing cuts must be restored. Operating expense levels are threatened by restrictions on trust funds which, if imposed, would have a devastating effect on overseas missions' ability to ensure responsible use of, and adequate accountability for, USG resources. We are therefore proposing modest increases in personnel, and a concomitant rise in OE requirements.

### *Staffing Levels*

The FY 1995 USDH level shown below is one position below the LAC Bureau's June 12, 1991 reclama to PPC regarding Mission staffing. Given Agency staffing constraints, but cognizant of the growth of program oversight requirements, staffing increases are limited to four additional USDH by FY 1995, and very modest growth in the number of other personnel. The three additional USDH slots would be filled by a Contracting Officer, another Project Development Officer with substantial evaluation responsibilities, and a democracy/AOJ specialist. Given the substantially increased program levels anticipated for Haiti, some staffing increases are abundantly reasonable and essential even in a period of overall Bureau retrenchment.

Staffing Levels (Full Time Equivalents)

Year	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
USDH	20.6	15.5	13.3	16.3	19	19	19	19	19	19
PASA			1	1	1	1	1	1	1	1
USPSC (OE)	1.4	.6	1	1	1	1	1	1	1	1
USPSC (PROJ)	6.6	4.2	4.5	8	8	8	8	8	8	8
FNDH (OE)	27.2	25.2	24	23	23	23	23	23	23	23
FNPSC (OE)	89.2	69.9	56.5	61	62	62	62	62	62	62
FNPSC (PROJ)	15.2	13.5	17*	20	21	21	21	21	21	21
<b>Totals</b>	<b>160.2</b>	<b>128.9</b>	<b>117.3</b>	<b>130.3</b>	<b>135.0</b>	<b>135.0</b>	<b>135.0</b>	<b>135.0</b>	<b>135.0</b>	<b>135.0</b>

\* Includes one TCN PSC

Operating Expenses

Operating expenses are expected to increase only moderately in relation to the projected increase in program levels. Staff and other related OE support costs have been kept to the absolute minimum needed to meet accountability and oversight requirements, and to minimize vulnerability.

Operating Expenses (Thousands of Dollars)

Fiscal Year	1994	1995	1996	1997	1998	1999	2000
Dollar Funds	4550	4815	5093	5385	5692	6009	6352
Local Currency Trust Funds	750	750	750	750	750	750	750
<b>Totals</b>	<b>5300</b>	<b>5565</b>	<b>5843</b>	<b>6135</b>	<b>6442</b>	<b>6759</b>	<b>7102</b>

**Annex: Selected Social and Economic Indicators**

**Social Indicators (1991 unless otherwise specified)**

Area . . . . .	27,750 sq km
Population . . . . .	6.6 million
Density . . . . .	238 people/sq km
Rate of growth . . . . .	1.8%
Crude birth rate (per 1,000) . . . . .	36.0
Infant mortality (per 1,000 live births) . . . . .	101
Crude death rate (per 1,000) . . . . .	12.7
Population per physician: . . . . .	4,643
Population per hospital bed . . . . .	1,300
Percent of population with access to safe water (Port-au-Prince) . . . . .	53
Percent of population with access to safe water (other urban) . . . . .	59
Percent of population with access to safe water (rural) . . . . .	35
Percent of population with access to electricity . . . . .	45
Percent of population with access to electricity . . . . .	..
Calorie intake as % of requirements . . . . .	80
Protein intake as % of requirements . . . . .	60
Literacy rate % . . . . .	25
Primary school enrollment as % of . . . . .	78
GDP per capita (1991) US\$ . . . . .	277
(Est. 1992) US\$ . . . . .	252

Output (US\$ millions), Employment (workers, millions) and Productivity in FY '89 (US\$)					
	Output, Value Added		Labor Force, V.A. per		Productivi
Agriculture	339.9	19.1	2.0	66.7	170.0
Industry	514.9	29.0	0.3	10.0	1,716.3
Services	922.1	51.9	0.7	23.3	1,317.3
<b>Total/Average</b>	<b>1,776.9</b>	<b>100.0</b>	<b>3.0</b>	<b>100.0</b>	<b>592.3</b>

Economic Indicators

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992 <sup>3</sup>
Real Per Capita GDP Growth Rate (%)	4.5	-2.7	-5.8	-1.0	-1.5	-1.6	-1.2	-1.2	-3.3	-3.2	-4.7	-5.2	-10.0
Gross Domestic Investment/GDP (%)	18.1	18.2	16.6	16.3	15.9	14.3	11.2	13.6	12.1	11.4	10.9	9.4	N/A
Gross National Savings/GDP (%)	4.5	-0.7	5.3	4.4	5.7	7.1	4.2	6.1	5.8	4.5	3.6	2.3	N/A
External Savings/GDP (%)	13.6	18.9	11.3	11.9	10.2	7.2	7.0	7.5	6.3	6.9	7.4	7.0	N/A
Exports F.O.B. (\$ mil.)	212	158	195	195	240	216	216	208	200	200	165	146	78
Imports, C.I.F. (\$ mil.)	346	373	319	335	392	333	367	328	299	295	276	252	195
Trade Balance (\$ mil.)	-134	-215	-124	-140	-152	-117	-151	-120	-99	-94	-111	-106	-117
External Public Debt (\$ mil.)	306	417	494	569	665	717	716	844	818	802	874	747 <sup>4</sup>	788
Consumer Prices (Change in %)	6.3	11.6	6.2	12.2	6.1	15.0	-0.5	-8.3	2.9	11.0	20.6	13.0	35.0
Real Wages (Change in %)	N/A	N/A	-7.6	-7.8	-7.4	-7.7	-7.8	6.2	-2.0	-9.9	-17.1	-15.6	-40.0
Real Exchange Rate (Gourdes per Dollar)	5.0	5.1	5.2	5.3	5.5	5.9	5.8	5.3	6.0	6.4	7.4	7.7	9.1

<sup>3</sup> 1992 figures are estimates.

<sup>4</sup> Includes FY 1991 official debt write-off by the United States and France of \$159 million.

## Government Finance

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
<b>TREASURY OPs (MLG- doll)</b>											
<b>A. Treasury Revenues</b>	824	921	1005	1187	1274	1188	1185	1210	1156	1332	875
- Tax Re- venues	749	847	914	1124	1142	1020	1013	1123	1082	1225	828
- Public En- terprise Transfers	75	74	91	73	93	88	99	87	72	50	47
<b>B. Treasury Expendi- tures</b>	1022	1055	1298	1409	1375	1324	1252	1327	1354	1366	1226
- Wages & Salaries	N/A	407	492	534	561	700	778	808	828	895	926
- Interest Payments	52	72	123	122	129	128	103	114	107	53	13
- Capital Ex- penditures	173	115	183	127	48	88	45	51	41	28	28
<b>Tax Reve- nues/GDP (%)</b>	10.1	10.4	10.1	11.2	10.2	9.4	9.3	9.4	7.8	8.2	4.4

**USAID/HAITI**



**PROGRAM OBJECTIVES DOCUMENT**  
*FY 1995-2000*

***OBJECTIVE TREES AND FUNDING***

March 1993

USAID/Haiti Program Objectives Document

Objectives Tree Chart 1: Objectives and Indicators

Goal: Establishment of the necessary conditions for the majority of Haitians to improve the quality of their lives.

Strategic Objective 1: Strengthen Democratic Institutions		Strategic Objective 2: Broaden Private sector-led Economic Growth		Strategic Objective: Protect and Develop Human Resources			
<p><b>Sub-objective 1A: Strengthen Courts</b></p> <p><b>Outcomes:</b></p> <ul style="list-style-type: none"> <li>Independent judicial system exhibiting the rule of law and respect for human rights</li> <li>Increased effectiveness of administrative systems in both chambers of the National Assembly</li> <li>Improved policy formulation capability and accountability of the Executive Branch</li> <li>Strengthened electoral systems</li> <li>Strengthened local and municipal governments</li> </ul>	<p><b>Sub-objective 1B: Strengthen Civil Institutions</b></p> <p><b>Outcomes:</b></p> <ul style="list-style-type: none"> <li>Strengthened independent and democratically-elected trade unions throughout the country</li> <li>Strengthened political parties with increased national identity</li> <li>Broadened access to legal representation</li> <li>Human rights organizations with enhanced capacity</li> <li>Improved capability of civic, professional, and community organizations to increase citizen participation</li> <li>Effective, functioning interest groups monitoring the judiciary.</li> </ul>	<p><b>Sub-objective 2A: Promote Sustainable Growth in the Industrial and Service Sectors</b></p> <p><b>Outcomes:</b></p> <ul style="list-style-type: none"> <li>Trade, financing, import policies and regulations modified to stimulate economic growth</li> <li>Increased credit used by women and men in small businesses, microenterprises, and the informal sector, particularly in provincial areas to expand production</li> <li>Increase in value-added industry for competitive Haitian products</li> <li>New private-sector jobs created</li> <li>Increased provincial business and microenterprise activity</li> <li>Increased competition and investment resulting from elimination of monopolies and protectionism</li> </ul>	<p><b>Sub-objective 2B: Promote Sustainable Growth in Agricultural Production</b></p> <p><b>Outcomes:</b></p> <ul style="list-style-type: none"> <li>Increased small farmer response to expanded range of domestic and export markets</li> <li>Improved management and conservation of productive soil and water resources</li> <li>Increased production of higher value non-traditional crops for domestic and export markets</li> </ul>	<p><b>Sub-objective 3A: Improve Family Health</b></p> <p><b>Outcomes:</b></p> <ul style="list-style-type: none"> <li>Improved health and nutrition status of infants and young children</li> <li>Improved nutrition of school-age children</li> <li>Improved health status of women of child-bearing age</li> <li>Reduced spread of HIV infection</li> <li>Increased access to potable water and sanitation for rural families in targeted areas</li> <li>As a special concern, increased access to drug prevention and rehabilitation services</li> </ul>	<p><b>Sub-objective 3B: Increase the Use of Contraceptives</b></p> <p><b>Outcomes:</b></p> <ul style="list-style-type: none"> <li>Increased access to family planning information and services</li> <li>Increased use of modern family planning methods</li> </ul>	<p><b>Sub-objective 3C: Improve Education</b></p> <p><b>Outcomes:</b></p> <ul style="list-style-type: none"> <li>Increased numbers of girls and boys meeting standards in primary schools and completing education through grade 4</li> <li>Adult women and men trained to required professional levels among private and public sector service delivery</li> </ul>	<p><b>Sub-objective 3D: Help Provide a Social Safety Net</b></p> <p><b>Outcomes:</b></p> <ul style="list-style-type: none"> <li>Emergency food relief provided to families as required</li> <li>Increased temporary employment for unemployed and underemployed in target areas</li> <li>Improved access to food for pre-school and primary school age children</li> </ul>

# USAID/Haiti Program Objectives Document Objectives Tree

## Chart 2: Democracy Objectives, Outputs, and Activities

Strategic Objective 1: Strengthen Democratic Institutions									
Sub-objective 1A: Strengthen Governance					Sub-objective 2B: Strengthen Civic Institutions				
<p><b>Output:</b> Independent judicial system relieving the role of law and respect for human rights.</p> <p><b>Activities:</b></p> <ul style="list-style-type: none"> <li>• TA on strengthening court administration and other essential skills under the Administration of Justice Project</li> <li>• TA on priority human rights</li> </ul>	<p><b>Output:</b> Increased effectiveness of administrative systems of both chambers of the National Assembly</p> <p><b>Activities:</b></p> <ul style="list-style-type: none"> <li>• TA on strengthening on legal issues under the Democracy Enhancement Project</li> <li>• Demand-driven TA on priority issues</li> </ul>	<p><b>Output:</b> Improved policy formulation capability and accountability of the Executive Branch</p> <p><b>Activities:</b></p> <ul style="list-style-type: none"> <li>• Policy and Administrative Reform Project</li> <li>• Policy dialogues associated with Balance of Payments and Title III negotiations</li> </ul>	<p><b>Output:</b> Strengthened electoral systems</p> <p><b>Activities:</b></p> <ul style="list-style-type: none"> <li>• Voter registration systems, radio, etc. and other essential systems for Electoral Commission under the Democracy Enhancement Project</li> </ul>	<p><b>Output:</b> Strengthened local and municipal governments</p> <p><b>Activities:</b></p> <ul style="list-style-type: none"> <li>• Leadership and organizational training to local governments under the Democracy Enhancement Project</li> <li>• Title III EPW projects may be sponsored by municipalities</li> </ul>	<p><b>Output:</b> Strengthened political parties with increased institutional identity</p> <p><b>Activities:</b></p> <ul style="list-style-type: none"> <li>• Civic education programs under the Democracy Enhancement Project</li> <li>• Study tours and TA on party functions in established democratic systems.</li> </ul>	<p><b>Output:</b> Increased access to legal representation</p> <p><b>Activities:</b></p> <ul style="list-style-type: none"> <li>• Nationwide public defender system set up under the Administration of Justice Project</li> <li>• Nationwide public defender program under the Democracy Enhancement Project</li> </ul>	<p><b>Output:</b> Human rights organizations with enhanced capacity</p> <p><b>Activities:</b></p> <ul style="list-style-type: none"> <li>• Civic education on human rights established under the Democracy Enhancement Project</li> </ul>	<p><b>Output:</b> Improved capability of civil, professional, and community organizations to increase citizens participation</p> <p><b>Activities:</b></p> <ul style="list-style-type: none"> <li>• NGOs trained to provide civic education programs and greater citizens participation under the Democracy Enhancement Project</li> </ul>	<p><b>Output:</b> Effective interest groups monitoring the judiciary</p> <p><b>Activities:</b></p> <ul style="list-style-type: none"> <li>• NGOs established to support access to justice and justice administration of Justice Project</li> </ul>

USAID/Haiti Program Objectives Document  
Objectives Tree

Chart 3: Economic Objectives, Outputs, and Activities

Strategic Objective 2: Broaden private sector-led economic growth									
Sub-objective 2A: Promote sustainable growth in the industrial and service sectors					Sub-objective 2B: Promote sustainable growth in agricultural production				
<p>Output: Trade, licensing, import policies and regulations modified to stimulate economic growth</p> <p>Activities:</p> <ul style="list-style-type: none"> <li>Policy and Administrative Reform Project</li> <li>Policy dialogue associated with ESF balance of payments support and Title III negotiations</li> </ul>	<p>Output: Increased credit used by women and men in small businesses, microenterprises, and the informal sector; participation in provincial areas to expand productive employment</p> <p>Activities:</p> <ul style="list-style-type: none"> <li>Provincial Enterprise Development Project</li> </ul>	<p>Output: Increase in value-added industry for competitive Haitian products</p> <p>Activities:</p> <ul style="list-style-type: none"> <li>Promotion of Business and Exports Project</li> <li>Provincial Enterprise Development Project</li> </ul>	<p>Output: New private sector jobs created</p> <p>Activities:</p> <ul style="list-style-type: none"> <li>Provincial Enterprise Project</li> <li>Productive Lead Use Systems (PLUS) Project</li> <li>Promotion of Business and Exports Project</li> </ul>	<p>Output: Increased provincial business and microenterprise productivity and market opportunities</p> <p>Activities:</p> <ul style="list-style-type: none"> <li>Provincial Enterprise Development Project</li> <li>More women productivity rights under the AOF project</li> <li>Improved policies under the PAE project</li> </ul>	<p>Output: Increased competition and investments resulting from elimination of importation and protectionism</p> <p>Activities:</p> <ul style="list-style-type: none"> <li>Policy and Administrative Reform project</li> <li>Policy dialogue associated with ESF balance of payments support and Title III negotiations</li> </ul>	<p>Output: Improved processing and marketing of agricultural products in target areas</p> <p>Activities:</p> <ul style="list-style-type: none"> <li>Fin Project</li> <li>Coffee Project</li> <li>Improved policies developed under the Policy and Administrative Reform Project</li> <li>Seed Multiplication Project</li> </ul>	<p>Output: Improved management and conservation of productive soil and water resources</p> <p>Activities:</p> <ul style="list-style-type: none"> <li>Fin Project</li> <li>Watershed Management Project</li> <li>Improved land tenure and property security under the Administration of Justice Project</li> </ul>	<p>Output: Increased production of higher value non-substantial crops in target areas for domestic and export markets</p> <p>Activities:</p> <ul style="list-style-type: none"> <li>PLUS Project</li> <li>Coffee Project</li> <li>Seed Multiplication Project</li> </ul>	



**PROGRAM FUNDING (in millions of dollars)**

Year	1993	1994	1995	1996	1997	1998	1999	2000
<b>Objective 1: Strengthen Governance and Responsiveness in Key Public Sector Institutions and Strengthen Private Organizations Participating in an Emerging Civic Society.</b>								
Development Assistance	0.7	5.7	5.8	5.0	4.0	3.5	3.0	3.0
Economic Support Funds	1.9	55.0	50.0	50.0	45.0	40.0	35.0	30.0
<b>Objective 1 Total</b>	<b>2.6</b>	<b>60.7</b>	<b>55.8</b>	<b>55.0</b>	<b>49.0</b>	<b>43.5</b>	<b>38.0</b>	<b>33.0</b>
<b>Objective 2: Broaden Private Sector Led Economic Growth</b>								
Development Assistance	5.1	6.2	2.5	3.0	4.0	4.5	5.0	5.0
Economic Support Funds	1.8	0	0	0	0	0	0	0
Title II Monetized	10.0	0	0	0	0	0	0	0
Title III	0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
<b>Objective 2 Total</b>	<b>16.9</b>	<b>26.2</b>	<b>22.5</b>	<b>23.0</b>	<b>24.0</b>	<b>24.5</b>	<b>25.0</b>	<b>25.0</b>
<b>Objective 3: Strengthen and Protect Human Resources</b>								
Development Assistance	21.7	28.1	36.7	37.0	37.0	37.0	37.0	37.0
Economic Support Funds	5.0	0	0	0	0	0	0	0
Title II (Regular and Emergency)	15.0	18.0	20.0	15.0	15.0	15.0	10.0	10.0
<b>Objective 3 Total</b>	<b>41.7</b>	<b>46.1</b>	<b>56.7</b>	<b>52.0</b>	<b>52.0</b>	<b>52.0</b>	<b>47.0</b>	<b>47.0</b>
<b>PROGRAM TOTAL</b>	<b>61.2</b>	<b>133.0</b>	<b>135.0</b>	<b>130.0</b>	<b>125.0</b>	<b>120.0</b>	<b>110.0</b>	<b>105.0</b>

# **USAID/HAITI**



## **ACTION PLAN**

**FY 1994 to FY 1995**

March 1993

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## **Foreword**

The USAID/Haiti Action Plan for FYs 1994-1995 was developed in accordance with special guidance provided by the LAC Bureau in a memorandum dated February 12, 1993. The guidance was based on the Mission's January 1993 Post-Resolution Strategy, a document that outlines a three-phase strategy consisting of the current USAID humanitarian assistance program and proposed, phased actions in the event of a political resolution in Haiti.

As requested, the Mission has included, under each strategic objective, a detailed discussion of how the Phase I programs might be modified to include the Haitian government's participation if political resolution occurs. For Phase II, the Action Plan provides details on the proposed programs and how these activities fit with the Mission's strategic vision. A definitive articulation of Phase III must await consultation with the new government, the World Bank and the IMF. This Action Plan nonetheless articulates the strategy which ties all three phases together and provides a fuller description of program options for Phase III. This Action Plan was developed in coordination with the Program Objectives Document (POD) for FYs 1995-2000, which is scheduled for AID/Washington review concurrently with the Action Plan.

LAC guidance stated that the Bureau is less interested in the Mission's attempt to provide precise performance and output indicators and more interested in the Mission's strategic thinking and priorities. Nonetheless, the Action Plan includes tables of indicators and program outputs to measure program performance for all three phases. These were developed with the assistance of two LAC Bureau representatives during a two-week TDY to Haiti in February 1993. It should be noted that the indicators and outputs for Phase III will require refinement when the program is adjusted following consultations with the new post-resolution government. For the same reason, many targets are not yet defined quantitatively.

The differences between the objective trees and tables included in the Action Plan and those developed for the POD are due to two factors: the different periods of time covered by each (FYs 1994-1995 for the Action Plan and FYs 1995-2000 for the POD), and the fact that the Action Plan only covers two years of the long-term (Phase III) program, or three to five years less than the period normally used to measure results at the strategic objective level.

## **Action Plan**

Successful transition to democracy has been the U.S. Government's highest policy objective in Haiti since before the end of the Duvalier dictatorship in 1986. The violently aborted elections in 1987 led to the suspension of USG assistance to the GOH and the provision of essential humanitarian assistance only through private voluntary organizations (PVOs) and non-governmental organizations (NGOs). During the eight months of the Aristide presidency beginning in February 1991, USAID began obligating significant bilateral programs, including ESF cash transfer, PL 480 Title III and government-to-government development projects.

In accordance with U.S. law<sup>1</sup> and policy, the A.I.D. program in Haiti was once again suspended in the wake of the September 30, 1991 military *coup d'état*. Under the "notwithstanding" provisions of Section 123(e) of the Foreign Assistance Act, ongoing programs implemented through PVOs were permitted to continue. Policy established early in the crisis limited activities to humanitarian assistance, defined as health and feeding programs, necessary immediately to save lives. Since June 1992, the definition of "humanitarian assistance" has been expanded to include a few carefully circumscribed activities in the areas of promotion of democratic concepts, basic education, training, agriculture, and microenterprise development.

The overall goal of the USAID/Haiti program remains to **advance the establishment of the necessary conditions for the majority of the Haitian people to improve the quality of their lives.** The post-coup strategy includes three phases, the timing of which is contingent upon settlement of Haiti's political crisis. This strategy is illustrated graphically in the chart on the next page:

Phase I is being implemented now.<sup>2</sup> It consists of PVO feeding and NGO health programs to alleviate suffering, a modest PVO-run agricultural and private sector program to mitigate economic deterioration and, within the heavy constraints of military rule, to reinforce the efforts of private organizations to foster democratic concepts leading to the restoration of democracy. The USAID/Haiti program operates under the authority of Section 562 of the Foreign Operations, Export Financing, and Related Appropriations Act of 1993. USAID intends to adhere to this model up to the point of political resolution, that is, the return of constitutional democracy.

Phase II of the strategy will be triggered by reestablishment of a constitutional, democratic Haitian Government recognized by the USG. The Phase II program includes most of the elements of Phase I, plus a one-year intensive

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<sup>1</sup> Section 513 of the Foreign Assistance Act.

<sup>2</sup> See USAID/Haiti's "June 1992 Strategy" paper, and the "Program Overview" briefing paper of December 1992.

program to enhance the viability and credibility of Haiti's restored democratic government. The Phase II, post-resolution phase, will require visibility and speed, and will be structured to increase jobs, incomes and hope. It will emphasize assistance within the democracy and justice sectors.

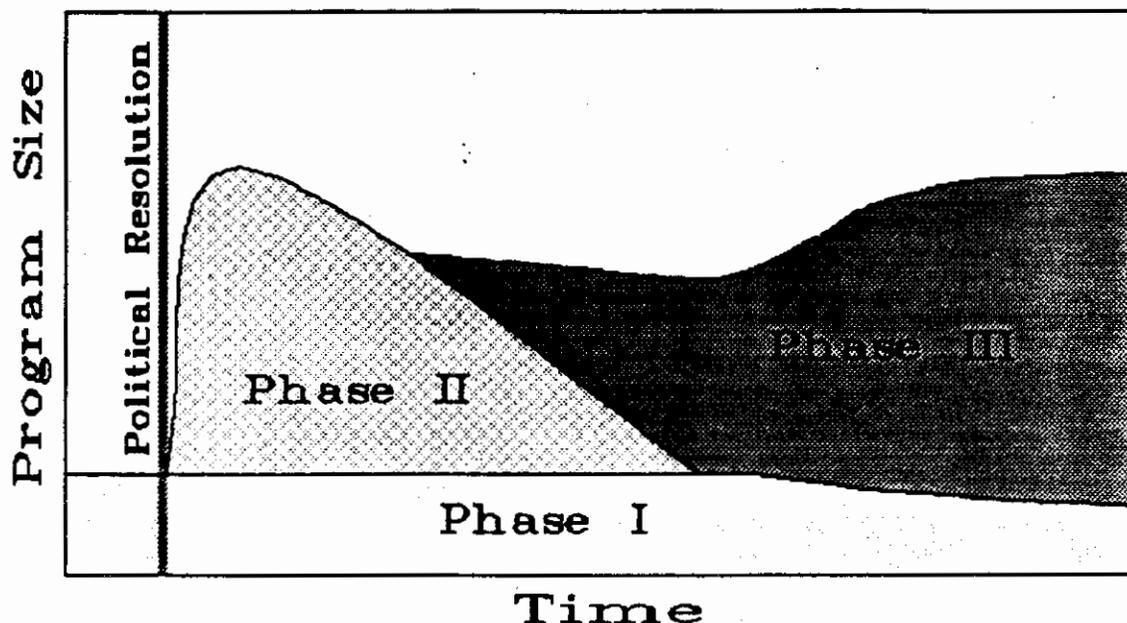
A detailed, quantified articulation of Phase III of the strategy, which builds on the base of the first two phases and will focus on

longer-term development, will require consultation with the eventual Haitian Government and must be harmonized with the programs of other donors, most importantly the World Bank and the IMF. A fuller description of this phase is contained in the FY 1995-2000 Program Objectives Document (POD), submitted concurrently with this Action Plan. While some shifts in emphasis may occur, the POD represents USAID's analysis of the main constraints to Haitian development and presents the broad outlines of a long-term program. It addresses three major development objectives:

- strengthening of public and private democratic institutions which reinforce the rule of law, foster respect for human rights and respond to popular needs,
- promotion of sustainable, private sector-led, equitable economic growth, and
- protection and development of human resources to lay a sound basis for enduring democracy and sustained economic growth.

It is essential to recognize the interrelationship and interdependence of these objectives: democracy cannot survive without notable improvement in the economy, living conditions, and education; the economy cannot grow in the absence of an environment of political stability, fairly applied rule of law, respect and protection of human rights and a healthy and educated work force; and there can be little improvement in the quality of Haitians' lives without democracy and economic growth.

## Program Evolution



- Phase I:** Current program to alleviate suffering and restore democracy.  
**Phase II:** Intensive program to ensure success of political resolution.  
**Phase III:** Long-term development program.

Although each phase of the strategy is distinct, there are common elements which vary in emphasis. Project activities in the area of democratic institutions will continue to be severely constrained in Phase I up to the point of democratic restoration; but the primary aim of the suspension of bilateral assistance and the embargo is to foster such a restoration. In Phase II, most elements of the program will be oriented toward ensuring the success of the political resolution and strengthen support for democracy and the rule of law, because failing the consolidation of that democratic regime, there will be no Phase III. Work in the democracy sector under Phase III will concentrate on longer term strengthening of democratic institutions.

Basic services for health, feeding, population, child survival, and education continue throughout the strategy, with relatively minor fluctuations in funding levels and emphasis. Phase II could add a number of high visibility elements, such as employment generation programs, to reinforce Haitian awareness of active U.S. support for the restoration of democracy. Under Phase III, USAID will give greater priority to longer-term sustainable measures to protect and develop human resources.

Similarly, USAID efforts in the economic sector under Phase I have been limited to maintaining small programs aimed at mitigating the declines in the conditions of farmers and microentrepreneurs and maintaining USAID's ability to work in this sector. Phase II would emphasize quick disbursing, high-visibility elements, including agreements with the Haitian Government for an ESF cash transfer and a PL 480 Title III (or monetized Title II) program. Given the longer term nature of economic development, Phase III would shift emphasis to activities likely to produce sustainable development impacts in key sectors. New longer-term project ideas, responsive to the country's development needs and consistent with GOH planning and agreements with the international financial institutions (IFIs), would be developed and funded.

## **Section I**

### **Strategic Objective Performance**

**Overview:** Of critical importance to the success of Haiti's reborn democracy will be the development of democratic values and institutions at all levels of society. USAID strategy for the post-resolution period will therefore support the evolution of institutions that respond to the needs of the people and contribute to political stability and renewed economic growth. If democracy is to be institutionalized and persist over time, Haiti must have a supportive economic environment that meets the expectations of the population for jobs and services. This, in turn, will require sound economic policies and effective and accountable government administration. The USAID program will: 1) help establish at all levels, government and private institutions that are effectively administered and accountable and respond to the needs of the Haitian people; 2) assist Haiti to undertake economic reforms that are necessary for private sector-led, equitable economic growth; and 3) help to improve the administration of justice and foster respect for human rights.

USAID's strategy for helping strengthen the role of the private sector is consistent with LAC Bureau objectives, i.e. 1) the adoption of, and continued adherence to, economic policies that promote trade and investment, 2) the expansion of productive employment opportunities, 3) export-led economic diversification, 4) a vigorous response by the private sector to a favorable policy environment, 5) accelerated opportunities for participation in income-

generating activities by segments of the population previously isolated from the economic system; 6) improved management and conservation of productive soil and water resources, and 7) increased small-farmer production of higher-value non-traditional crops for domestic and export markets.

Given Haiti's extreme poverty, there is a special concern for basic needs. Any strategy that seeks to sustain democracy and renew economic growth must address urgent requirements in child survival, health, population, food distribution and basic education programs. NGOs will continue to be the primary means of program delivery but greater emphasis will be put on cost recovery and sustainability. Where appropriate, the role of the GOH in these efforts will be strengthened. USAID project activities will seek to strengthen appropriate components of the GOH to do those things that can best be done by government (e.g., policy formulation, tax administration, legislation, administrative reform), while building further on the existing private service delivery base. Government service delivery capacity will be developed to work in partnership with PVOs, and to complement or fill in the areas not covered by current PVO capacity.

### ***Strategic Objective 1A: Strengthened Governance and Responsiveness in Key Public Sector Institutions***

**A. Background:** The primary objective of U.S. foreign policy in Haiti has long been the establishment of a stable democratic government which protects the basic rights of its people and provides a positive environment for economic development. Achievement of that objective, however, will require the reversal of a centuries-old tradition of corrupt government institutions that abuse the basic rights of Haitian citizens, extract the country's assets without regard to long-term consequences, and are accountable only to the individual strong men who have successively forced their way into power. For democracy to succeed in Haiti, legal, military and other government institutions must be made responsive to the needs of the Haitian people, who in turn must demand accountability for resources and performance.

Past USAID efforts to assist the Haitian government to meet this challenge have included: support for free elections and the strengthening of the Electoral Council; assistance to the Executive Branch for policy and administrative reform; and short-lived efforts to improve the administrative systems of both houses of the National Assembly; and strengthen municipal and local governments. Projects to improve the administration of justice in Haiti have never gotten beyond the planning stages because of GOH opposition under Jean-Claude Duvalier and the repeated political crises that have followed his removal in 1986.

Treatment of the democracy objective is slightly different in this Action Plan and in the FY 1995-2000 Program Objectives Document (POD). Because of the critical nature of democratic development during the two years covered by this Action Plan, the private and public facets of the strategy are presented as separate objectives to provide special emphasis. In the POD, they are combined.

**B. Strategic Objective Performance:** Following the September 1991 coup, the U.S. suspension of assistance brought all activities with Haitian government institutions to a halt, and the Mission has had no direct relations with the *de facto* government since that time. The coup itself is evidence of the precariousness of democratic government institutions in Haiti. The concept of democracy is poorly understood in the absence of democratic traditions. Changes promulgated in the 1987 constitution, including the separation of the police from the military,

and the decentralization of government, have yet to be implemented, and improved policy formulation and fiscal responsibility initiated during the Aristide government's brief tenure have been reversed.

**C. USAID Priorities and Strategy:** The freeze on U.S. assistance to the GOH will remain in effect until political resolution is achieved. Once democracy is restored and legal and policy sanctions are lifted, the Mission will enter Phase II of the post-resolution strategy. Under the Democracy Enhancement Project (DEP), previously interrupted activities with the legislative and executive branches, including the Permanent Electoral Council, and with municipal and local governments, will recommence to assist the new government with the democratic transition.

An additional key component will be activated: a new, six-year, \$18 million Administration of Justice Project aimed at assisting the GOH to establish a justice system responsive to the needs of an equitable, democratic society, reinforcing the rule of law. Public sector project activities will likely include technical assistance and training in court administration and management targeted at expediting case flow; training in human rights and technical skills for judicial personnel; rehabilitation of courts damaged during civil unrest and the provision of computers, basic office equipment and legal reference libraries. It is anticipated that this project will be complemented by a police training program, managed by ICITAP, and technical assistance and training activities on civil-military relations.

Also upon political resolution, the Policy and Administrative Reform (PAR) Project will be reactivated to assist the new government to strengthen its policy formulation capabilities and performance through sectoral and special studies (e.g. agriculture, land tenure, privatization of parastatal enterprises and government decentralization) and intensive training for public sector managers in such areas as economic planning, financial management and financial accountability. Technical assistance under PAR could also be provided to help the GOH to develop a stand-by program with the International Monetary Fund.

Starting in 1994, the new Development Training and Technical Assistance Project (DTTA), will provide long-term and short-term training, in the U.S. and in Haiti, and technical assistance to public and private sector managers, thereby facilitating future coordination and professional collaboration on issues of concern to both sectors.

The importance of the planned intense focus on these democratic initiatives immediately following political resolution cannot be over-emphasized. Experience elsewhere and Haiti's recent foiled attempt at democracy argue that the window of opportunity for the new government will be exceedingly small. In order to survive, the democratic administration will have to quickly establish its credibility and gain acceptance, however guarded, from both the public and powerful interest groups in Haiti. Strong, visible external support will be needed. The new government, in turn, must show good faith by undertaking action to meet the people's legitimate demands for change. This process will require fundamental political consensus-building. At all levels of society, Haitians must feel confident that the law will protect them from arbitrary treatment, that the government will protect citizens' rights and legitimate interests, and provide them, to the extent possible, with the services and regulatory framework that lie within its responsibility. Only then will Haitians be willing to take the economic risks necessary to create the jobs and income necessary to the future of their country.

Assuming that Phase II is concluded successfully, the three long-term projects dedicated to improving and strengthening key public sector institutions --Democracy Enhancement, Administration of Justice, and Policy and Administrative Reform-- will move from start-up, short-term emergency activities into activities with longer-term horizons. These institutional development efforts will be bolstered by the DTTA project, which will include a pilot

activity designed to stimulate reversal of the country's brain drain by attracting expatriate Haitians back to the country to share their expertise and experience in a functioning democracy with private and public sector institutions.

Table 1 identifies the indicators and program outputs for this strategic objective for Phases II and III only. There are no Phase I indicators for this objective due to the suspension of U.S. Government assistance following the coup. Because program outputs in this sector are at best highly tentative, USAID has cast its net widely. Indicators should be taken as illustrative, to be narrowed and refined as Haiti's future becomes clearer. An Objective Tree with program outputs for FYs 1995 - 2000 is provided in the Program Objectives Document companion volume.

**HAITI: PHASES II AND III**  
**Table 1: Strategic Objective Performance**

<b>STRATEGIC OBJECTIVE NO. 1A: Strengthened Governance and Responsiveness in Key Public Sector Institutions.</b>				
<b>Indicator 1: Increased justice sector resources as % of national budget.</b>				
Unit: % of national budget		Year	Planned	Actual
Source: AOJ project reports	Baseline	1994	TBD	
Comments: Precise indicators and targets for the long-term Phase III program will be developed during design of the AOJ project.	Phase III	1995	TBD	
	Phase III	1996	TBD	
<b>Indicator 2: Increased number of public defenders.</b>				
Unit: No. of public defenders		Year	Planned	Actual
Source: AOJ project reports, GOH reports	Baseline	1994	TBD	
Comments: Precise indicators and targets for the long-term Phase III program will be developed during design of the AOJ project.	Phase III	1995	TBD	
	Phase III	1996	TBD	
<b>Indicator 3: Increased locally-derived resources as % of GDP.</b>				
Unit: % of GDP		Year	Planned	Actual
Source: Central Bank, Ministry of Finance reports	Baseline	1994	TBD	
Comments: Performance targets to be established under the long-term Phase III program.	Phase III	1995	TBD	
	Phase III	1996	TBD	

<b>STRATEGIC OBJECTIVE NO. 1A: Strengthened Governance and Responsiveness in Key Sector Institutions.</b>				
<b>PROGRAM OUTPUT NO. 1.A.1: Effective judicial system reinforcing the rule of law.</b>				
<b>Indicator No. 1: Judicial personnel selected competitively.</b>				
Unit: Cumulative number of positions filled competitively		Year	Planned	Actual
Source: MOJ and Court reports, AOJ project reports	Baseline	1994	TBD	
Comments: Precise indicators and targets for the long-term Phase III program will be developed during design of the AOJ project.	Phase III	1995	TBD	
	Phase III	1996	TBD	
<b>Indicator No. 2: Availability of legal codes and implementing regulations.</b>				
Unit: No. of judicial districts with legal library		Year	Planned	Actual
Source: AOJ project reports	Baseline	1994	TBD	
Comments: Precise indicators and targets for the long-term Phase III program will be developed during design of the AOJ project.	Phase III	1995	TBD	
	Phase III	1996	TBD	
<b>PROGRAM OUTPUT NO. 1.A.2: Priority economic and institutional policies addressed.</b>				
<b>Indicator 1: Priority studies completed.</b>				
Unit: Cumulative no. of studies		Year	Planned	Actual
Source: PAR project reports	Baseline	1994	2	
Comments: Performance targets are illustrative and will be refined under the long-term Phase III program.	Phase III	1995	5	
	Phase III	1996	8	
<b>Indicator 2: Policy training provided.</b>				
Unit: Person/days of training in financial management and accountability or economic planning		Year	Planned	Actual
Source: PAR project reports	Baseline	1994	TBD	
Comments: Performance targets to be established under long-term Phase III program.	Phase III	1995	TBD	
	Phase III	1996	TBD	

<b>Phases II and III</b>	
<b>Bureau Objective:</b> Support the evolution of stable, participatory democratic societies.	
<b>Bureau Sub-objective:</b> Encourage the strengthening of competent, civilian government institutions that will merit public confidence, diminish the concentration of political power and foster public participation.	
<b>STRATEGIC OBJECTIVE NO. 1A:</b> Strengthened Governance and Responsiveness in Key Public Sector Institutions.	
<b>PROGRAM OUTPUT NO. 1.A.1:</b> Effective judicial system reinforcing the rule of law.	<b>PROGRAM OUTPUT NO. 1.A.2:</b> Priority economic and institutional policies addressed.
Projects	Projects
521-0238 Administration of Justice	521-0222 Policy and Administrative Reform
512-0236 Democracy Enhancement	521-0247 Development Training and Technical Assistance

**Strategic Objective No. 1B: Strengthened Private Organizations Participating in an Emerging Civil Society**

**A. Background:** The participation of strong, effective private democratic institutions will be equally important to the restoration and consolidation of a democratic society in Haiti. Free elections are only the first step to representative government. Any democracy is only as responsive as its citizens are demanding, as effective as its citizens are competent, and as durable as its citizens are vigilant. Without the presence of strong interest groups to monitor performance, hold the government and its institutions up for public scrutiny and demand that the government fulfill its mandated responsibilities, there is little hope of achieving public sector accountability, adherence to the rule of law, fairness or efficiency. Unfortunately, Haiti's traumatic history and contemporary culture have ill prepared its citizenry for these rights and responsibilities, and its government has frequently resorted to violence and intimidation to prevent Haitians from exercising them.

Given the country's long history of general instability, violently repressive governments, and corruption, it is no surprise that there are few civic institutions in Haiti, nor that those that exist are weak. Nonetheless, there are exceptions and the USAID has worked to support and strengthen such organizations for many years. Since 1986, the U.S. Government has provided a substantial amount of assistance to strengthen pluralistic non-governmental organizations (NGOs) that promote democratic values and decision-making essential to a functioning democracy. These include human rights organizations, civic interest groups, democratic labor unions, free media associations, and an independent *pro bono* lawyers' association. In late June 1991, following Haiti's return to democracy, USAID initiated a major project in this area that has both private and public sector components: the Democracy Enhancement Project (DEP). After the coup, four of the five project components were suspended, leaving only the civil society component operational.

**B. Strategic Objective Performance:** Since the September 1991 coup, private citizens and non-governmental organizations have been hampered or prevented by the *de facto* government, sometimes violently, from exercising universally-recognized human rights or democratic participation. According to the U.S. Department of State's "1992 Country Human Rights Report for Haiti", Haitians suffered frequent human rights abuses throughout 1992, including extrajudicial killings by security forces, disappearances, beatings and other mistreatment of detainees and prisoners, arbitrary arrest and detention, and executive interference with the judicial process. Civil liberties, such as freedom of speech and freedom of the press, were often abridged by violence and intimidation, particularly in the immediate aftermath of the coup. Two journalists were killed following the coup, one disappeared and many others were arrested or otherwise intimidated. A number of journalists have left the country.

Freedom of assembly and association were also severely restricted through violent interventions by the military. Some community organizers, even of non-political organizations, were arrested and sometimes beaten, harassed or intimidated into fleeing their own communities. Most civic education, community health, and literacy organizations were prevented from operating normally. While reports of the forced dispersal of peaceful assemblies declined in late 1992, this was apparently more from civilian reluctance to try to congregate than from any lessening of the army's determination to prevent civil unrest. There is also widespread repression and violence by the military authorities against trade union activities. Many union leaders have closed their offices and gone into hiding. Union groups, as well as all other citizen groups or assemblies, may only meet with the express written permission of the military.

During this pre-resolution period (Phase I), the DEP continues to work with Haitian NGOs having potential roles in the democracy field, to the extent that such collaboration does not pose a serious threat to those involved. To promote public understanding in the areas of human rights, governance and justice, small grants have been provided for publication in Creole of a human rights calendar, a widely-distributed pamphlet on local government administration and a booklet on the structure and procedures of the Haitian judicial system. A human rights/justice monitoring program is just getting started. In the area of labor, AIFLD is providing support to keep the four democratic labor confederations functioning, also under the DEP. Additional support is planned under DEP for promotion of human rights protection and activities in civic education, among others.

These efforts are further supported by paralegal training and a pilot, decentralized legal services program, both of which build on the success of USAID-funded efforts. Of 87 paralegals trained under a pilot, PD&S-funded activity, 86 continue to provide legal assistance in rural areas, despite the current political situation. In addition, the public response to the first rural legal aid office established under the DEP has been remarkable: the center and its three satellite offices saw 1,600 clients in the first two and one-half months of their existence.

The non-governmental component of the new Administration of Justice (AOJ) Project, planned for initiation as early as FY 1993, will bolster these efforts through development of a legal aid system, public information campaigns and materials as well as limited equipment and other commodities to assist NGOs involved in the justice/human rights sector.

The CLASP II scholarship program continues to provide short-term and long-term training opportunities in the U.S. for Haitian journalists, health professionals and microentrepreneurs. Community development and democratic decision-making are supported by the Special Development Activities (SDA) Project.

**C. USAID Priorities and Strategy:** Aside from these modest efforts, little else can be done through AID mechanisms at the moment to make a significant difference in this area. As soon as political resolution is achieved, however, and Phase II begins, the programs in human rights, paralegal training and legal services, labor development and civic education will be greatly expanded. The other DEP components will be reactivated, including assistance to political parties.

AOJ activities will also intensify following political resolution, and will include initiation of a pilot effort to provide a regular forum for dialogue between private and public sector institutions on judicial reform and related issues. The Development Training and Technical Assistance Project, beginning in 1994, will be available as a source to further strengthen the NGOs' capacity and train their personnel. The Incentives to Improve Basic Education project and, in 1995, the planned follow-on project, Educating for Development and Democracy (EDD), will focus on educating Haitians in the basic life skills, including civic awareness and participation, needed to support and participate in the democratic and economic transition.

There are two sets of Tables 1 and 2 for this strategic objective. The first set covers Phase I and provides indicators and outputs for the limited activities currently being carried out under the humanitarian assistance program. The second set of tables establishes more ambitious indicators and outputs to be used to measure performance during the one-year transitional period and the beginning of the long-term program. Again, these are for the most part tentative. An Objective Tree with program outputs for FYs 1995 - 2000 is included in the Program Objectives Document companion volume.

**INTERIM OBJECTIVE PERFORMANCE**

<b>OBJECTIVE: Promote Restoration of Constitutional Democracy.</b>				
<b>PROGRAM OUTPUT NO. 1: Expanded effort by civic organizations to promote restoration of democracy.</b>				
Indicator 1: Increased NGO participation.		Year	Planned	Actual
Unit: No. of NGOs receiving DEP grants.	Baseline	1992	1	1
Source: DEP project reports	Phase I	1993	4	
<b>PROGRAM OUTPUT NO. 2: Labor confederations maintained in operation.</b>				
Indicator: Labor confederations supported.				
Unit: No. of confederations		Year	Planned	Actual
Comments:	Baseline	1992	4	4
	Phase I	1993	4	

**TABLE 2: INTERIM OBJECTIVE PROGRAM TREE**

<b>PHASE I</b>	
<b>MISSION OBJECTIVE: Promote Restoration of Constitutional Democracy.</b>	
<b>PROGRAM OUTPUT NO. 1</b> Expanded effort by civic organizations to promote restoration of democracy.	<b>PROGRAM OUTPUT NO. 2</b> Labor confederations maintained in operation.
Projects	Projects
521-0236, Democracy Enhancement	521-0236, Democracy Enhancement

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**Table 1: Strategic Objective Performance  
Phases II and III**

<b>STRATEGIC OBJECTIVE NO. 1B Strengthened Private Organizations Participating in an Emerging Civil Society.</b>				
<b>Indicator 1: Increased NGO capacity to report human rights violations.</b>				
<b>Unit: Cumulative no. of NGOs with offices in rural areas</b>		<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Source: DEP project reports, independent media reports</b>	<b>Baseline</b>	1992	1	1
<b>Comments:</b>	<b>Phase I</b>	1993	2	
	<b>Phase II</b>	1994	2	
	<b>Phase III</b>	1995	TBD	
	<b>Phase III</b>	1996	TBD	
<b>Indicator 2: Civic-interest NGOs with adequate organizational and financial management capability.</b>				
<b>Unit: Cumulative no. of civic-interest NGOs registered with AID</b>		<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Source: AID/FHA reports</b>	<b>Baseline</b>	1993	0	
<b>Comments:</b>	<b>Phase II</b>	1994	1	
	<b>Phase III</b>	1995	3	
	<b>Phase III</b>	1996	5	
<b>STRATEGIC OBJECTIVE NO. 1B: Strengthened Private Organizations Participating in an Emerging Civil Society.</b>				
<b>Program Output No. 1.B.1: Broadened access to private legal representation in civil cases.</b>				
<b>Indicator 1: Increased availability of paralegal professionals</b>		<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Unit: No. of certified paralegals</b>	<b>Baseline</b>	1993	TBD	
<b>Source: Ministry of Justice, DEP project reports</b>	<b>Phase II</b>	1994	TBD	
<b>Comments: 86 paralegals were certified under USAID's Development of Civil Society Project (521-0000.5).</b>	<b>Phase III</b>	1995	TBD	
	<b>Phase III</b>	1996	TBD	
<b>Indicator No. 2: Establishment of legal aid system beyond the capital.</b>				
<b>Unit: No. of legal aid offices nationwide</b>		<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Source: DEP project reports</b>	<b>Baseline</b>	1992	0	0
<b>Comments: *Pilot activity established office in the Department of the West. The target is to open offices in each of the remaining 8 geographic departments.</b>	<b>Phase I</b>	1993	1	
	<b>Phase II</b>	1994	6	
	<b>Phase III</b>	1995	9	

<b>PROGRAM OUTPUT NO. 1.B.2: Increased civic participation and citizen awareness of responsibilities.</b>				
<b>Indicator 1: Increased number of civic-interest NGOs.</b>		<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Unit: No. of legally-recognized civic-interest NGOs</b>	<b>Baseline</b>	1993	TBD	
<b>Source: Ministry of Plan</b>	<b>Phase II</b>	1994	TBD	
<b>Comments:</b>	<b>Phase III</b>	1995	TBD	
	<b>Phase III</b>	1996	TBD	
<b>Indicator No. 2: Increased membership in legally-recognized NGOs</b>		<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Unit: No. of members</b>	<b>Baseline</b>	1993	TBD	
<b>Source: NGO reports, DEP project reports</b>	<b>Phase II</b>	1994	TBD	
<b>Comments:</b>	<b>Phase III</b>	1995	TBD	
	<b>Phase III</b>	1996	TBD	

**TABLE 2: STRATEGIC OBJECTIVE PROGRAM TREE**

<b>Phases II and III</b>	
<b>Bureau Objective:</b> Support the evolution of stable, participatory democratic societies.	
<b>Bureau Sub-objective:</b> Encourage pluralism, tolerance of opposing views, and support for democratic values on the part of non-governmental bodies, including news media, community organizations, labor unions and business organizations.	
<b>STRATEGIC OBJECTIVE NO. 1B:</b> Strengthened private organizations participating in an emerging civil society.	
<b>PROGRAM OUTPUT NO. 1.B.1:</b> Broadened access to private legal representation in civil cases.	<b>PROGRAM OUTCOME NO. 1.B.2:</b> Increased civic participation and awareness of responsibilities.
<b>Projects</b>	<b>Projects</b>
521-0236 Democracy Enhancement	521-0236 Democracy Enhancement
521-0238 Administration of Justice	521-0190 Incentives to Improve Education
521-0247 Development Training and TA	521-0227 CLASP II
	521-0247 Development Training and TA
	521-0249 Educating for Development and Democracy
	521-0062 Special Development Activities

***Strategic Objective No. 2: Sustainable Private Sector-led Economic Growth***

**A. Background:** The pursuit of political and social stability in Haiti must be accompanied by expanded job opportunities, improvements to physical infrastructure and an improved investment climate, failing which neither will be sustainable. Haiti's bleak history of absolute poverty, unmatched in the Western Hemisphere, renders the achievement of long-term economic growth difficult. Renewed, vigorous efforts will be required to overcome the disastrous economic effects of inappropriate policies, fiscal mismanagement, repeated political crises, and environmental degradation.

The promotion of sustainable private-sector-led economic growth has long been a pillar of USAID's program in Haiti. While seeking to contribute to the reenforcement of already productive sectors of the Haitian economy, the USAID strategy has also attempted to identify and develop needed and/or promising areas of economic activity. In the 1980s, USAID supported the establishment of successful, self-sustaining financial institutions specializing in private long-term financing; housing and construction financing; and small-to-intermediate size lending. As a result, over 20,000 jobs were created by the lending programs of these financial institutions, which have continued to operate profitably despite the depressed post-coup economic environment. Other USAID-assisted institutions that are now self-sustaining were created to provide marketing services and skills training, and technical assistance was also provided to assist manufacturing and agribusiness industries, especially in the area of exports.

As a result of the September 1991 coup, all USAID activities under this objective were suspended. Even when the "notwithstanding" provisions of Section 123(e) of the Foreign Assistance Act were invoked to permit ongoing programs implemented through PVOs to continue, U.S. government policy established early in the crisis restricted activities to humanitarian assistance, defined as health and feeding programs necessary to save lives. This definition was broadened in June 1992 to allow carefully circumscribed activities intended to alleviate suffering and promote the restoration of democracy in Haiti. Consequently, six USAID projects, designed to mitigate the effects of economic deterioration, were approved for reactivation in the second half of 1992. These projects seek to help preserve the Pic Macaya watershed, vital to one of Haiti's most productive agricultural regions; introduce environmentally sustainable agricultural land uses; sustain rural incomes generated by coffee and other perennials; improve the production and distribution of seed; and help support small-scale businesses and community development, primarily in the provinces.

If Haiti is to be put back on the road to sustainable economic growth in the aftermath of the political crisis and economic contraction of the last eighteen months, USAID's private sector programs must simultaneously contribute to the transformation and modernization of the industrial and service sectors and to the sustained growth of productivity and output in its agricultural sector, which still employs two-thirds of the Haitian labor force and produces thirty-five percent of its GDP.

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**B. Strategic Objective Performance:** Due to the political situation and resultant economic crisis, performance under this objective has been very poor. Haiti has experienced twelve years of negative per capita economic growth. In FY 1992, for example, GDP per capita is estimated to have plunged by ten percent. Unemployment has worsened. USAID estimates that some 100,000 jobs have been lost since the coup. The export assembly sector alone has lost eighty percent of its pre-coup labor force. Central government mismanagement has seriously eroded Haiti's financial position, leading to inflation of 30 to 35 percent and a sharp decline in the value of the gourde, down almost 40 percent in 1992 vis-a-vis the U.S. dollar.

In Phase I, USAID's priorities are modest: keep small businesses going, save jobs, maintain the incomes of small farmers, and promote environmentally sound agricultural production, thereby mitigating the effects of economic deterioration and preventing, to some extent, additional environmental degradation. The six recently reactivated projects are providing a lifeline to Haitians who are extremely vulnerable to the post-coup economic dislocations. At the same time, through the provision of credit and the introduction of appropriate, sustainable agricultural technology, USAID is laying the beginning of a foundation for future business expansion and increased growth in agricultural production once economic conditions improve.

**C. USAID Priorities and Strategy:** In Phase II, in an economic environment no longer shackled by sanctions, the USAID Provincial Enterprise Development Project (PED) will intensify its provision of credit to small-to-medium entrepreneurs, especially in the provinces. With its new Les Cayes branch now fully operational, the Haitian Development Foundation (HDF) has already begun studies toward the eventual selection of a fourth branch office — the first two having been Port-au-Prince and Cap-Haitien. Political resolution will permit the reactivation of the Promotion of Business and Exports Project (PROBE), which will focus on the identification of sector targets, the development of proper policy incentives to investment, and the reestablishment of an institutional framework for public sector-private sector dialogue and cooperation. (Note: Some revision to the PROBE project will probably be necessary to make it compatible with Section 599 of the Foreign Assistance Act of 1961, as amended, and with post-resolution realities.

New ESF cash transfers for balance of payments support can be used to help pay off GOH IFI arrears, strengthen the gourde, build private sector confidence and facilitate the completion of an agreement with the IMF. A new PL 480 Title III program can provide additional balance of payments support and help stabilize prices of food staples. Local currency generations will be used for economic development activities that complement and strengthen implementation of the Mission's strategy, including logistical support for the Title II feeding program and development of indigenous NGOs, and support food security, health and environmentally-related programs of voluntary agencies, USAID and other donors.

Simultaneously, rapid, high-visibility employment generation activities can be initiated, funded by local currency generations used in conjunction with PL 480 Title II Food for Work programs, to build public support and confidence and rehabilitate economically productive infrastructure, which has badly deteriorated. Possible activities include: road and bridge rehabilitation; irrigation and drainage rehabilitation and expansion; clearance of drainage canals; and soil and water conservation structures. Agricultural production will be stimulated, both directly (Coffee Revitalization, Seed Multiplication Projects) and indirectly (Productive Land Use Systems, Targeted Watershed Management Projects) through the conservation and replenishment of the natural resource base, generating new productive employment in the sector.

The reactivated Policy and Administrative Reform Project (PAR) will address needs across the entire program during this post-resolution period. PAR will be available to the GOH for the reform of its administrative structures and the analyses and development of its macroeconomic and sectoral policy options. The transformation of the GOH apparatus (e.g., revenue mobilization, customs operations, regulatory agencies, basic services such as telephone and electricity now badly provided by parastatals) is a necessary condition of long-term economic growth.

Starting in 1994, the Development Training and Technical Assistance project will be available to provide both short-term and long-term training in areas particularly beneficial to the development of a modern business sector; and to

identify and help recruit skilled and experienced Haitian expatriates whose education, training and professional experiences will contribute to a more qualified talent pool for industry and government.

Only after the foundations have been laid during the period immediately following political resolution will USAID be able to target the longer-term, permanent objective of sustainable private sector-led economic growth. In Phase III, the pursuit of the strategic objective will focus on two program outputs: 1) sustainable growth in industrial and service sectors; and 2) sustainable growth in agricultural production. Phase II projects will be much the same as those of the prior, intermediate period, but will again be adjusted to concentrate on activities that directly deepen credit availability, increase private investment, break down administrative and policy constraints to business development, generate exports, and foster sound, sustained utilization of the natural resource base.

PED will become more active in the financial sector, as its Trust Fund re-financing mechanism is used to inject more credit into the Haitian economy. PROBE will shift emphasis from promoting dialogue between the private and public sectors to providing technical assistance on the operational, technical and marketing levels. The Coffee and Seed Multiplication projects will continue their focus on market-driven approaches to increase agricultural production and agricultural exports. The expansion of production and farmer income attributable to these projects, when coupled with PLUS and TWM's more immediate impact on the natural resources base, will, it is hoped, initiate a cycle of sustainable environment activity, and contribute to long-term agricultural growth and economic well-being. On the public sector side, PAR will be available as a tool to implement identified reforms necessary to business development: e.g., port services, workmen's compensation, Agriculture Ministry service delivery.

Three sets of Tables 1 and 2 follow, with different indicators and outputs for each phase under this strategic objective. USAID is somewhat more confident of these indicators than those in the democracy sector, because of its greater experience in these areas. An Objective Tree with indicators and program outputs for FYs 1995 - 2000 is included in the Program Objectives Document companion volume.

**Interim Objective Performance**

<b>PHASE I OBJECTIVE: Economic deterioration mitigated</b>				
<b>Indicator: Number of jobs created with AID assistance</b>				
Unit: Number		Year	Planned	Actual
Source: Periodic reports of Haitian Development Foundation, CMP, SOFIHDES, Coffee Project	Baseline	1991	---	1358
Comments: This indicator will be tracked at objective level in Phases I and II; it becomes a Program Output indicator in Phase III.	Phase I	1992	---	217
	Phase I	1993	TBD	
<b>PHASE I OBJECTIVE : Economic deterioration mitigated</b>				
<b>PROGRAM OUTPUT NO. 1: Increased agricultural production in target areas</b>				
<b>Indicator: Metric tons of corn equivalent produced in AID target areas</b>				
Unit: Number		Year	Planned	Actual

Source: AID monitoring unit, confirmed by data from FAO and GOH Ministry of Agriculture.	Baseline Phase I	1993	—	
Comment: This indicator tracks the direct effects of AID interventions on agricultural production in target watersheds during Phases I and II, and is broadened to track production nationwide in Phase III. It is a universally accepted indicator of agricultural production which converts the caloric content of total production of a combination of food crops (including corn, sorghum, beans, plantain, sweet potato, and cassava) to the caloric equivalent of corn. As reporting is based on the agricultural year (March-February), baseline data for 1993 will be available in May 1994. Critical assumption: favorable weather conditions.	Phase II	1994	TBD	
	Phase III	1995	TBD	
	Target	1996	TBD	
<b>PHASE I OBJECTIVE:</b> Economic deterioration mitigated				
<b>PROGRAM OUTPUT NO. 2:</b> Increased access to credit for small businesses outside the capital				
<b>Indicator:</b> Establishment of support institution branch offices nationwide				
Unit: Number of branch offices				
Source: Haitian Development Foundation reports		Year	Planned	Actual
Comment: All indicators for businesses include agribusinesses.	Baseline	1992	2	3
	Phase I	1993	TBD	

**TABLE 2: STRATEGIC OBJECTIVE PROGRAM TREE**

<b>USG/MISSION GOAL:</b> Alleviate human suffering	
<b>PHASE I OBJECTIVE:</b> Economic Deterioration Mitigated	
<b>PROGRAM OUTPUT NO. 1:</b> Increased agricultural production in target areas	<b>PROGRAM OUTPUT NO. 2:</b> Increased access to credit for small businesses outside the capital.
Projects	Projects
521-0217 Productive Land Use Systems (PLUS)	521-0223 Provincial Enterprise Development (PED)
521-0216 Coffee Revitalization Project	521-0216 Coffee Revitalization Project
521-0245 Seed Multiplication and Distribution Project	

**Table 1: Phase II Objective Performance**

<b>OBJECTIVE : Increased productive employment</b>				
<b>Indicator: Number of long-term jobs created</b>				
<b>Unit: Number</b>		<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Source: Periodic reports of Haitian Development Foundation, CMP, SOFIHDES, Coffee Project</b>	<b>Baseline</b>	1991	—	
<b>Comments: Indicator is tracked through Phases I - III.</b>	<b>Phase I</b>	1992	TBD	
	<b>Phase I</b>	1993	TBD	
	<b>Phase II</b>	1994	TBD	
	<b>Phase III</b>	1995	TBD	
	<b>Target</b>	1996	TBD	
<b>Indicator: Number of temporary jobs created in infrastructure and soil and water conservation activities</b>				
<b>Unit: Number</b>		<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Source: Reports of UNICORS and other implementing entities</b>	<b>Phase II</b>	1994	TBD	
<b>Comments: Formal private sector employment is used as a proxy for total employment.</b>				

<b>PHASE II OBJECTIVE: Increased productive employment</b>				
<b>PROGRAM OUTPUT NO. 1: Increased agricultural production in target areas</b>				
<b>Indicator: Metric tons of corn equivalent produced in AID target areas</b>				
Unit: Number		Year	Planned	Actual
Source: AID monitoring unit, confirmed by data from FAO and GOH Ministry of Agriculture	Baseline Phase I	1993	—	
Comment: This indicator tracks the direct effects of AID interventions on agricultural production in target watersheds during Phases I and II, and is broadened to track production nationwide in Phase III. It is a universally accepted indicator of agricultural production which converts the caloric content of total production of a combination of food crops (including corn, sorghum, beans, plantain, sweet potato, and cassava) to the caloric equivalent of corn. As reporting is based on the agricultural year (March-February), baseline data for 1993 will be available in May 1994. Critical assumption: favorable weather conditions.	Phase II	1994	TBD	
	Phase III	1995	TBD	
	Target	1996	TBD	
<b>PHASE II OBJECTIVE : Increased productive employment</b>				
<b>PROGRAM OUTPUT NO. 2: Industrial and service sectors expanded in target areas</b>				
<b>Indicator: Number of new businesses created with A.I.D. assistance</b>				
Unit: Number		Year	Planned	Actual
Source: Periodic reports of Haitian Development Foundation, CMP, SOFIHDES, Coffee Project	Baseline Phase I	1993	TBD	
Comment:	Phase II	1994	TBD	
	Phase III	1995	TBD	
	Target	1996	TBD	
<b>Indicator: Number of businesses expanded with A.I.D. assistance</b>				
Unit: Number		Year	Planned	Actual
Source: Periodic reports of Haitian Development Foundation, CMP, SOFIHDES, Coffee Project	Baseline Phase I	1993	TBD	
Comment:	Phase II	1994	TBD	
	Phase III	1995	TBD	
	Target	1996	TBD	

**TABLE 2: STRATEGIC OBJECTIVE PROGRAM TREE**

<b>Bureau Objective:</b> Support the achievement of broadly based, sustainable economic growth	
<b>PHASE II OBJECTIVE:</b> Increased productive employment	
<b>PROGRAM OUTPUT NO. 1:</b> Increased agricultural production in target areas	<b>PROGRAM OUTPUT NO. 2:</b> Industrial and service sectors expanded in target areas
<b>Projects</b>	<b>Projects</b>
521-0217 Productive Land Use Systems (PLUS)	521-0186 Promotion of Business and Exports (PROBE)
521-0216 Coffee Revitalization Project	521-0223 Provincial Enterprise Development (PED)
521-0191 Targeted Watershed Management	521-0222 Policy and Administrative Reform (PAR)
521-0222 Policy and Administrative Reform (PAR)	
521-0245 Seed Multiplication and Distribution Project	

**Table 1: Strategic Objective Performance Phase III**

<b>STRATEGIC OBJECTIVE NO. 2: Sustainable private sector-led economic growth</b>				
<b>Indicator:</b> Per capita GDP				
<b>Unit:</b> Percentage change		<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Source:</b> IMF/World Bank reports; Central Bank; Ministry of Finance	Baseline	1991	---	-4.0
<b>Comments:</b> Progress in strategic objective indicators is not expected in Phase I and II. Critical assumption for progress in these indicators in Phase III is existence of a stable government.	Phase I	1992	---	-10.0
	Phase I	1993	---	
	Phase II	1994	TBD	
	Phase III	1995	TBD	
	Target	1996	TBD	

-

Indicator: Formal private sector employment				
Unit: Number of jobs in thousands		Year	Planned	Actual
Source: Industry and professional associations; GOH internal revenue service (DGI); government pension system (ONA); Ministry of Labor	Baseline	1991	---	189
Comments: 1) Formal private sector employment is used as a proxy for total employment. 2) USAID's primary contribution in FYs 1994 and 1995 will be to promote a positive investment climate through policy dialogue and the Policy and Administrative Reform (PAR) project	Phase I	1992	---	89
	Phase I	1993	TBD	
	Phase II	1994	TBD	
	Phase III	1995	TBD	
	Target	1996	TBD	
Indicator: Selected high-value non-traditional and niche exports				
Unit: US\$		Year	Planned	Actual
Source: U.S. Department of Commerce; IMF economic reports; Ministry of Finance; Central Bank	Baseline	1991	(Embar-go)	
Comment: 1) Baseline data is distorted by the embargo. 2) USAID's primary contribution during FYs 1994 and 1995 will be to promote a positive investment climate through policy dialogue and the Policy and Administrative Reform (PAR) project. The Coffee Revitalization and Seed Multiplication projects will take longer to have significant impact at the S.O. level.	Phase I	1992	(Embar-go)	
	Phase I	1993	TBD	
	Phase II	1994	TBD	
	Phase III	1995	TBD	
	Target	1996	TBD	
Indicator: Private investment in target areas				
Unit: US\$		Year	Planned	Actual
Source: Reports from HDF, SOFIHDES, Commercial banks; Central Bank	Baseline	1991	---	TBD
Comments:	Phase I	1992	---	TBD
	Phase I	1993	TBD	
	Phase II	1994	TBD	
	Phase III	1995	TBD	
	Target	1996	TBD	:

<b>STRATEGIC OBJECTIVE NO. 2: Sustainable private sector-led economic growth</b>				
<b>PROGRAM OUTPUT NO. 1: Sustainable growth in agricultural production in target areas</b>				
<b>Indicator: Metric tons of corn equivalent produced</b>				
Unit: Number		Year	Planned	Actual
Source: AID monitoring unit, FAO and Ministry of Agriculture	Baseline Phase I	1993	—	
Comment: This is a universally accepted indicator of agricultural production which converts the caloric content of total production of a combination of food crops (including corn, sorghum, beans, plantain, sweet potato, and cassava) to the caloric equivalent of corn. As reporting is based on the agricultural year (March-February), baseline data for 1993 will be available in May 1994. Critical assumption: favorable weather conditions.	Phase II	1994	TBD	
	Phase III	1995	TBD	
	Target	1996	TBD	
<b>Indicator: Number of users of environmentally sustainable agricultural practices in areas targeted by AID</b>				
Unit: Number		Year	Planned	Actual
Source: Quarterly reports from project grantees PADF, CARE, SECID, IICA, UNICORS.	Baseline Phase I	1993	—	
Comment: This indicator is intended to gauge the sustainability of increases in agricultural production. Monitoring systems are currently being developed for the activities supporting this program output; baseline data will be available for 1993.	Phase II	1994	TBD	
	Phase III	1995	TBD	
	Target	1996	TBD	
<b>Indicator: Number of hectares under environmentally sustainable agricultural practices with AID assistance</b>				
Unit: Number		Year	Planned	Actual
Source: Quarterly reports from project grantees PADF, CARE, SECID, IICA, UNICORS.	Baseline Phase I	1993	TBD	
Comment: Monitoring systems are currently being developed for the activities supporting this program output; baseline data will be available for 1993.	Phase II	1994	TBD	
	Phase III	1995	TBD	
	Target	1996	TBD	

<b>STRATEGIC OBJECTIVE NO. 2: Sustainable private sector-led economic growth</b>				
<b>PROGRAM OUTPUT NO. 2: Sustainable growth in industrial and service sectors</b>				
<b>Indicator: Number of new businesses created in target areas</b>				
Unit: Number				
Source: Haitian Development Foundation; industry associations; baseline from special study to be performed in spring or summer 1993		Year	Planned	Actual
Comment:	Baseline Phase I	1993	TBD	
	Phase II	1994	TBD	
	Phase III	1995	TBD	
	Target	1996	TBD	
<b>Indicator: Number of new businesses created with A.I.D. assistance</b>				
Unit: Number				
Source: Periodic reports of Haitian Development Foundation, CMP, SOFIHDES, Coffee Project		Year	Planned	Actual
Comment:	Baseline Phase I	1993	TBD	
	Phase II	1994	TBD	
	Phase III	1995	TBD	
	Target	1996	TBD	
<b>Indicator: Number of businesses expanded with A.I.D. assistance</b>				
Unit: Number				
Source: Periodic reports of Haitian Development Foundation, CMP, SOFIHDES, Coffee Project		Year	Planned	Actual
Comment:	Baseline Phase I	1993	TBD	
	Phase II	1994	TBD	
	Phase III	1995	TBD	
	Target	1996	TBD	
<b>Indicator: Number of jobs created with A.I.D. assistance</b>				
Unit: Number				
Source: Periodic reports of Haitian Development Foundation, CMP, SOFIHDES, Coffee Project		Year	Planned	Actual
Comment:	Baseline Phase I	1993	TBD	
	Phase II	1994	TBD	
	Phase III	1995	TBD	
	Target	1996	TBD	

**TABLE 2: STRATEGIC OBJECTIVE PROGRAM TREE**

<b>Phase III</b>	
<b>Bureau Objective:</b> Support the achievement of broadly based, sustainable economic growth	
<b>STRATEGIC OBJECTIVE NO. 2:</b> Sustainable Private Sector-Led Economic Growth	
<b>PROGRAM OUTPUT NO. 1:</b> Sustainable growth in agricultural production	<b>PROGRAM OUTPUT NO. 2:</b> Sustainable growth in industrial and service sectors
<b>Projects</b>	<b>Projects</b>
521-0217 Productive Land Use Systems (PLUS)	521-0186 Promotion of Business and Exports (PROBE)
521-0216 Coffee Revitalization Project	521-0223 Provincial Enterprise Development (PED)
521-0191 Targeted Watershed Management	521-0222 Policy and Administrative Reform (PAR)
521-0222 Policy and Administrative Reform (PAR)	
521-0186 Promotion of Business and Exports (PROBE)	
521-0245 Seed Multiplication and Distribution Project	

***Strategic Objective No. 3: Protect and Strengthen the Human Resource Base***

**A. Background:** Protecting and strengthening Haiti's human resource base has been identified as a special concern. Because Haiti falls so far below other LAC countries in its social and economic development, a basic needs program has long been a fundamental component of the USAID/Haiti portfolio, and meeting essential humanitarian needs is basic to any successful development strategy in Haiti.

Protecting and strengthening the human resource base consists of three essential components: a social safety net which includes food security; health care, including family planning; and human resource development through education and training. The synergistic nature of these elements is important to Haiti's development and the impact of the overall program. If children are hungry and unhealthy, they cannot learn. If men and women do not have access to family planning, food security will decrease, environmental degradation will increase and the quantitative demand for education and training will increase. A healthy, food-secure, educated population is the foundation upon which a stable democracy and economic growth depend. All three elements need to be addressed in order to protect and develop Haiti's human resource base.

Both before and after resolution of the political crisis, increased food security will be essential to the protection and development of Haiti's human resource base. Because Haiti has long been the poorest and most food insecure country in the Western Hemisphere, USAID has managed a food aid program for almost four decades. Haiti ranks as the eleventh most food insecure out of 79 countries worldwide for which data have been compiled. The economic dislocations of the *coup d'état* have contributed greatly to a further deterioration of this already tenuous position.

The statistics are no better in the area of health and family planning,. Haiti's infant mortality rate is 101 per 1000 live births. The contraceptive prevalence rate is less than nine percent. The annual rate of population growth is 1.9 percent; however, the rate of natural increase, i.e, births minus deaths, is approximately 2.9 percent per year. To combat this myriad of problems, USAID has been supporting major health programs in Haiti for many years. Preventive health care services are currently targeted at pregnant and lactating women and children under five years of age. At present, approximately 1.9 million people are receiving family planning and health care services in the form of contraceptive services, immunizations, and oral rehydration therapy.

Limited resources are being provided for awareness and prevention of drug abuse. Resources are also being used to strengthen health sector PVO delivery systems, information and management systems, and cost recovery mechanisms in order to increase their effectiveness, efficiency, and sustainability.

The literacy rate in Haiti is among the lowest in the Western Hemisphere—only 35 percent of the population can read and write. The educational system is weak and inefficient. Although there was an increase in primary school enrollments in the 1960s, the quality of education and training in Haiti remains poor. A failure of the GOH to commit the necessary resources to correct the situation, inadequate learning materials and serious nutritional deficiencies all play a major role in undermining student achievement.

Because approximately 70 percent of Haitian children attend private schools, USAID assistance has focused on private primary schools. The Mission's Incentives to Improve Basic Education (IIBE) project works with the private education sector in Haiti to stimulate and support improvement in educational quality and efficiency in rural and disadvantaged urban areas. In addition, the Mission supports two training programs, CLASP II and Presidential Training Initiatives for the Island Caribbean (PTIIC), which provide long and short-term training to individuals in leadership positions and the economically disadvantaged.

Over the last eighteen months this USAID humanitarian assistance program, operating solely through PVOs, has grown to reach approximately two million people, almost one-third of Haiti's population. Upon political resolution, the program can be expanded to target a larger beneficiary group and work with public sector institutions where appropriate.

**B. Strategic Objective Performance:** Immediately following the September 30 coup, USAID formed a Monitoring Unit to collect and develop data needed to inform Mission staff and other donors on the status of several social and economic indicators in Haiti. USAID wanted to compile a series of data over time that were consistently collected and could contribute to the establishment of baseline levels from which to judge future variations. There is little doubt that the monthly reports contributed to the minimization of incorrect information about the plight of the poor during the aftermath of the coup and during the subsequent embargo. The monitoring system has also

served as a useful guide for donors, both to identify worsening trends needing attention and to demonstrate program successes. Embassies, multi- and bilateral donors, relief agencies and commercial enterprises read the report in Haiti and abroad. The Mission is planning a more comprehensive Food Security Assessment activity that will strengthen the monitoring data and help the feeding program reach the most needy quickly and efficiently.

USAID data show that since the coup, the availability of, and normal access to, food (including economic access) in Haiti have been disrupted. Nonetheless, the USAID feeding program, combined with a bountiful harvest in late 1992, has succeeded in averting a potential famine in the drought-stricken Northwest and helped to alleviate hunger nationwide. Under USAID's direction, the Title II feeding program has increased from a pre-coup level of 380,000 beneficiaries to almost 600,000 in 1992 and is currently serving approximately 500,000 beneficiaries, who receive one meal per day.

The success of a small feeding program (20,000 beneficiaries) in the Artibonite Department illustrates Title II's real impact on beneficiaries. During a monitoring visit to two health centers in Gonaives in February 1992, the USAID team noted clear physical evidence that severe malnutrition had decreased since November 1991, when the USAID emergency feeding program began. Later statistical reports showed that the proportion of beneficiaries falling within the normal category had increased at both centers by almost nine percent over the November 1991 figure.

On a national level, the 18-month political crisis and economic downturn have continued to take a heavy toll on the quality of life for most Haitians; however, the March 1993 USAID/Haiti Monitoring Report indicates that moderate and severe malnutrition in preschool children have not undergone significant increases. Because the feeding program has reached almost nine percent of the total population, USAID concludes that the Title II program, aided by plentiful harvests in late 1992, has made a significant contribution to stemming malnutrition in the most critical areas of Haiti.

In the health and family planning sector, USAID performance, in combination with that of other donors, was also positive, despite serious constraints. All public health services collapsed following the coup, eliminating essential health services such as vaccinations, and services vital to GOH/donor collaboration, including logistics and supply. A cold chain that had been established to protect vaccinations and medicine, was rendered inoperative in December 1992 when a GOH cold room broke down—it has not been repaired. USAID and other donors have succeeded in establishing an alternate cold chain and made great strides in improving the availability of essential drugs and medical supplies.

Though official statistics are somewhat dated, a comparison between GOH statistics and USAID project statistics is revealing. In areas targeted by USAID, the ORT utilization rate is 38.2 percent, compared with a nationwide rate of 14.4 percent. Almost as dramatic is the difference in vaccination coverage, with USAID areas registering vaccination coverage two to three times the nationwide average. The contraceptive prevalence rate is also higher (13.9 percent in USAID areas versus 8.8 percent nationwide).

Amazingly, despite the constraints of the political situation and economic crisis, USAID efforts have produced a real success in the area of AIDS prevention. Sales of a socially-marketed condom, introduced under the AIDS Control project just before the September 1991 coup, have increased from 40,000 per month to 400,000 plus condoms per month—for an annual total of about five million condoms. Since USAID also donates six million condoms per year

under the Private Sector Family Planning project, this means condom availability nationwide almost doubled, through private sector sales, in less than two years. Because the marketing campaigns are targeted at the HIV-high-risk population, and based on the common-sense theory that a condom sold is a condom used, USAID concludes that this project is making a significant contribution to AIDS prevention in Haiti.

**C. USAID Priorities and Strategy:** A target level of 645,000 beneficiaries was approved for the FY 1993 PL 480 Title II program. USAID and the cooperating sponsors are attempting to increase this beyond 700,000, the current planning level for FYs 1994 and 1995. USAID is not only concerned about reaching more people, but is also working with the PVOs to better target their programs to reach the most vulnerable population. A significant portion of new beneficiaries will be children aged five and under, pregnant and lactating mothers, the elderly and the chronically ill. The school feeding program will be maintained at current beneficiary levels until economic conditions improve.

The PL 480 Title II program will continue to support USAID's development objectives, particularly in Phases II and III, in the areas of child survival and education. Also planned in the post-resolution phase under the \$20 million, three-year Enhancing Food Security (EFS) Project is a productive infrastructure component that will increase the income of poor Haitians by providing temporary employment on medium-scale productive civil works projects, thereby increasing their purchasing power to meet nutritional requirements. More importantly, it will provide productive infrastructure that will improve the quality of life over the longer term. The EFS project will also provide management and cost support to the PVO cooperating sponsors during the FY 1994-95 period. Over the life of the project, in addition to the primary objective of providing one meal per day or equivalent rations, the cooperating sponsors will also strive to: a) establish emergency reserves and develop plans to assure access to food by vulnerable groups in times of emergency; b) implement cost-effective management systems to reduce the cost per beneficiary; and c) develop a food security information system which will provide early warning signs of nutritional risk in specific areas. The \$10 million Title II monetization program, still on hold, could be a supplementary resource that would offset requirements for DA resources in reaching these objectives.

Also following political resolution, health care, including AIDS control and family planning services, will be expanded to serve as many as 2.5 million people. Technical assistance, training, and commodities will be provided to the public sector to strengthen synergistic PVO/public sector elements of MOH operations.

The public sector component of the IIBE project will be reactivated in Phase II, while the project will continue to provide teacher training, textbook and other school support and improved curricula to a large network of private primary schools. An important addition during this phase will be a specially designed civic education curriculum. CLASP II training opportunities will also be made available to the public sector following political resolution, as will assistance under the Development Training and Technical Assistance project, designed to accelerate the rate at which educated and skilled Haitians become available to lead the democratic and economic restructuring of their country.

The Integrated Family Health project, proposed for FY 1995, will assist in developing a privatized national logistics and supply system for vaccines, essential drugs and contraceptives. In addition, policy dialogue to decentralize MOH cost recovery at the communal level and the implementation of fee for service schedules at all MOH institutions will be developed to increase the sustainability of health services.

The IIBE project will end in late FY 1994. The follow-on Educating for Development and Democracy project will build on the IIBE's success in improving primary school students' academic performance and promotion rate, while reducing the rate of school abandonment.

Strategic Objective indicators and program outputs for all three phases follow. Only one set of Table 1 was required because the programs do not change a great deal at any phase. However, there are two versions of Table 2: one for Phase I and another for Phases II and III. USAID's confidence level is relatively high in projecting indicator performance in this strategic area. Most programs are operating with much greater continuity, and the inherent nature of the project activities makes them more amenable to straightforward quantification. An Objective Tree with indicators and program outputs for FYs 1995 - 2000 is included in the Program Objectives Document companion volume.

**Table 1: Strategic Objective Performance**  
Phases I, II and III

<b>STRATEGIC OBJECTIVE NO. 3: Protect and Strengthen the Human Resource Base</b>				
<b>Indicator 1: Number of people being fed by USAID Voluntary Agencies</b>				
Unit: Number of beneficiaries		Year	Planned	Actual
Source: Project reports	Baseline	1991	427,000	380,000
Comments: This indicator is a proxy for the general nutrition of the Haitian population because data on caloric intake and malnutrition are difficult to collect.	Phase I	1992	620,000	590,000
	Phase I	1993	645,000	
	Phase II	1994	700,000	
	Phase III	1995	700,000	
	Phase III	1996	500,000	
<b>Indicator 2: Improvement in quality and efficiency of primary education</b>				
Unit: % promoted from primary to secondary school in 3 years		Year	Planned	Actual
Source: IIBE and EDD Project Reports, MOE Reports	Baseline		---	TBD
Comments: Performance targets to be established under Phase III long-term program.	Phase I	1992	---	
	Phase I	1993	---	
	Phase II	1994	---	
	Phase III	1995	TBD	
	Phase III	1996	TBD	
<b>Indicator 3: Infant Mortality Rate</b>				
Unit: Number per 1000		Year	Planned	Actual
Source: Project Reports and DHS Survey data	Baseline	1988	N/A	101
Comments: A DHS national survey was conducted in 1988 and will be repeated in 1993. The DHS will be conducted every five years and the results will be correlated with USAID project reporting data to determine the annual infant mortality rate.	Phase I	1993	100	
	Phase II	1994	98	
	Phase III	1995	96	
	Phase III	1996	94	

<b>PROGRAM OUTPUT NO. 3.1: Maintain and Increase the Utilization of Preventive Health Services</b>				
<b>Indicator 1: Children aged 12-23 months immunized for measles in target areas</b>				
Unit: Percentage of children immunized for measles		Year	Planned	Actual
Source: Annual USAID Health/Pop Prog. Impact Survey	Baseline	1992	---	47.6%
Comments: The USAID Health/Pop Program Impact Survey will be contracted by USAID on a yearly basis and the sample universe consists of all health and population programs funded by USAID. Assumes that vaccines and immunizations are available at local institutions and gas is readily available.	Phase I	1993	47.6%	
	Phase II	1994	50%	
	Phase III	1995	60%	
	Phase III	1996	65%	
<b>Indicator 2: Percentage of women in target areas using oral rehydration therapy (ORT) to treat diarrhea in children 0-5 years of age</b>				
Unit: Percentage of women using ORT		Year	Planned	Actual
Source: Annual USAID Health/Pop Program Impact Survey	Baseline	1992	---	38.2%
Comments: The USAID Health/Pop Program Impact Survey will be contracted by USAID on a yearly basis and the sample universe consists of all health and population programs funded by USAID. Assumes that ORT is available in local retail markets.	Phase I	1993	38.2%	
	Phase II	1994	40%	
	Phase III	1995	45%	
	Phase III	1996	50%	
<b>Indicator 3: AIDS social marketing condoms sold</b>				
Unit: Number of condoms sold in millions		Year	Planned	Actual
Source: Annual AIDS Control project reports	Baseline	1991	N/A	0.2
Comments: Assumes that a condom sold is a condom used and that less people will be vulnerable to spreading AIDS as condom sales increase. *FY 93 sales have been running at 400,000/month.	Phase I	1992	0.7	1.1
	Phase I	1993	2.2*	
	Phase II	1994	2.5	
	Phase III	1995	3.0	
	Phase III	1996	4.0	

<b>Indicator 4: Population treated for drug abuse by APAAC</b>				
Unit: Number of drug abusers treated by APAAC		Year	Planned	Actual
Source: Data from the Association for the Prevention of Alcoholism and Other Chemical Dependencies (APAAC)	Baseline	1992	---	76
Comments: The Awareness and Prevention of Drug Abuse project disseminates information on drug abuse prevention through APAAC. USAID assumes that more people will be treated as APAAC's services improve and anti-drug messages are effective.	Phase I	1993	76	
	Phase II	1994	110	
	Phase III	1995	150	
	Phase III	1996	200	
<b>Indicator 5: Children served by VACS sub-grantees who receive two capsules of Vitamin A per year</b>				
Unit: Percent of children receiving two capsules of Vit. A/year		Year	Planned	Actual
Source: Program reports issued from service statistics gathered at the institutional level.	Baseline	1992	N/A	36.1%
	Phase I	1993	36.1%	
	Phase II	1994	40%	
	Phase III	1995	50%	
	Phase III	1996	60%	

<b>STRATEGIC OBJECTIVE NO. 3: Protect and Strengthen the Human Resource Base</b>				
<b>PROGRAM OUTPUT NO. 3.2: Maintain and increase the current contraceptive prevalence rate in target areas.</b>				
<b>Indicator 1: Contraceptive prevalence rate in target areas</b>				
Unit: Percentage of the population using contraception		Year	Planned	Actual
Source: Annual USAID Health/Pop Program Impact Survey	Baseline	1989	N/A	10.5%
Comments: The USAID Health/Pop Program Impact Survey will be contracted by USAID on a yearly basis and the sample universe consists of all health and population programs funded by USAID.	Phase I	1992	13.9%	
	Phase I	1993	13.9%	
	Phase II	1994	15%	
	Phase III	1995	18%	
	Phase III	1996	20%	

<b>STRATEGIC OBJECTIVE NO. 3: Protect and Strengthen the Human Resource Base</b>				
<b>PROGRAM OUTPUT NO. 3.4: Improve access to education and training</b>				
<b>Indicator 1: Academic performance at target schools</b>				
<b>Unit: Average CEP test score</b>		<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Source: IIBE and EDD project reports</b>	<b>Baseline</b>	1989	—	8.7
<b>Comments: The CEP is the national certificate for completion of primary school. The pass score is 10.</b>	<b>Phase I</b>	1993	TBD	
	<b>Phase II</b>	1994	TBD	
	<b>Phase III</b>	1995	TBD	
	<b>Phase III</b>	1996	TBD	
<b>Indicator 2: Target school abandonment/grade repetition before grade 4</b>				
<b>Unit: Percentage of target population abandoning/repeating</b>		<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Source: IIBE and EDD project reports</b>	<b>Baseline</b>	1989	---	12/21
<b>Comments:</b>	<b>Phase I</b>	1993	TBD	
	<b>Phase II</b>	1994	TBD	
	<b>Phase III</b>	1995	TBD	
	<b>Phase III</b>	1996	TBD	

**TABLE 2: STRATEGIC OBJECTIVE PROGRAM TREE**

<b>PHASE I</b>		
<b>USG/MISSION GOAL: Alleviate Human Suffering</b>		
<b>STRATEGIC OBJECTIVE NO. 3: Protect the Human Resource Base</b>		
<b>PROGRAM OUTPUT 3.1: Maintain the Utilization of Preventive Health Services</b>	<b>PROGRAM OUTPUT 3.2: Maintain the Current Contraceptive Prevalence Rate.</b>	<b>PROGRAM OUTPUT 3.3: Improve Short-term Food Security.</b>
<b>Projects</b>	<b>Projects</b>	<b>Projects</b>
521-0206 Voluntary Agencies for Child Survival	521-0189 Private Sector Family Planning	PL 480 PVO Direct Feeding (Title II Emergency & Regular)
521-0218 Expanded Urban Health Services		PL 480 Title II Monetization)
521-0221 Awareness & Prevention of Drug Abuse		521-0241 Enhancing Food Security
521-0224 AIDS Control		
<b>Regional &amp; Central Projects</b>	<b>Regional &amp; Central Projects</b>	<b>Regional &amp; Central Projects</b>
936-5970 Tech. Advis. in AIDS & Child Survival	DPE-3030C00901900 INOPAL - Population Counsel	938-0704 Institutional Support Grants
936-5974 Health Financing and Sustainability	936-3054 Inter. Pop. Fellows Program	938-0238 Ocean Freight Reim.
936-5982 REACH II *	936-3052 Pop. Comm. Services	938-0801, Plan. Assist. Grant (IL)
936-5972 Cent. for Disease Cont	936-3061 Init. Nat. Fam. Plan.	938-0802, Section 202 (e) Grants
936-5116 VITAL	936-3035 Futures Group Options	
HSH1314 AHSA/Holy Cross Hos		
938-0158 Save the Children		
938-0500 ADRA *		
598-0786 Accel. Immunization II		
938-0500 In. Child Care	938-0500 Save the Children *	=
HSH-1419 ASHA/Hosp. of Light	938-0500 World Vision	
LAC-0657 Cholera Prep.	936-5966 MotherCare *	
938-0500 Plan Inter.	VOCA Farmer to Farmer Prog.	

\* These five activities will be subsumed under a centrally funded buy-in, BASICS (R&D/Health), by the end of this fiscal year.

**TABLE 2: STRATEGIC OBJECTIVE PROGRAM TREE**

PHASES II & III			
Bureau Objective: Special Concern - Quality of Life			
Strategic Objective No. 3: Protect and Strengthen the Human Resource Base			
PROGRAM OUTPUT 3.1: Increase Preventive Health Services.	PROGRAM OUTPUT 3.2: Increase Contraceptive Prevalence.	PROGRAM OUTPUT 3.3: Improve Short-term Food Security.	PROGRAM OUTPUT 3.4: Improve Access to Education & Trg.
521-0206 Vol. Agencies for Child Survival	521-0189 Private Sector Family Planning	PL 480 PVO Direct Feeding (Title II Emergency & Regular)	521-0190 Improve Incentives to Basic Education
521-0218 Expanded Urban Health	521-0248 Integrated Family Health	PL 480 Title II Monetization	521-0249 Educating for Dev. & Democracy
521-0221 Awareness and Prev. of Drug Abuse		521-0241 Enhancing Food Security	521-0227 CLASP II
521-0224 AIDS Control			521-0247 Dev Trg &TA
521-0248 Integrated Family Health			
Reg. & Cen. Projects	Reg. & Cen. Projects	Reg. & Cen. Projects	Reg. & Cen. Projects
936-5970 Tech. Advis. in AIDS & CS	DPE-3030C00901900 INOPAL - Pop. Counsel	938-0704 Institutional Support Grants	965-5823 Improved Efficiency of Education
936-5974 Health Finan. and Sustainability	936-3054 Inter. Pop. Fellows Prog.	938-0238 Ocean Freight Reim.	
BASICS	936-3052 Population Comm. Services	938-0801, Planning Assist. Grant (IL)	
936-5972.08 Centers for Disease Cont.	936-3061 Initiatives in Natural Family Planning	938-0802, Section 202 (e) Grants	
936-5116 VITAL	936-3035 Futures Group		
938-0158 Save Child.			
598-0786 Accelerated Immunization II			
938-0500 In. Child Care	938-0500 Plan Inter.		
ASHA/Hospital of Light	938-0500 World Vision		
LAC-0657 Cholera Prep.	VOCA: Farmer to Farmer		

Projects By Objective and Phase

STRATEGIC OBJECTIVE	PHASE I	PHASE II	PHASE III
<p>1A. Strengthen Governance and Responsiveness in Key Public Sector Institutions</p>	<p>_____</p>	<ul style="list-style-type: none"> <li>• Admin. of Justice</li> <li>• Policy &amp; Admin. Ref.</li> <li>• Democ. Enhancement (Leg, Elec., Loc. Govt)</li> <li>• CLASP II</li> <li>• Dev. Training and TA</li> </ul>	<ul style="list-style-type: none"> <li>• Admin. of Justice</li> <li>• Policy &amp; Admin. Ref.</li> <li>• Democ. Enhancement</li> <li>• CLASP II</li> <li>• Dev. Training &amp; TA</li> </ul>
<p>1B. Strengthen Private Organizations Participating in an Emerging Civil Society</p>	<ul style="list-style-type: none"> <li>• Democ. Enhancement (Civil Society only)</li> <li>• Admin. of Justice</li> <li>• Special Dev. Activ.</li> <li>• I.I. Basic -Education</li> <li>• CLASP II</li> </ul>	<ul style="list-style-type: none"> <li>• Democ. Enhancement (Political Parties)</li> <li>• Admin. of Justice</li> <li>• Special Dev. Activ.</li> <li>• I.I. Basic Education</li> <li>• CLASP II</li> <li>• Dev. Training and TA</li> </ul>	<ul style="list-style-type: none"> <li>• Democ. Enhancement</li> <li>• Admin. of Justice</li> <li>• Special Dev. Activ.</li> <li>• Educ. for Dem. &amp; Dev.</li> <li>• CLASP II</li> <li>• Dev. Training &amp; TA</li> </ul>
<p>2. Support Sustainable Private Sector Led Economic Growth</p>	<ul style="list-style-type: none"> <li>• Prod. Land Use Sys.</li> <li>• Coffee Revitalization</li> <li>• Targt. Watershed Mgt.</li> <li>• Prov. Enterprise Dev.</li> <li>• Seed Multiplication</li> <li>• Tech. Con. &amp; Train.</li> <li>• Special Dev. Activ.</li> <li>• CLASP II</li> </ul>	<ul style="list-style-type: none"> <li>• Prod. Land Use Sys.</li> <li>• Coffee Revitalization</li> <li>• Targt. Watershed Mgt.</li> <li>• Prov. Enterprise Dev.</li> <li>• Seed Multiplication</li> <li>• Spec. Dev. Activities</li> <li>• Prom. of Bus. &amp; Exp.</li> <li>• Policy &amp; Admin Ref.</li> <li>• PL 480 Title III</li> <li>• ESF</li> <li>• CLASP II</li> <li>• Dev. Training and TA</li> </ul>	<ul style="list-style-type: none"> <li>• Prod. Land Use Sys.</li> <li>• Coffee Revitalization</li> <li>• Prov. Enterprise Dev.</li> <li>• Seed Multiplication</li> <li>• Spec. Dev. Activities</li> <li>• Prom. of Bus. &amp; Exp.</li> <li>• Policy &amp; Admin Ref.</li> <li>• PL 480 Title III</li> <li>• ESF</li> <li>• Educ. for Dem. &amp; Dev.</li> <li>• CLASP II</li> <li>• Dev. Training &amp; TA</li> </ul>
<p>3. Protect and Develop the Human Resource Base</p>	<ul style="list-style-type: none"> <li>• Vol. Ag. for Ch. Surv</li> <li>• Exp. Urb. Health Serv</li> <li>• Aware. &amp; Prev. Drug</li> <li>• AIDS Control</li> <li>• Priv. Sec. Fam. Plan.</li> <li>• PL 480 Title II</li> <li>• Title II Monetization</li> <li>• Enhan. Food Security</li> <li>• I.I. Basic Education</li> <li>• CLASP II</li> <li>• PTIIC</li> </ul>	<ul style="list-style-type: none"> <li>• Vol. Ag. for Ch. Surv</li> <li>• Exp. Urb. Health Serv</li> <li>• Aware. &amp; Prev. Drug</li> <li>• AIDS Control</li> <li>• Priv. Sec. Fam. Plan.</li> <li>• PL 480 Title II</li> <li>• Title II Monetization</li> <li>• Enhan. Food Security</li> <li>• I.I. Basic Education</li> <li>• CLASP II</li> <li>• PTIIC</li> <li>• Dev. Training and TA</li> </ul>	<ul style="list-style-type: none"> <li>• Integrat. Fam. Health</li> <li>• Exp. Urb. Health Serv</li> <li>• Aware. &amp; Prev. Drug</li> <li>• AIDS Control</li> <li>• PL 480 Title II</li> <li>• Enhan. Food Security</li> <li>• Educ. for Dem. &amp; Dev.</li> <li>• CLASP II</li> <li>• Dev. Training &amp; TA</li> </ul>
<p>NUMBER OF PROJECTS</p>	<p>18</p>	<p>20</p>	<p>17</p>

## **Section II Portfolio Analysis**

**A. New Initiatives:** USAID/Haiti plans one new start (Administration of Justice, 521-0238) and one project amendment (Expanded Urban Health, 521-0218) in FY 1993. The NPD for the Administration of Justice Project was submitted out of cycle and reviewed and approved by AID/Washington on March 12, 1993. One new start (Development Training and Technical Assistance, 521-0247) and one project amendment (Awareness and Prevention of Drug Abuse, 521-0221) are planned for FY 1994. Two new starts (Integrated Family Health, 521-0248 and Educating for Development and Democracy, 521-0249) are planned for FY 1995.

The Administration of Justice project will support Strategic Objectives IA and 1B: "Strengthen Governance and Responsiveness in Key Public Sector Institutions" and "Strengthen Private Institutions Participating in an Emerging Civil Society." The amended Expanded Urban Health Services project will support Strategic Objective 3: "Protect and Develop the Human Resource Base", as will the amended Awareness and Prevention of Drug Abuse project, the Educating for Development and Democracy and the Integrated Family Health projects. The new Development Training and Technical Assistance project will support all the Mission's Strategic Objectives, including S.O. 2: "Sustained Private Sector-Led Economic Growth".

**B. Central and Regional Projects:** The Mission completed an analysis of the centrally and regionally funded projects active in Haiti as part of its last SAR submission. As reported in the SAR, these activities were distributed among the following three categories:

- 1) Supports strategic objectives and can be managed by the Mission - 39 projects.
- 2) Supports strategic objectives but is not structured for Mission control - 3 projects.
- 3) Does not support strategic objectives - no projects.

A total of 42 centrally and regionally funded projects are ongoing or planned for FY 1992 - 1993. Most of these AID/Washington-funded activities also receive Mission funds under individual projects and directly support the bilateral program. The Mission anticipates a decrease in the number of centrally and regionally funded activities in FY 1994 - FY 1995. No centrally and regionally funded ongoing activities in FY 1992 - 1993 were outside of the Mission's strategic objectives nor does the Mission anticipate any new centrally funded activities in this category for FY 1994 - FY 1995.

Table 3: USAID/Haiti PORTFOLIO -- Project Timeline

Project Number/Title - 521-	FY92				FY93				FY94				FY95				FY96				FY97							
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4				
0062 Special Development Activities																												
0167 Technical Consultants & Training								X																				
0186 Promotion of Business & Exports																												
0189 Private Sector Family Planning **																												
0190 Inc. to Improve Basic Education																												
0191 Targeted Watershed Management																												
0206 Voluntary Agencies for CS **																												
0216 Coffee Revitalization																												
0217 Productive Land Use Systems																												
0218 Expanded Urban Health Services																												
0221 Awar. & Prevention of Drug Abuse																												
0222 Policy & Administrative Reform																												
0223 Provincial Enterprise Dev.																												
0224 AIDS Control																												
0227 CLASP II																												
0236 Democracy Enhancement																												
0241 Enhancing Food Security																												
0245 Seed Multiplication & Distribution																												
0640 PTIIC																												
0238 Administration of Justice																												
0247 Development Training & TA																												
0248 Integrated Family Health																												
0249 Educating for Dev. and Democracy																												
<b>TOTAL PROJECTS (number)</b> (at end of FY 4th Quarter)				18*				17				15				10				6				6				6
PACDs				0				1				5				7				4				4				0

\*This comprises 13 active projects for FY 92.

\*\* Official PACDs will be extended one year beyond planned LOP as a contingency only.

Legend: \_\_\_\_\_ Suspension Period.

The following are USAID's descriptions of proposed new project starts and amendments.

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**PROJECT AMENDMENT**

**LAC BUREAU OBJECTIVE AND SUB-OBJECTIVE:** Achievement of Broad-based,  
Sustainable Economic Growth

**MISSION STRATEGIC OBJECTIVE:** Protect and Develop the Human Resource Base  
**PROJECT ACTIVITY TITLE:** Expanded Urban Health Services  
**PROJECT NUMBER:** 521-0218  
**FISCAL YEARS:** FY 1989 - 96 (Two-year Extension)  
**LOP FUNDING:** \$18,500,000 (\$7,700,000 Increase)  
**TYPE OF FUNDING:** DA, ESF

**A. CONSISTENCY WITH MISSION STRATEGY:** The goal of the project is to improve the health status of residents of economically depressed urban and peri-urban areas of Haiti. A preliminary indicator would be the infant mortality rate.

The purpose of the project is to provide slum dwellers in urban and peri-urban areas with access to an effective primary health care system. Preliminary indicators would include: the percentage of children immunized for measles; the number of women using ORT to treat diarrhea for children 0-5 years of age; and the number of children receiving two capsules of Vitamin A per year.

**B. RELATIONSHIPS TO AID AND OTHER DONOR ACTIVITIES:** The Expanded Urban Health Services project is implemented by one of the largest indigenous PVOs in Haiti, the Centers for Development and Health (CDS). Two other USAID projects, the Private Sector Family Planning project and the AIDS Prevention and Control project also provide resources to CDS. CDS receives nearly 40 percent of program operating costs from user fees and other donors, including WHO/PAHO, UNICEF, Plan International, IDB, Macy Foundation, and the Governments of France, Canada, and Japan.

**C. RELATIONSHIPS OF PROJECT TO OVERALL AID POLICY OBJECTIVES:** The Expanded Urban Health project provides high quality, affordable health services to the urban poor. USAID has financed preventive services offered by CDS, and other donors have supported capital investments to strengthen curative care components of the program. CDS has made major strides to develop a sustainable PVO child survival program, and now recovers nearly 20 percent of operating costs from user fees. The percentage share of USAID support to the CDS health program has decreased from 100 percent in 1984 to 62 percent in 1993, while the program has doubled in size. The EUHS project is the cornerstone of the USAID

health program, and has provided services to over a half million of Haiti's poorest people throughout the political crisis. With a return to constitutional democracy, the CDS health program will be at the forefront of Mission efforts to establish an extensive, private-sector base health care system serving Haiti's poor.

**D. PROJECT DESCRIPTION:** Under financing from this amendment, CDS will:

a) expand the number of beneficiaries served by the CDS child survival program by 120,000 people in Port-au-Prince and the Northeast, thus increasing total beneficiaries served by the project to 650,000; b) provide commodities, equipment, and materials to rehabilitate clinics in expansion zones; c) provide technical assistance and support to improve the CDS health information system; d) develop and implement an integrated accounting and management information system mandated by the CDS FY 1991 audit; and e) provide long-term training for three CDS middle managers. This amendment will also support the implementation of recommendations made by the mid-term evaluation to strengthen the institutional development of CDS. Additional funding requirements for FYs 1993 and 1994 total approximately \$500,000 per year to cover anticipated shortfalls caused by the replacement of personnel who had been jointly funded by the GOH as a counterpart contribution prior to the coup, as well as expand the number of beneficiaries. USAID funding requirements for CDS operations alone in FYs 1995 and 1996 are expected to be approximately \$2.6 million, up from the existing funding level of \$2.2 million per year. Rehabilitation of physical plant, along with a large purchase of vehicles and \$400,000 in training costs bring the total amendment requirement to \$7.7 million. With a return to constitutional democracy, LOP costs could be significantly reduced as other donor support increases.

The Expanded Urban Health Services project mid-term evaluation (December 1992) demonstrated that during a three year-period punctuated by political chaos and economic crisis, CDS expanded child survival service delivery to an additional 300,000 beneficiaries. The evaluators were unanimous in their praise for CDS, and in what they called the "remarkable success" of the Expanded Urban Health Services project. Following the results of this positive evaluation, and given Mission staffing constraints and the present political situation, the Expanded Urban Health Services project is being amended to extend the PACD through FY 1996 to allow a nondisruptive transition of project funding to the proposed Integrated Family Health Services project which will begin in FY 1995.

**E. PLANNED IMPLEMENTATION ARRANGEMENTS:** Amendment to the existing cooperative Agreement with the Centers for Development and Health.

**F. SUSTAINABILITY OF PROPOSED ACTIVITIES:** By improving the efficiency of CDS operations and the use of cost recovery mechanisms, and expanding coverage to the Northeast Department, this amendment will greatly enhance the ability of CDS to become a sustainable service provider. An eventual public-private partnership following a return to constitutional democracy will greatly enhance that sustainability.

**G. MISSION MANAGEMENT ROLE:** 50 percent of the time of one USDH, one FSN project officer assisted by Mission Project Committee.

**H. POTENTIAL ISSUES AND/OR INNOVATIVE APPROACHES:** CDS is proposing to expand the number of beneficiaries by 120,000 located in several regions of the country. Though CDS has had considerable success in its program to date, additional expansion in such a short time could strain CDS' program management capacity and affect the quality of its services. The amendment would add \$7.7 million for 2 years, for a sizeable increase over CDS' current expenditure level of \$2.2 million per year--the organization's absorptive capacity is an issue.

CDS has recovered nearly 20 percent of its total operating costs from one of the poorest populations in the Western Hemisphere through the use of innovative pricing policies that include relatively high prices for curative care, fixed all-inclusive prices for treatment and medications, and effective exoneration policies. These creative approaches to cost recovery demonstrate that this project is in the forefront of A.I.D. interventions to improve the financial sustainability of health care programs.

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#### NEW PROJECT DESCRIPTION

**LAC BUREAU OBJECTIVE:** Support the Evolution of Stable, Democratic Societies

**LAC SUBOBJECTIVES:** Strengthen civilian government institutions and public participation in the democratic process and support the achievement of broadly-based, sustainable economic growth

**MISSION OBJECTIVES:** Cross-cutting project addressing all Mission objectives

**PROJECT TITLE:** Development Training and Technical Assistance

**PROJECT NUMBER:** 521-0470

**FISCAL YEARS:** FY 1994 - 2000

**LOP FUNDING:** \$15 million

**TYPE OF FUNDING:** DA

**A. CONSISTENCY WITH MISSION STRATEGY:** The goal of the project is to support Haiti's transition to a stable, functioning democracy and economy through the development and enhancement of skilled human resources and the strengthening of public and private sector institutions. A preliminary indicator would be the number of additional trained and highly skilled individuals and institutions participating as decision-makers in selected development sectors.

The purpose of the project is to provide skilled human resources and technical assistance important to Haiti's transition to a stable democracy and sustained economic growth. A preliminary indicator would be the improved participation and performance of key public and private sector institutions that support the Mission's strategic objectives.

**B. RELATIONSHIP TO AID AND OTHER DONOR ACTIVITIES:** The project will follow on the Technical Consultants and Training (TCT) and CLASP II projects, scheduled to end in FY 1994 and FY 1995, respectively. It will add an emphasis on in-country training and provide the Mission with an important, flexible tool to address evolving training and technical assistance needs which support the Mission's program objectives. UNESCO completed a ten-year project in 1991 which recruited Haitian expatriates to fill education positions and the UNDP has done similar work in the field of population. To avoid duplication, USAID/Haiti will coordinate closely with both donors regarding their plans, if any, to renew such efforts in the future.

**C. RELATIONSHIP OF PROJECT TO OVERALL A.I.D. POLICY OBJECTIVES:** A democratic Haiti will require a solid base of people with technical and managerial skills, who also have an understanding of the values of pluralism and free enterprise economics. The project will provide training and technical assistance to private and public sector institutions in support of all the Mission's strategic objectives.

**D. PROJECT DESCRIPTION:** Haiti lost large numbers of its best trained and most entrepreneurial citizens during the Duvalier years and this outward flight has since continued. To help counteract that loss, the project will train Haitians in areas that support the Mission's projects and strategic program objectives. A multisectoral training needs assessment will be conducted to analyze human resource constraints in priority sectors. While participants will come from all socio-economic levels of society, the project will aim to expand political and economic participation by training regional and community leaders, particularly those from socially and economically disadvantaged segments of society. Training and technical assistance will be provided to influential leaders and potential leaders at the central, regional, and municipal levels of government. Local training will focus on areas best-suited to tailored, in-country delivery, such as negotiating skills, conflict resolution and ethics, and those areas that require large numbers of beneficiaries in order to have a sustained impact, e.g., management, financial management and accountability. It will also enable the Mission to quickly respond to off-shore training opportunities in new fields (e.g., Disaster-Preparedness) or cross-cutting issues, such as Women in Development. Scholarship cost-sharing will be explored whenever feasible for academic and technical training in the United States, third countries, and locally:

The technical assistance component will be a flexible mechanism to support the Mission's program and strategic objectives. It will also include a pilot program to attract highly qualified expatriates of Haitian origin to serve as advisors in technical, administrative, management fields and in policy formulation, in both the public and private sectors. These expatriates would be uniquely equipped to carry out informed, culturally-sensitive technical assistance assignments in

their homeland. The objectives of this approach are twofold: first, to encourage a transfer of knowledge and permanent technical expertise which would contribute to both the short- and long-term development of Haiti; second, to reintroduce expatriate Haitians who, through long exposure to functioning democracies, have acquired a good understanding of democratic and free-market economic values, and can share those experiences and values with their countrymen.

USAID experience in this area under the terminating TCT project has been very positive. Five expatriate Haitians were recruited by the Minister of Economy and Finance in 1986-87 into senior Ministry positions in an attempt to inject their skills and experience into the Ministry's economic and administrative reform program. Three of these advisors are still in-country in very influential decision-making positions, in the private, public and international donor sectors. A similar pilot program to recruit highly skilled expatriate Haitians to serve as technical advisors in key public sector institutions will be considered under the Policy and Administrative Reform project once it is reactivated.

**E. PLANNED IMPLEMENTATION ARRANGEMENTS:** The project will be implemented through several contracting mechanisms. A U.S. institutional contractor will be competitively selected to implement U.S., in-country, and third-country training portions of the project. The contractor will use subcontractors for much of the in-country activity, maximizing use of local resources; and strengthening local organizations as needed. Some training and private and public sector technical assistance activities will be implemented through direct contracts with individuals and institutions, buy-ins, and grant agreements.

**F. SUSTAINABILITY OF PROPOSED ACTIVITIES:** Individuals trained under the project are expected to return and apply their acquired skills and knowledge as they carry out their responsibilities in public sector and private sector institutions. Technology transferred will strengthen the management and performance of central, regional, and local government institutions, parastatals, and private sector institutions in selected development sectors.

**G. MISSION MANAGEMENT ROLE:** A USDH Project Officer in the Office of General Development will assume the overall management responsibilities, assisted by two PSC project coordinators. Other Technical Offices will support the project by identifying candidates for training and technical assistance needs in priority sectors.

**H. POTENTIAL ISSUES AND/OR INNOVATIVE APPROACHES:** The technical assistance component will include a pilot activity to recruit expatriate Haitians to serve as technical advisors in key public sector institutions. The design will have to address the mechanism required to ensure that candidate selection is based on a match of skills and expertise with specific priority requirements for technical assistance.

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**PROJECT AMENDMENT**

**LAC BUREAU OBJECTIVE AND SUB-OBJECTIVE:** Special Concern

**MISSION STRATEGIC OBJECTIVE:** Protect and Develop the Human Resource Base

**PROJECT ACTIVITY TITLE:** Awareness & Prevention of Drug Abuse

**PROJECT NUMBER:** 521-0221

**FISCAL YEARS:** FY 1988 - 98 (Four-year Extension)

**LOP FUNDING:** \$2,100,000 (\$950,000 Increase in LOP)

**TYPE OF FUNDING:** DA, ESF

**A. CONSISTENCY WITH MISSION STRATEGY:** The goal of the project is to make the Haitian public aware of the dangers of drug abuse. A preliminary indicator would be an increased knowledge regarding drug abuse among vulnerable groups in urban areas.

The purpose of the project is to develop and disseminate information on the dangers of drug abuse and increase the number of persons able to carry out awareness and rehabilitation activities. A preliminary indicator of progress in reaching those affected would be the number of clients seeking treatment at APAAC.

**B. RELATIONSHIPS TO AID AND OTHER DONOR ACTIVITIES:** This project is being closely coordinated with the Embassy INM program. USAID has been urging other donors to take more interest in support of drug awareness and prevention activities in Haiti. The Haitian PVO supported by this project, the Association for the Prevention of Alcohol Abuse and other Drug Dependencies (APAAC) has been able to secure limited funding from IFLD, the University of Los Andes in Colombia, UNICEF, and private membership fees.

**C. RELATIONSHIP OF PROJECT TO OVERALL AID POLICY OBJECTIVES:** This activity addresses a USG priority to reduce the supply and demand for drugs in the Americas. Due to the unsettled political situation, Haiti has become a major transshipment point for drugs to the United States. This has increased supplies of drugs in Haiti and complicated USG efforts to control the flow of illegal drugs into the U.S.

**D. PROJECT DESCRIPTION:** Funds provided under this amendment will: 1) extend support for APAAC operating costs for four years; 2) provide extended technical training for two APAAC counselors in communications, counseling and drug abuse prevention; 3) develop a nationwide drug abuse monitoring system based on self-reporting questionnaires to high school students; 4) provide APAAC with a small grants fund to assist schools, community groups, and smaller PVOs to develop and implement drug prevention and education campaigns.

This amendment will provide funds to continue APAAC's dynamic drug awareness and prevention program until membership fees, other donor support, and income-generating activities can sustain program operations. The political situation in Haiti has led to a virtual termination of donor funds for drug prevention programs at a time when drug abuse is becoming more widespread. In the face of threats and coercion from drug traffickers and the military, throughout the political crisis APAAC has continued its efforts to develop public awareness programs and become proficient in counseling to assist and treat clients suffering from alcohol and drug abuse. APAAC is currently the only PVO of its kind in Haiti, with virtually no counterpart agency or GOH interest in promoting drug abuse awareness and prevention. Given the extremely positive 1991 midterm evaluation of APAAC, which demonstrated that APAAC plays an effective, key role in drug abuse awareness and prevention efforts in Haiti, continued support to APAAC should be provided for at least another two years to allow APAAC to generate other donor support and an expanded membership base to ensure sustainability of their program operations.

**E. PLANNED IMPLEMENTATION ARRANGEMENTS:** Amended Cooperative Agreement with the Association for the Prevention of Alcoholism and Other Chemical Dependencies (APAAC).

**F. SUSTAINABILITY OF PROPOSED ACTIVITIES:** APAAC demonstrated under the democratically-elected government of President Aristide that community support, membership fees and other donor funding could be increased substantially, and that there was potential for eventual sustainability of program operations. Previous USAID investments have helped develop accounting and management information systems, and provided training to make APAAC an efficient and effective organization that will be poised to attract and utilize support from other donors, the MOH, and local currency generations upon a return to constitutional democratic order.

**G. MISSION MANAGEMENT ROLE:** Ten percent of the time of one USDH, 25 percent time from one FSN project officer.

**H. POTENTIAL ISSUES AND/OR INNOVATIVE PROGRAM APPROACHES:** None

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### NEW PROJECT DESCRIPTION

**LAC OBJECTIVE:** Special Concern

**MISSION STRATEGIC OBJECTIVE:** Protect and Develop the Human Resource Base

**PROJECT TITLE:** Integrated Family Health

**PROJECT NUMBER:** 521-0248

**FISCAL YEARS:** 1995-2000

**LOP FUNDING:** \$80 million

**TYPE OF FUNDING:** Population \$30 million;  
Development Assistance Child Survival Earmark  
\$50 million

**A. CONSISTENCY WITH MISSION STRATEGY:** The goal of the project is to improve the quality of life of the Haitian population by reducing the infant mortality rate and increasing the use of modern contraceptive methods through an expanded family health services system. Preliminary indicators would include decreases in Haiti's infant mortality rate and total fertility rate.

The purpose of the project is to develop the institutional capacity of the public sector, and private, voluntary and non-governmental organizations in Haiti to provide and increase access to effective, sustainable child survival and family planning services. Preliminary indicators would include: the percentage of children immunized for measles; the number of women using ORT to treat diarrhea in children 0-5 years of age; the number of children receiving two capsules of Vitamin A per year; and the contraceptive prevalence rate.

**B. RELATIONSHIPS TO AID AND OTHER DONOR ACTIVITIES:** The project will build on the success of Voluntary Agencies for Child Survival (VACS, 521-0206), Private Sector Family Planning (PSFP, 521-0189) and Expanded Urban Health (521-0218). VACS and PSFP will be completed in FY 95. USAID is requesting an extension of the Expanded Urban Health project until FY 1996 to allow an overlap and ensure a smooth transfer of functions, when the Integrated Family Health project begins in FY 1995. However, Integrated Family Health is not just an extension of VACS, PSFP and Urban Health under one management unit. The project will build on the successful components of all three projects and expand the number of beneficiaries. Project resources will also be coordinated with PAHO and UNICEF to focus upon shared priorities such as increasing immunization coverage, improving management of acute respiratory infections, promoting breast-feeding and adequate weaning practices, and strengthening national diarrheal disease control efforts. Family planning activities will be linked closely with UNFPA efforts, and will concentrate on the development and implementation of a comprehensive national policy, and to improve the supply and distribution system for contraceptives throughout Haiti. USAID assistance to the public sector (roughly 25 percent

of LOP funding) will leverage over \$60 million of World Bank and IDB health sector loans to attain more effective and efficient delivery of MOH health services through administrative reform, decentralization of MOH service delivery, and policy reform. Donors will develop a national action plan with the GOH to implement these priority interventions.

**C. RELATIONSHIP OF PROJECT TO OVERALL A.I.D. POLICY OBJECTIVES:** The project will contribute to the development of a stable and democratic society in Haiti by improving the quality of life of the Haitian population.

**D. PROJECT DESCRIPTION:** This project will integrate child survival and family planning activities presently funded under VACS, PSFP, and Expanded Urban Health into one project, in an effort to simplify project administration and maximize synergy between elements. Through this integration, 14 Cooperative Agreements under the VACS project will terminate, and USAID direct management of funds and technical oversight of 14 grantees will be transferred to one umbrella PVO. Channeling an integrated package of child survival and family planning resources through fewer grantees will greatly simplify USAID management. Approximately \$12 million of project resources per year (the current level of Mission funding for family planning and child survival activities) will be used to maintain existing PVO child survival and family planning programs benefitting nearly two million people. Assuming Haiti's current political crisis is resolved by the start of the project, focused project interventions in the public and private sector will increase beneficiary levels to approximately 2.5 million people, more than a third of the Haitian population.

Support to PVO programs will focus upon improving quality and access to family planning services, and promoting the delivery of an integrated package of child survival interventions. Project resources will also be used to strengthen PVO information and management systems, institutional capacity, and cost recovery mechanisms in order to increase the effectiveness, efficiency, and sustainability of PVO service providers.

Nearly a quarter of project resources will be used to provide technical assistance, training, and commodities to the public sector to strengthen synergistic PVO/public sector elements of MOH operations such as the development of a privatized national logistics and supply system for vaccines, essential drugs and contraceptives. Project resources provided to the public sector will be concentrated on interventions that will maximize an integrated, efficient, and rational use of human and financial resources in support of priority child survival and family planning activities implemented by the public and private sector. Interventions to promote policy reform necessary for the efficient and sustainable delivery of health services will also be targeted. Policy dialogue to decentralize MOH cost recovery at the communal level and the implementation of fee for service schedules at all MOH institutions will be developed. Resources will also be used for technical assistance to carry out studies, evaluations and pilot activities designed to maximize the privatization of health services throughout the health sector.

**E. PLANNED IMPLEMENTATION ARRANGEMENTS:** Competitively awarded Handbook 13 cooperative agreements, a Handbook 3 grant to the MOH, limited buy-ins to centrally-funded Projects, and Technical Assistance Contracts

**F. SUSTAINABILITY OF PROPOSED ACTIVITIES:** MOH administrative reform and cost recovery efforts will reduce public and private sector costs to deliver essential child survival and family planning services. Efforts to improve the efficiency and effectiveness of PVO service providers will make PVO programs more sustainable. Coordinated public and private sector planning, and increased privatization of service delivery will reduce implementation costs and make these programs sustainable over the long-term.

**G. MISSION MANAGEMENT ROLE:** The project will be managed by the Mission HPNO staff. Overall project management responsibility will be vested in one USDH, with assistance from three FSN senior project officers, one USPSC, and one TAACS advisor.

**F. POTENTIAL ISSUES/INNOVATIVE APPROACHES:** Improving the quality of life of the Haitian population requires the development of a basic health care delivery system. Without basic health care services in Haiti, progress in the areas of economic growth and stability are not possible. The Integrated Family Health project will promote a more positive GOH policy towards PVOs under a restored democratic order and will work closely with both the public and private sectors. The effectiveness of this project will clearly be diminished if the current political crisis has not been resolved or once again erupts. However, the private sector portion of the project can still be implemented and provide health services to approximately 2 million beneficiaries if democracy is not restored.

Design issues will include the feasibility of effectively combining three existing projects into one integrated project; and whether the assumption is valid that more management effectiveness and less duplication of resources can be achieved through one project management unit. At issue will be whether the sum of the integration of these three projects into one activity will be greater than the existing gain in complementarity from each individual project. Also at issue is the desirability of commingling population funds with child survival earmark funds in one project.

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### NEW PROJECT DESCRIPTION

**LAC BUREAU OBJECTIVE:** Support the Evolution of Stable, Democratic Societies

**SUB-OBJECTIVE:** Strengthen civilian government institutions and public participation in the democratic process

**MISSION OBJECTIVES:** Human Resource Base Protected and Developed, Strengthened Governance and Responsiveness in Key Public Sector Institutions, and Strengthened Private Organizations participating in an Emerging Civil Society

**PROJECT TITLE:** Educating for Development and Democracy (EDD)

**PROJECT NUMBER:** 521-0249

**FISCAL YEARS:** 1995-2000

**LOP FUNDING:** \$20 million

**TYPE OF FUNDING:** DA

**A. CONSISTENCY WITH MISSION STRATEGY:** The goal of the project is to lay a stable foundation for economic growth and democracy by strengthening the country's human resource base through improvements in primary education. A preliminary indicator would be improved quality and efficiency of primary education as determined by measuring the percentage of students promoted from primary to secondary school in three years.

The purposes of the project are to: (1) improve the quality of instruction, the efficiency and equity of access to private and public primary schools serving rural and depressed urban areas; (2) make the curriculum more relevant by adding a civic education component and providing sufficient life skills to enable primary school graduates to effectively participate in Haiti's democratic transition and economic growth; and (3) develop the private and public primary education infrastructure to enable it to consistently plan and implement improvements in the quality of primary education. Preliminary indicators would include: improved academic performance as determined by measuring trend in national test scores; improved curricula being applied in all participating schools; and improved systems of accountability in private and public institutions involved in primary education.

**B. RELATIONSHIP TO A.I.D. AND OTHER DONOR ACTIVITIES:** The project will follow on the current Incentives to Improve Basic Education (IIBE) project, continuing to train teachers and school directors and distribute instructional materials and equipment to all participating schools. In addition, the project will coordinate its activities with the civic education component of the Democracy Enhancement Project (DEP) and with anticipated complementary efforts by UNICEF and the World Bank which were interrupted by the 1991 coup.

**C. RELATIONSHIP OF PROJECT TO OVERALL A.I.D. POLICY OBJECTIVES:** The proposed project will develop the human resource base by improving the quality and efficiency of both private and public primary schools serving depressed areas. The EDD project also directly supports the Mission's goal of developing more effective and enduring democratic institutions and the Agency's objectives in the Democratic Initiatives area by improving the curriculum to include civic education, and life skills critical to Haiti's economic growth and participation in the democratic transition.

**D. PROJECT DESCRIPTION:** This project consists of three interrelated components: (1) primary school support; (2) institutional development; and (3) research and development. Primary school support will focus on key pedagogical and material resources found to be most effective in the IIBE project. Because the sustainability of improvements made in the education system depend on the viability of the private and public education institutions, the institutional development of FONHEP will be continued and institutional strengthening of the Ministry of Education (MOE) will be initiated in the new project. Emphasis will be placed on the development of financial systems to diversify funding sources and improve cost recovery. Research will be conducted to identify ways to improve life-skills to enrich the educational models in use.

**E. PLANNED IMPLEMENTATION ARRANGEMENTS:** Competitively awarded Handbook 13 cooperative agreements, a Handbook 3 grant to the MOE, buy-ins to centrally-funded projects such as ERTS and technical assistance contracts. If political resolution has not occurred before the project is scheduled to be implemented, the public sector portion will be placed on hold until such a time as interaction with the MOE is appropriate.

**F. SUSTAINABILITY OF PROPOSED ACTIVITIES:** FONHEP will be provided technical assistance to make it an efficient, effective and sustainable organization. In the public education system, emphasis will be placed on building systems to institutionalize accountability and the effective use of financial and human resources.

**G. MISSION MANAGEMENT ROLE:** A USDH Project Officer in the Office General Development will assume the overall management, assisted by two PSC Project Managers.

**F. POTENTIAL ISSUES AND/OR INNOVATIVE PROGRAM APPROACHES:** Based on the results of a recent audit of the IIBE project, USAID has suspended activities with FONHEP, the proposed implementing agency for the follow-on project. The Mission is currently working with FONHEP, the only institution representing the private education system in Haiti, to rehabilitate the latter's financial management system in anticipation of a June 1993 follow-up audit. Unless FONHEP is able to strengthen its capacity sufficiently to manage USAID resources, there may not be an institutional partner for this follow-on project.

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### C. Planned Food Aid Activities

1) **Background:** Following the presidential elections of December 1990, AID/Washington approved a one-year FY 1991 PL 480 Title III program with a commodity value of \$14.1 million to support the needs of the nascent democracy in Haiti. This government-to-government program was interrupted by the *coup d'état* in September 1991. Similarly, a multi-year Title III proposal completed by USAID/Haiti in August 1991 was held in abeyance.

Consistent with the economic sanctions mandated by the OAS, and the suspension of the U.S. bilateral assistance program to the government of Haiti in response to the coup, the delivery of commodities (wheat flour, pinto beans and soybean meal) under the FY 1991 PL 480 Title III program was halted. Since the coup, economic conditions in Haiti and the quality of life of the majority of Haitians have worsened. Mismanagement by the *de facto* government, the economic sanctions mandated by the O.A.S. in response to the coup (trade embargo, freeze of GOH external assets etc..) and a severe drought combined to produce inflation that reached 35 percent by September 1992 compared to the immediate pre-coup level of about 15 percent, and a sharp decline in the value of the local currency. Those conditions, and a social climate marked by profound civil unrest and political repression, resulted in frequently tragic illegal emigration attempts that continue to pose a serious threat to regional stability.

**2) Program Requirements:** Contingent upon a political resolution and resumption of government-to-government assistance, USAID/Haiti is proposing a one-year \$20 million PL 480 Title III program for FY 1994 in support of the restoration of democracy. The FY 1994 program will respond directly to the urgent need of the newly restored government to help renew economic growth, and instill a sense of hope. It will do so by helping to meet the need for a critical commodity, while decreasing demands on scarce foreign exchange and facilitating job creation opportunities. As such, it will complement and reinforce the expected impact of planned ESF balance-of-payments support, and contribute to political stabilization.

The one-year timeframe is intended to lighten the burden on the new government during its first year in office. Joint programming with USAID the utilization of Title III resources is normally a multi-year program; this first year will serve as a trial period to measure GOH capability and commitment, and allow more time for design of a longer-term program. The approved \$10 million monetized Title II program must be used by December 1993 or it will be reprogrammed to other countries. Contingent upon continued political stability throughout 1994 (Phase II), the Mission will request a follow-up two-year \$40 million Title III program.

Wheat flour, a major staple in the Haitian diet, was successfully monetized during FY 1990 under Title II (Section 206) and under Title III in FY 1991. Wheat flour has been imported from the U. S. over the last seven years in increasingly large quantities, and would be the sole commodity requested under the FY 1994 and 1995 Title III programs.

As has been done in the past, Title III wheat flour will be imported by the GOH for sale to private distributors. Most storage, marketing, transportation and distribution will be through normal private sector channels. Local currency generations will be owned by the GOH and jointly programmed with USAID/Haiti for economic development activities which complement and strengthen the implementation of the Mission's strategy, including logistical support to the Title II feeding program, short-term job creation, promotion of the development of indigenous NGOs; and support food security and environmental-related programs. A detailed proposal for the FY 1994 Title III program will be submitted to AID/Washington before August 1993.

The **PL 480 Title II Feeding Program** will expand from the approved FY 1993 beneficiary level of 645,000 to 700,000 beneficiaries per year in FYs 1994 and 1995. A significant portion of new beneficiaries will be children under five years of age, pregnant women, lactating mothers and other vulnerable target groups. The program will continue to support USAID's development objectives, particularly in child survival and education, and contribute towards closing Haiti's severe food gap. Since October 1992, the PL 480 Title II program has been implemented under the \$20-million/three-year Enhancement of Food Security (EFS) Project, which provides management and cost support to four PVO cooperating sponsors. In the future, Title III local currency generations are considered essential to meet the ongoing needs of logistics costs.

In addition to EFS project funding, **PL 480 Title II** commodities valued at \$18 million will be required in FY 1994, and \$20 million in FY 1995.

### **Section III Environment**

Haiti's already limited natural resource base is deteriorating at a rapid rate. This is occurring due to inappropriate land use practices and deforestation; lack of appropriate policies (e.g. poor land tenure laws which are badly enforced), explosive population growth and the economic desperation of the country's poor. The equivalent of approximately 12,000 to 15,000 hectares of fertile topsoil is lost each year due to unsustainable, inappropriate agricultural practices, such as the planting of annual crops on steep hillsides. Significant amounts of over-exploited land have been abandoned and are no longer farmed. The heavy toll on natural assets takes many forms, including depletion and pollution of ground water, erosion of soil and forest resources, reduction of the river base flows, siltation of the water bodies and loss of bio-diversity. Since 1986, environmental degradation has been further exacerbated and compounded by the political and economic instability of continuing political crises.

USAID/Haiti places heavy emphasis on sustainability in all its environmental activities. The Productive Land Use Services Project (PLUS; formerly, Agroforestry II) is USAID/Haiti's most significant ecological effort. The purpose of this project is to encourage the use of ecologically sound practices on Haiti's agriculturally-active hillsides. The project seeks to encourage ecologically and economically sustainable farming activities by improving economic incentives to plant trees and hedgerows and avoid cultivation of erosion-inducing annual crops. Participating farmers receive training in sustainable techniques for conserving fragile soils and increasing the efficiency of water utilization, while boosting crop production and farm income levels. In a similar vein, the Coffee Revitalization Project seeks to improve the production and productivity of coffee, an environmentally sound hillside crop, thereby reducing erosion while increasing the income of many rural families.

Mission activities seek to reduce encroachment on the threatened habitats of the Macaya National Park, Haiti's only significant remaining natural watershed. This watershed serves one of Haiti's few remaining highly productive agricultural regions. Loss of productive capacity in this region would add substantially to Haiti's already large food deficit and severely affect the incomes of thousands of small farmers. The Macaya area, which contains a rich and varied range of flora and fauna, possesses one of the highest rates of biological diversity in the Caribbean. The Mission has earmarked funds for a buy-in to one of the centrally-funded bio-diversity projects.

## **Section IV**

### **Resource Requirements**

#### **A. Permanent Staffing**

In anticipation of the resolution of Haiti's political crisis, the Mission's sharply reduced level of USDH staff remains a significant constraint to program design and implementation. Through the beginning of September 1992, USAID/Haiti's on-board strength totalled eight USDH officers, down from the pre-coup level of 21 USDH. On-board staff reached 14 officers only in March 1993. The Mission has not had a Senior Project Development Officer since February 1992. Staffing vacancies have limited the Mission's ability to respond to the changing program environment and maintain a minimally acceptable level of accountability.

Given the new momentum in UN/OAS negotiations and President Clinton's expressed high priority for achieving the restoration of democracy in Haiti, USAID/Haiti must ensure not only the effective implementation of its current program, but also the ability to enable a responsive expansion of the portfolio as soon as a political resolution is reached. Accordingly, in addition to the 15th position (Deputy Controller), for which recruitment is in process, USAID requests approval of the four following positions, listed in order of priority: 1) a Food for Peace Officer to manage the growing PL 480 Title II feeding program (in process); 2) a Contracting Officer; 3) an additional Project Development Officer to assist with a heavy design and implementation schedule for new projects and amendments and provide monitoring and evaluation support to the technical offices; and 4) a General Development Officer with experience in democratic initiatives to help manage the expanding Democracy/AOJ portfolio. The latter USDH position will be particularly important during the sensitive early stages of democratic transition.

#### **B. TDY Assistance**

USAID's best estimate of USDH TDY assistance requirements is based on the assumptions used for other sections of this Action Plan; i.e., that the current limited program will continue until approximately September 1993, when a political resolution will trigger a one-year, intense

transitional program (Phase II). Contingent upon achievement of political stability in Phase II, the third phase of the strategy will emphasize longer-term development needs.

The project design schedule will vary depending on political developments. TDY assistance needs could also be substantially reduced if the requested permanent positions are approved and filled by FY 1994. For example, if the additional CO, PDO, and GDO positions are approved, USAID's requirements for TDY assistance will decrease by ten to twelve person-months in FY 1994.

**FY 1993:** In anticipation of a political resolution, USAID requests a one-month TDY by a LAC/DPP economist to help develop a PAAD-like document for an ESF program. The Mission will also need one to two person-months of TDY assistance by an experienced FHA or LAC/DPP officer to assist with the design of a Food Security Strategy and the PL 480 Title II Food for Work component planned for the post-resolution phase.

**FY 1994:** Assuming political resolution by early FY 1994, the Mission will require eleven to 18 person-months of TDY assistance during the one-year transitional period (Phase II). Two months' TDY assistance by a health/population officer is requested for October/November 1993 to assist with the design of a major integrated health services project. Two project designs in education and training will require the assistance of a LAC/EHR or R&D/OIT officer for a total of three to four months. It is anticipated that the democracy/AOJ portfolio will require three months of TDY assistance to reactivate the four suspended components of the DEP and help with the design of a public sector component for the AOJ project. A commodity procurement officer will be needed for approximately 3 months to assist with procurement for GOH institutions and help develop procurement plans for the new USAID projects and amendments. Finally, should there be delays in obtaining approval for and staffing the Contracting Officer position, USAID would also require an estimated six months of TDY assistance by a Contracting Officer in FY 1994.

**FY 1995:** USAID anticipates a need for one month of TDY assistance to help with a review and update of the Mission's monitoring and evaluation plan in FY 1995.

### **C. Program Funding**

The pre-political resolution FY 1993 funding level includes \$27.5 million DA, \$8.7 million ESF (of which \$3.7 million is FY 1992 carryover), \$10 million in monetized PL480 Title II and \$15.8 million in PL 480 Title II feeding. Assuming that political resolution coincides with the onset of the next fiscal year, immediate Phase II requirements would include \$40 million in DA, \$55 million in ESF, \$20 million in PL 480 Title III and \$18 million in Title II. Once initial political stabilization is achieved, the consolidation and re-initiation of development and growth (Phase III) levels are \$45 million DA, \$50 million ESF, \$20 million in Title III, and \$20 million Title II.

**Summary Program Funding (in millions of dollars)**

<b>Annual Requirements</b>	<b>FY 1993</b>	<b>FY 1994</b>	<b>FY 1995</b>
<b>Development Assistance</b>	27.5	40.0	45.0
<b>Economic Support Funds</b>	8.7	55.0	50.0
<b>PL 480 Title II*</b>	25.0	18.0	20.0
<b>PL 480 Title III</b>	0.0	20.0	20.0
<b>Totals</b>	<b>61.2</b>	<b>133.0</b>	<b>135.0</b>

\* Includes \$10 million monetized Title II carried over from FY 1992.

TABLE 4: PROGRAM FUNDING TABLE BY OBJECTIVE

Funding Category	FY93 Estimated	FY94 Requested	FY95 Requested
<b>Development Assistance</b>	<b>Phase I</b>	<b>Phase II</b>	<b>Phase III</b>
<b>Mission Strategic Objective #1.A: Strengthened Governance &amp; Responsiveness in key public sector institutions</b>			
0000 Program Development & Support	0	300,000	100,000
0222 Policy and Administrative Reform	0	0	1,000,000
0238 Administration of Justice	0	1,000,000	4,360,178
<b>Subtotal Objective #1.A</b>	<b>0</b>	<b>1,300,000</b>	<b>5,460,178</b>
<b>Mission Strategic Objective #1.B: Strengthened Private Organizations participating in an Emerging Civic Society</b>			
0000 Program Development & Support	149,165	197,423	100,000
0062 Special Development Activities	0	100,000	200,000
0236 Democracy Enhancement	325,000	4,102,577	0
0238 Administration of Justice	200,000	0	0
<b>Subtotal Objective #1.B</b>	<b>674,165</b>	<b>4,400,000</b>	<b>300,000</b>
<b>Mission Strategic Objective #2: Broadened Private Sector led economic growth</b>			
0000 Program Development & Support	602,800	500,000	500,000
0186 Promotion of Business and Export (PROBE)	0	500,000	1,000,000
0191 Targeted Watershed Management	470,845	576,094	0
0216 Coffee Revitalization	861,200	1,622,448	0
0217 Productive Land Use System (PLUS)	2,398,555	2,500,000	0
0223 Provincial Enterprise Development (PED)	771,100	500,000	1,000,000
<b>Subtotal Objective #2</b>	<b>5,104,500</b>	<b>6,198,542</b>	<b>2,500,000</b>

Funding Category (cont'd)	FY93 Estimated	FY94 Requested	FY95 Requested
<b>Mission Strategic Objective #3: Strengthen Human Resource</b>			
0000 Program Development & Support	418,035	500,000	439,822
0189 Private Sector Family Planning	5,100,000	6,000,000	4,000,000
0190 Incentives to Improve Basic Education	4,200,000	5,000,000	0
0206 Voluntary Agencies for CS (VACS)	4,600,000	2,668,124	0
0218 Expanded Urban Health	4,043,737	4,862,234	4,000,000
0221 Awareness & Prevention of Drug Abuse	357,500	0	300,000
0224 AIDS Control	2,000,000	1,061,100	2,000,000
0227 Leadership Training (CLASP II)	400,000	139,822	0
0640 PTIIC	10,000	10,000	0
0241 Enhancing Food Security	592,063	6,000,000	6,000,000
0247 Development Training and Technical Assistance	0	1,860,178	5,000,000
0248 Integrated Family Health	0	0	10,000,000
0249 Educating for Development and Democracy	0	0	5,000,000
<b>Subtotal Objective #3</b>	<b>21,721,335</b>	<b>28,101,458</b>	<b>36,739,822</b>
<b>Subtotal DA</b>	<b>27,500,000</b>	<b>40,000,000</b>	<b>45,000,000</b>
<b>Economic Support Fund</b>	<b>Phase I</b>	<b>Phase II</b>	<b>Phase III</b>
<b>Mission Strategic Objective #1.A: Strengthened Governance &amp; Responsiveness in key public sector institutions</b>			
0238 Administration of Justice	0	5,000,000	0
0250 Economic Recovery Assistance	0	50,000,000	50,000,000
<b>Subtotal Objective #1.A</b>	<b>0</b>	<b>55,000,000</b>	<b>50,000,000</b>

<b>Mission Strategic Objective #1.B: Strengthened Private Organizations participating in an Emerging Civic Society</b>			
0236 Democracy Enhancement	1,950,000	0	0
<b>Subtotal Objective #1.B</b>	<b>1,950,000</b>	<b>0</b>	<b>0</b>
<b>Funding Category (cont'd)</b>	<b>FY 93 Estimated</b>	<b>FY 94 Requested</b>	<b>FY 95 Requested</b>
<b>Mission Strategic Objective #2: Broadened Private Sector led economic growth</b>			
0217 Productive Land Use System (PLUS)	384,000	0	0
0245 Seed Multiplication and Distribution	1,400,000	0	0
<b>Subtotal Objective #2</b>	<b>1,784,000</b>	<b>0</b>	<b>0</b>
<b>Mission Strategic Objective #3: Strengthened Human Resource</b>			
0218 Expanded Urban Health	1,456,263	0	0
0241 Enhancing Food Security	3,543,737	0	0
<b>Subtotal Objective #3</b>	<b>5,000,000</b>	<b>0</b>	<b>0</b>
<b>Subtotal ESF</b>	<b>8,734,000</b>	<b>55,000,000</b>	<b>50,000,000</b>
<b>P.L. 480</b>	<b>Phase I</b>	<b>Phase II</b>	<b>Phase III</b>
Title II - Regular & Emergency (Commodity & Transp.)	15,000,000	18,000,000	20,000,000
Title II - Monetization (Commodity & Transportation)	10,000,000	0	0
Title III	0	20,000,000	20,000,000
<b>Subtotal PL 480</b>	<b>25,000,000</b>	<b>38,000,000</b>	<b>40,000,000</b>
<b>PROGRAM TOTAL</b>	<b>61,234,000</b>	<b>133,000,000</b>	<b>135,000,000</b>

## Section V Program Ranking

Per the LAC Bureau guidance regarding additional program documentation requirements for USAID/Haiti, following is a variation on the traditional Table V, which ranks program increments in a range from 20 percent below target funding levels to 20 percent above, for both FY 1994 and FY 1995. Target levels are \$133 million in FY 1994 and \$135 in FY 1995.

**FY 1994: Target level is \$133 million.** Within the target level, 80 percent of the program would total \$106.4 million. The following table lays out that program, without ranking the constituent projects:

Unranked Projects	Amount (\$000)	Cumulative	Source:		
			DA	ESF	PL 480
PD&S	1019	1019	1019		
Democracy Enhancement	4103	5122	4103		
Enhancing Food Security	5000	10122	5000		
Family Planning	5000	15122	5000		
Volags for Child Survival	2668	17790	2668		
Urban Health	4862	22652	4862		
Aids	1062	23714	1062		
Provincial Enterprise Dev.	500	24214	500		
Targeted Watershed Mgt.	576	24790	576		
Productive Land Use Syst.	2500	27290	2500		
Basic Education	4000	31290	4000		
CLASP II	140	31430	140		
Development Training & TA	1860	33290	1860		
Special Dev. Activities	100	33390	100		
PTIC	10	33400	10		
Admin. of Justice	5000	38400	0	5000	
Balance of Payments (ESF)	35000	73400		35000	
PL 480 Title II	18000	91400			18000
PL 480 Title III	15000	106400			15000
<b>Total</b>		<b>106400</b>	<b>33400</b>	<b>40000</b>	<b>33000</b>

The following table shows how USAID would add increments above 80 percent of the target level, up to 120 percent of the target level. Increments are ranked in priority order.

Ranked Increment	Total Increment	Cumulative Total	Source:		
			DA	ESF	PL 480
1. PL 480 Title III	5000	111400			5000
2. Admin. of Justice	1000	112400	1000	2000	
3. Promotion of Bus. & Exp.	500	112900	500		
4. Basic Education	1000	113900	1000		
5. Coffee Revit.	1622	115522	1622		
6. Enhancing Food Security	1000	116522	1000		
7. Family Planning	1000	117522	1000		
8. PD&S	478	118000	478		
9. Bal. of Payments	15000	133000		15000	
10. Bal. of Payments	26600	159600		26600	
		159600	6600	41600	5000

FY 1995: Target level is \$135 million

The following table presents the basic 80 percent of target program, which comes to \$108 million. Projects in this table are not ranked.

Projects (Unranked)	Amount (\$000)	Cumulative Total	Source:		
			DA	ESF	PL 480
PD&S	1140	1140	1140		
Admin. of Justice	4360	5500	4360		
Policy & Admin Reform	1000	6500	1000		
Enhancing Food Security	6000	12500	6000		
Family Planning	4000	16500	4000		
Family Health	10000	26500	10000		
Urban Health	4000	30500	4000		

AIDS	2000	32500	2000	
Provincial Enterprise	1000	33500	1000	
Targeted Watershed Mgt.	0	33500	0	
Productive Land Use Syst.	0	33500	0	
Ed. for Dev. & Democracy	3000	36500	3000	
Development Training & TA	5000	41500	5000	
Special Development Act.	200	41700	200	
Awareness of Drug Abuse	300	42000	300	
Promotion of Bus. & Exp.	1000	43000	1000	
CLASP II	0	43000	0	
Bal.of Payments (ESF)	35000	78000		35000
PL 480 Title II	20000	98000		20000
PL 480 Title III	10000	108000		10000
<b>Total</b>		<b>108000</b>	<b>43000</b>	<b>35000 30000</b>

The following table ranks increments above 80 percent of the FY 1995 target, in priority order. The table provides increments up to 120 percent of the target level:

Ranked Increments	Total Increment	Cumulative Total	Sources:		
			DA	ESF	PL 480
1. Title III	10000	118000			10000
2. Admin. of Justice	0	118000		0	
3. Ed. for Dev.& Democracy	2000	120000	2000		
4. Bal.of Payments	15000	135000		15000	
5. Bal.of Payments	27000	162000		27000	
<b>Total</b>		<b>162000</b>	<b>2000</b>	<b>42000</b>	<b>10000</b>

## **Section VI**

### **Mission-Initiated Issues**

**A. Waivers or Removal of Legislative and Policy Prohibitions:** Implementation of a post-resolution program assumes both settlement of Haiti's political crisis and a USG determination to demonstrate rapid, substantive support for a new, albeit fragile democratic government. Implementation of this strategy will require rapid action at the policy level to amend or remove executive, legislative and international sanctions which would otherwise prevent or constrain the execution of the necessary assistance activities. Immediate legislative and policy measures needed to permit the resumption of assistance include:

- OAS reversal of existing resolutions prohibiting assistance to the Government of Haiti and encouraging an embargo and financial freeze;
- A Presidential determination (delegated to the Secretary of State) to lift the Section 513 prohibition on assistance imposed as a direct result of the September 30, 1991 coup;
- Revocation of U.S. Executive Orders blocking Haitian Government accounts and imposing the embargo;
- Expedient lifting of 620(q) and Brooke-Alexander amendment restrictions to permit unrestricted resumption of bilateral assistance;
- Encouragement of the use of frozen GOH assets to pay off arrears to the USG and the IFIs quickly.

**B. Project Design and Contracting Flexibility:** In order to enable a rapid start-up and implementation of post-resolution activities, USAID/Haiti is currently gearing up for the assessments and analyses needed to develop appropriate project designs. Current (March 1993) USG policy prohibits contacts with the *de facto* government, including GOH institutions. Proposed public sector activities will require consultation with the new GOH after a political resolution is reached. As prompt program response will be essential to the success of post-resolution U.S. objectives in Haiti, USAID action will have to be particularly quick.

In similarly time-sensitive, high-priority situations, e.g., the reopening of the missions in Panama and Nicaragua and the establishment of the N.I.S. missions, AID/Washington

authorized a more flexible approach, including the use of Project Memoranda in lieu of full Project Papers and time-limited blanket competition and procurement waivers. This flexibility was key to getting those programs underway quickly. USAID requests consideration of similar AID/Washington authorization to streamline start-up of its post-resolution program.

**C. Timing of Resource Availability:** Another critical element in program response will be the expeditious receipt of budget allotments. If FY 1993 allotments are not received by April 1993, USAID's ability to quickly gear up for post-resolution activities will be greatly impeded by the necessity of processing authorized obligations and related implementation actions required in Phase I. The timing of an eventual political resolution could add another complication. Should resolution occur in September 1993 or early 1994, use of the normal USG budget process to fund Phase II activities would seriously delay start-up. AID/Washington is requested to explore the feasibility of obtaining a timely supplemental appropriation and budget allowances in the event that a political resolution occurs before the FY 1994 budget process is completed.

**D. Permanent Staffing:** In recognition of Agency-wide staffing and budget constraints, USAID/Haiti has limited its staffing request to the absolute minimum number of additional USDH positions required to effectively manage a post-resolution program. A total staffing level of 19 USDH positions has been requested. In order to design and implement a post-resolution program, the additional staff should be on board as soon as possible.

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