

ACTION MEMORANDUM FOR THE MISSION DIRECTOR

December 1, 1995

THROUGH: Sarah Clark <sup>S/C</sup>  
~~Deputy Mission Director~~  
FROM: H. Abdul Wahab, Chief ~~for~~  
Office of Economic Growth

SUBJECT: AGRICULTURALLY SUSTAINABLE SYSTEMS AND ENVIRONMENTAL  
TRANSFORMATION (ASSET) 2000 (521-0257): Strategic  
Objective Program Authorization

**Action:** Your approval is sought of the subject Program, ASSET 2000, totaling \$45 million over a five-year period. A total of \$1.3 million is expected to be obligated in FY 1996 through a Strategic Objective Agreement. ASSET 2000 is designed to address Strategic Objective No. 4 to Improve Agricultural Productivity and Environmental Management.

**Background:** ASSET 2000 builds on 15 years of uninterrupted experience in agroforestry and natural resource conservation in Haiti. In addition, it addresses the needs identified in the Environmental Task Force assessment of January 1995 which recommended a three-year multi-donor interim environmental action plan for Haiti.

As part of re-engineering, the Mission is consolidating its portfolios into programs linked directly to the Mission's Strategic Objectives. ASSET 2000 consolidates all of the Mission's agriculture and environmental activities into one program. This consolidation will increase managerial efficiency and accountability resulting from fewer management units and streamlined procedures.

Since the design of ASSET 2000 took place during the transitional period of the USAID re-engineering, it contains elements which respond to previous and transitional guidance, combined with known aspects of the new design concept. The proposed group of activities under ASSET 2000 will contribute to results that will lead to the achievement of the Mission's Strategic Objective No. Four (SO 4). The activity descriptions and analyses presented conform to the new re-engineering standards and can serve as the necessary background information required before the obligation of funds to support these activities.

**Discussion:** The purpose of ASSET 2000 is to improve agricultural productivity and environmental management. This will be accomplished through empowerment of Haitian communities, groups and

institutions to lead the implementation and extension of environmentally sound production, marketing, conservation and protection technologies and methodologies.

Program Description: ASSET 2000 will be implemented through performance-based management, which will establish clear links between program activities and program results. The longer term goal of the program is to create institutions necessary to increase rural productivity and incomes through sustainable use of Haiti's natural resources, and to mitigate negative effects of urban-generated waste. ASSET 2000 will support activities that contribute to four major results:

- Result 1: a strengthened national framework for environmentally sound development, including support for the development and implementation of a National Environmental Action Plan (NEAP); institution building in the Ministries of Agriculture and Environment; and, support for a national agricultural and environmental information system.
- Result 2: increased use of sustainable hillside agricultural practices leading to increased incomes through expanded tree crops and high value gardening production, linked to better extension services and reliable marketing systems.
- Result 3: increased community participation in tree-planting and protection of productive infrastructure, including the creation of a Community Forestry Corps and support to local government institutions to increase community participation in tree planting and protection of productive infrastructure.
- Result 4: improved environmental quality in targeted urban locations, including interventions in liquid and solid waste management that will reduce pollution of marine and coastal resources.

Major Results: include the protection of 230,000 hectares of watersheds; 32 million tree seedlings planted; up to 30 Community Forestry Corps established; the development and implementation of a NEAP with prioritized actions; and, the replication of urban community waste management efforts.

Customers: a total of 650 additional farmer groups representing 150,000 farmers supported by non-governmental organizations in resource and environmental management activities (with approximately 20 percent participation by women farmers and groups); more than 2 million people receiving environmental awareness information and/or participating in innovative farmer-oriented soil conservation, watershed management and agroforestry programs; and, over 10,000 people receiving access to improved sanitary waste disposal facilities.

Financial Plan (\$000s):

Components	USAID Amount	GOH Amount <sup>1</sup>
1. Technical Assistance	\$20,084	
2. Training	5,875	\$370
3. Commodities	4,880	500
4. Other	14,161	
a. Decentralization Support		900
b. Support for NEAP (3,000)		
c. FSIS Buy-In (1,000)		
d. M&E System (250)		
e. Natural Resource Management Fund (1,000)		
f. Miscellaneous (7,611)		230
g. Program Management FSN PSCs 4 project personnel + 1 secretary (1,030)		
h. Evaluations and audits (270)		
TOTAL	\$45,000	\$2,000

Implementation: The program will be implemented by an institutional contractor and existing contractor and grantees under the PLUS and COFFEE projects (when these projects are consolidated into ASSET 2000) until the end of their respective cooperative agreements (CAs) or contracts. The institutional contractor will be responsible for technical coordination among elements, (NEAP, institutional building, urban based waste management, and the monitoring program), training, and management support for community-based tree planting and infrastructure protection.

The program will be managed by a Senior Management Committee (USAID Core team, GOH, Partners, and Customer) and an Expanded Team which will be composed of individual results package teams of mostly technical staffs from USAID, the Ministries of Agriculture and the Environment, Partners, and Customer groups.

Contingency Obligation Mechanisms: In the event that USAID is unable to negotiate a strategic objective agreement with the Government of Haiti that will ensure obligation of available funds in a timely manner and provided that USAID/Haiti can, consistent with applicable legislation, continue to implement activities in Haiti, USAID/Haiti plans to use other implementation instruments (Cooperative Agreements and Contracts) to obligate funds until such a time as the Strategic Objective Agreement can be executed.

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<sup>1</sup>To be in local currency from the FY95 and FY96 PL-480 Title III proceeds and in-kind contribution.

Status of Negotiations: Basic concepts under ASSET 2000 and the planned results were discussed with and endorsed by the Minister and senior officials in the Ministry of Agriculture and Prime Minister Smarck Michel's Office. Both the Minister of Agriculture and Prime Minister resigned on October 16, 1995. Similar discussions were held and support received by the Ministry of Environment, which was largely unaffected by the change in government. Representatives from the new Ministry of Agriculture were briefed on the program on November 21, 1995. Coordination with current partners in the PLUS and Coffee projects has also taken place, and these NGOs understand their respective roles under ASSET 2000.

Within the Mission, two SO Team meetings were held to review successive drafts of the Program Paper, and a full Mission review was conducted on October 26, 1995. Changes were made to the paper and a revised version circulated on November 17. A second Mission review was held on November 21, 1995 and changes incorporated.

Terms and Conditions:

Source and Origin of Commodities, Nationality of Services: Commodities financed by USAID under the program shall have their source and origin in the United States, Haiti, or in countries included in USAID geographic Code 941, except as USAID may otherwise agree in writing.

Except for ocean shipping, the suppliers of commodities or services shall have the United States, Haiti, or countries included in USAID geographic code 941 as their place of nationality, except as USAID may otherwise agree in writing.

Ocean shipping financed by USAID under the program shall, except as USAID may otherwise agree in writing, be financed only on flag vessels of the United States, other countries in code 941, and the cooperating country, Haiti.

Covenants: The Strategic Objective agreement will contain, in substance the following covenants:

- (1) Parties responsibilities will include:
  - Collaboration with non-governmental organizations to achieve the program results;
  - Utilization of a Senior Management Committee for guidance in the establishment and obtainment of each of the program results and cooperation in the selection of public and at least one non-public sector representative to participate in a Senior Management Committee; and
  - Provision of personnel in an effective and timely manner to implement the program.

(2) The Grantee will continue steps toward decentralization and civil service reform to strengthen its role in shaping policy and enforcing regulations that affect agriculture and the environment.

(3) The Grantee will undertake to provide increased budgetary resources to the environmental and agricultural sectors, according to its abilities as monitored through the senior management team.

(4) The Parties will agree to cooperate fully with USAID to establish a performance monitoring program to monitor achievement of results, including at least the information system required to assess progress toward attainment of the performance indicators, results and Strategic Objective.

Conditions Precedent: The strategic objective agreement will contain a condition precedent to initial disbursement which requires submission of the following:

(1) A statement of the name of the person holding or acting in the office of the Grantee, and of any additional representatives including the designation and appointment of representatives to the Senior Management Committee and a Program Manager, together with a specimen signature of each person specified in such statement.

Waivers: The following exemption and waiver (attached) to USAID regulations are proposed:

(1) An exemption pursuant to Section 547 of the Foreign Operations, Export Financing, and Related Programs 1995 Appropriations Act, Pub. L. 103-306, of the recipient country contribution requirement of Section 110 of the Foreign Assistance Act of 1961, as amended.

(2) A waiver, pursuant to USAID Handbook 10, Chapter 16, of the requirement for host country funding of international travel costs for participant trainees under ASSET 2000.

The justifications to support the proposed exemption and waiver are attached as Annexes 1 and 2 to this Action Memorandum.

Justification to Congress: A Congressional Notification (CN) reflecting the latest version of the ASSET 2000 will be submitted to the LAC Bureau by December 1, 1995. Obligating documents will not be signed until the CN expiration period has passed and any comments resolved.

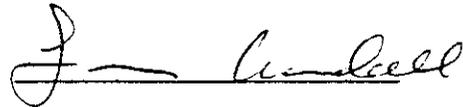
Authority: Pursuant to cable STATE 177463, dated July 25, 1995, and STATE cable dated November 27, 1995, the Mission received Bureau approval on the Strategic Objective and redelegated authority to authorize ASSET (then titled EAP). Section 103.5.14b(1) provides you with the authority set forth in Section

103.5.8b of the ADS under an approved Strategic Objective to implement approved strategic, special or support objectives. The authority includes, but is not limited to, authority to: negotiate, execute, amend and implement strategic, support and special objective grants, loans, memoranda of understanding, and other implementing and ancillary agreements and documents with public international organizations and foreign governments.

Section 547 of FAA gives you the authority to waive the recipient country contribution and Handbook 10, Participant Training, Chapter 16 gives you the authority to waive International Travel for participant training.

Recommendation: That you (1) approve the ASSET 2000 design and authorize negotiations of a Strategic Objective Agreement based on the activities described in the ASSET 2000 (521-0257) Program description. The Program Assistance Completion Date is December 31, 2000; (2) approve an exemption from the recipient country contribution requirement set forth in Section 110 of the Foreign Assistance Act of 1961, as amended; and (3) waive the requirement for host country funding of international travel costs for participant trainees under the ASSET 2000. Any significant modifications between the information presented in this authorization and the Strategic Objective Agreement and/or substantive implementation letters will be documented in subsequent action memoranda to be approved by you or another USAID official with requisite authority.

Approved:



Disapproved:

\_\_\_\_\_

Date:

Dec 7, 95

Lawrence Crandall  
Director  
USAID/Haiti

**Attachments:**

ASSET 2000 Program Paper

**Clearances:**

RDaniel, EG	<u>RD</u>	Date: <u>12/1</u>
MKnight, EG	<u>MK</u>	Date: <u>12/1</u>
Gimhofi, PCPS	<u>[Signature]</u>	Date: <u>12/1</u>
BMyers, RLA (draft)	<u>BIA</u>	Date: <u>12/01</u>
JWinn, FM	<u>[Signature]</u>	Date: <u>12/1</u>
<del>SClark, D/DIR</del>	<del>_____</del>	<del>Date: _____</del>

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JUSTIFICATION TO EXEMPT THE GOVERNMENT OF HAITI FROM THE  
RECIPIENT COUNTRY CONTRIBUTION REQUIREMENTS OF SECTION 110  
OF THE FOREIGN ASSISTANCE ACT

Action Requested: An exemption, pursuant to Section 547 of the Foreign Operations, Export Financing, and Related Programs 1995 Appropriations Act, Pub. L. 103-306, of the recipient country contribution requirement of Section 110 of the Foreign Assistance Act of 1961, as amended, of the Foreign Assistance Act of 1961, as amended, for the Agriculturally Sustainable Systems and Environmental Transformation (ASSET) 2000 Strategic Objective Program.

Discussion: Commensurate with its approved strategy and Action Plan, USAID/Haiti proposes to consolidate all USAID agricultural and environmental activities related to Strategic Object No. 4 into a single operational entity. This consolidation will result in improvement of managerial efficiency and establishment of clear linkages of program activities with the Missions Strategic Objectives and program results. The Program purpose is to improve agricultural productivity and environmental management through empowering Haitian communities, groups and institutions to take charge of the implementation and extension of environmentally sound production, marketing, conservation and protection technologies and methodologies.

The objective of ASSET 2000 is to help create the policy environment and supportive institutions necessary to increase rural productivity and incomes through sustainable use of Haiti's natural resources and to mitigate the negative environmental effects of urban-generated waste. The Program will establish a national framework for environmentally sound development through support for the National Environmental Action Plan (NEAP), institution building in the Ministries of Agriculture and Environment, and support for a national agriculture and environmental information system; increase use of sustainable hillside agricultural practices to hillside farmers to increase their incomes through expanded tree crops production, vegetable gardening, and value-added processes linked to reliable marketing systems; create greater community participation in tree planting and protection of productive infrastructure through expanded support to local governmental and non-governmental institutions; and, improve environmental quality in targeted urban locations through support of urban liquid and solid waste management.

The Mission will negotiate a bilateral agreement with the restored democratically-elected government shortly for a portion of the project. Section 110 of the Foreign Assistance Act, Cost-Sharing and Funding Limits, states the following:

No assistance shall be furnished by the United States Government to a country under Sections 103 through 106 of this Act until the country provides assurances to the President, and the President is satisfied that such country will provide at least 25 per cent of the costs of the entire program, project or activity with respect to which such assistance is to be furnished, except that such costs borne by such country may be provided on an "in kind" basis.

Haiti, the poorest nation in the Western Hemisphere, is the only country in Latin America to appear in both the United Nations (U.N.)-designated list of "relatively least developed countries" and the Development Assistance Committee (DAC) list of "low income countries". In 1994, Haiti's per capita gross domestic product (GDP) was under \$250 per year. The vast majority of its 6.7 million people lived below an absolute poverty level of \$150 annually. Moreover, coupled with political and economic instability, overpopulation and the consequent pressures on Haiti's resources have escalated rapidly the rate of environmental degradation and depletion, completing the vicious circle of missed opportunities, deprivation and despair.

In FY 1995, almost forty percent of GOH's budget expenditures were financed by grants and concessional loans from Haiti's donors. Additional essential expenditures in FY 1996 for the new police force, the modernization of Haiti's justice and penitentiary system, for education and health, as well as the beginning of the decentralization of governance dictated by the constitution, will all entail significant additional need for external support to the operations of the government for the coming years, until reforms in the tax collection apparatus begin to generate sizable benefits. The GOH will be left with very little resources available to provide firm assurance that the contribution could be provided in compliance with the subject policy requirement.

**Primary justification:** The Government of Haiti simply does not have the funds to meet a 25% host country contribution for this project.

**Authority:** Section 547 of the Foreign Operations 1995 Appropriations Acts provides that funds appropriated in Title II of the Act that are made available for Haiti, may be made available notwithstanding any other provision of law. In a memorandum dated October 24, 1994, the Assistant Administrator for Latin America and the Caribbean approved the use of the Section 547 authority by the USAID/Haiti Mission Director to exempt activities from the 25% contribution requirement.

The exemption will be stated in the Strategic Objective Program Authorization document.

JUSTIFICATION TO EXEMPT THE GOVERNMENT OF HAITI FROM  
THE PAYMENT OF PARTICIPANT TRAINING TRAVEL  
REQUIREMENTS OF HANDBOOK 10, CHAPTER 16

Action Requested: Waiver of USAID Requirement for Host Government Funding of International Travel for participant training.

Discussion: USAID policy, as stated in Handbook 10, Participant Training, Chapter 16, would require that the Government of Haiti, or the non-USAID funding source cover the cost of individuals selected for participant training under the ASSET program. USAID/Haiti is initiating a new program with successful elements of previous agricultural projects. The goal of this program is to create the political and supportive institutions necessary to increase rural productivity and incomes through sustainable use of Haiti's natural resources, and to mitigate negative effects of urban-generated waste. ASSET 2000 will contribute to the achievement of Strategic Objective No. Four, "Improve Agricultural Productivity and Environmental Management." The purpose of ASSET 2000 is to improve agricultural productivity and environmental management through empowerment of Haitian communities, groups and institutions to take charge of the implementation and extension of environmentally sound production, marketing, conservation and protection technologies and methodologies.

The success of ASSET 2000 depends largely upon the competencies of the personnel involved in institutional building to stifle the environmental degradation and economic hardship. A major emphasis is placed on training both in-country and abroad to ensure personnel competencies under this program. USAID's requirement that the cost of international travel be paid by the host-country or other non-USAID funding source might put such candidates at a disadvantage. It is hoped that by the end of the program the GOH will establish and use appropriate policies, develop and enforce standards, coordinate regional and national actions, monitor and evaluate program activities and, supply support and advice on technical issues. Years of increasingly harsh internationally-mandated sanctions combined with ever more irresponsible fiscal and monetary mismanagement, the restored democratically-elected government inherited very heavily encumbered public finances. USAID estimates that the consolidated public sector deficit for FY 1994 should exceed 167 million U.S. dollars. The implementation of a policy oriented toward reducing and even eliminating this enormous public deficit was part of the Prime Minister's policy statement, in which he stated that this would leave the GOH with almost no funding available to cover the airfare costs of public sector participant trainees.

We believe that it is essential to waive this requirement to give the candidates the opportunity to participate in the training courses necessary for the success of the implementation of this

program.

**Authority:** USAID Handbook 10 , Chapter 16, Section 16C (1) provides the Mission Director with the authority to justify and authorize a general country waiver in full, or in part, of the host government's or other sponsoring entity's responsibility to fund the cost of round-trip international travel, including incidental costs enroute as well as the cost of travel between the participant's home city and the point of departure and return provided that the Regional Assistant Administrator and OIT are informed.

**Recommendation:** Based on the discussion above, it is recommended, that the Strategic Objective Program Authorization include a waiver of the requirement for host country funding of international travel of participant trainees under the Agriculturally Sustainable Systems and Environmental Transformation (ASSET) 2000 program.

# **Agriculturally Sustainable Systems and Environmental Transformation (ASSET) 2000**

**USAID/HAITI**

**FINAL**

**November 31, 1995**

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## LIST OF ACRONYMS

ASSET	Agriculturally Sustainable Systems and Environmental Transformation
CA	Cooperative Agreement
CARE	Cooperative Action for Relief Everywhere
CASEC	Conseil d'Administration des Sections Communales
CDS	Center for Development and Health
CFC	Community Forestry Corps
CIDA	Canadian International Development Agency
CRDA	Centre de Recherche et de Documentation Agricole
DEP	Democracy Enhancement Project
EC	European Community
EG	Economic Growth Office
EIA	Environment Initiative for Americas
ETF	Environmental Task Force
FAO	Food and Agriculture Organization
FSIS	Food Security Information Systems
FX	Foreign Exchange
FY	Fiscal Year
GDP	Gross Domestic Product
GEF	Global Environmental Facility
GOH	Government of Haiti
IDB	Inter-American Development Bank
IEAP	Interim Environmental Action Plan
IFI	International Financial Institution
IIBE	Incentives to Improve Basic Education
IICA	Inter-American Institute for Cooperation in Agriculture
JOBS	Jobs Creation Project
LAC	Latin American and Caribbean
LC	Local Currency
LOP	Life of Program
LT	Long-term
M&E	Monitoring and Evaluation
MARNDR	Ministry of Agriculture, Natural Resources and Rural Development
MDE	Ministry of Environment
NAD	New Activity Description
NEAP	National Environmental Action Plan
NGO	Non-governmental Organization
NRM	Natural Resource Management
OPA	Organizations of Professional Agriculturalists
OTI	Office of Transition Initiatives
PACD	Project Activity Completion Date
PADF	Pan American Development Foundation
PAR	Policy and Administrative Reform

PD&S	Program Development and Support Project
PI	Performance Indicator
PLUS	Productive Land Use Systems Project
PO	Program Outcome
PRET	Program for the Recovery of the Economy in Transition
PURE	Emergency Program for Rehabilitation of the Environment
PVO	Private Voluntary Organization
RFP	Request for Proposal
RP	Results Package
SAC	Sectorial Adjustment Credit
SECID	South-East Consortium for International Development
SO	Strategic Objective
SOA	Strategic Objective Agreement
SOT	Strategic Objective Team
SOIL	Strategic Objective Implementation Letter
ST	Short-term
TA	Technical Assistance
TAC	Technical Assistance Credit
TBD	To be Determined
TSI	Technical Support Institute
TWM	Targeted Watershed Management Project
UF	University of Florida
UNDP	United Nations Development Program
US	United States
USAID	United States Agency for International Development

## EXECUTIVE SUMMARY

This program consolidates all USAID agricultural and environmental activities into a single operational entity named **Agriculturally Sustainable Systems and Environmental Transformation**, or ASSET 2000 (representing its target completion year). ASSET is one of USAID/Haiti's four major umbrella programs, addressing one Mission Strategic Objective. This action combines successful activities already underway with new initiatives, derived from lessons learned from more than 15 years of experience which have produced a menu of environmentally sound technologies and methodologies proven effective in Haiti's environmentally fragile agriculture system. Building upon these successes, ASSET seeks to empower participating farmers both economically and politically, not only increasing their incomes by improved farming techniques and preserving their land through sound environmental practices, but also strengthening local communities, groups and institutions, enabling them to take charge of the implementation and extension of these proven methodologies.

Strategic Objective Four seeks to "Improve Agricultural Productivity and Environmental Management." ASSET 2000 will serve this strategic objective by achieving four distinct program results that contribute to the overall strategic objective. Each program result will emerge from a group of activities called Results Packages. Result One will strengthen the national framework for environmentally sound development through support for the National Environmental Action Plan (NEAP), institution building in the Ministries of Agriculture and Environment, and support for a national agriculture and environmental information system. Result Two will increase the use of sustainable hillside agricultural practices to hillside farmers so as to increase their incomes through expanded tree crops, soil and water conservation, improved seeds and food crops production linked to reliable marketing systems. Result Three will foster greater community participation in tree planting and protection of productive infrastructure through the empowerment of local civil society and governmental institutions with organizational, planning, technical, management and monitoring skills and resources. Result Four will improve environmental quality in targeted urban locations and reduce land based pollution on marine and coastal resources through support of activities in urban liquid and solid waste management. These results stem from a series of separate but interrelated interventions supporting the strategic objective.

ASSET seeks to achieve:

- 2,500,000 people receiving environmental awareness information and/or participating in innovative farmer-oriented soil conservation, watershed management and agroforestry programs protecting 230,000 hectares of strategic watersheds;
- 650 farmer groups representing 150,000 farmers supported by nongovernmental organizations in resource and environmental management activities with over 20 percent participation by women farmers;
- Over 30 million tree seedlings planted through joint efforts of farmer groups, local governmental, non-governmental and grassroots community organizations;

Up to 50 Community Forestry Corps established through local municipalities, *agronome au commune* (local-level Ministry of Agriculture extension agent), non-governmental organizations and possibly Peace Corps Volunteers to build local capacities to plan, manage and sustain natural resource management activities;

- A prioritized NEAP established and implemented with specific program and investment projects, resulting in more effective governmental institutions and monitoring systems supporting this policy framework; and,
- Effective local level programs for urban waste management, resulting in reduced incidence of water borne diseases.

ASSET 2000 will be implemented through performance-based management. This will lead to improvements in managerial efficiency and establishment of clear linkages between program objectives, activities, and results. Management emphasis will shift from dealing with implementation issues on many individual projects to oversight of performance and results of general program activities. This program will broaden performance responsibility to include GOH technical ministries, implementors and participants.

Funding will be obligated through a single Bilateral Agreement. Under this agreement, USAID will commit funds to various cooperative agreements and institutional contracts. Subsequent implementation letters will address details of how the performance-based management structure will operate including: establishment and adjustment of performance indicators, and provisions for redirecting funding from non-performing activities to those that are performing well. Any significant management changes will be documented through implementation letters.

A strategic objective team approach will be used to manage ASSET 2000: a Core Team and an Expanded Team. In addition to this Mission management structure, a Senior Management Committee (SMC) will be formed to include Core Team members, GOH representatives (Prime Minister's office, Ministries of Agriculture and Environment), customer representatives (community leaders, heads of farmers associations) and key partners (NGOs and Contractors). The Core Team will be composed of three to five members of the USAID Mission with direct responsibility for Strategic Objective Four. This team in collaboration with the SMC will make the major management decisions concerning program policy, direction and resource allocation. The Core team will be responsible for attaining the intended main program results and achieving pre-determined performance indicators. Core Team meetings will be held to adjust program activities and resources to assure program performance.

Activity-specific management will be ensured through the Expanded Team composed of technical staff of USAID, relevant ministries, implementing entities, and customers as appropriate to the specific issue. The Expanded Team members will serve on various activity teams according to their involvement in the results packages. These teams will meet as necessary to appraise program performance and to recommend managerial decisions to achieve intended results and reach the given performance indicators.

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# AGRICULTURALLY SUSTAINABLE SYSTEMS AND ENVIRONMENTAL TRANSFORMATION - 2000

## I. PURPOSE

ASSET 2000 consolidates into one program all activities related to Strategic Objective Four approved in the 1996-1997 Action Plan. This consolidation will result in improvement of managerial efficiency and establishment of clear linkages of program activities with the Mission's Strategic Objectives and program results. The purpose is to improve agricultural productivity and environmental management through empowerment of Haitian communities, groups and institutions to take charge of the implementation and extension of environmentally sound production, marketing, conservation and protection technologies and methodologies. ASSET 2000 will help create the policy environment and supportive institutions necessary to increase rural productivity and incomes through sustainable use of Haiti's natural resources, and to mitigate the negative environmental effects of urban-generated waste.

The program purpose will be achieved through interventions focused on four distinct program results. These interventions will begin to address severe environmental degradation, food insecurity, population, and pollution. Result One will strengthen the national framework for environmentally sound development through support for the National Environmental Action Plan (NEAP), institution building in the Ministries of Agriculture and Environment, and support for a national agriculture and environmental information system. Result Two will increase use of sustainable hillside agricultural practices to hillside farmers to increase their incomes through expanded tree crops production, vegetable gardening, and value added processing linked to reliable marketing systems. Result Three will foster community participation in tree planting and protection of productive infrastructure through expanded support to local governmental and non-governmental institutions. Finally, Result Four will improve environmental quality in targeted urban locations and reduce land based pollution on marine and coastal resources through support of urban liquid and solid waste management. These achievements represent a series of separate but interrelated interventions supporting the strategic objective (SO). The Mission will initiate this program through signing with the Government of Haiti of a Strategic Objective Agreement (SOA). Under this SOA, ASSET 2000 will be managed through a performance-based management approach focusing on achievement of specific performance indicators of program results.

## II. CONTEXT AND RATIONALE

**A. Background:** One of the larger of the Caribbean nations, Haiti comprises 27,000 square kms of mostly mountainous land area and a few plains. Land is fully utilized, albeit inefficiently. The total area under some form of agricultural production is estimated to be six times that of "good agricultural land." A third of all land is either extremely eroded, abandoned for farming, or saline and virtually sterile, due to decades of inappropriate land use practices. The Country's marginal lands are mostly found on mountainous slopes. Every year, population increases and the lack of alternative economic opportunities leads to

expanded cultivation on steeper slopes higher up the mountains, which accelerates the rate of tree cutting, soil erosion and environmental degradation.

Price distortions due to excessive taxes on imported food grains and oligopsonistic market structures, absence of secure land and resource tenure, as well as lack of credit access, institutional support and rural infrastructure all contribute to the continued decline in agricultural productivity.

During the period 1985-1989, Haiti's agricultural production declined by 0.5 percent per year. However, the 1992, 1993, 1994 and early 1995 harvests were the highest in recent years, due to abundant rainfall and the adoption of improved production practices. Value-added has been decreasing even though land and labor resources destined for agricultural production have been increasing. Land and labor productivity losses have resulted from a deterioration in the quality of the Country's capital stock (soil fertility, irrigation systems and roads), reflecting a negative political and economic environment which has discouraged investment. Yields, with the exception of rice, show a negative trend and are increasingly lower than those recorded in other countries of the region. Failure of the Government of Haiti (GOH) to engender much-needed political stability and provide services and public goods have been the key factors impeding growth.

The 36 month economic embargo (1991-1994), tropical storms (Gordon) and drastically deteriorated infrastructure (roads, bridges, irrigation systems) caused major disruptions in access to agricultural markets and production inputs resulting in below average production. Nevertheless in 1994, the Haitian farmers produced an estimated 828,000 metric tons of corn equivalent food grains which represents 91 percent of an average production year. However, this level of production only satisfies 57 percent of the estimated total domestic food requirements.

Notwithstanding total export restrictions for several months of the production year, traditional and non-traditional agricultural exports bounced back in 1994. Exports of selected high-value crops (coffee, mangos, and cacao) were valued at \$31.2 million last year. Mango exports for the first season of 1995 have already reached a record \$15 million. These tree crop exports are grown almost exclusively by small farmers. They provide a sustainable high-value cash crop which greatly enhances the environmental stability of the fragile Haitian hillsides and improve broad-based sustainable food security. Haiti has a comparative advantage for producing these and other perennial/forest crops which have many needed ecological and economic benefits.

Historically, USAID has been the principal donor involved in environment and natural resources initiatives in Haiti. During the 1980s, the Mission supported forestry and conservation activities, including the production and distribution of 80 million tree seedlings and work with hundreds of farmer's associations on soil and water conservation. During the past four fiscal years (1992-1995), investments of \$29 million were made by USAID under agricultural and environmental programs to address sustainable agricultural production, tree

planting, soil and water conservation, watershed management, and development of a National Environmental Action Plan (NEAP).

In addition, the Jobs Creation component of the Enhancing Food Security project has provided \$38 million for solid waste collection and disposal, drainage ditch and infrastructure rehabilitation, rural road repair and soil and water conservation interventions which have environmental as well as economic impacts and benefits. The enormity, complexity and importance of the environmental problems demand far greater focus and attention, however.

**B. Problem Statement:** Haiti's extreme environmental problems undermine its short- and long-term prospects for achieving greater political and social stability, food security and sustainable economic development.

Massive deforestation has resulted in soil erosion, which has become one of the major constraints to agricultural production for both local consumption and trade. Each year, approximately 30 million trees are lost to 180,000 charcoal makers, who produce charcoal as a last alternative for income and domestic energy needs. Twenty-five of the 30 major watersheds in Haiti are severely degraded with less than 3 percent of the forest remaining mostly in a pine forest in the southeast. Extensive illegal logging is taking place now in this National Pine Forest due to poor law enforcement. Due to soil loss, which follows massive deforestation, the equivalent of 15,000 acres of arable lands are lost annually. Erosion loads rivers with sediment, undermining infrastructure (dams, roads and irrigation systems) and destroying coastal habitats, which seriously threatens the environmental underpinnings of broad-based economic growth.

Additional examples of the tremendous environmental threats to Haiti's future development are accelerating coastal and terrestrial ecosystem degradation, water pollution, bio-diversity loss, lack of potable water, and inadequate waste management. These integrated phenomena have greatly accelerated environmental degradation.

Haiti's environmental crisis is driven by three fundamental constraints--poverty, population pressure, and weak national and local governance institutions. These factors are leading to irreversible environmental degradation and increased economic hardship.

Poverty resulting from decades of inappropriate agricultural and macroeconomic policies have forced most farmers into adopting short-term survival strategies, which continues the cycle of degradation. Past policies gave farmers artificial financial incentives to replace their perennial cropping systems and trees with annual food grains which are inappropriate for the steep hillsides of Haiti where most farmers live. With 70 percent (4.8 million people) of the Haitian population earning a living from agriculture and related enterprises, this cycle of poverty and land degradation continues to seriously erode the productive resource base of the economy.

While less than 30 percent of Haiti's population lives in urban areas, urban population is growing at an annual rate of 4.2 percent. In these areas, lack of water and sewer services results in severe health impacts: 75 percent of infant deaths, 50 percent of deaths of children 1 to 4 years old, and 20 percent of all other deaths. Each month, informal sector operators in the worst of urban working environments lose an estimated three working days due to illness.

For decades, Haiti has suffered from passive and abusive national and local governance. The weakness of the public sector institutions is illustrated by an over-centralized administration; poor management; unclear, conflicting and unenforceable regulations; and, weak planning. This, in turn, has led to poor resource allocation and the absence of community participation in implementation of programs and projects. Local institutions are not held responsible and accountable for the financial management of funds. Therefore, donor agencies have been unwilling to fund public sector agricultural and environmental activities. Political instability has further compounded this public malaise and accelerated the environmental degradation resulting from the continuous cycle of poverty, over population and weak governance.

**C. Opportunities:** While the problems mentioned above are substantial, there are also many opportunities in the agricultural, environmental and natural resource management areas for increasing rural incomes, conserving the natural resource base and dealing with urban environmental problems. In the last three years, under extremely difficult embargo conditions, USAID/Haiti has implemented a very successful methodology by working with individual farmers (many of them women), farmers' associations and non-governmental organizations (NGOs) in local natural resource management activities. In addition, recent Mission experience in the coffee sector has shown how both increased income and greater protection of the land can be achieved by small farmers. With the continued increase of private sector agribusiness activities in the Country resulting from the optimism about the return of stability and USAID's support to this sub-sector, greater incentives to increased hillside agricultural activities, based on a sustainable natural resource management model, will occur. Many economically important crops such as coffee, mangos, citrus, bananas, cocoa, pineapple and sisal are good generators of income and excellent crops for soil conservation activities. Improved political stability will greatly enhance the growth potential of these crops and related agro-industries. These conditions could provide the bases for sustainable economic development in Haiti.

The Aristide government has committed itself to the development of a comprehensive environmental policy, setting priorities and goals in the environmental area. Now that stability has returned, the Government is again willing to support its technical ministries to provide the essential public services that have, in many ways, been handled by Private Voluntary Organizations (PVOs) with donor support. More important, with the return of stability, local organizations are now freer to organize themselves to resolve their own problems.

In Fiscal Year (FY) 1995, USAID, through the \$45 million balance of payments support program, promoted Trade Liberalization Policy Reforms for encouraging greater investments in the productive sectors including agriculture and agribusiness. These reforms include suspension of quantitative restrictions on agricultural imports and reduction of custom duties. Several presidential decrees were issued:

- reduction of customs duties to a range of 0-15%, from the old range of 0-50%,
- abolition of 40 percent surrender requirement on foreign exchange earnings from exports,
- removal of all interest rate ceilings,
- five-year extension of fiscal and property privileges for qualifying export-oriented firms,
- simplified incorporation procedures for new businesses,
- authorization for all financial institutions to accept chattel mortgages,
- repeal of the law allowing the GOH to sanction cartels,
- imposition of a ceiling on the stamp tax imposed on stocks and bonds, and
- ratify Haiti's participation in the World Bank's Multilateral Investment Guarantee Agency, which encourages foreign investment by providing guarantees against certain non-credit risks.

In addition, during the process of developing a NEAP, further policy reform needed in the agriculture and environment sectors will be reviewed to determine the priorities for legislation enactment and implementation. This process is described further in the section on the Improved National Framework for Environmentally Sound Development. Another important policy is land and tree tenure reform, not directly supported by USAID, but which could be important in addressing the deforestation and soil erosion on public lands, which is one aspect of Result 3.

**D. Priorities and Strategy:** An integrated program is needed to break this cycle of degradation and address in a sustainable manner Haiti's severe environmental crisis. Such a program should recognize the direct and indirect relationships between the issues of governance, population, economic development, and environment. Given the crisis nature of the situation, there is a need for an expansion of successful activities, additional short-term emergency type actions, and long-term participatory national planning. Furthermore, any environmental program must seek to maintain an appropriate balance between donor and GOH resources and interventions.

The Government of Haiti has recognized the importance of the environmental degradation problems and their causes by creating in 1995 a Ministry of Environment (MDE) to lead the effort for better public and private sector performance. However, the new MDE will require significant financial and institutional support from the Government of Haiti and donor community before it can seriously deliver on its mandate.

Over the long run, a broader range of interventions by the GOH, donors, NGOs, and private sector will be needed to reverse Haiti's environmental degradation and ensure sustainable utilization of its natural resources. These include: macroeconomic and sectoral policy reform, institutional development (both government and NGO), sustainable agricultural production, watershed management, bio-diversity protection and management, reforestation, tree crop production, urban waste management, environmental education, promotion of energy conservation and efficiency and, long-term national planning.

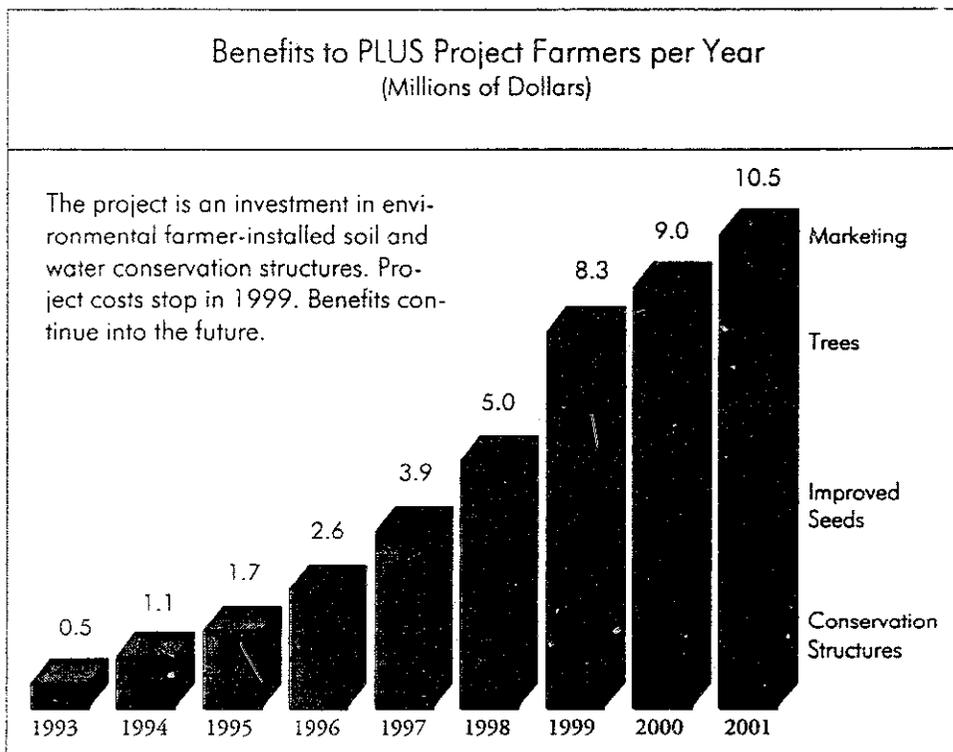
In early 1995, a USAID-funded Environmental Task Force (ETF) evaluated the situation in Haiti and drafted an interim environmental action plan (IEAP) which includes short-, medium- and long-term proposals for donor assisted activities. The ETF consulted with other donors about their assessment of the environmental situation and plans to intervene. Therefore, the majority of activities proposed in the interim plan are being implemented on a limited scale; however, the magnitude of the problem demands that greater resources be applied in many crucial areas, e.g, energy policy including alternative fuels, more efficient charcoal stoves, increased tree planting to protect productive infrastructure, urban pollution prevention, solid and water waste management, and national planning (NEAP).

ASSET 2000 activities are consistent with the priorities and strategy proposed in the IEAP. Because the need for environmental rehabilitation in Haiti is so great; other donors could also collaborate in each of the activities supported by ASSET 2000. An Executive Summary of the IEAP can be found as Annex H.

**E. Support and Performance:** Without interruption, USAID has continued to actively support environmentally sustainable agricultural activities throughout the period of political instability. The Mission has had a very strong "green" environmental (sustainable hillside agriculture) portfolio.

As of the end of September 1995, more than 135,000 farm families (742,500 rural beneficiaries) are reached directly with sound land use practices and income increasing technologies through the following projects: Productive Land Use Systems (PLUS), Coffee Revitalization, Targeted Watershed Management (TWM), and Seed Production and Multiplication. Project interventions include resource conservation techniques; improved seeds, promotion of fast-growing and high value tree varieties, sustainable agronomic practices, value added processing methodologies; and marketing support. These activities are producing impressive financial returns to Haiti's poor farmers. The findings of project evaluations in 1994 showed that participating farmers' incomes had effectively doubled. For

example, as of March 1995, PLUS was reaching 40,000 farm families representing over 250,000 rural beneficiaries. The accompanying graph shows that these families have received benefits or "dividends" of \$540,000 in 1993 plus \$1.2 million in 1994. By 1999, benefits are expected to flow at the rate of \$8.3 million per year. By that time, accumulated benefits are expected to total some \$23.7 million. The graph shows the benefits flowing to farmers as "dividends."



In some project areas, food production is stabilizing and even increasing as the risk to moisture stress is declining with the increased use of soil and water conservation techniques. As a result, farmers are willing and able to devote more effort to growing fruit and forest-product trees.

Successful sustainable agriculture/environmental activities will be continued and expanded based on Haiti's comparative advantage in perennial tree crop production on fragile and marginal hillside lands. All of our agricultural/environmental projects underwent independent evaluations last year (1994). All received high marks for technical and economic sustainability, implementation success and impact results under extremely difficult conditions. Based on these results, these sustainable hillside agricultural projects were amended, increasing their funding levels and durations for the next two to five years to enhance the institutional sustainability of the methodologies.

The Mission's agricultural and environmental portfolio is presented in Table 1 below. The largest single activity is the PLUS project. This project's menu of sustainable agricultural production practices is being widely adopted throughout Haiti, reaching over 70,000 farm families (350,000 individuals) at the end of FY 1995 and projected to reach 150,000 farmers and a total of 225,000 hectares by FY 2000. There are also several smaller projects in coffee production, watershed and national park protection and seed production. These smaller projects will end in FY 1996. Annex D offers a brief description of each.

**Table 1. Agricultural and Environmental Portfolio**

Project	Project #	LOP Funding \$ (000)	Start (FY)	PACD (FY)
Productive Land Use Systems (PLUS)	521-0217	61,500	1989	1999
Targeted Watershed Management (TWM)	521-0191	16,900	1987	1996
Coffee Revitalization Project	521-0216	7,200	1990	1996
Seed Production and Multiplication	521-0245	1,400	1993	1996

As funding permits, USAID wishes to complement present and emergency environmental actions with medium-term local empowerment and institutionally focused activities: a Community Forestry Corps (CFC) program stressing civic responsibility and the Kenyan "green belt movement" approach to community tree planting, including possible participation by Peace Corps Volunteers with local and international NGOs; and, development and implementation of the National Environmental Action Plan (NEAP).

The NEAP will define and direct future long-term efforts of Haitian society and the donor community to improve the environment in which Haitians live and work. We will continue to support, in collaboration with other donors, the development of a NEAP which will prepare a coherent GOH and multi-donor supported five-year environmental action plan within a ten to twenty-year perspective. The NEAP will involve a GOH-led participatory process with NGOs, civil society, the private sector and donors. The NEAP would identify key environmental problems and propose specific actions to address them which have the concurrence and involvement of all interested parties. Investment requirements would also be indicated. In essence, the NEAP consolidates national consensus and priorities for environmental action into one planning document.

ASSET will consolidate the present PLUS project and selected promising elements of the Coffee project. Section IV provides details.

**F. Relationship to other Mission Activities:** ASSET activities related to agribusiness, will work closely with the Program for the Recovery of the Economy in Transition (PRET), the other half of the EG portfolio. PRET (a two-year transitional program) supports the private sector through financial and technical services by strengthening the financial sub-sector for small firms, microenterprises, agribusinesses, development of policies for stimulating investments, and regional and international trade. Through its market linkages activities, the program will create demand for financial resources from an expanding agribusiness sector. ASSET 2000 staff will work closely with PRET in directing this demand towards financial sources now emerging for agribusiness firms. Increased hillside

production resulting from program activities, especially of environmentally sustainable crops such as mangos, avocados, sisal, bananas and citrus, will provide essential raw material for agribusiness firms, which may obtain working capital loans with the assistance of the Agribusiness Loan Guarantee Fund under PRET to expand their operations. Technical assistance and training resources provided under ASSET 2000 and PRET in the agribusiness area will be coordinated through the Ministry of Agriculture and the Presidential Commission's sub-commission on Agribusiness<sup>1</sup> to support increased productivity and marketing of appropriate tree crops. PRET will also support SO Four efforts through continued public/private sector dialogue leading to improvements in the investment climate in Haiti which will have a positive impact on agricultural production and trade.

The Policy and Administrative Reform (PAR) project has funded the development phase of the NEAP. Once ASSET 2000 starts, it will directly support our involvement with the implementation phase of the NEAP. PAR will continue to promote civil service reforms within the GOH which will have positive effects on ASSET 2000 program activities.

The Democracy Enhancement Project (DEP) also supports SO Four objectives through the development of participatory decision-making within Haitian institutions. DEP has been working with public and private institutions and individuals to foster democratic values and institutions. This effort directly enhances ASSET 2000's local community participation in resource and environmental management activities. The potential exists to use a proposed Natural Resources Management (NRM) fund under Result Three to provide financial resources for small local-level grants to local government institutions to support mutual program objectives of empowerment. Many of the urban environmental infrastructure activities are facilitating service delivery which normally should be the responsibility of local government. ASSET 2000 and DEP should explore the extent to which municipalities can sustain and expand these services.

In addition, the pilot Haiti Urban Pollution Prevention project was funded under a Latin America and Caribbean (LAC) regional activity, the Environmental Initiatives for the Americas (EIA). The activity is designed to mitigate the effects of urban pollution on coastal resources near one urban area. Successful pilot activities will be replicated by this program.

The Incentives to Improve Basic Education (IIBE) project is supporting environmental awareness in several schools with a pilot distance education module on environment. This module will eventually be incorporated into school curricula.

SO Four will also benefit from funding provided through the PL 480 Title III and Title II programs. Contributions from Title III monetized funds will be important sources of local currencies to support institutional development in the Ministries of Agriculture and Environment and for (Ministry of Agriculture, Natural Resources and Rural Development)

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<sup>1</sup> The Presidential Commission for Economic Growth and Modernization, created by presidential decree in November 1994, consists of fifteen members of the Haitian business community and several cabinet ministers. The Commission is charged with facilitating an analytical process leading to policy measures and enabling legislation to improve the business and investment climate and to restore economic growth and employment. Among the ten sectoral sub-committees is an Agribusiness sub-committee with the Minister of Agriculture as well as representatives from the private sector. USAID has provided \$750,000 to support the Commission's work.

MARNDR's early involvement in the PLUS activities under Result Two. Conditionality of the Title III program includes the completion of the NEAP<sup>2</sup>. Title II Food for Work resources may also be used for local community development.

**G. Rationale for Consolidation of Program:** As part of Agency re-engineering efforts, the Mission is consolidating some thirty projects, programs and activities into four umbrella programs linked to the Mission's Strategic Objectives as approved in the 1996-1997 Action Plan. Improved managerial efficiency and accountability will result from having both fewer management units and streamlined obligation procedures. A focus on performance and achievement of agreed upon results in Results Packages will provide greater accountability of Mission's performance in relation to strategic objectives. With continual pressure on budgetary resources, improved management and accountability become even more important.

The EG Office has completed half of its consolidation exercise by merging the Office's projects to facilitate increased private sector income and employment (SO Two) into a single management unit (PRET). ASSET 2000 will consolidate the other half of the EG portfolio of activities related to agricultural productivity and environmental management (SO Four). In FY 1996, the EG portfolio will be reduced from eight project management units to two strategic objective programs and eventually two funding sources.

**H. Other Donor Agricultural/Environmental Programs:** Most donors stopped all of their activities in Haiti after the September 1991 coup that removed President Aristide from office. With his return October 15, 1994, donors have been either moving into a transition phase supporting the new government or reconstructing their former development portfolios. In the agricultural and environmental areas, the other principal donors are currently the World Bank, Inter-American Development Bank (IDB), United Nations Development Program/Food and Agriculture Office (UNDP/FAO) and, on a more limited scale, Canada and the European Union.

Discussions with these donors indicate several areas of complementary actions to ASSET 2000. The World Bank is redesigning an environmental program tentatively renamed the Environment and Rural Poverty Program (\$20 million). Several contemplated activities for this Bank program are complementary to ASSET 2000 activities of institution-building in the Ministries and the communal development fund (small grants program to empower local communities in natural resources management). The national parks management component will be taking responsibility for Park Macaya from the USAID-funded TWM project, which is ending. The Bank's institution-building component will be supporting specific units of park management and district offices of the MARNDR. This activity will be complemented by ASSET 2000's institutional development effort at the central ministerial level. More efficient charcoal stoves will be promoted as a small sub-component (\$1 million). Finally, the communal development fund could be a source of grant funds for proposals developed by local communities. The Bank's program is now being appraised and is expected to go to the Board in April 1996, with a tentative start date of September 1996. In addition, a proposed potable water systems loan (\$40 million) will have urban environmental impacts. Our urban

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<sup>2</sup> The 1995 PL 480 Title III Program requires that the GOH will undertake the development of a draft NEAP.

pollution mitigation activities could work with this project to mitigate potential negative environmental impacts and assist with the sustainability of these systems. In addition, the World Bank is considering funding \$500,000 grant funds for the development of the NEAP.

Until the GOH October 1995 withdrawal from the structural adjustment program negotiated with the World Bank, IMF and IDB, the IDB was in the process of developing a program for agriculture and environment in collaboration with the World Bank through the Technical Assistance Credit (TAC) and a Structural Adjustment Credit (SAC). Within the TAC, the IDB would focus on structural problems including the financial sector, agriculture and environment, energy, customs, and budgetary and fiscal systems. Most of these activities would focus on policies, regulations, laws, investment programs, and institutional reform. Activities under the TAC would benefit from USAID-funded studies carried out in cooperation with the Presidential Commission. In the agricultural and environment sector, seven principal areas for support have been identified: institution-building, land tenure, creation of a rural development and environmental protection fund, irrigation development, rural financial services, protection of endangered ecosystems, and energy policy related to reducing consumption of charcoal. Of these, three are of particular concern to ASSET 2000 — institution-building, the development fund, and protection of endangered ecosystems. The IDB has indicated that it is very interested in working with other donor activities to maximize the results of its credits. As of November 1995, the program is on hold pending GOH reactivation of discussions with the three International Financial Institutions (IFIs) toward a definitive program of economic adjustment and reform.

The FAO has just completed a sectoral assessment which included a study of the reorganization of MARNDR. SO Four's efforts in watershed management, community forestry, institution-building of the ministries (MDE and MARNDR) and in decentralization of MARNDR services complement and support the draft project proposals in the FAO study. However, the FAO has proposed 34 separate projects estimated at \$290 million to be implemented over the next five years. ASSET 2000 will work within the strategic framework established by MARNDR as reflected in the FAO report. Through PLUS, the Mission is already providing an institutional specialist at the cabinet level to assist in the reorganization of MARNDR. Under the new program, resources will be provided for training and technical assistance to strengthen the Ministries of Agriculture and Environment.

UNDP has been providing seed money to help support the development of the NEAP document. This funding complements \$750,000 from USAID. UNDP, through its transitional Emergency Program for Rehabilitation of the Environment (PURE), is providing support for a range of environmental activities from support to the MDE to examining environmental law issues. These activities lay the groundwork for future actions that will be supported by ASSET 2000 once the NEAP is completed and approved.

Before the 1991 coup, Canada was preparing a large reforestation program. This effort has been abandoned and the Canadians are now looking at a developmental fund that will provide grants for small projects based on local community participation similar to that being developed by the World Bank, IDB, and ASSET 2000. This fund could also be used to support ASSET's local community participation activities. With the Ministries, we will promote donor coherency for providing incentives for local community participation.

I. **Lessons Learned:** Several recent reports and evaluations<sup>3</sup> provide important lessons on how to carry out successful activities in natural resource management. Among these:

- Large scale governmental or donor implemented tree planting programs have not achieved their objective of significantly reducing large scale soil erosion. Efforts to reforest Haiti have had limited and unsustainable effects. The reasons for these failures are: they did not address the basic cause of poor land use; were not site-specific; often had multiple and conflicting objectives; and, did not address issues of sustained conservation management. These tree-planting efforts, in general, attempted to impose a pre-determined technology on the local population with no local participation.
- To date, the most effective, efficient and innovative soil conservation and forestry projects have been carried out by PVOs. These groups have shown an in-depth knowledge of local practices, institutions and economies. Most PVO programs have built on known technologies using indigenous groups as vehicles for extension or extensionist-farmer communication methods.
- The soil conservation techniques most widely adopted by farmers and the local population are those that are low-input and yield significant short-term benefits. These techniques are often based on adaption of known techniques familiar to farmers. Successful agroforestry techniques and approaches have complemented indigenous practices and historic trends of tree domestication. They have also yielded significant, though modest, financial benefits to farmers.
- When local populations view conservation activities in their economic interests, they will voluntarily support local multi-owner watershed management and conservation even where land tenure may not be clear. Farmers feel they have ownership rights to trees they plant even if they do not have tenure on the land.
- Natural resource management projects do not, in themselves, reverse the trend of rural decline. Natural resource activities have to be linked to income producing incentives through expanded agribusiness and economic activities. These latter activities, in turn, require additional investments in infrastructure and the establishment of appropriate economic and fiscal policies.

Beside natural resource management, important lessons have been gleaned from the JOBS program, DEP project, and USAID's Office for Transition Initiative's (OTI) work with local communities and groups:

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<sup>3</sup> White, T. Anderson, November 1994, *Policy Lessons from History and Natural Resource Projects in Rural Haiti*, Department of Forest Resources, University of Minnesota.

Smucker, Glen and Joel Timyan, April 1995, *Impact of Tree Planting in Haiti: 1982-1995*, South-East Consortium for International Development (SECID)/Auburn PLUS Report No. 23, Pétionville, Haiti.

Brown, Donald, Alicia Grimes, and Michelet Fontaine, April 1994, *Design Assessment: The Productive Land Use System Project*, LAC/TECH, Chemonics, Washington, DC.

- Communities, that have a vested interest, are more successful than salaried individuals at sustainable implementation and maintenance of local activities; therefore decentralization of responsibility, training, and action is required to support these efforts.
- Design and implementation must be carefully coordinated with ministry staff, municipal authorities and community representatives with support from Central Government to maximize the socio-political impact of strengthening local community organizations and their efforts.
- Upgrading the local leadership's administrative, technical, and managerial capacities should be approached through a wide mix of training contents and strategies, with both theoretical and "hands on" methodologies; local leaders should learn to plan, raise revenue, and implement initiatives to help the community.
- Communities should use a flexible participatory process to maximize community involvement in every step: identify and prioritize needs, plan activities, and implement activities.
- Due to the limited number of trained personnel in most local governments, a conscious strategy should be adapted to use local natural leaders and local NGOs (including volunteers and volunteer groups), who may have received training, to reinforce local institutions.
- Trainers in local communities must be able to discuss politically sensitive issues like decentralization, tax or fine collection; therefore, institutions should revise their standards and policies for recruitment, staffing and training of personnel.
- The creation and use of technical and support counsels or committees have been successful in linking civil society and municipalities to common objectives and access to specialized skills, qualified professionals, and to reinforce local community participation in "public affairs".

OTI activities will be evaluated in January 1996. Lessons learned from these activities will be reviewed and considered in the development and implementation of community-level activities under ASSET.

### **III. PROGRAM DESCRIPTION/RESULTS FRAMEWORK**

**A. ASSET 2000 Strategy:** Areas of intervention have been chosen based on the work of the Environmental Task Force which conducted an assessment of environmental sector issues in December 1994 and January 1995. Based on this assessment, the Task Force proposed a three year interim environmental action plan. The plan recommended 13 priority areas for donor and GOH support ranging from a NEAP, to expanded tree planting programs, to empowering local communities to manage their environment through a national environment fund. The recommended budget for this three-year proposal was \$ 112 million. The reality of reduced resources and expansion of other donor programs in this sector led the Mission to

hard choices between elements of the plan. We have chosen to concentrate resources to expand sustainable hillside agricultural production efforts (PLUS), institution-building support for the Ministries of Agriculture and Environment, empowering local communities to take control of their environmental management problems, and targeted pilot urban pollution mitigation activities which have a positive impact on marine ecosystems. During deliberations on the Fiscal Year 1996 and 1997 Action Plan, USAID decided to develop a new Strategic Objective which would encompass all of our efforts in the areas of sustainable agriculture and environmental management.

This Objective is directly related to the Agency's goals to protect the environment and to support broad based economic growth. SO Four also directly addresses important issues related to three of the four strategic priorities of the Ministries of Agriculture and Environment, i.e., food security, environmental protection and export promotion. The component parts of ASSET 2000 are divided into four primary results. There are two levels of indicators, the Strategic Objective level (in Table below) which accounts for the overall program performance and impact, and indicators for each result package.

### STRATEGIC OBJECTIVE LEVEL PERFORMANCE INDICATORS

PERFORMANCE INDICATORS	Unit	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Increase in agricultural productivity	Index base year 1995 <sup>4</sup>	1.02	1.05	1.08	1.11	1.14	1.14
Sustainable increases in agriculture based income <sup>5</sup>	% Above 1995	10	15	20	25	30	30
NEAP	DOC.	Draft	Final	Action	Action	Action	Action
Total number of trees planted	million trees	5	6	7	7	7	32
Increased land under env. protection <sup>6</sup>	1000 Hectares	125	125	170	200	230	230

<sup>4</sup> Laspeyres Production Index: This index is computed as the ratio of the current year's production, valued at base year prices, of a group of agricultural crops relative to the value of production specified in the base year, see Annex G for more detail on calculation of the index.

<sup>5</sup> Based on income data and information from USAID funded activities, i.e., PLUS, Coffee, TWM, SEED, and ASSET.

<sup>6</sup> This indicator incorporates the number of hectares under improved land use via PLUS as of September 1995 assuming 1.5 hectares per each farmer.

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Specific performance indicators are given that indicate progress to achievement of these intended results. The estimated indicator levels presented are based on historical knowledge of past projects. Through a series of meetings and workshops, these indicators will be modified and refined with the participation of program implementors, clients and stakeholders.

**B. Result One. Strengthened National Framework for Environmentally Sound Development:** Activities here will help establish the framework for environmentally sound development in Haiti. This results package has three components. The first will be support for the implementation of priority NEAP actions within a nation-wide policy framework for environmentally sound sustainable development. The second will be institutional support to MARNDR and MDE to make them better able to develop and carry out appropriate environmental and natural resource management policies. Finally, a national agricultural and environmental monitoring information system will provide data to implement, monitor, adjust, and refine environmental and natural resource policies and programs.

### **Result 1.1 National Environmental Action Plan**

Haiti's long-term economic and social development depends on her ability to address critical environmental problems. The Mission is providing \$750,000 and collaborating with other donors and the Government to develop a long-term plan, coordinated by the MDE. The plan, described below, is being developed with FY 1995 funds through the Program Development and Support and PAR projects. ASSET 2000 funds will be used to implement priority NEAP activities based on criteria which will link this support to the strategic objective of increasing agricultural productivity and environmental management.

#### NEAP development

NEAP development will set priorities for actions to address Haiti's most pressing environmental issues and will integrate those issues into a general national economic and social development plan. This plan can help mobilize international donor funding for environmental programs with long-term impact. The NEAP objective is to provide an action plan for policy and legislative reforms affecting the environment in a range of sectors and ministries including positive incentives for improved environmental management.

ASSET will support this policy and legislative reform process by providing data and information, building the ministries capabilities analyze and formulate policy options, and providing short- and long-term technical assistance (Result 1.3). There is no specific reform agenda or conditionality in this program as there are no major policy distortions in the agricultural sector. Illustratively, there are several environmental and agricultural areas where positive policy incentives should be considered: fuelwood cutting and taxation; tree crop export promotion; tree planting; and alternative energy use. Activities under various results packages could have some input into the macro-policy dialogue on civil service and decentralization reforms (Results 1, 2 and 3).

Having a NEAP is a requirement for eligibility in accessing loan funds from the IFIs and the Global Environmental Facility (GEF). With eligibility, these funding sources could provide substantial financial support for Haiti's environmental and agricultural restoration.

To increase the broad-based support necessary for success, the MDE will employ a Haitian-led participatory process in the development of the NEAP. This process will involve the Prime Minister's office, GOH Ministries, broader civil society, universities, local NGOs and the private sector. These groups will have the chance to participate in at least one of the following groups: the Steering Committee (Ministries), Secretariat, task forces, and broad-based Advisory Committees. The process will encompass multi-disciplinary, inter-ministerial working groups and will introduce an educational awareness campaign for the environment.

Working groups may include: 1) soil and water resources, 2) terrestrial and coastal ecosystems, 3) urban environment, 4) energy, 5) natural and man-made catastrophes, 6) human resource development, and 7) legal, political, and institutional framework. Each working group will evaluate sector specific environmental studies and then produce area conservation strategies and sectoral action plans. The action plans will also consider regional environmental problems.

### NEAP Implementation

The NEAP will rank actions by activity and possibly by regions. Through ASSET 2000, priority needs identified in the NEAP will be funded. To determine funding priorities, an expanded strategic objective team will analyze:

- Relative ranking of NEAP activities versus present portfolio options and opportunities;
- Areas and level of funding other donors provide to NEAP activities;
- Sectors in which US assistance has a comparative advantage or where there is complementarity to SO Four interventions;
- Funding availability in areas where USAID has a comparative advantage; and,
- Any legislative restrictions on USAID funding.

### **Milestones**

#### Year one and two

- The NEAP is developed and approved by GOH and donors with a prioritized list of activities for funding,
- Complete Proposed new or revised environmental laws taken under advisement by Parliament, and

- Increased awareness among Haiti's political and social leaders of environmental issues.

Years three to five

- ASSET 2000 funds matched to selected priority environmental activities,
- Continual policy refinement of the NEAP, and
- Greater awareness of general population of environmental issues.

**Indicative Performance Indicators**

Performance Indicators	Units	Year 1	Year 2	Year 3	Year 4	Year 5	Total
People receiving environmental information creating greater environmental awareness <sup>7</sup>	Million People	1.5	2.0	2.5	2.5	2.5	2.5
Revised regulations or newly implemented regulations impacting the environment	Number	3	2	TBD	TBD	TBD	TBD
Organizations participating in NEAP development and implementation	Number	37	20	TBD	TBD	TBD	TBD

Source of Data for Monitoring: The Food Security Information System (FSIS) will be used to collect data on food security indicators such as rainfall, production trends, food prices, and nutritional status. This system will be augmented to track natural resource management trends and people's view of the environment. This data will be cross-checked with that of the ministries. The MDE will provide data on organizations working with NEAP and number of revised environmental regulations. All data and information will be disaggregated by gender, age, urban and rural, and geographically.

**Result 1.2 Institution-Building**

Institution-building will target the Agriculture and Environment Ministries and within these Ministries will focus on activities related to public sector support of agricultural productivity, natural resource and environmental management policies and programs. Ministries will not be supported in on-the-ground implementation of agriculture and environmental activities. Rather, efforts will be made to shift the implementation of these

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<sup>7</sup> The target audience for this environmental awareness information will be the Haitian population at large including public and private institutions, civil society and groups participating directly or indirectly in the ASSET project..

activities to local level communities, local governmental and private organizations with the GOH supporting local level efforts. The Ministries through training and the development of the NEAP will establish and use appropriate policies, develop and enforce standards, coordinate regional and national actions, monitor and evaluate program activities, and, supply support and advice on technical issues. The GOH will be expected to make slow but continual progress on these activities in proportion to the funding the GOH receives to support this result. USAID recognizes the long-term nature of building capacity within MARNDR and MDE. The Government hopefully will keep the playing field level, but it will not be a player on the field.

ASSET 2000's institution-building efforts will focus on personnel policy and planning, personnel development and training, budget preparation and presentation, monitoring and evaluation; and, other administrative, managerial and technical skills needed to efficiently carry out an appropriate public sector role in support of agricultural productivity and environmental management. ASSET 2000 will render this support through both short and long-term technical assistance, local and off-shore training, and seminars and workshops. To the extent possible, program implementors will use local experts and training resources to build the institutional capacities of the Ministries. A proposed set of activities followed by a workplan will be developed with MARNDR and MDE for priority institution building assistance and training needs. This proposal will include the results that are anticipated to be achieved with the resources provided. An implementation letter will be used to document what the Ministries have agreed to achieve with the resources provided under this activity. Monitoring of the achievement of the GOH results will be accomplished through qualitative appraisal surveys by independent sources, e.g., Expanded Team, FSIS, or independent contractors (e.g. Turbo Systems).

Beside general institution-building support, PLUS implementors will begin working with MARNDR counterparts to build technical capacity within the Ministry (see Result 2 for more information). To minimize recurrent costs, we will not provide vehicles or equipment. The Program focus will be on human, rather than physical capital. IDB or other concessionary loan funds should become available which would provide physical capital (office equipment, buildings, and vehicles.).

### Milestones

#### Years one and two

- Improved managerial, accounting, budgeting and personnel systems in the Ministries,
- Short and long-term training of Ministerial staff in technical and managerial skills,
- Initiation of restructuring and decentralization of MARNDR, and
- Improved responsiveness of ministries to requests for technical assistance from Haitian farmers in support of agricultural productivity and environmental management issues.

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- Institutionalization of managerial and operational reforms,
- Integration of trained staff in appropriate positions in the ministries,
- Completion of restructuring and decentralization of MARNDR, and
- Increased managerial and analytical capacities at ministries in the areas of agricultural productivity and environmental management.

### Indicative Performance Indicators

Performance Indicators	Units	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Ministries Staff receiving training per year <sup>8</sup>	Number	50	50	25	25	12	162
Number of established <i>Agronome de Commune</i> in countryside supported by ASSET 2000 <sup>9</sup>	Number	15	30	45	60	75	75

Source of Data for Monitoring: Ministries and contractor staff will report on number of participants who have received training. MARNDR records will provide number of communal offices established. All data and information will be disaggregated by gender, age, urban and rural, and geographically as appropriate.

### Result 1.3 National Agriculture and Environmental Monitoring and Information System

The establishment of a monitoring and information system is required to strengthen the planning, policy and program decision-making processes and to integrate agricultural and environmental decision making to improve agricultural productivity and environmental management. Both public and private planning are essential for success in improving agricultural productivity and achieving sound environmental management. Planning's usefulness depends on access to factual information and statistics. Agricultural and environmental planning at the national, community, or household level requires statistical

<sup>8</sup> This represents the number of technicians receiving formal long and short-term training under ASSET. Numbers do not include in-country workshops, conferences or seminars.

<sup>9</sup> MARNDR is in the process of establishing a deconcentrated and decentralized service structure. The local level ministry agent is the Agronome de Commune. The Ministry plans to have an agronome in each of the 135 communes of the country. ASSET 2000 plans to work with and provide limited support for 50-75 of them through one or more program components.

data on agricultural productivity, natural resource use and environmental management. Good planning also requires gender disaggregated data. As practiced to date, we will insist on disaggregated data based on gender, age, and geographic area, as appropriate. Statistical data on production (rainfall, area cultivated by crop, yields), land use patterns and market information are needed to assess food security and to monitor environmental impacts. ASSET 2000 will provide support for the establishment of a national monitoring and information system to serve the agricultural and environmental sectors. This system will utilize many public and private resources for the collection, analysis and reporting of data. Funding will support a national food security and land use information system and build the capacity of the Ministries to process and use this and other primary and secondary data to inform sectoral planning, policy, programming and monitoring.

The program will provide funding to the FSIS as an interim step responding to sectoral data collection and information needs. The Enhancing Food Security project funded the FSIS to help the Mission and PVO sponsors better understand food security problems and to help better target and tailor programs to the more food insecure. FSIS's surveys use stratified random area sample frames developed with MARNDR in the late 1980s. Survey analyses can provide statistically valid estimates of agricultural production, environmental damage and socio-economic indicators at the national and regional levels.

There are several advantages to using a functioning data collection and monitoring system. These include lower costs, redundancy avoidance, access to a larger pool of data, and use of a known and proven system. Other advantages include the ease with which FSIS can provide baseline data and accommodate other data collection systems such as in PLUS. The ability to use the FSIS area frame methodology for local project monitoring by subdividing the area frame into smaller units is also important. In addition, the use of the same sampling frame to collect national data and to monitor project and mission level strategic performance indicators will allow the pooling and integration of data within FSIS. FAO/UNDP, IDB, the European Union, and the World Bank have indicated interest in providing additional funding to the FSIS. The program goal, as well as those of other donors, is to support FSIS as a basis for the eventual establishment of a national agricultural and environmental monitoring system.

Activities with the FSIS will not cover all program data collection needs. FSIS will only assemble, analyze and provide statistical data. Project-supported local level monitors and enumerators will still be needed to collect routine and specific primary and secondary quantitative and qualitative data. Program funds will be used to provide training to appropriate ministry staff to enable them to better use data and information for informed decision-making. ASSET 2000 will also support the Mission's internal strategic objective monitoring system, the Results Review and Resource Request (R4), for reporting Mission-wide achievements related to strategic objectives and to justify resource allocations.

### Milestones

#### Years one and two

- Provide program funds to FSIS.

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- Complete system for Mission Strategic monitoring and resource allocation decision-making, and
- Training given to ministries on monitoring and evaluation techniques and procedures, data analysis and reporting in agricultural production/productivity and environmental management.

Years three to five

- A national agriculture and environmental information system established based on FSIS, and
- Improved sectoral policy, planning and monitoring analyses, reports and decision-making based on reliable data and information from the FSIS and Ministry systems and staffs.

**Indicative Performance Indicators**

Performance Indicators	Units	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Analytical reports based on national agricultural and environmental data <sup>10</sup>	Number	5	5	10	10	10	40

Source of Data for Monitoring: Ministry and contractor staffs will report on number of studies using national data system. All data and information will be disaggregated by gender, age, urban and rural, and geographically as appropriate.

**C. Result Two. Increased Use of Sustainable Hillside Agricultural Practices:** The activities for Result Two deal with encouraging farmers, farmer groups and local NGOs to increase the use of sustainable hillside agricultural practices. ASSET 2000 will achieve these results by providing extension services to hillside farmers to increase their income through expanded tree crop cultivation, improved farming system packages, intensified vegetable gardening of high-value crops, value-added processing, and reduced marketing costs and constraints through more reliable marketing information, building collective marketing capabilities of farmer associations and facilitating marketing contacts and linkages. Many of these income enhancing practices are targeted to farming activities which are predominantly the domain of women farmers, e.g., bio-intensive gardens, value added processing of vegetables, marketing, etc. This program will continue the PLUS practice of actively

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<sup>10</sup> These reports will cover a wide range of issues dealing with agricultural productivity and environmental management, e.g., productivity of various production systems and crop combinations, traditional and non-traditional perennial crop exports, comparative advantage studies for agribusinesses, sensitivity analyses for proposed policies and programs. Specific studies will be chosen by the Expanded SO Team during annual work planning meetings and on an ad hoc basis.

recruiting female agronomists (25%), extension agents (21%) and working with female farmers (25%).

PLUS components will be the principal interventions used in achieving this Results Package, which represents the culmination of 15 years of successful experience by USAID in agroforestry, and soil and water conservation activities in Haiti. Over this time a methodology has been developed that has proven to be very effective in dealing with long-term resource management issues.

Methodological components:

- Increased food marketing, income generation and security. The basic premise is that any intervention on a farmer's field must produce some form of short-term significant increase in the farmer's production of food and/or income. This benefit is the motivating force to assure that the farmer will maintain the intervention, thus providing sustainability of the activity. A market information and linkages activity is undertaken by PLUS to link farmers' supply of agricultural and agroforestry production to effective demand in the marketplace.
- Natural resource interventions based on soil conservation and agroforestry approaches. Activities focus on appropriate soil conservation techniques and the use of agroforestry crops. This provides both natural resource protection and increased agricultural production. PLUS agents, for example, work with local NGOs and farmers to develop local tree nurseries to provide plant material for local conservation activities. This assistance includes training, information where resources are available, limited supply of inputs for nursery start-up, and technical supervision. Where possible, the PLUS project attempts to turn these nurseries over to private institutions or individuals.
- Intervention activities within a specific watershed. By linking soil conservation and agroforestry activities within a specific watershed, a synergism among interventions produces better results than a piecemeal approach in which an intervention can be destroyed by unprotected adjacent land areas.
- Active participation of the local NGOs and farmer groups. By strengthening local level organizations and seeking their participation in the activity, the question of institutional sustainability of local action to protect natural resources is addressed. Project agents work with local NGOs and farmer organizations to provide a menu approach to soil and water conservation through technical support, training and supervision. Because many local farmers are women, PLUS actively recruits women extension agents to work with this important segment of the farm community. Project agents also provide training in developing skills in social responsibility, cooperation, participatory opinion formation and decision-making.
- Farmer demand-driven technology and interventions. Technology and interventions are not imposed from outside on farmers or local organizations. Project agents work with local organizations that seek assistance. The project agents also do not present

soil conservation and agroforestry techniques to the farmer as finished products. Rather, a mutual dialogue is created between the agents and local communities, organizations and farmers on available choices and various types of interventions that meet their needs and desires. A farmer-driven research program has been established within PLUS to develop and test more productive and efficient crops and production techniques. Under a project amendment, this component is moving into the MARNDR's *Centre de Recherche et de Documentation Agricole (CRDA)*. This will provide a long-term institutional base to continue farmer-driven research.

- A strong monitoring and evaluation (M&E) system. PLUS maintains a complete database of interventions and outcomes to monitor project activity and make corrections as necessary to maximize resources. This system enhances management efficiency and creates the ability to obtain more effective program outputs.
- Monitored withdrawal. Gradual withdrawal of project resources and agents from intervention areas, upon completion, is key to success. Responsibilities for control, maintenance and funding of the activities passes to the local communities, organizations and farmers who directly benefit from these interventions. This phase out frees resources to continue similar activities in other areas.

Although this methodology has been used in PLUS, it has not been limited to just that activity. The Coffee Rehabilitation project has used the same methodology, introducing a rust-resistant coffee variety to improve production using a cropping system approach, which farmers readily adopted. In addition, the project established local processing units to produce high quality washed coffee beans. The project supported the establishment of a coffee producer federation, which markets this high grade coffee to the US as "Haitian Bleu" for the gourmet market. Haitian Bleu receives a much higher price than normal Haitian coffee. In addition, the marketing structure and processing operation directly linked the farmers to the sale of their product, which resulted in farmers receiving a higher percentage of this higher export price. This encouraged them to expand areas under coffee production and to take greater care of the coffee crop. Thus, conservation management expands on endangered hillsides, spreading the beneficial effects of farmer economic empowerment.

When the Coffee project ends in FY 1996 it is expected that some aspects of this activity will be merged into Result Two either by extending a scaled back Cooperative Agreement targeting PLUS expansion into coffee producing areas, and/or using PL 480 Title III resources to continue and expand coffee support activities through MARNDR. A programming decision will be made within the next calendar year which takes into consideration the pros and cons of including coffee activities under this program and how these activities will be funded. The SO Core Team, Senior Management Committee and Expanded Team will need to weigh the evidence based on an objective study to assess the merits and weaknesses of the various options and their potential impacts on other program components.

Concerning support for export promotion, The Bumpers Amendment prohibits the use of project funds for a variety of assistance interventions in connection with the growth or production in Haiti for agricultural commodities for export that would cause significant injury

to a similar commodity grown or produced in the United States. Cognizant of the Bumpers Amendment, assistance will be limited to agricultural commodities that do not directly compete with US exports. Neither marketing or technical assistance and production training will be provided to support any questionable commodities such as citrus until an evaluation is performed to ensure conformance with the Bumper's amendment. The Lautenberg Amendment is not applicable to the program in Haiti since this amendment applies to "import-sensitive" articles, specifically leather goods, textiles, and footwear.

Previous economic and financial analyses of PLUS, Agroforestry II and the Coffee Revitalization projects have concluded that the present PLUS methodology is the best alternative to sustainable economic growth for Haiti's hillside farmers. Therefore, an additional economic analysis was not conducted for this results package. These analyses were conducted as part of project evaluations in 1989 and 1994. Evaluation reports are available in the Economic Growth office, USAID/Haiti.

The goal of the institutional support for MARNDR is to turn over to the GOH management responsibilities for future hillside agriculture type activities. PLUS implementors will work with the agriculture Ministry in 1997 to develop a phase-out plan leading to full involvement and responsibility of the Ministry for providing extension services to hillside farmers. Ministry agronomists and researchers will increasingly be included in the PLUS activities over the five years of ASSET 2000.

### Milestones

#### Years one and two

- Expanded area of productive hillside lands protected with soil and water conservation measures.
- Increased number of farmers practicing environmentally-sound cultivation practices.
- Increased income from hillside agricultural and agroforestry production.
- Successful transfer of research activities into the CRDA.
- Greater involvement of *Agronome de Commune* in the PLUS extension processes.

#### Years three to five

- Self-sustaining expansion of hillside soil and water conservation measures.
- Expanding agribusiness activities related to hillside agriculture and agroforestry production.
- Steady flow of new appropriate farmer technologies from a "revitalized" CRDA supported by GOH resources.

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- Transfer of responsibility to Ministry in accordance with exit plan of management, but not necessarily implementation, of PLUS extension activities and monitoring.

### Indicative Performance Indicators

Performance Indicators	Units	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Increases in hillside agricultural land under environmentally sound cultivation practices supported by ASSET 2000	1000 Hectares	120	120	165	195	225	225
Number of trees planted in sustainable hillside production systems	Million Trees	4	4	4	4	4	20
Increase in hillside farmers using environmentally sound cultivation practices in program affected areas <sup>11</sup>	1000 Farmers	80	80	110	130	150	150

Source of Data for Monitoring: Data for all indicators will come from MARNDR and PLUS reports. All data and information will be disaggregated by gender, age, urban and rural, and geographic area.

This program will plant 32 million trees over five years. According to a World Bank study<sup>12</sup> of household energy demand, it will require 23 million surviving trees per year for the next ten years to reverse the deforestation in national forest alone. These efforts would cost about \$170 million. Thus, there is a great need for additional donor assistance in reforestation and agroforestry.

**D. Result Three. Increased Community Participation in Tree Planting and Protection of Productive Infrastructure:** Activities of Result Three will empower communities through participation in tree planting and protection of productive infrastructure activities to better manage their environment.

Given the severity of the soil erosion problems, there is a strong desire to expand tree planting activities on the hillsides and to provide additional protection of strategic watersheds and productive infrastructure such as market roads, irrigation canals, and hydroelectric facilities. Data, seen in Section II.F, indicate that large-scale tree planting programs have not been successful in preventing soil erosion. The major problems have been limited community participation and little focus on sustained conservation measures. PLUS tree planting efforts, have been successful because they have addressed these issues. The

<sup>11</sup> This indicator incorporates the participating farmers under the PLUS project as of September 1995.

<sup>12</sup> Haiti Household Energy Strategy, World Bank Report No. 143/91, page ii.

amended project has put more emphasis on tree planting primarily through expansion of local tree nurseries. PLUS, however, is limited in scope as it deals only with farmers and farmer groups.

To expand tree planting and natural resource management (NRM) measures throughout the Country, especially in peri-urban and degraded land areas, ASSET 2000 will expand into communal and municipal participatory tree planting activities through MARNDR, local governmental structures such as mayoral support committees and *Conseil d'Administration des Sections Communales* (CASEC<sup>13</sup>), TSIs (Technical Support Institutes for Agriculture<sup>14</sup>), NGOs, women's groups, and a wide range of civil and social groups. Peace Corps Volunteers may also play a role in supporting this expanded participatory communal resource management work. These activities will involve supporting the decentralization of MARNDR by integrating local Ministry agents (*Agronome de commune*) into community participatory NRM work. Staff from the PLUS activity will help in implementation through training and technical support for tree nurseries. These agronomes can help support local governmental and PVO participatory activity in resource management along the methodological model described in Section III.C. A priority will be placed on expansion of communal tree nurseries and planting of trees on public and jointly-owned land to protect strategic watersheds and infrastructure based on an NRM plan for the administrative area.

Agents respond to demand from local community organizations for support and services rather than impose a "supply" of activities upon these local institutions. The goal is to mutually discover the right approach for each community level situation. No outsiders descend on local communities to make surveys telling the local community what they want and need increasing the sustainability of the activity. Rather, project agents work with local organizations to strengthen them through management training, accounting, planning, rapid rural reconnaissance, group decision-making, conflict resolution and the democratic process. The agents may arrange for local leaders to visit adjacent areas where project management activities already have been undertaken. Local leaders can then meet with their cohorts. Importantly, these visiting leaders will also become aware of the responsibilities required of the local organization to do a similar type of resource management activity.

Activity agents are ready to support the local community leaders and members as they themselves, decide how and where they will introduce resource management efforts in their community. The activity will provide technical assistance, quality inspection, and a limited supply of outside equipment and supplies for local community tree nurseries. In infrastructure protection activities, the project will draw on Title III local currencies and/or Title II Food for Work resources to supply small amounts of cement, tools and labor. The local communities usually provide supervision, land, materials (rock, timber, brush, sand), and labor. Before USAID provides food, equipment, or supplies, criteria will be established

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<sup>13</sup> CASECs are the lowest level administrative unit in Haiti. Several CASECs make up a Commune and numerous Communes constitute the Arrondissement and then the Department.

<sup>14</sup> TSIs do not exist at this time. The Ministries of Agriculture and Environment have proposed that institutes be established in each Commune to facilitate farmer participation in extension and agricultural development.

for which activities to fund to ensure sustainability. Local communities may also support local extension agents chosen from the community.

The local governmental community organization is responsible for organizing and supervising the work done and for settling disputes within the community if they should arise. Activity agents (local NGOs, contractors, and potentially Peace Corps Volunteers) are ready to help these organizations, but the responsibility remains at the local level. For resource management tasks requiring more material support than the local community can provide, project agents will work with local institutions in preparing proposals for grant funding from either a NRM Fund supported by ASSET 2000 through the GOH or from various development funds managed by other donors or PVOs (see Section II.E). However, these proposals have to result from or be tied to local NRM plans. Activity evaluations will be conducted before subsequent grants are made available to each local group with special emphasis on sustainability and environmental soundness.

Community Forestry Corps (CFC) would link the various components to improve the environment by protecting strategic watersheds and infrastructure in the commune. Under the CFC, the institutional contractor or PVO, Peace Corps, local NGOs, locally elected officials and the GOH would work together linking resources such as the tree nurseries and the NRM Fund with communal NRM plans. USAID will be communicating with Peace Corps management arriving in Haiti in December about potential Peace Corps involvement. Without the timely arrival of the Peace Corps in 1996, the achievement of this result could be delayed.

Using reforestation as a central theme, the CFC will be a flexible implementation mechanism which will work with local authorities and groups to empower them with resource planning, organizational and financial management, and technical skills so that they can take responsibility for the sustainable management of their local resources and environment. The CFC would enable local communities in conjunction with INERA, the National Institute for Agrarian Reform, to experiment with various tenure and resource management schemes to resolve pressing resource and conservation issues affecting the environmental degradation of public resources and infrastructure.

Given the sensitive and complex nature of tenure issues regarding public and jointly-owned lands in Haiti, activity implementors working with the ministries will need to conduct social soundness analyses of the proposed methodologies before implementation. While economic analyses and lessons learned have shown that community tree planting efforts are not economically sustainable using a cost benefit analysis methodology, the findings of Smucker and Timyan<sup>15</sup> show that these efforts can have a positive affect on tree planting and management behavior of individuals. The challenge is to affect positive NRM/environmental management change at the community-level.

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<sup>15</sup> Smucker, Glen and Joel Timyan, April 1995, *Impact of Tree Planting in Haiti: 1982-1995*, South-East Consortium for International Development (SECID)/Auburn, PLUS Report No. 23, Petionville, Haiti.

## Milestones

### Year one and two

- Increased number of local community organizations involved in participatory tree planting and protection of productive infrastructure.
- Community Forestry Corps established in 30 communes.
- Expanded number of trees planted in hillside areas.
- Expanded number of community or privately operated local tree nurseries.

### Years three to five

- Self-sustaining community-based resource management and infrastructure protection activities based on locally prepared proposals funded through local or external resources.

### Indicative Performance Indicators

Performance Indicators	Units	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Trees planted to improve hillside land management, protect productive infrastructure and strategic watersheds	Million trees	1	2	3	3	3	12
Community Forestry Corps established and assisting local communities to implement reforestation activities based on local NRM plan	Number	5	5	10	5	5	30
Increases in hillside agricultural land under environmentally sound cultivation practices supported by ASSET 2000	1000 Hectare	5	5	5	5	5	25
NGOs, community groups and farmer groups participating in protection efforts under ASSET 2000	Number	100	150	200	100	100	650

Source of Data for Monitoring: Data for these indicators will come from project and MARNDR staff and reports. All data will be disaggregated by gender, age, urban and rural, and geographical areas.

**E. Result Four. Improved Environmental Quality in Targeted Urban Locations:**

This activity will develop and propagate successful pilot activities, institutional arrangements, and waste management plans derived from USAID/Haiti's two waste management activities. Then, depending on priorities developed from the NEAP, the Mission could also begin a program to systematically address urban pollution that effects major sources of drinking water, marine resources in the coastal zones, and/or build on the successful experience of the JOBS Creation Program<sup>16</sup> in the area of support to municipalities in solid waste policy, collection, management and financing.

Beginning in 1993, we supported the JOBS program through the Enhancing Food Security project including technical support to the GOH and local communities for the collection and disposal of solid waste. These activities resulted in improved landfill management and monitoring systems within selected urban areas. The program cooperator provided assistance to the GOH and municipalities to operate privatized collection and disposal services, and to manage urban landfills. In addition, the cooperator studied solid waste management financing options, and produced public awareness materials on solid waste disposal.

In FY 1995, the Mission began a pilot urban environmental infrastructure plan and program for Cité Soleil, one of the most densely populated urban slums in Haiti. This activity involves providing support for mitigating the environmental impacts created by a UNDP grant for \$ 2.5 million to provide a potable water system for this community of 200,000 people. Our support is in the form of a \$400,000 grant from a centrally funded contract to help a local NGO to establish a water and waste water management district to ensure that proper waste management measures are institutionalized. A water tariff system will be established and a collection program implemented to ensure that the infrastructure will be maintained and improved. A social soundness analysis and recommendations for behavior modification are part of the pilot activity. The pilot activity will provide the technical analyses and base information needed to approve new activities under this program. ASSET 2000 will continue to support successful aspects of this pilot effort in Cité Soleil and other urban settings.

Community Urban Pollution Mitigation Activities

SO Four will support sustainable environmental management activities, reducing the effects of pollution on coastal natural resources and urban residents. This will be achieved through the establishment of community level sustainable mechanisms such as the district described above to deal with environmental pollution impacts from both solid and liquid sanitary waste.

The urban activities supported by SO Four will continue to promote some of the following successful aspects of two previous initiatives in waste management:

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<sup>16</sup> The JOBS Creation Program was a short-term employment activity from 1993 to 1995. Approximately 500,000 person months of employment were created to support the return of democratic government and rehabilitate productive infrastructure.

- Promotion of financially sustainable, community-based urban sanitation services with an emphasis on environmentally sound approaches to address wastewater, human waste, and solid waste collection and disposal;
- Establishment of a comprehensive effort on behavior modification utilizing population program methodologies which are geared to better management and reducing the production of liquid and solid waste;
- Introduction of low cost technologies such as dry pit latrines and ponding to make liquid waste management more affordable and cost effective;
- Increase in local and national capacity through assistance to help the GOH provide the policy leadership and long-term planning for environmentally sound urban development, and organize and fund the establishment of water and sanitation districts and/or solid waste collection and disposal systems;
- Propagation of successful pilot activities, developed from the Cité Soleil experience in the area of water provision and waste management and collection, into other regions where local partners are available;
- Involvement of NGOs and community groups into partnerships with local government to provide essential urban services; and,
- Collaboration with other donors for capital investments to replicate successful pilot projects.

The urban program will expand into one to three additional areas per year, depending on funding. The institutional contractor in coordination with the Expanded Team will identify local partners in urban areas that have interest in and potential to administer the activities described above. Requests for proposals will be issued and require that local institutions develop activities and plans for generating operating expenses and raising additional funds. The steering committee will develop evaluation criteria for proposals. The institutional contractor also will evaluate the proposals and present the results to the Core and Expanded Teams, and subcontract or engage in a grant agreement directly with the selected local institutions.

#### Focused urban pollution prevention activities

When the NEAP identifies appropriate priorities focusing on specific urban environmental problems, we will realign our urban environmental portfolio. Although the NEAP priorities are not yet established, we anticipate responding to these priorities by building on the assistance provided in the urban environmental activities. Where these activities will be conducted and the exact order in which these problems will be addressed will depend on the priorities identified in the NEAP, other donor activities, and USAID's comparative advantages.

## Milestones

### Years one and two

- Development of a successful model for community based urban waste and environmental management activities.

### Years three to five

- Replication of community waste water management model,
- Improved access of urban populations to wastewater treatment facilities,
- Proper removal and disposal of solid waste in selected urban areas,
- Reduced pollution levels resulting in improved urban area health due to better sanitation, and
- Expanded local involvement in waste and environmental management activities.

## Indicative Performance Indicators

Performance Indicators	Units	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Access to improved wastewater treatment facilities	1000 People	2.5 (pilot)	3.75 (pilot)	TBD	TBD	TBD	TBD
Decrease in incidence of waterborne illnesses in targeted urban areas	Percent	10	20	TBD	TBD	TBD	TBD

Source of Data for Monitoring: The Urban Pollution Prevention project, NGO records and USAID staff evaluations. All data and information will be disaggregated by gender, age, urban and rural, and geographical areas.

## IV. PLAN OF ACTION

**A. How Project will Work:** ASSET 2000 represents a major change in the way the Mission has carried out its programs in the agricultural and environmental areas. Management emphasis will shift from dealing with implementation issues to oversight of performance and results of program activities. Implementation issues will be left with the implementors, who must demonstrate that actions are producing the intended results. This

management efficiency will be strengthened by addressing specific implementation bottlenecks while broadening performance responsibility.

Program funding will be committed through a single document — the Strategic Objective Agreement (SOA). The SOA will be signed with the Prime Minister's Office, because several ministries of the GOH will be involved. This Agreement will include details of how the performance-based management will take place, including the critical provision on adjusting, and if necessary, redirecting program funding from non-performing activities to those that are. Any significant decision will be documented with implementation letters. Daily management will be the responsibility of a core strategic objective team and activity specific teams led by USAID. Major program management decisions will be made in collaboration with a Senior Management Committee (SMC) composed of the USAID core team, Prime Minister's Office, MARNDR, MDE, and customer representatives. The SMC will meet annually to review program progress and issues. Representatives of these institutions will participate on result package teams as appropriate. In addition, result package teams will include implementing partners (NGOs and contractors) and customer representatives.

Funds will be allocated to cooperative agreements and institutional contracts once the SOA is signed. This process will reduce the bottleneck of signing multiple obligation documents for program activities.

This strategic objective unifies activities in the agricultural productivity and environmental management areas. Of six operating projects, only the PLUS activities will remain. In September 1994, the PLUS Project Assistance Completion Date (PACD) was extended to December 1999. The amended project has six major components: community-based natural resource protection projects, tree nurseries, NGO and farmer training, market information and linkages, farmer-driven field trials and monitoring and evaluation. These will continue under Result Two. In addition, PLUS will integrate its activities within the Ministry of Agriculture by the end of the project (see Result 2). Funding reductions imposed by Congress require a reduction in the PLUS scope to provide adequate funding for other aspects of the more comprehensive program.

The protection of Park Macaya, now under TWM, will continue until the World Bank's Environment and Rural Poverty Program is operational. The Bank anticipates that this new project will be operational by September 1996. If the Bank project is still pending but not operational by September, ASSET resources under Results 2 and 3 could be directed to continue limited buffer zone management activities in strategic areas around Park Macaya. In addition, several other donors have expressed an interest in Park Macaya, e.g., IDB and EU. However, if there are no other donor resources available for park protection, we will need to reconsider more comprehensive support for Park Macaya under this activity.

ASSET 2000 will assume selected elements of the Coffee project under Result Two, which is now beginning to provide economic returns to farmer-participants. Result Two will integrate the coffee planting and marketing activities of the Coffee project. When Coffee ends in December 1996, an implementation letter will provide details on how these activities will be incorporated.

New activities will also be initiated under ASSET 2000 including policy formulation (Result 1.1), GOH institutional development (Result 1.2), data collection and analysis (Result 1.3) and community tree planting and infrastructure protection (Result 3). ASSET 2000 will also include a small pilot urban-waste management project (Result 4) because of the scope of the urban pollution and the need to find community-based solutions.

Support for policy formulation will be done through technical assistance and funding of publications, seminars and workshops. Once the NEAP is completed, funding of select activities within the plan will be considered. Section III.B.1 provides criteria for selecting those activities. Details of institutional development support are in Section III.B.2, and will take the form of TA, studies, participant training, seminars and workshops.

A competitively bid contract will be sought for the technical assistance (TA), training, and management support for ASSET 2000 in areas not related to Result Two. The contractor will work closely through the expanded result package teams with the PLUS contractor and CA partners to coordinate complementary activities, and will supply TA for NEAP activities; TA and training for the institutional-building within MARNDR and MDE; TA, training and management support for the community-based tree planting and infrastructure protection; and, TA and management for the urban waste-management activity. The contractor may also provide technical direction for grant funds such as the buy-in for data collection and monitoring support with FSIS and the NRM fund. Technical coordination of all aspects of the program will be undertaken by the institutional contractor. Because of the formal long and short-term training responsibilities and wide range of technical areas, a preference will be expressed for a consortia to include participation by Historically Black Colleges and Universities. Participation by Historically Black Colleges and Universities will receive a weighting, subject to approval by USAID's contract officer, in the competitive selection process.

## B. Implementation Plan

Action	Date
Mission Approval of ASSET 2000 Document	Nov 1995
Sub-commitments for PLUS activities	Nov 1995
Workshops on Performance Indicators	Dec 1995
Negotiation of Strategic Objective Agreement	Nov-Dec 1995
Signature of Strategic Objective Agreement	Jan 1996
Buy-ins to the FSIS	Jan 1996
Request for Proposals (RFP) for Institutional Contract	Jan 1996
Implementation Letter on Performance Indicators	Feb 1996
Contract Signed with Institutional Contractor	April 1996
TA Contractor Begins Work	May 1996
Research Fully Integrated into CRDA	May 1996
NEAP Completed	Nov 1996
Coffee Project Ends and Components Integrated	Dec 1996
Evaluation of NEAP for Potential Funding	Dec 96-Mar 97
Plans for Integration of PLUS into MARNDR completed	Jun 1997
Urban Waste Management Pilot Completed and Lessons Learned	Jun 1997
One PLUS Contract Ends, CRDA Funded by GOH and USAID	Dec 1997
National Agricultural and Environmental Monitoring Information System Established	Dec 1997
Mid-term Evaluation, as needed	May 1998
Integration of PLUS into MARNDR Completed	Jun 1999
Final Evaluation, as needed	July 2000
Close Down Begins	Aug 2000
Activities End	Oct 2000

## V. FEASIBILITY ANALYSIS

### A. Key Assumptions

Since PLUS has been working for some time and proven successful, key assumptions on feasibility of the ASSET 2000 deal only with new activities. There are two important assumptions.

1. The GOH will be responsive to stated policy reforms, including: civil service reform, installation of an efficient and equitable taxation system, decentralization legislation, agrarian reform, and allocation of operational and investment budgets for technical ministries. Without civil service and decentralization reforms, Results 1 (especially 1.2) and 3 will be difficult to achieve. The GOH will not be able to keep "trained employees" and will not be effective in empowering communities (Result 3) outside of Port-au-Prince. Integration of PLUS activities (CRDA and extension services), Result 2, will not be successful. Implementation of the NEAP (Result 1.1) will also not occur without successful institution-building within the GOH.
2. Political stability and pro-market policies remain in effect. These are necessary conditions for the expansion of investment in and development of a viable private sector particularly for agribusiness activities. Without this stability, the program's ability to achieve Results 1 and 3 (Result 4 to a lesser extent) will be difficult).

### B. Issues

#### 1. Establishing a Performance-based Management Structure/Status of Negotiations

Traditionally, USAID's project management is directed towards implementation issues. Several years into a project, an outside evaluation team looks at the project and examines the activities to see if project outputs are being met and are moving towards achieving end of project status indicators. If major problems are discovered, the project is amended or other actions taken.

In a performance-based management approach, project management is directed towards achievement of pre-determined results. These results take the form of performance indicators. Instead of waiting for a periodic outside evaluation, project management continually monitors project activities against annual performance indicators. If problems arise, management takes direct action, including removing funding from non-performing institutions or operations and shifting it to elements that are performing. In some cases activities can be removed from non-performing implementors and given to those which can perform. The basic concept is that USAID and the GOH have allocated resources to achieve specific results; and, program management is to ensure that those results are obtained.

Performance based management will deal with two issues. The first is how to set and gain consensus on the performance indicators that management decisions are based on. The second issue is how to establish mutually agreed upon ground rules for using performance-based management. Because there is a potential danger of losing funding and/or activities,

implementors, including the Government, need to fully understand and agree to the performance indicators and management approach. Questions that need to be dealt with include: how to judge achievement of performance indicators; how to resolve disputes on performance and management questions; when and how to adjust indicators to account for exogenous events (a hurricane, political instability, illness or death of key people); and, how much leeway should be allowed in shifting funds out of non-performing activities or changing program implementors?

Agreement on program objectives had been reached with the Ministries of Agriculture, Environment, and senior officials from the Prime Minister's Office prior to the November 1995 cabinet changes, which named a new Minister of Agriculture and Prime Minister. At the same time agreement was reached with program partners on the overall strategic objective and the general thrust of the intended results. In November, the new Minister of Agriculture was introduced to the program. Initially, representatives of the GOH were not interested in having a representative from outside of the GOH on the Senior Management Committee. However, because the customer base includes the people of Haiti, the Mission will discuss this issue again with the GOH and propose having one or more representatives of Haitian civil society on the Senior Management Committee.

## **2. Establishing consensus on performance indicators**

For a performance-based management system to work, there has to be mutual agreement among all parties involved on what constitutes performance. As previously mentioned, performance is judged by the achievement of results. It is assumed that achievement of results and performance outcomes will achieve the program's strategic objective.

A consensus has not yet been reached on the specific performance indicators to judge achievement of intended results. Once agreement is made on the specific indicators, agreement must also be reached on the target value of those indicators used in the performance-based management system.

A series of workshops will be held with the technical Ministries, implementation partners and USAID. Once the SOA is signed, these targets can either be documented through the SOA or implementation letters. As the program progresses, these targets and their specific indicators will have to be adjusted to reflect changing situations and advancement towards the SO Four.

## **VI. FINANCIAL PLAN**

### **A. Illustrative Budget**

The program will be financed through both dollars and local currency contributions. Haiti, as a least developed country (LLDC), qualifies for exemption to the twenty-five percent local contribution requirement. Nevertheless, the GOH will contribute both local currency and in-kind goods and services, including office space, government personnel

wages, government transportation and other related activities. Local communities and NGOs will contribute labor and local materials.

The most important GOH contribution will be PL 480 Title III monetized funds. It is anticipated that \$ 2 million in Title III funding will be contributed by the GOH over the program's life. USAID dollar funding will be \$ 45 million for a total cash contribution to the program of \$ 47 million.

The table below provides a life of program (LOP) illustrative budget by Results. The percentage of total LOP funding anticipated for each result is seen in parentheses. The actual disbursement of funds may vary depending on performance within each Result. More detailed budgets are provided as Annex F.

### ILLUSTRATIVE BUDGET

Component	USAID \$ 000	GOH \$ 000	Total \$ 000
Result 1. Establish National Framework for Environmentally Sound Development	10,100 (22.4%)	900	11,000
NEAP	3,500 (7.8%)		
Institution Building	4,500 (10.0%)		
National Agr. and Env. Monitoring and Information System	2,100 (4.7%)		
Result 2. Increased Use of Sustainable Hillside Agricultural Practices	26,200 (58.2%)	1,100	27,300
Result 3. Greater Community Participation in Tree Planting and Local Resource Management	5,125 (11.4%)		5,125
Result 4. Improved Environmental Quality in Targeted Urban Locations	2,275 (5.1%)		2,275
Program Management FSN PSCs	1,030 (2.3%)		1030
Evaluations and Audits	270 (0.6%)		270
<b>TOTAL</b>	<b>45,000</b>	<b>2,000</b>	<b>47,000</b>

#### B. Recurrent Cost Analysis

ASSET 2000 has three costs categories — technical assistance, those associated with community participation activities, and costs for urban waste management. It is assumed that the need for technical assistance will end at the completion of their services resulting in no

recurrent cost obligations. Institution-building with the ministries is specifically designed to minimize recurrent costs. This program is not providing support to the Ministries for equipment, vehicles, offices or additional staff but is indirectly supporting current MARNDR plans for decentralization and the use of agronomes de commune to provide technical assistance. These MARNDR activities, including extension services and CRDA, involve recurrent costs but are costs that MARNDR is already planning to incur. Any such equipment or staff should be funded from other resources obtained by the ministries. Institution-building should reduce recurrent costs by encouraging better management and administration of the ministries and better preparation and presentation of their budgets.

Recurrent costs for maintenance and upkeep of community participation activities are incurred at the communal, local or farm household level. Community driven activities like conservation interventions or tree planting initiatives generate income although the communities must invest time to maintain the initiative until the income can be realized. Some local institutions or tree nurseries may be expanded or created by ASSET 2000 interventions which may create new recurrent cost requirements. The introduction of user fees, seedling costs and local taxes, e.g., market taxes, may be needed to cover these new costs. Past experience has shown that larger community or NGO tree nurseries are not as sustainable as farmer nurseries. Farmers and rural residents cannot afford to pay the full cost of tree production. For the foreseeable future, large tree planting initiatives will require some subsidization.

The urban waste management activity will be a pilot effort to develop models that can be replicated by local municipalities and local organizations. Consideration will be given for mechanisms to cover recurrent costs through user fees and other revenue generating procedures.

## **VII. MANAGEMENT**

### **A. Organization of the Economic Growth Office**

The EG Office is making staff adjustments to accommodate the shift to a SO based management system. A Strategic Objective Team (Core Team) has been established, linking actions on the ASSET 2000 with other appropriate Mission offices. In addition, mission personnel will be further divided into result package teams.

EG staff currently includes: three U.S. direct hire employees (USDH); two U.S. Personal Services Contractors (PSC); nine Foreign Service National (FSN) professionals; and, three FSN secretaries. Of this overall EG staff, two USDHs, four FSN professionals and one FSN secretary are required to manage the present agricultural and environment portfolio. After the portfolio is consolidated, the number of technical managers will not be reduced but the composition will change. ASSET funding will cover the costs of two agricultural specialists (agronomists), one agricultural data collection specialist, one pollution mitigation engineer, and one secretary for four years each. These Foreign Service Nationals under Personal Services Contracts will provide necessary day-to-day management for the EG Office. The focus will be less on actual implementation and more on the program outcome

and results of program implementation. Core Team members will have to spend time in the field monitoring program results and achievement of performance indicators.

## **B. Evaluation and Audits**

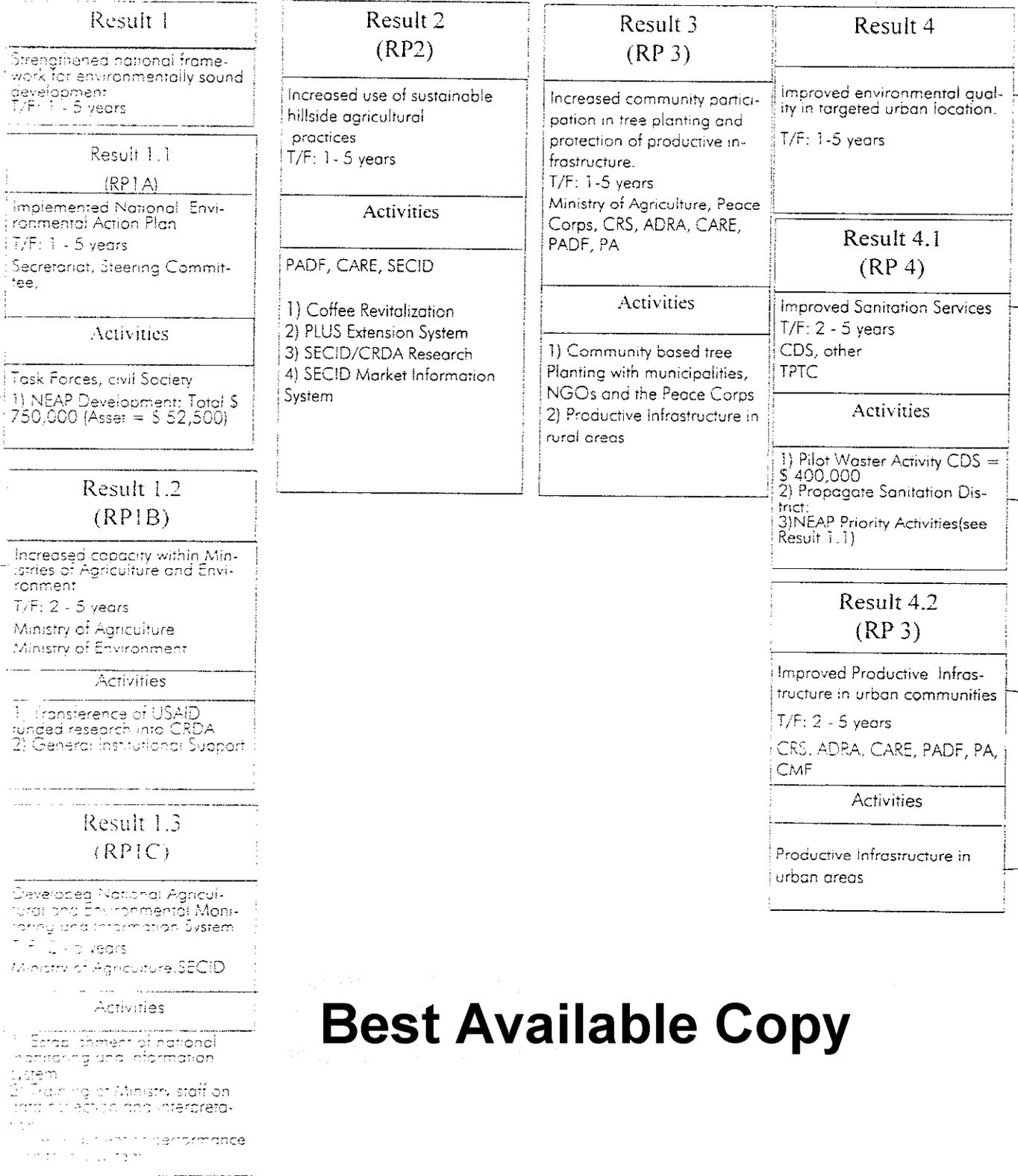
To provide objectivity and flexibility, these activities will be contracted separately. Annual contract and grant audits will be conducted. Evaluations will only be conducted as deemed necessary to improve the effectiveness of the performance-based management system and identify adjustments needed to improve program performance or to identify the causes of performance success or failure that cannot be readily explained by the performance monitoring system.

**ANNEXES:**

- A. Results Framework/Result Package Activities
- B. NAD and Approval cables
- C. Statutory Checklist
- D. EG's Agriculture and Environment Portfolio
- E. Environmental Examination
- F. Detailed Budget for Results Packages
- G. Laspeyres Production Index
- H. Interim Environmental Action Plan Executive Summary

# Annex A. Result Framework/Result Package Activities

Mission Strategic Objective  
 Improve Agricultural Productivity and Environmental  
 Management



**Best Available Copy**

**NEW ACTIVITY DESCRIPTION**  
**Environmental Assistance Package (EAP)**

**Basic Activity Data**

<b>Activity Title</b>	:	Environmental Assistance Package (EAP)
<b>Activity Number</b>	:	521-0257
<b>Funding Sources</b>	:	Development Assistance Funds
<b>Duration of Project</b>	:	1996-2002
<b>LOP Funding</b>	:	\$52,500,000 DA, ESF

**Summary:**

Deforestation and soil degradation are the most fundamental environmental problems in Haiti contributing to a reduction in farm income. USAID, since the early 1980s, has been the principal donor involved in agriculture, natural resources and environmental initiatives addressing these intractable problems by supporting forestry, coffee production and marketing and watershed management activities. Outside evaluations determined that these programs slowed but did not reverse the degradation nor address the needs for more immediate economic returns to the farmers. Consequently, in the early 1990s USAID's focus was expanded to include the adoption of soil conserving and fertility enhancing interventions. The PLUS project was designed to address the needs of increasing food crop production and farm family income by encouraging the adaption of a broad range of agricultural practices which conserve and enhance the productivity of the soil. The new Environmental Assistance Package (EAP) project will build on the successful implementation of this integrated approach and the Mission's leadership in the environmental area and then broaden and deepen USAID's involvement in the environmental sector. In addition to the traditional activities, the project will continue to support the development of the necessary and fundamental policy and legal frameworks to enable the local populations to undertake economic actions consistent with environmentally sound development. The project will consolidate the Mission's activities in the areas of environment and natural resources and agriculture into one management unit.

**Project Relationships**Strategic Objective and Result Supported

USAID's assistance strategy encourages development of the potential for long-term increases in productivity. Improving sustainable natural resources management through protecting and sustainably using the environment and natural resource base is a keystone in this strategy for assuring lasting increases in agriculture productivity. During the political instability active support to sustainable agriculture activities continued based on the

Mission's strong green environmental portfolio. This proposed activity supports the Mission's newly established Strategic Objective No. 4 of "Promoting Sound Environmental Management" and directly impacts on all four Action Plan outcomes of this SO: "Sustainable growth in hillside agriculture production", "Development and Implementation of Framework for long-term environmentally-sound development" and "Community Tree Planting". The project will also contribute to helping Haiti realize its opportunity for transition to democratic governance, economic growth, and food security under SO No 2 "Facilitate increased private sector employment and income."

### Mission Program Outcomes

The EAP project will support Haitian, Agency and Bureau objectives by promoting environmentally sustainable management and use of productive resources for Haiti's economic development. Improving sustainable natural resources management is the core of this strategy for assuring lasting increases in agricultural productivity and increases in farmer income. Rural populations will benefit through reducing transactions costs and increasing food security. Increasing on-farm returns will make farming an economically attractive vocation thus reducing the exodus to the cities. The EAP project will assist Haiti in its desire to realize its historic opportunity for transition to: democratic governance by using environmental concerns to empower local communities to seek land tenure; economic growth by protecting and promoting the sustainable use of productive natural resources; sustainable food security systems through promotion of income increasing productive land use systems; and social well-being through the promotion of capacity/institution building, policies analysis and dialogue, regulatory reform and enforcement capacities and information campaigns on environmental hazards where Haitians live and work. As President Clinton said in his speech of March 31, 1995 on the steps of the Haitian Palace "We, your neighbors, your allies, and your friends, will support your efforts to...rebuild and repair your injured land." EAP will contribute to the promotion, development and putting in place the building blocks to help Haiti heal its environment.

### Linkage to Other USAID Project

While the EAP project increases farmers incomes through promoting sustainable hillside agriculture, supporting market development, and supporting farmer trade associations, the PRET project will promote the enabling environment for the private sector and provide financial and some non-financial services to micro-enterprises including farmers. One of the anticipated products will be to provide the reliable delivery of raw materials like mango, avocados, and citrus to agribusinesses.

The Policy and Administrative Reform project is channelling initial funding for the National Environmental Action Plan and will continue to promote reform within the GOH which will have a positive effect on people in both the urban and rural areas. This project will reinforce the more broadly defined civil society development activities scheduled to begin in September 1995 under the Democracy Enhancement Project (DEP). The Health

Services 2004 project is also linked to economically sound development by promoting proper disposal of sanitary wastes to avoid potential negative health effects. The IIBE project will support an environmental awareness project in several schools throughout Haiti starting with a pilot group and eventually expanding.

### Other Donors

The major partners, in addition to USAID, who have expressed interest in funding environmental activities are the World Bank, the InterAmerican Development Bank (IDB), UNDP and the Canadians. Others who are supporting natural resources are European Community (EU), and FAO. The World Bank is redesigning a major environment project that they had to postpone due to the political situation. The IDB has a group of large loans in the areas of rehabilitation of irrigation and road systems, agriculture, municipal drainage, job creation, and capacity building within the Ministry of Environment. CIDA will provide large grants in a number of environmental areas over the next few months. UNDP will support the creation of the NEAP, micro-projects in Haiti, and environmental legislation. The EC has plans to support medium and long-term activities in Haiti. Monthly meetings are chaired by the Minister of Environment to coordinate donor efforts.

### **Project Description**

Activity Goal: The goal of this project is to increase farm and private sector incomes derived from the sustainable utilization of natural and human resources, while conserving Haiti's natural resource base and improving urban-generated waste.

Purpose: The project purpose is to increase local community participation and their capacity to identify, plan, and sustainably manage natural resources use and urban development.

Project Description: The project will broaden and deepen the Mission's environmental program by building upon its successful integrated approach and its recognized leadership in natural resources. The project will consolidate the funding and management of activities in environment, agriculture production, ecosystems management etc. and propose the addition of key new initiatives. The project will include the following types of activities:

1. Successful sustainable agriculture/environmental activities, which are based on the conservation of the natural resources through the promotion of sustainable agriculture on fragile and marginal hillside lands, will be continued and refined. These include PLUS project activities, coffee revitalization including price stabilization fund etc., and support for value-added processing of tree crops. The Mission is currently implementing activities to extend improved land management practices in the Park Macaya watershed. This activity is maintains the biodiversity and contributes to increases in farmer income.

2. Activities identified as essential to support the project purpose include institutional capacity building through a monitoring program, support to development of the NEAP, a tree planting initiative and an urban pollution prevention plan.
- a. An institutional capacity building component will be added to the projects portfolio at the national level (NEAP and MOE) and through support to NGO's responsible for local institutional development and ecosystem protection. The project will support the development of a nation-wide environmental monitoring system by training staff members, by setting up a well equipped monitoring office within the MOE. Given the potential number of environmental activities, the involvement of local communities in activity implementation and the possible implication for nation-wide policy reform under the NEAP, monitoring and evaluation will be elevated to a major component of EAP.
  - b. A new initiative to be added is Tree planting in collaboration with the Peace Corps. A community Forestry Corps will be created which will involve Peace Corps Volunteers as well as local and international NGOs. President Clinton said during a recent visit to Haiti regarding Forestry and Peace Corps... "And later this year I will send the American Peace Corps here to help to organize the planting of millions of trees." The Community Forestry Corps will team with the Peace Corp with local community groups (all kinds especially women's groups), NGOs (local and international) and municipalities will be involved in local resource planning, implementation and sustainable management of forestry projects.
  - c. The third, already approved, new initiative, to be included in the EAP project is the Haiti urban pollution prevention project. This \$400,000 three year urban activity, will receive initial funding from the Environmental Initiative for the Americas (EIA) from USAID/Washington for fiscal year 1995. This project creates a pilot initiative in Cite Soleil to address household pollution.
  - d. Funding for the implementation of the National Environmental Action Plan (NEAP). The project will provide continued support to the NEAP policy framework which is being initially funded through the PAR project. The objective of this policy framework is to help the Government of Haiti in the harmonization of its laws, policies and procedures related to the environment.
3. NEW ACTIVITIES IDEAS — EAP will enable the Mission to initiate new environmental activities or reallocate funding in accordance with the priorities that are either established by NEAP development or are appropriate new and/or emergency activities supporting the goal of the project. Criteria for activity selection will be developed in the project paper. Some activity ideas that are currently under consideration include:

- a. The Mission will consider funding for activities recommended by the NEAP. The Mission is anticipating that the final Action Plan will be completed by the end of 1996. As a direct result of the NEAP process environmental considerations will be more firmly incorporated into development assistance programs.
- b. Assistance to the Ministry of Agriculture for the implementation of targeted activities to improve land tenure security. Specific activities include technical, financial and managerial support to the newly created National Institute of Agrarian Reform to initiate the land reform program and begin divestiture of state land.
- c. Another area being considered for funding is institution-building in the agricultural and agro-industrial sectors. Farmers and agro-industry could both benefit from stronger linkages between the two groups but institutions are weak or missing entirely. Trade associations representing such groups as mango exporters are in the process of formation. They need technical and management assistance in order to become an effective channel for transferring harvest and post-harvest technology. Access to new or expanded export markets can be facilitated by establishing links with comparable trade associations in the U.S. The creation of a market information service in the private sector, in the chambers of commerce, would be beneficial.
- d. Buffer Zone Management--This activity will protect USAID/Haiti past investment in the Park Macaya area. This activity can be implemented by local NGOs having experience in park protection activities.
- e. An Ecotourism activity could be designed in Foret des Pins which will create alternative income for residents in the park buffer zone, thus reducing ecological pressure on the Park. Implementation will assist the public or private sector in setting up a new park infrastructure.
- f. Another Ecotourism activity could include support to with the Marine Parks such as Les Arcadins, Barraderes/Cayemites and Bais d'Aquin to counteract the depletion of reef degradation caused by soil pollution.

#### Expected Results

1. 1,000,000 more people involved in innovative farmer-oriented soil conservation, watershed and agro-forestry programs.
2. 800 more farmer groups created through long term funding to nongovernmental organizations. Farmer cooperation in environmental activities strongly correlates with membership in farmer organizations.

3. 2,000,000 seedlings planted per year throughout Haiti by Peace Corp Volunteers working in conjunction with and benefitting from lessons learned from under PLUS.
4. Thirty community forestry Corps groups established with Peace Corp Volunteers to develop innovative agro-forestry systems.
5. By the end of EAP project cooperators will: plant 30 million trees nationwide, export \$40 million of tree crops including coffee, mangoes, and cocoa, increase corn equivalent production to 950 thousand metric tons, add 100,000 hillside users of environmentally sustainable agriculture practices, increase by 120,000 the number of hectare of fragile/marginal lands adapting environmentally sustainable agricultural practices, add 12,000 soil conservation structures, add 6,700 hectares in protected strategic watersheds.
6. The NEAP will set forth priorities and policy recommendations concerning: a) government and public awareness of environmental issues; b) a national strategy for environmental protection--including institutional changes; c) specific programs and investment projects; d) an information system for monitoring the state of the environment; and protection of the public from environmental pollution and hazards.
7. Institutionalization of national-level environmental and ecological database which was started under previous projects. Upgrade the skills in environmental data collection, interpretation, and use information in policy formulation and program management.
8. The establishment of functioning trade associations in at least three commodity areas, at least two with links to U.S. trade associations. Cooperatives strengthened and at least one new organization created. A market information system established which reports daily by radio on commodity prices in the major Haitian markets. 9. Leveraging \$50 million other donor resources through replicating similar approaches elsewhere in Haiti using the USAID environmental development model.

### Types of intervention

The project will require coordination of various activities by a contractor with a management specialist, an administrative officer and a local contract staff. The contractor will establish a Project Management Unit (PMU) and collaborate with USAID and key Government officials and the PVO/NGO participants. USAID and Peace Corps/Haiti will initiate the participation of a large number of volunteers in selected project activities. With the Ministries of Environment and Agriculture, the PMU will be responsible for the day to day support and technical management of the project. The PMU will be jointly headed by the GOH project Director, the Chief-of-Party of the U.S. technical assistance team and the USAID project manager. The PMU will be responsible for monitoring all technical

assistance activities, developing strategies for projecting and assessing impact of project interventions, training activities, and developing annual and life of project work-plans and progress reports and studies.

### **Management Costs and technical Support**

The project will be administered by a full time direct hire project officer in the USAID/HAITI's Economic Growth Office. The project officer will coordinate with all key organizations involved in the project or in related activities, prepare USAID implementation documents, and coordinate activities with other USAID projects and programs. The Mission project team approach will ensure regular monitoring and attention to any implementation problems.

### **Project Paper Preparation**

#### Policy Issues

1. How should the project address the need for a more secure land tenure or land-use rights system which would substantially contribute to meeting the objectives of the project.
2. How will the project contribute to the sustainability of local organization's ability to continue project activities after the NGO no longer supports them.
3. The role of the government. If the elections and the start towards democratization is successful, how will the project gradually turn some responsibilities over to the GOH.
4. EAP is an innovative but complex project, bringing together a number of elements that are often dealt with separately. Success will largely hinge on the ability of the implementors to keep the pulse of the project and to learn as they go along. What methods will be used to record relevant information and lessons learned and disseminate results to all concerned.

#### Required Design and Analytical Work

A three-person team will be contracted by the Mission to prepare the EAP Project paper(PP). The team consisting of an economist/team leader, a community development specialist and an expert in agriculture production based on natural resources will focus on: the role and impact of community organization, farms goals, environmental degradation, community and private sector participation in financial management, current natural resource management practices, status of natural resource inputs, agriculture production, government policy to determine with whom and how the activity will work. The team will take an in-

depth look at implementation alternatives for consolidating all current agriculture, natural resources and environment into one financial package. The PP will determine how the many diverse agriculture and natural resource activities will be integrated into one unit and how that unit will manage the broad range of implementation and evaluation activities.

### Identification of Key Stakeholders

Key participants in the development and implementation of this activity include Ministry of Environment and Agriculture personnel, environmental NGOs, the PLUS, Coffee Cooperatives of Haiti, and TWM project staffs and the public in general. The project aims at improved natural resources and waste-management at the community level through a four-pronged and interrelated strategy which is to focus on more immediate economic returns, increase participation in the management and use of local natural resources, respond to specific needs and encourage the spread of locally-based and sound natural resources and waste-management. Primary beneficiaries of the project will include the myriad of officials and villagers trained and non-governmental organizations supported at the national and local levels.

### Timetable and Resource Requirement

Development and design of this activity should begin in October 1995 for a second quarter obligation. The PP will be presented to the Mission Director for review and approval in January 1996. The Mission has \$200,000 in PD&S funds available for activity design and will require an FY 1996 obligation of \$6 million.

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SUBJECT: FYS 96-97 STRATEGY AND ACTION PLAN REVIEW FOR  
HAITI

1. SUMMARY. DURING PROGRAM WEEK FOR HAITI, JUNE 12-16, 1995, SEVERAL FORMAL MEETINGS CONSIDERED PROGRAM PERFORMANCE, DEVELOPMENT OBJECTIVES, AND PROPOSED NEW ACTIVITIES, RESOURCE REQUIREMENTS, AND A BROAD RANGE OF PROGRAM ISSUES. SOME SPECIAL ISSUES WERE REVIEWED IN INFORMAL MEETINGS AMONG MISSION REPRESENTATIVES AND STAFF OF AID/W OFFICES. THE DEVELOPMENT ASSISTANCE EXECUTIVE COMMITTEE (DAEC) REVIEW OF THE FY96-97 INTERMEDIATE TERM STRATEGY AND ACTION PLAN (AP) WAS HELD JUNE 15. THIS CABLE OUTLINES MAJOR ELEMENTS OF THE DISCUSSION AT THE DAEC, DESCRIBES ADDITIONAL ACTIONS REQUESTED, AND RECORDS AGREEMENTS REACHED. THE AA/LAC APPROVED THE STRATEGY AND ACTION PLAN, BUT REQUESTED SOME MODIFICATIONS AND ADDITIONAL INFORMATION, PER PARA 12, WHICH WILL FORM PART OF THE STRATEGY DOCUMENT AFTER INFORMAL LAC/W REVIEW. THREE OF THE FIVE NEW ACTIVITY DESCRIPTIONS (NADS) WERE APPROVED, ONE NOT APPROVED, AND GUIDANCE PROVIDED TO RE-SUBMIT THE FIFTH. END SUMMARY.

2. THE DAEC REVIEW WAS CHAIRED BY AA/LAC AND WAS ATTENDED BY STATE/ARA/HWG, DAA/LAG, AND OTHER REPRESENTATIVES OF STATE AND AID/W OFFICES, INCLUDING LAC, G AND M OFFICES. MISSION REPRESENTATIVES WERE THE MISSION DIRECTOR AND THE

CHIEF OF THE POLICY COORDINATION AND PROGRAM SUPPORT (PCPS) OFFICER.

3. IN HIS OPENING STATEMENT, THE USAID DIRECTOR STRESSED THAT THE MISSION'S AP WAS AN INTEGRAL PART OF A LARGER U.S. GOVERNMENT BLUEPRINT FOR SUCCESS IN HAITI. THE

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U.S. GOVERNMENT ENTITIES ON THE COUNTRY TEAM AND REPRESENTED A CONCERTED EFFORT TO KEEP HAITI IN THE "WIN COLUMN." HE NOTED THAT, GIVEN THE POLITICAL AND ECONOMIC HARDSHIPS EXPERIENCED OVER THE LAST YEAR, THE AID PROGRAM NEVERTHELESS SIGNIFICANTLY CONTRIBUTED TO THE RESTORATION OF DEMOCRACY, THE RESUMPTION OF ECONOMIC ACTIVITY, THE MAINTENANCE OF A HEALTH SYSTEM AND IMPROVEMENT IN ECOLOGICALLY-SOUND FARMING PRACTICES. HOWEVER, IT WAS ALSO RECOGNIZED THAT THE RESTORED GOVERNMENT OF HAITI (GOH) IS INSTITUTIONALLY WEAK, ITS COFFERS BARE AND ITS PRIORITIES LARGELY FOCUSED ON LEGISLATIVE AND LOCAL ELECTIONS, WHICH TOOK PLACE IN JUNE, AND PRESIDENTIAL ELECTIONS SCHEDULED FOR LATE CY1995. THE AP TAKES THIS INTO ACCOUNT AND PROVIDES A STRATEGY, PROGRAM AND BUDGET THAT SUPPORTS U.S. GOVERNMENT OBJECTIVES IN HAITI AND ASSISTS THE GOH OVER THE NEXT 24 MONTHS. ALTHOUGH THE AP PROVIDED A BUDGET THE MISSION DEEMED SUPPORTIVE OF USG OBJECTIVES IN HAITI AND THE GOH OVER THAT PERIOD, IT WAS OVER THE DOLS 90 MILLION ASSIGNED LEVEL FOR FY96-FY97. THUS, THERE IS A NEED TO BE REALISTIC AND TO ADJUST TO DIMINISHING ASSISTANCE RESOURCES.

4. THE AA/LAC SHARES THE CONCERNS OF THE MISSION AND STATE DEPARTMENT, WHO EMPHASIZED THE NECESSITY OF ESTABLISHING CLEAR PRIORITIES WITHIN THE USAID/HAITI PROGRAM IN SUPPORT OF POLITICAL INSTITUTIONS AND THE NEED FOR GENERALLY ACCEPTED ELECTIONS, JUMPSTARTING THE ECONOMY AND MEETING NUMEROUS BASIC HUMAN NEEDS, SO THAT UN FORCES MAY LEAVE NEXT YEAR AS PLANNED THE AA/LAC POINTED OUT THAT, WHILE HAITI IS UNIQUE, THE MISSION'S PROGRAM HAD, INDEED, PLAYED A MAJOR ROLE IN CREATING A PEACE-KEEPING FORMULA THAT MAY BE TRANSFERRED TO OTHER PEACE-KEEPING AREAS. THE DAEC THEN PROCEEDED TO A DISCUSSION OF THE ISSUES. SUGGESTIONS AND GUIDANCE WERE PROVIDED FOR THE STRATEGY AND ACTION PLAN, AS NOTED IN THE FOLLOWING PARAGRAPHS.

5. ALLOCATION OF RESOURCES AND PROGRAM PRIORITIES. THE MISSION WAS ASKED TO CLARIFY THE CRITERIA USED FOR DECIDING ALLOCATION OF PROGRAM RESOURCES AND MISSION PROGRAM PRIORITIES. THE MISSION NOTED THAT THE USAID PROGRAM HAS BEEN DEVELOPED IN CONSULTATION WITH THE GOH AND OTHER DONORS AND HAS TAKEN ACCOUNT OF POLITICAL SENSITIVITIES MORE GENERALLY. PRODUCING RESULTS WITHIN

THE TWO-YEAR PERIOD OF THE AP IS KEY TO THE STRATEGY, PARTICULARLY IN SUPPORTING DEMOCRACY AND DEVELOPING EMPLOYMENT THROUGH THE PRIVATE SECTOR, AND THESE SECTORS WERE SELECTED FOR PRIORITY IN RESOURCE ALLOCATIONS. LAC BUREAU REPRESENTATIVES POINTED OUT THE INCONSISTENCIES IN THE MISSION'S APPROACH SINCE SOME EXISTING ACTIVITIES ARE GEARED TO THE LONGER TERM, SUCH AS THOSE SUPPORTED BY THE THE WIDE VARIETY OF TRAINING ACTIVITIES PROPOSED UNDER THE

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NAD. THE MISSION POINTED OUT THAT, WITH THE BUREAU'S INABILITY TO PROVIDE ADEQUATE RESOURCES TO MEET THEIR PROGRAM OBJECTIVES, THEY HAD WRESTLED WITH THE ISSUE OF CUTTING A PORTION OF ALL ACTIVITIES, OR CUTTING AN ENTIRE

SECTOR. THEY CHOSE THE LATTER APPROACH, CUTTING EDUCATION, AS THEY REASONED THAT DEVELOPMENT OF THE PRIVATE SECTOR, WHICH HAD BEEN DESTROYED BY THE THREE-YEAR EMBARGO, AND DEMOCRACY ARE PRIORITIES NOW. AT THE SAME TIME, THE AA/LAC EMPHASIZED THE SIGNIFICANT IMPACT AND NECESSITY OF INVESTMENTS IN HUMAN CAPITAL, PRIMARY HEALTH AND PRIMARY EDUCATION, ON LONG-TERM GROWTH, ON REDUCTION OF INEQUITY, AND COUNTER-BALANCING POPULAR DISSATISFACTION WITH SOME ASPECTS OF THE GOH POLICY REFORMS. ALTHOUGH FUNDING ISSUES FOR THE HAITI PROGRAM ARE COMPLEX AND AFFECTED BY OTHER ISSUES SUCH AS THE PROPORTION OF DA AND ESF FUNDING, THESE FUNDING ISSUES WOULD HAVE TO BE RESOLVED DURING THE BBS PROCESS.

THE ISSUE OF BALANCE OF PAYMENTS FOR FY96 AND FY97 HAS DISCUSSED. THE MISSION, SUPPORTED BY STATE, ARGUED FOR CONTINUATION OF BALANCE OF PAYMENTS SUPPORT INTO FY96. THEY ARGUED THAT HOP SUPPORT PROVIDED LEVERAGE WITH, AND ACCESS TO, THE GOH ON A BROAD RANGE OF ISSUES, INCLUDING PRIORITY PROGRAMS LIKE GOOD GOVERNANCE AND THE ADMINISTRATION OF JUSTICE. HOWEVER, THE LARGE BACKLOG OF ASSISTANCE DEMANDS NOTED EARLIER DEALING WITH THE PRIVATE SECTOR, BASIC HEALTH AND EDUCATION, RETURNS WHICH OFFER BOTH IMMEDIATE POLITICAL BENEFITS, E.G., HEALTH CLINICS, VACCINATING CHILDREN AND PUBLIC SCHOOLS FUNCTIONING, AS WELL AS PROMOTING LONGER-TERM DEVELOPMENT, COUPLED WITH ABSENCE OF A STRONG CASE THAT HAITI NEEDS ADDITIONAL BALANCE OF PAYMENTS SUPPORT BEYOND THAT ALREADY PLEDGED BY OTHER DONORS, ARGUES FOR ACCORDING LOWEST PRIORITY TO THIS USE OF SCARCE USAID FUNDS. THEREFORE, THE AA/LAC DECIDED THAT BOP WOULD NOT BE PROVIDED IN FY96 WITHIN THE 90 MILLION DOLLAR CORE BUDGET LEVEL (EXCLUSIVE OF FOOD AID). SHOULD ADDITIONAL RESOURCES ABOVE THAT LEVEL BECOME AVAILABLE, LAC WILL REVIEW THE PRIORITY TO BE GIVEN TO HOP SUPPORT AT THAT TIME.

6. STRATEGY FOR EDUCATION AND HUMAN RESOURCES DEVELOPMENT. THE MISSION HAD PROPOSED A VERY BROAD SCOPE FOR HUMAN RESOURCES ACTIVITIES, WITH MAJOR FUNDING FOR HAITIAN TECHNICAL ASSISTANCE AND A WIDE VARIETY OF TRAINING ACTIVITIES BUT LITTLE INVESTMENT IN BASIC EDUCATION. THE ISSUE OF THE FOCUS OF THE EDUCATION SECTOR WAS CLOSELY RELATED TO THE DISCUSSION OF ALLOCATION OF RESOURCES FOR ACTIVITIES PRODUCING SHORTER TERM RESULTS AS OPPOSED TO THOSE WITH LONGER TERM RESULTS. EDUCATION WAS SEEN BY THE

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MISSION AS A LONG TERM INVESTMENT. LAC/RSD/ENR NOTED THE PROGRESS IN HAITI TOWARD A NATIONAL CONSENSUS ON EDUCATION POLICY. THE POLICY DIALOGUE INVOLVING MANY GROUPS THROUGHOUT HAITI WAS ALSO PRODUCING REAL SHORT-TERM, GRASS-ROOTS BENEFITS FOR DEMOCRATIC INITIATIVES. MOREOVER, THIS POLICY DIALOGUE LAYS THE GROUNDWORK FOR FY97 INVESTMENTS BY THE WORLD BANK AND INTER-AMERICAN DEVELOPMENT BANK. THE AA/LAC DIRECTED THE MISSION TO FUND ONLY BASIC EDUCATION AND TO CUT THE WIDER TRAINING ACTIVITIES.

7. ROLE OF USAID AND OTHER AGENCIES IN PLANNING FOR ICITAP AND ASSESSING PROGRAM RESULTS. DISCUSSION CLARIFIED THAT, WHILE AN INTER-AGENCY WASHINGTON REVIEW OF THE ICITAP BUDGET FOR ECONOMIES TO BE ACHIEVED HAD BEEN DONE, THE MISSION NEITHER PLAYED A ROLE IN THAT PROCESS NOR HAD SEEN THE BUDGET. ALSO, WHILE THE RESULTS OF THE ICITAP POLICE TRAINING ARE QUITE GOOD, PERFORMANCE RESULTS INDICATORS FOR THE USAID PERFORMANCE MEASUREMENT SYSTEM ARE NEEDED. THE AA/LAC STATED THAT THE BUDGET WOULD BE SHARED WITH THE MISSION, AND REQUESTED USAID, STATE, AND JUSTICE TO WORK TOGETHER ON DEVELOPING A PERFORMANCE MEASUREMENT AND REPORTING SYSTEM.

8. GLOBAL BUREAU PARTICIPATION IN USAID/HAITI ACTIVITIES. THE MISSION NOTED THAT THE STRATEGY/AP HAD BEEN DEVELOPED WITHOUT REFERENCE TO THE AP GUIDANCE, AND WHEN HE UNDERSTOOD THAT FUNDING FOR GLOBAL BUREAU ACTIVITIES WAS NOT OVER AND ABOVE MISSION CONTROL OYB, THE MISSION DECIDED NOT TO INDICATE IN THE AP/STRATEGY ANY TRANSFER OF RESOURCES FOR ASSISTANCE FROM GLOBAL.

THE FY95 OYB PRESENTED WITH THE AP SHOWED FIELD SUPPORT OF DOLS 2,414,000 AT A BUDGET LEVEL DOLS 16 MILLION OVER THE CONTROL LEVEL, AND NOTHING FOR FIELD SUPPORT USING BUREAU-PROVIDED CONTROL LEVELS. DISCUSSION INDICATED THE MISSION WAS CONSIDERING USING GLOBAL SERVICES IN BASIC EDUCATION, AIDS, AND ENVIRONMENT, BUT THAT SPECIFIC IMPLEMENTATION MECHANISMS HAD NOT YET BEEN DETERMINED AND, THUS, WERE NOT SHOWN SEPARATELY IN THE BUDGET TABLES. IT WAS AGREED THAT THE MISSION WOULD REVIEW ITS BUDGET DATA AND ADJUST, AS

APPROPRIATE, SO THAT BUDGET FOR GLOBAL ACTIVITIES IS CLEARLY SHOWN.

THE MISSION IS ALSO DIRECTED TO FOLLOW BUREAU AP GUIDANCE IN THE FUTURE. BECAUSE GUIDANCE WAS DISREGARDED IN THE AP THIS YEAR, KEY BUDGETARY INFORMATION SUCH AS FUNDING FOR

GLOBAL PROGRAMS AND ALTERNATIVE FUNDING SCENARIOS WERE NOT AVAILABLE FOR THE BUREAU BUDGET ALLOCATION PROCESS IN A

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9. AVAILABILITY OF TITLE III. THE ISSUE CONCERNED FUNDING FOR ACTIVITIES CURRENTLY FUNDED UNDER TITLE III IF THE DOLS 10 MILLION REQUESTED FOR THE HAITI TITLE III PROGRAM FOR FY96 IS NOT AVAILABLE. IF TITLE III IS NOT AVAILABLE, DA OR ESF FUNDS WOULD BE NEEDED TO SUPPORT ACTIVITIES IN THE TITLE II FEEDING PROGRAM AND TEMPORARY EMPLOYMENT. THESE TWO ACTIVITIES ARE VITAL TO THE NEAR TERM RECOVERY OF HAITI, AND THE TITLE III LOCAL CURRENCY GENERATIONS ARE CRITICAL TO IMPROVING AGRICULTURAL PRODUCTION AND FOOD SECURITY. THE AA/LAC NOTED THAT NO DECISION COULD BE REACHED PENDING THE OUTCOME OF OVERALL FUNDING LEVELS FOR TITLES I, II AND III. ON A RELATED MATTER, THE AA/LAC INDICATED THAT AT DOLS 15.7 MILLION FOR FY96, TITLE II IS UNDER-FUNDED AND THAT HE HAS EMPHASIZED THE IMPORTANCE OF THIS PROGRAM IN DISCUSSIONS WITH BHR ON THIS MATTER.

10. OE BUDGET RESOURCES. A POSSIBLE FY96 OE GAP OF DOLS 800,000 MAY BE COVERED THROUGH OTHER CENTRAL RESOURCES FOR NON EXPENDABLE PROPERTY; HOWEVER, IN FY97 THE GAP IS LARGER. RESOLUTION OF THE ISSUE WILL DEPEND ON LEVELS OF FUNDS MADE AVAILABLE UNDER THE HOUSE APPROPRIATIONS BILL FOR USAID MORE GENERALLY AND THE BUREAU MORE SPECIFICALLY. IN A RELATED CONCERN, IT WAS NOTED THAT USAID/HAITI DOES HAVE 24 FTE'S AUTHORIZED FOR FY96, AND THAT THE MISSION SHOULD MOVE FORWARD ON THE TWO SPARS NEEDED FOR THESE POSITIONS WHICH ARE PLANNED FOR THE MISSION'S IDIS.

11. NEW ACTIVITY DESCRIPTIONS. THE FOLLOWING NADS WERE REVIEWED BY THE DAEC.

FY95-FY96

N/A	P.L.480 TITLE III PROGRAM	20,000	MISSION TO SUBMIT PROPOSAL
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THE MISSION WAS REMINDED OF THE AUGUST 8, 1995, DEADLINE FOR CALLS FORWARD, AND THE NEED FOR AID/W TO REVIEW AND APPROVE THE PROPOSAL AS SOON AS POSSIBLE IN ORDER TO NEGOTIATE A TITLE III AGREEMENT THIS FISCAL YEAR.

FY95

PROJECT NUMBER	PROJECT NAME	LOP AMOUNT (DOLS 000)	DECISION TAKEN
521-0257	ENVIRONMENTAL ASSISTANCE PACKAGE	45,000	APPROVED/ DELEGATED

THE MISSION PROPOSAL FOR ACTIVITIES WAS DISCUSSED AT THE

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ISSUES MEETING AND ACCEPTED AT THE DAEC.

FY96

521-0222	POLICY AND	9,000 (AUTH)	APPROVED/
	ADMINISTRATIVE	14,000 (AMEND)	DELEGATED
	REFORM (PAR)	23,000 (NEW LOP)	

THE MISSION REQUEST FOR DOLS 5 MILLION IN ADDITIONAL RESOURCES FOR FY96 WAS APPROVED.

FY96-FY97

521-0260	BALANCE OF	30,000	DISAPPROVED
	PAYMENTS (BOP)		

THE AA/LAC HAS ADVISED THE MISSION THAT NO FUNDS WILL BE AVAILABLE FOR BOP IN FY96 OR FY97.

521-0259	REFORMING EDUCA-	20,000	DISAPPROVED
	TION SERVICES AND		
	TECHNOLOGIES TO THE		
	ECONOMY (RESTORE)		

GIVEN THE FIFTEEN PERCENT LITERACY RATE IN HAITI, THE KNOWN CONTRIBUTION OF EDUCATION TO DEMOCRACY, EMPLOYMENT, PRIVATE SECTOR DEVELOPMENT, HEALTH AND ENVIRONMENT AS WELL AS THE ACHIEVEMENTS OF EDUCATION ACTIVITIES IN HAITI, THE RESTORE NAD SHOULD FOCUS ON PRIMARY EDUCATION. THE AA/LAC RECOMMENDED THAT THE MISSION SUBMIT A NEW NAD OUT-OF-CYCLE WHICH FOCUSES RESOURCES ON PRIMARY EDUCATION.

12. ISSUES RESOLVED AT THE ISSUES MEETING.

A) EQUITABLE PARTICIPATION IN SUSTAINABLE DEVELOPMENT. SO 2, FACILITATE INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME, SHOULD ALSO ARTICULATE POLICY MEASURES NEEDED TO SUPPORT INCREASED PARTICIPATION BY MARGINAL GROUPS AND

ACCESS TO FINANCIAL AND OTHER RESOURCES. THE AA/LAC AT THE DAEC REEMPHASIZED THE NEED FOR MORE CLARITY THROUGHOUT THE PROGRAM ON POVERTY REDUCTION, THE NEED FOR OUTCOMES TO REFLECT THIS, AND FOR NGOS TO BE INCLUDED AS PARTICIPANTS IN PROGRAM PLANNING AND IMPLEMENTATION. HE REQUESTED THAT THE MISSION SUBMIT ADDITIONAL INFORMATION TO CLARIFY HOW THE PROGRAM IMPACTS ON POVERTY REDUCTION, TO SHOW THE INTEGRATION OF FOOD SECURITY AND ENVIRONMENT PROGRAMS WITH AGRICULTURAL PRODUCTION AND HEALTH IN THE STRATEGIC FRAMEWORK, AND TO BETTER REFLECT HOW THE MISSION WORKS WITH NGOS. AID/W WOULD LIKE TO SEE THIS INFORMATION BY MID-AUGUST.

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B) LINKAGES OF FOOD SECURITY WITH SOS AND PROGRAMS; LINKAGES OF ENVIRONMENT WITH SOS AND PROGRAMS. THESE PROGRAMS NEED TO BE LINKED INTEGRALLY WITH OTHER PROGRAMS TOWARD IMPROVING AGRICULTURAL PRODUCTIVITY, THUS, INCREASING FOOD SECURITY; ENVIRONMENT PROGRAMS ARE NECESSARILY LINKED WITH AGRICULTURAL PRODUCTION, PRIVATE SECTOR AGRIBUSINESS, AND HEALTH/SANITATION PROGRAMS. RSD REPRESENTATIVES PROVIDED THE MISSION WITH RECOMMENDATIONS FOR THE STRATEGIC FRAMEWORK, PROGRAM OUTCOMES AND INDICATORS THAT BETTER REFLECT THE PROGRAMS AND THEIR IMPACTS. THAT IS, THE MISSION HAS INDICATED THAT ONE OF THE TWO MAJOR THRUSTS OF ITS STRATEGY OVER THE NEXT 18-24 MONTHS WILL BE TO CONSOLIDATE AND REALIGN SUCCESSFUL ACTIVITIES TO REORIENT HUMANITARIAN RELIEF ACTIVITIES TOWARD DEVELOPMENTAL INTERVENTIONS AND TO STEM ENVIRONMENTAL DEGRADATION AND ENHANCE AGRICULTURAL YIELDS AND INCOMES. THE RECOMMENDATIONS FROM RSD STAFF WERE

DESIGNED TO BETTER REFLECT THIS THRUST. ALSO, WHILE THERE IS NEED TO CONTINUE FEEDING PROGRAMS IN THE NEAR TERM, THE AA/LAC RECOMMENDED THAT THESE SHOULD BE CALIBRATED TO NEED AND REDUCED AS ACTIVITIES MOVE TOWARD A FOCUS ON SUSTAINABLE DEVELOPMENT.

C) REFINEMENT OF PERFORMANCE MEASUREMENT AND REPORTING, INCLUDING GENDER. THE PRESENT SYSTEM SHOWS CONSIDERABLE DEVELOPMENT, BUT SHOULD BE REFINED AS NOTED IN A) AND B) ABOVE AND SHOULD BETTER INTEGRATE GENDER CONCERNS. THESE MODIFICATIONS SHOULD BE INCLUDED IN THE NEXT MISSION PRESENTATION UNDER A REENGINEERED SYSTEM. A MISSION REPRESENTATIVE MET EARLIER WITH THE LAC/WID ADVISOR, WHO PROVIDED THE MISSION WITH WRITTEN SUGGESTIONS ON IMPROVING ATTENTION TO GENDER. THE MISSION INDICATED IT WOULD REQUEST HELP OFFERED BY THE LAC/WID ADVISOR AND THE G/WID OFFICE TO BETTER INTEGRATE WID ISSUES INTO THE PROGRAM AS WELL AS TO IMPROVE INDICATORS AND GENDER DISAGGREGATED DATA.

D) DONOR COORDINATION. THE ISSUES MEETING HAD REVIEWED THE VARIOUS DONOR EFFORTS, AND THE ESTABLISHMENT OF CONSULTATIVE GROUP SECTOR COMMITTEES TO MATCH DONORS WITH GOH MINISTRIES. ALSO USAID'S PCPS OFFICE ASSISTS WITH DONOR COORDINATION AND THE PAR PROJECT HAS HELPED THE GOH DEAL WITH RECURRENT COST ISSUES ASSOCIATED WITH DONOR PROGRAMS. IT WAS AGREED THAT THESE NEW MECHANISMS ARE FUNCTIONING ADEQUATELY BUT SHOULD BE EXAMINED AGAIN AT A LATER DATE.

E) FOLLOW UP ON THE MISSION MANAGEMENT ASSESSMENT. A RETURN VISIT WILL BE PLANNED WHEN BUDGET ISSUES BECOME CLEARER.

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F) SECTION 547(A) NOTWITHSTANDING AUTHORITY. LPA CLARIFIED THAT THE NEW HOUSE APPROPRIATIONS BILL CONTAINS LANGUAGE CONTINUING THIS AUTHORITY, AND THAT LPA WILL CONTINUE TO TRACK THIS.

G) ALTERNATIVE BUDGET PLANNING LEVELS. THE MISSION SUBMITTED BUDGETS AT THE 75 AND 85 PERCENT LEVELS. FUNDING ISSUES WILL BE FURTHER DISCUSSED BY MISSION AND BUREAU REPRESENTATIVES AT A MEETING ON DRAFT BUDGET APPROPRIATIONS AND RESOLVED DURING THE BBS PROCESS.

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INFO: AMB-1 DCM-1

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FM SECSTATE WASHDC  
TO AMEMBASSY PORT AU PRINCE PRIORITY 4602  
BT  
UNCLAS STATE 278894

AID ADM

E.O. 12958: N/A

TAGS:

SUBJECT: USAID/HAITI 1996/97 ACTION PLAN STRATEGIC  
OBJECTIVE (SO) CHANGES

REF: (A) PORT AU PRINCE 07836 (B) STATE 177463

1. PER REFTEL (A) REQUEST, THE LAC BUREAU HAS REVIEWED SUGGESTED CHANGES IN LANGUAGE AND INDICATORS FOR SO 4 AND SO 2 REFTEL (B), THE ACTION PLAN REPORTING CABLE, PARA 12 B) SUGGESTED THAT CHANGES BE MADE IN THE LANGUAGE AND INDICATORS FOR THE ENVIRONMENT PROGRAM TO IMPROVE ITS LINKAGES WITH OTHER PROGRAMS, INCLUDING IMPROVING AGRICULTURAL PRODUCTIVITY AND AGRIBUSINESS.

2. UNDER THE STRATEGIC PLANNING AUTOMATED DIRECTIVE SYSTEM (ADS), WHICH BECAME EFFECTIVE OCTOBER 1, BUREAU CONCURRENCE IS REQUIRED FOR SUBSTANTIVE CHANGES IN SO'S AND SO RESULTS. THE ADS ALSO GIVES CONSIDERABLE LATITUDE TO MISSIONS IN REFINING/ADJUSTING RESULTS FRAMEWORKS, ONCE A STRATEGIC PLAN AND RESULTS FRAMEWORK HAVE BEEN REVIEWED AND APPROVED. THESE CHANGES WOULD NORMALLY BE REVIEWED AND CONCURRED ON DURING THE RESULTS REVIEW AND RESOURCE REQUEST (R4) REVIEW. OBVIOUSLY, WE ARE IN A TRANSITION

YEAR AS MISSIONS BEGIN TO TRANSFORM THEIR SO'S AND PROGRAM OUTCOMES INTO RESULTS FRAMEWORKS. GIVEN THE ABOVE, THE BUREAU CONCURS IN REWORDING OF SO 4 FROM QUOTE PROMOTE SOUND ENVIRONMENTAL MANAGEMENT UNQUOTE TO QUOTE IMPROVE AGRICULTURAL PRODUCTIVITY AND ENVIRONMENTAL MANAGEMENT UNQUOTE. THE BUREAU ALSO NOTES THE ADDITION OF ANOTHER PROGRAM OUTCOME AND TENTATIVE INDICATORS UNDER SO 2.

3. USAID/HAITI IS ADVISED THAT IN THE R4 SUBMISSION, THE

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*Action*

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BY:			

*12/10/95*

MISSION WILL BE ASKED TO BEGIN TRANSFORMING THEIR STRATEGIC OBJECTIVE TREES INTO RESULTS FRAMEWORKS; THE TERM PROGRAM OUTCOMES WILL NO LONGER USED AND IN THE RESULTS FRAMEWORKS THIS CONCEPT WILL BE REPLACED BY INTERMEDIATE RESULTS. AGENCY GUIDANCE ON THE R4 WILL BE FORTHCOMING.

4. FINALLY, THE PROPOSED INDICATORS HAVE BEEN REVIEWED BY LAC/SPM AND LAC/RSD. WE ONLY CAUTION THAT THE ADDITIONAL INDICATORS PROPOSED FOR SO 2 MAY BE FAIRLY WORK INTENSIVE UNTIL THE SURVEY MECHANISMS ARE RUNNING SMOOTHLY.

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TO SECSTATE WASHDC PRIORITY 5691  
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E.O. 12356: N/A  
SUBJECT: USAID/HAITI ACTION PLAN 1996-1997 REVISIONS

1. THIS IS AN ACTION CABLE.
2. SUMMARY: CONTAINED HERewith ARE RECOMMENDED CHANGES TO STRATEGIC OBJECTIVE (SO) NO. 4 INCLUDING ADDITIONAL PROGRAM OUTCOMES AND INDICATORS. ALSO INCLUDED ARE ADDITIONAL PROGRAM OUTCOMES AND INDICATORS PROPOSED UNDER STRATEGIC OBJECTIVE NO. 2. THESE PROPOSED CHANGES ARE CONSISTENT WITH CONTINUING DIALOGUE BETWEEN MISSION AND BUREAU SINCE THE APPROVAL OF THE 1996/97 ACTION PLAN IN JUNE. BUREAU IS REQUESTED TO REVIEW AND CONCUR WITH REVISED SO NO. 4 LANGUAGE, ADDITIONAL SO NO. 4 PROGRAM OUTCOMES AND INDICATORS AND ADDITIONAL SO NO. 2 PROGRAM OUTCOMES AND INDICATORS. END SUMMARY.
3. RECOMMENDED CHANGES TO STRATEGIC OBJECTIVE (SO) NO.4 AND THE USE OF FOUR PROGRAM OUTCOMES THAT MEASURE THE EFFECTS OF THE PL-480 TITLE II PROGRAM WERE APPROVED BY THE MISSION STRATEGIC OBJECTIVE (SO) TEAM. INDICATORS WERE MODIFIED TO CONFORM TO MISSION/BUREAU DIALOGUE THAT HAS BEEN ON-GOING SINCE APPROVAL OF ACTION PLAN IN JUNE.
4. BELOW, IS THE PROPOSED REVISED LANGUAGE FOR SO NO.4, ALONG WITH PROGRAM OUTCOMES AND INDICATORS.

SO4 - IMPROVE AGRICULTURAL PRODUCTIVITY AND ENVIRONMENTAL MANAGEMENT

4.01 - INCREASE IN AGRICULTURAL PRODUCTIVITY

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UNIT	1994	1995	1996	1997
LAS PARES	-	BASE-LINE	1.02	1.05
PRODUCTIVITY INDEX		1.0		

4.02 - SUSTAINABLE INCREASES IN AGRICULTURAL INCOME BASED ON RESULTS IN USAID PROJECT AREAS

PERCENT ABOVE BASELINE	BASE-LINE	10	12	14
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4.03 - NATIONAL ENVIRONMENTAL ACTION PLAN DEVELOPED AND APPROVED

DOCUMENT	0	DRAFT	DRAFT	FINAL
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4.04 - INCREASED DONOR FUNDING FOR ENVIRONMENTAL ACTIVITIES

PERCENT	NOT KNOWN	BASE-LINE	5	10
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OUTCOME 4.1 - STRENGTHENED NATIONAL FRAMEWORK FOR ENVIRONMENTALLY SOUND DEVELOPMENT

4.11 - REVISED OR NEWLY IMPLEMENTED REGULATIONS IMPACTING THE ENVIRONMENT

NUMBER	0	0	3	2
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4.12 - GREATER ENVIRONMENT AWARENESS

MILLION PEOPLE RECEIVING RADIO BROADCASTS	0	1	1.5	2.0
---	---	---	-----	-----

4.13 - CHANGE IN GOH CAPACITY (NO. OF STAFF TRAINED)

NUMBER	NOT KNOWN	15	50	50
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4.14 - ORGANIZATIONS PARTICIPATING IN NEAP DEVELOPMENT AND IMPLEMENTATION

NUMBER	0	20	37	20
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OUTCOME 4.2 - INCREASED USE OF SUSTAINABLE HILLSIDE AGRICULTURAL PRACTICES

4.21 - HILLSIDE AGRICULTURAL LAND UNDER ENVIRONMENTALLY SOUND CULTIVATION PRACTICES

000'S	66	96	108	120
HECTARES				

4.22 - HILLSIDE FARMERS PRACTICING ENVIRONMENTALLY SOUND CULTIVATION PRACTICES

THOU -

SANDS	55.2	64.3	81.3	100
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OUTCOMES 4.3 - INCREASED COMMUNITY PARTICIPATION IN TREE PLANTING AND PROTECTION OF PRODUCTIVE INFRASTRUCTURE

4.31 - TREES PLANTED TO IMPROVE HILLSIDE LAND MANAGEMENT, PROTECT PRODUCTIVE INFRASTRUCTURE, AND PROTECT STRATEGIC WATERSHEDS

MILLION TREES	4.487	5	6	8
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4.32 - COMMUNITY FORESTRY CORPS ESTABLISHED FOR SUPPORTING SUSTAINABLE NATURAL RESOURCE MANAGEMENT

NUMBER	0	0	10	15
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4.33 - NGOS, COMMUNITY GROUPS, AND FARMER GROUPS PARTICIPATING IN PROTECTION EFFORTS

NUMBER	500	600	700	800
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4.34 - BENEFICIARIES OF PRODUCTIVE INFRASTRUCTURE PROJECTS SUPPORTED WITH PL-480 TITLE II AND III RESOURCES

NUMBER	*	*	14,000	43,333
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OUTCOME 4.4 - IMPROVED ENVIRONMENTAL QUALITY IN TARGETED URBAN LOCATIONS.

4.41 - ACCESS TO IMPROVED SANITATION WASTEWATER TREATMENT FACILITIES

NUMBER	-	-	2,500	3,750
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4.42 - DECREASE IN INCIDENCE OF WATERBORN ILLNESSES IN  
CITE SOLEIL THEREBY REDUCING WATER POLLUTION

PERCENT - - 15 25

4.43 - BENEFICIARIES SUPPORTED WITH PL-480 TITLE II  
RESOURCES ON PRODUCTIVE INFRASTRUCTURE PROJECTS

NUMBER \* \* 7,000 21,670

4.44 - SUSTAINABILITY OF WATER/WASTEWATER SANITATION  
DISTRICT STARTING WITH FINALIZING THE PLAN AND SALE OF  
WATER AND THEN AMOUNT OF REVENUE USED TO FINANCE WASTE  
DISPOSAL ACTIVITIES.

PLAN - - - - - INI- TBD  
WATER - - - - - TIATED  
SALES/  
PERCENT

\* ALTHOUGH WE HAVE HAD BENEFICIARIES FROM THE CURRENT  
EFS I PROJECT IN THESE CATEGORIES IN FY 94 AND 95, THE  
NUMBERS FOR 1996 AND 1997 ARE BASED ON THE RESULTS  
EXPECTED FROM THE PRODUCTIVE INFRASTRUCTURE COMPONENT  
FROM THE NEW EFS II PROJECT TABLE 2 USING FEEDING  
PROGRAM SPONSORS. APPROXIMATELY 1/3 OF THE  
BENEFICIARIES WILL BE IN URBAN AREAS.

5. BELOW, ARE ADDITIONAL PROGRAM OUTCOMES AND  
INDICATORS UNDER SO 2.

A.) CHANGE IN HOUSEHOLD EXPENDITURES ON BASIC NEEDS  
RELATED TO NUTRITION, HEALTH AND EDUCATION RESULTING  
FROM THE INCREASED INCOME GENERATED BY MICROENTERPRISES  
FINANCED BY NON-BANKING INSTITUTES (NBIS).  
TBD TBD

B.) CHANGE IN NUMBER OF SCHOOL AGE CHILDREN IN SCHOOL  
AS A RESULT OF ADDITIONAL INCOME GENERATED BY  
MICROENTERPRISES FINANCED BY NBIS.  
TBD TBD

C.) INCOME INCREASE OF SMALL FARMERS AS A RESULT OF THE  
AGRICULTURE GUARANTEE FUND (AGF).  
TBD TBD

D.) IMMEDIATE FAMILY MEMBERS SUPPORTED BY  
MICROENTERPRISES FINANCED BY USAID ASSISTED NBIS.  
TBD TBD

A "TBD" NOMENCLATURE WAS CHOSEN UNDER THESE PROGRAM  
INDICATORS UNTIL BASELINE DATA FROM RECENT IFSIS DATA IS

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## Annex C: Country/Assistance Checklist

### Country Checklist

Listed below are statutory criteria applicable to the eligibility of countries to receive the following categories of assistance: (A) both Development Assistance and Economic Support Funds; (B) Development Assistance funds only; or (C) Economic Support Funds only.

A. COUNTRY ELIGIBILITY CRITERIA  
APPLICABLE TO BOTH DEVELOPMENT  
ASSISTANCE AND ECONOMIC SUPPORT  
FUND ASSISTANCE

1. **Narcotics Certification**  
(FAA Sec. 490): (This provision applies to assistance provided by grant, sale, loan, lease, credit, guaranty, or insurance, except assistance relating to international narcotics control, disaster and refugee relief assistance, narcotics related assistance, or the provision of food (including the monetization of food) or medicine, and the provision of nonagricultural commodities under P.L. 480. This provision also does not apply to assistance for child survival and AIDS programs which can, under section 522 of the FY 1995 Appropriations Act, be made available notwithstanding any provision of law that restricts assistance to foreign countries, and programs identified in section 547 of that Act and other provisions of law that have similar notwithstanding authority.) If the recipient is a "major illicit drug producing country" (defined as a country in which during a year at least 1,000 hectares of illicit opium poppy is cultivated or harvested, or at least 1,000 hectares of illicit coca is cultivated or harvested, or at least 5,000 hectares of illicit cannabis is cultivated or harvested) or a "major drug-transit

country" (defined as a country that is a significant direct source of illicit drugs significantly affecting the United States, through which such drugs are transported, or through which significant sums of drug-related profits are laundered with the knowledge or complicity of the government):

(1) has the President in the March 1 International Narcotics Control Strategy Report (INCSR) determined and certified to the Congress (without Congressional enactment, within 30 calendar days, of a resolution disapproving such a certification), that (a) during the previous year the country has cooperated fully with the United States or taken adequate steps on its own to satisfy the goals and objectives established by the U.N. Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, or that (b) the vital national interests of the United States require the provision of such assistance?

(2) with regard to a major illicit drug producing or drug-transit country for which the President has not certified on March 1, has the President determined and certified to Congress on any other date (with enactment by Congress of a resolution approving such certification) that the vital national interests of the United States require the provision of assistance, and has also certified that (a) the country has undergone a fundamental change in government, or (b) there has been a fundamental change in the conditions that were the reason why the President had not made a "fully cooperating" certification.

**2. Indebtedness to U.S. citizens** (FAA Sec. 620(c): If assistance is to a government, is the government indebted to any U.S. citizen for goods or services furnished or ordered where: (a) such citizen has exhausted available legal remedies, (b) the debt is not denied or contested by such government, or (c) the indebtedness arises under an unconditional guaranty of payment given by such government or controlled entity?

**3. Seizure of U.S. Property** (Foreign Relations Authorization Act, Fiscal Years 1994 and 1995, Sec. 527): If assistance is to a government, has it (including any government agencies or instrumentalities) taken any action on or after January 1, 1956 which has the effect of nationalizing, expropriating, or otherwise seizing ownership or control of property of U.S. citizens or entities beneficially owned by them without (during the period specified in subsection (c) of this section) either returning the property, providing adequate and effective compensation for the property, offering a domestic procedure providing prompt, adequate, and effective compensation for the property, or submitting the dispute to international arbitration? If the actions of the government would otherwise prohibit assistance, has the President waived this prohibition and so notified Congress that it was in the national interest to do so?

**4. Communist and other countries** (FAA Secs. 620(a), 620(f), 620D; FY 1995 Appropriations Act Secs. 507, 523): Is recipient country a Communist country? If so, has the President: (a) determined that assistance to

the country is vital to the security of the United States, that the recipient country is not controlled by the international Communist conspiracy, and that such assistance will further promote the independence of the recipient country from international communism, or (b) removed a country from applicable restrictions on assistance to communist countries upon a determination and report to Congress that such action is important to the national interest of the United States? Will assistance be provided directly to Cuba, Iraq, Libya, North Korea, Iran, Serbia, Sudan or Syria? Will assistance be provided indirectly to Cuba, Iraq, Libya, Iran, Syria, North Korea, or the People's Republic of China? Will assistance be provided to Afghanistan without a certification, or will assistance be provided inside Afghanistan through the Soviet-controlled government of Afghanistan?

**5. Mob Action (FAA Sec. 620(j)):** Has the country permitted, or failed to take adequate measures to prevent, damage or destruction by mob action of U.S. property?

**6. OPIC Investment Guaranty (FAA Sec. 620(l)):** Has the country failed to enter into an investment guaranty agreement with OPIC?

**7. Seizure of U.S. Fishing Vessels (FAA Sec. 620(o); Fishermen's Protective Act of 1967 (as amended) Sec. 5):** (a) Has the country seized, or imposed any penalty or sanction against, any U.S. fishing vessel because of fishing activities in international waters? (b) If so, has any

deduction required by the Fishermen's Protective Act been made?

8. **Loan Default** (FAA Sec. 620(q); FY 1995 Appropriations Act Sec. 512 (Brooke Amendment)): (a) Has the government of the recipient country been in default for more than six months on interest or principal of any loan to the country under the FAA? (b) Has the country been in default for more than one year on interest or principal on any U.S. loan under a program for which the FY 1995 Appropriations Act appropriates funds?

9. **Military Equipment** (FAA Sec. 620(s)): If contemplated assistance is development loan or to come from Economic Support Fund, has the Administrator taken into account the percentage of the country's budget and amount of the country's foreign exchange or other resources spent on military equipment? (Reference may be made to the annual "Taking Into Consideration" memo: "Yes, taken into account by the Administrator at time of approval of Agency OYB." This approval by the Administrator of the Operational Year Budget can be the basis for an affirmative answer during the fiscal year unless significant changes in circumstances occur.)

10. **Diplomatic Relations with U.S.** (FAA Sec. 620(t)): Has the country severed diplomatic relations with the United States? If so, have relations been resumed and have new bilateral assistance agreements been negotiated and entered into since such resumption?

11. **U.N. Obligations** (FAA Sec. 620(u)): What is the payment status of the country's U.N.

obligations? If the country is in arrears, were such arrearages taken into account by the A.I.D. Administrator in determining the current A.I.D. Operational Year Budget? (Reference may be made to the "Taking into Consideration" memo.)

## **12. International Terrorism**

### **a. Sanctuary and support**

(FY 1995 Appropriations Act Sec. 529; FAA Sec. 620A): Has the country been determined by the President to: (a) grant sanctuary from prosecution to any individual or group which has committed an act of international terrorism, or (b) otherwise support international terrorism, unless the President has waived this restriction on grounds of national security or for humanitarian reasons?

### **b. Airport Security**

(ISDCA of 1985 Sec. 552(b)): Has the Secretary of State determined that the country is a high terrorist threat country after the Secretary of Transportation has determined, pursuant to section 1115(e)(2) of the Federal Aviation Act of 1958, that an airport in the country does not maintain and administer effective security measures?

### **c. Compliance with UN**

#### **Sanctions**

(FY 1995 Appropriations Act Sec. 538): Is assistance being provided to a country not in compliance with UN sanctions against Iraq, Serbia, or Montenegro and, if so, has the President made the necessary determinations to allow assistance to be provided?

**13. Countries that Export Lethal Military Equipment** (FY 1995 Appropriations Act Sec. 563): Is

assistance being made available to a government which provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 40(d) of the Arms Export Control Act?

14. **Discrimination** (FAA Sec. 666(b)): Does the country object, on the basis of race, religion, national origin or sex, to the presence of any officer or employee of the U.S. who is present in such country to carry out economic development programs under the FAA?

15. **Nuclear Technology** (Arms Export Control Act Secs. 101, 102): Has the country, after August 3, 1977, delivered to any other country or received nuclear enrichment or reprocessing equipment, materials, or technology, without specified arrangements or safeguards, and without special certification by the President? Has it transferred a nuclear explosive device to a non-nuclear weapon state, or if such a state, either received or detonated a nuclear explosive device? If the country is a non-nuclear weapon state, has it, on or after August 8, 1985, exported (or attempted to export) illegally from the United States any material, equipment, or technology which would contribute significantly to the ability of a country to manufacture a nuclear explosive device? (FAA Sec. 620E(d) permits a special waiver of Sec. 101 for Pakistan.)

16. **Algiers Meeting** (ISDCA of 1981, Sec. 720): Was the country represented at the Meeting of Ministers of Foreign Affairs and Heads of Delegations of the Non-Aligned Countries to the 36th

General Assembly of the U.N. on Sept. 25 and 28, 1981, and did it fail to disassociate itself from the communique issued? If so, has the President taken it into account? (Reference may be made to the "Taking into Consideration" memo.)

17. **Military Coup** (FY 1995 Appropriations Act Sec. 508): Has the duly elected Head of Government of the country been deposed by military coup or decree? If assistance has been terminated, has the President notified Congress that a democratically elected government has taken office prior to the resumption of assistance?

18. **Exploitation of Children** (FAA Sec. 116(b)): Does the recipient government fail to take appropriate and adequate measures, within its means, to protect children from exploitation, abuse or forced conscription into military or paramilitary services?

19. **Parking Fines** (FY 1995 Appropriations Act Sec. 564): Has the overall assistance allocation of funds for a country taken into account the requirements of this section to reduce assistance by 110 percent of the amount of unpaid parking fines owed to the District of Columbia as of August 23, 1994?

B. COUNTRY ELIGIBILITY CRITERIA  
APPLICABLE ONLY TO DEVELOPMENT  
ASSISTANCE ("DA")

**Human Rights Violations** (FAA Sec. 116): Has the Department of State determined that this government has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so,

can it be demonstrated that contemplated assistance will directly benefit the needy?

C. COUNTRY ELIGIBILITY CRITERIA  
APPLICABLE ONLY TO ECONOMIC SUPPORT  
FUNDS ("ESF")

**Human Rights Violations** (FAA Sec. 502B): Has it been determined that the country has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, has the President found that the country made such significant improvement in its human rights record that furnishing such assistance is in the U.S. national interest?

**Assistance Checklist**

Listed below are statutory criteria applicable to the assistance resources themselves, rather than to the eligibility of a country to receive assistance. This section is divided into three parts. Part A includes criteria applicable to both Development Assistance and Economic Support Fund resources. Part B includes criteria applicable only to Development Assistance resources. Part C includes criteria applicable only to Economic Support Funds.

CROSS REFERENCE: IS COUNTRY CHECKLIST  
UP TO DATE?

Yes, on file in the  
Mission.

A. CRITERIA APPLICABLE TO BOTH  
DEVELOPMENT ASSISTANCE AND ECONOMIC  
SUPPORT FUNDS

1. **Host Country Development Efforts** (FAA Sec. 601(a)): Information and conclusions on whether assistance will encourage efforts of the country to: (a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and

(a), (d), (f) not specifically targeted  
(b) small scale initiatives will be encouraged  
(e) technical efficiencies will be improved through agriculture and soil

savings and loan associations;  
(d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture, and commerce; and (f) strengthen free labor unions.

conservations.

**2. U.S. Private Trade and Investment (FAA Sec. 601(b)):**

Information and conclusions on how assistance will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).

Services and commodities of U.S. source, origin and nationality will be used

**3. Congressional Notification**

**a. General requirement**

(FY 1995 Appropriations Act Sec. 515; FAA Sec. 634A): If money is to be obligated for an activity or strategic objective not previously justified to Congress, or for an amount in excess of amount previously justified to Congress, has Congress been properly notified (unless the Appropriations Act notification requirement has been waived because of substantial risk to human health or welfare)?  
[NOTE: This may take a change in the law to implement]

CN Submitted; No obligating documents will be signed until notification cable is received

**b. Special notification requirement (FY 1995 Appropriations Act Sec. 520):** Are all activities proposed for obligation subject to prior congressional notification?

Yes

**c. Notice of account transfer (FY 1995 Appropriations Act Sec. 509):** If funds are being obligated under an appropriation account to which they were not appropriated, has the President consulted with and provided a written justification to the House and Senate Appropriations Committees and has such obligation

n/a

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been subject to regular notification procedures?

d. **Cash transfers and nonproject sector assistance** (FY 1995 Appropriations Act Sec. 536(b)(3)): If funds are to be made available in the form of cash transfer or nonproject sector assistance, has the Congressional notice included a detailed description of how the funds will be used, with a discussion of U.S. interests to be served and a description of any economic policy reforms to be promoted? n/a

4. **Engineering and Financial Plans** (FAA Sec. 611(a)): Prior to an obligation in excess of \$500,000, will there be: (a) engineering, financial or other plans necessary to carry out the assistance; and (b) a reasonably firm estimate of the cost to the U.S. of the assistance? Yes

5. **Legislative Action** (FAA Sec. 611(a)(2)): If legislative action is required within recipient country with respect to an obligation in excess of \$500,000, what is the basis for a reasonable expectation that such action will be completed in time to permit orderly accomplishment of the purpose of the assistance? n/a

6. **Water Resources** (FAA Sec. 611(b)): If the assistance is for water or water-related land resource construction, have benefits and costs been computed to the extent practicable in accordance with the principles, standards, and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.)? n/a

7. **Cash Transfer/Nonproject Sector Assistance Requirements** (FY 1995 Appropriations Act Sec. 536). If assistance is in the form of a cash transfer or nonproject sector assistance: n/a

a. **Separate account:**  
Are all such cash payments to be maintained by the country in a separate account and not commingled with any other funds (unless such requirements are waived by Congressional notice for nonproject sector assistance)? n/a

b. **Local currencies:** If assistance is furnished to a foreign government under arrangements which result in the generation of local currencies:

(1) Has A.I.D. (a) required that local currencies be deposited in a separate account established by the recipient government, (b) entered into an agreement with that government providing the amount of local currencies to be generated and the terms and conditions under which the currencies so deposited may be utilized, and (c) established by agreement the responsibilities of A.I.D. and that government to monitor and account for deposits into and disbursements from the separate account? (a) Yes (b) Yes (c) Yes

(2) Will such local currencies, or an equivalent amount of local currencies, be used only to carry out the purposes of the DA or ESF chapters of the FAA (depending on which chapter is the source of the assistance) or for the administrative requirements of the United States Government? Yes

(3) Has A.I.D. taken all appropriate steps to ensure that the equivalent of local currencies Yes

disbursed from the separate account are used for the agreed purposes?

(4) If assistance is terminated to a country, will any unencumbered balances of funds remaining in a separate account be disposed of for purposes agreed to by the recipient government and the United States Government?

Yes

8. **Capital Assistance** (FAA Sec. 611(e)): If capital assistance is proposed (e.g., construction), and total U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability to maintain and utilize the assistance effectively?

n/a

9. **Multiple Country Objectives** (FAA Sec. 601(a)): Information and conclusions on whether assistance will encourage efforts of the country to:  
(a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions.

(a), (d) and (f) are not specifically targeted.  
(b) small scale initiatives will be encouraged.  
(c) cooperative development will be encouraged.  
(e) improved technical efficiency in agricultural will be encouraged.

10. **U.S. Private Trade** (FAA Sec. 601(b)): Information and conclusions on how assistance will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).

Services and commodities of U.S. source, origin and nationality will be used.

11. **Local Currencies**

a. **Recipient Contributions** (FAA Secs. 612(b), 636(h)): Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars.

The government of Haiti will contribute the local currency generated by the 1996 and 1997 Title III in the amount of \$2.0 million.

b. **U.S.-Owned Currency** (FAA Sec. 612(d)): Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release?

No

## 12. Trade Restrictions

a. **Surplus Commodities** (FY 1995 Appropriations Act Sec. 513(a)): If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity?

No

b. **Textiles (Lautenberg Amendment)** (FY 1995 Appropriations Act Sec. 513(c)): Will the assistance (except for programs in Caribbean Basin Initiative countries under U.S. Tariff Schedule "Section 807," which allows reduced tariffs on articles assembled abroad from U.S.-made components) be used directly to procure feasibility studies, prefeasibility studies, or profiles of potential investment in, or to assist the establishment of facilities specifically designed for, the manufacture for export to the United States or to third country markets in direct competition with U.S. exports, of

No

textiles, apparel, footwear, handbags, flat goods (such as wallets or coin purses worn on the person), work gloves or leather wearing apparel?

**13. Tropical Forests** (FY 1991 Appropriations Act Sec.

533(c)(3) (as referenced in section 532(d) of the FY 1993

No

Appropriations Act): Will funds be used for any activity which would (a) result in any significant loss of tropical forests, or (b) involve industrial timber extraction in primary tropical forest areas?

**14. PVO Assistance**

**a. Auditing and registration** (FY 1995

Appropriations Act Sec. 560): If assistance is being made available to a PVO, has that organization provided upon timely request any document, file, or record necessary to the auditing requirements of A.I.D., and is the PVO registered with A.I.D.?

Assistance will be provided to PVOs registered with USAID and meeting the auditing requirements of USAID.

**b. Funding sources** (FY 1995 Appropriations Act, Title II, under heading "Private and Voluntary Organizations"): If assistance is to be made to a United States PVO (other than a cooperative development organization), does it obtain at least 20 percent of its total annual funding for international activities from sources other than the United States Government?

Yes. PADF, CARE, and IICA.

**15. Agreement Documentation** (State Authorization Sec. 139 (as interpreted by conference report)): Has confirmation of the date of signing of the strategic objective agreement, including the amount involved, been cabled to State L/T and A.I.D. LEG within 60 days of the agreement's entry into force

Will be presented to Washington upon authorization of these documents with 60 days along with a cable.

with respect to the United States, and has the full text of the agreement been pouched to those same offices?

16. **Metric System** (Omnibus Trade and Competitiveness Act of 1988 Sec. 5164, as interpreted by conference report, amending Metric Conversion Act of 1975 Sec. 2, and as implemented through A.I.D. policy): Does the assistance activity use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms? Are bulk purchases usually to be made in metric, and are components, subassemblies, and semi-fabricated materials to be specified in metric units when economically available and technically adequate? Will A.I.D. specifications use metric units of measure from the earliest programmatic stages, and from the earliest documentation of the assistance processes (for example, project papers) involving quantifiable measurements (length, area, volume, capacity, mass and weight), through the implementation stage?

Yes, to all question under #16.

17. **Abortions** (FAA Sec. 104(f); FY 1995 Appropriations Act, Title II, under heading "Population, DA," and Sec. 518):

a. Are any of the funds to be used for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions? (Note that the term "motivate" does not include the provision, consistent with local law, of

No

information or counseling about all pregnancy options including abortion.)

b. Are any of the funds to be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations? No

c. Are any of the funds to be made available to any organization or program which, as determined by the President, supports or participates in the management of a program of coercive abortion or involuntary sterilization? No

d. Will funds be made available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services? (As a legal matter, DA only.) n/a

e. In awarding grants for natural family planning, will any applicant be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning? (As a legal matter, DA only.) n/a

f. Are any of the funds to be used to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning? No

g. Are any of the funds to be made available to any organization if the President certifies that the use of these No

funds by such organization would violate any of the above provisions related to abortions and involuntary sterilization?

18. **Cooperatives** (FAA Sec. 111): Will assistance help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward a better life? Yes

19. **U.S.-Owned Foreign Currencies**

a. **Use of currencies** (FAA Secs. 612(b), 636(h); FY 1995 Appropriations Act Secs. 503, 505): Are steps being taken to assure that, to the maximum extent possible, foreign currencies owned by the U.S. are utilized in lieu of dollars to meet the cost of contractual and other services. n/a

b. **Release of currencies** (FAA Sec. 612(d)): Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release? No

20. **Procurement**

a. **Small business** (FAA Sec. 602(a)): Are there arrangements to permit U.S. small business to participate equitably in the furnishing of commodities and services financed? Yes

b. **U.S. procurement** (FAA Sec. 604(a)): Will all procurement be from the U.S., the recipient country, or developing countries except as otherwise determined in accordance with the criteria of this section? Yes

c. **Marine insurance** (FAA Sec. 604(d)): If the cooperating country discriminates against n/a

marine insurance companies authorized to do business in the U.S., will commodities be insured in the United States against marine risk with such a company?

d. **Insurance** (FY 1995 Appropriations Act Sec. 531): Will any A.I.D. contract and solicitation, and subcontract entered into under such contract, include a clause requiring that U.S. insurance companies have a fair opportunity to bid for insurance when such insurance is necessary or appropriate? Yes

e. **Non-U.S. agricultural procurement** (FAA Sec. 604(e)): If non-U.S. procurement of agricultural commodity or product thereof is to be financed, is there provision against such procurement when the domestic price of such commodity is less than parity? (Exception where commodity financed could not reasonably be procured in U.S.) n/a

f. **Construction or engineering services** (FAA Sec. 604(g)): Will construction or engineering services be procured from firms of advanced developing countries which are otherwise eligible under Code 941 and which have attained a competitive capability in international markets in one of these areas? (Exception for those countries which receive direct economic assistance under the FAA and permit United States firms to compete for construction or engineering services financed from assistance programs of these countries.) No

g. **Cargo preference shipping** (FAA Sec. 603)): Is the shipping excluded from compliance with the requirement in section 901(b) of the Merchant Marine Act Not excluded

of 1936, as amended, that at least 50 percent of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S. flag commercial vessels to the extent such vessels are available at fair and reasonable rates?

**h. Technical assistance** (FAA Sec. 621(a)): If technical assistance is financed, will such assistance be furnished by private enterprise on a contract basis to the fullest extent practicable? Will the facilities and resources of other Federal agencies be utilized, when they are particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs?

Yes. Project will be implemented through:  
a) assistance instruments with NGOs/PVOs;  
b) competitive contract;  
c) competitive contracts in Haiti for local services.

**i. U.S. air carriers** (International Air Transportation Fair Competitive Practices Act, 1974): If air transportation of persons or property is financed on grant basis, will U.S. carriers be used to the extent such service is available?

Yes

**j. Consulting services** (FY 1995 Appropriations Act Sec. 559): If assistance is for consulting service through procurement contract pursuant to 5 U.S.C. 3109, are contract expenditures a matter of public record and available for public inspection (unless otherwise provided by law or Executive order)?

Yes

**k. Competitive Selection Procedures** (FAA Sec. 601(e)): Will the assistance utilize competitive selection procedures for the awarding of contracts, except where

Yes

applicable procurement rules allow otherwise?

1. **Notice Requirement**  
(FY 1995 Appropriations Act Sec. 568): Will agreements or contracts contain notice consistent with FAA section 604(a) and with the sense of Congress that to the greatest extent practicable equipment and products purchased with appropriated funds should be American-made? Yes

21. **Construction**

a. **Capital Assistance**  
(FAA Sec. 601(d)): If capital (e.g., construction) assistance, will U.S. engineering and professional services be used? n/a

b. **Construction contract**  
(FAA Sec. 611(c)): If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable? n/a

c. **Large projects, Congressional approval** (FAA Sec. 620(k)): If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U.S. not exceed \$100 million (except for productive enterprises in Egypt that were described in the Congressional Presentation), or does assistance have the express approval of Congress? n/a

22. **U.S. Audit Rights** (FAA Sec. 301(d)): If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights? Yes

23. **Communist Assistance** (FAA Sec. 620(h)). Do arrangements exist Yes

to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries?

**24. Narcotics**

**a. Cash reimbursements**  
(FAA Sec. 483): Will arrangements preclude use of financing to make reimbursements, in the form of cash payments, to persons whose illicit drug crops are eradicated? **Yes**

**b. Assistance to narcotics traffickers** (FAA Sec. 487): Will arrangements take "all reasonable steps" to preclude use of financing to or through individuals or entities which we know or have reason to believe have either: (1) been convicted of a violation of any law or regulation of the United States or a foreign country relating to narcotics (or other controlled substances); or (2) been an illicit trafficker in, or otherwise involved in the illicit trafficking of, any such controlled substance? **Yes**

**25. Expropriation and Land Reform** (FAA Sec. 620(g)): Will assistance preclude use of financing to compensate owners for expropriated or nationalized property, except to compensate foreign nationals in accordance with a land reform program certified by the President? **Yes**

**26. Police and Prisons** (FAA Sec. 660): Will assistance preclude use of financing to provide training, advice, or any financial support for police, prisons, or other law enforcement forces, except for narcotics programs? **Yes**

27. **CIA Activities** (FAA Sec. 662): Will assistance preclude use of financing for CIA activities? Yes
28. **Motor Vehicles** (FAA Sec. 636(i)): Will assistance preclude use of financing for purchase, sale, long-term lease, exchange or guaranty of the sale of motor vehicles manufactured outside U.S., unless a waiver is obtained? Yes
29. **Export of Nuclear Resources** (FY 1995 Appropriations Act Sec. 506): Will assistance preclude use of financing to finance--except for purposes of nuclear safety--the export of nuclear equipment, fuel, or technology? Yes
30. **Publicity or Propaganda** (FY 1995 Appropriations Act Sec. 554): Will assistance be used for publicity or propaganda purposes designed to support or defeat legislation pending before Congress, to influence in any way the outcome of a political election in the United States, or for any publicity or propaganda purposes not authorized by Congress? No
31. **Exchange for Prohibited Act** (FY 1995 Appropriations Act Sec. 533): Will any assistance be provided to any foreign government (including any instrumentality or agency thereof), foreign person, or United States person in exchange for that foreign government or person undertaking any action which is, in carried out by the United States Government, a United States official or employee, expressly prohibited by a provision of United States law? No
32. **Commitment of Funds** (FAA Sec. 635(h)): Does a contract or agreement entail a commitment for the expenditure of funds during a No

period in excess of 5 years from the date of the contract or agreement?

33. **Impact on U.S. Jobs** (FY 1995 Appropriations Act, Sec. 545):

a. Will any financial incentive be provided to a business located in the U.S. for the purpose of inducing that business to relocate outside the U.S. in a manner that would likely reduce the number of U.S. employees of that business? No

b. Will assistance be provided for the purpose of establishing or developing an export processing zone or designated area in which the country's tax, tariff, labor, environment, and safety laws do not apply? If so, has the President determined and certified that such assistance is not likely to cause a loss of jobs within the U.S.? No

c. Will assistance be provided for a project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country, or will assistance be for the informal sector, micro or small-scale enterprise, or smallholder agriculture? Assistance will encourage small holder agriculture and community initiatives

B. **CRITERIA APPLICABLE TO DEVELOPMENT ASSISTANCE ONLY**

1. **Agricultural Exports (Bumpers Amendment)** (FY 1995 Appropriations Act Sec. 513(b), as interpreted by conference report for original enactment): If assistance is for agricultural development activities No

(specifically, any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training), are such activities: (1) specifically and principally designed to increase agricultural exports by the host country to a country other than the United States, where the export would lead to direct competition in that third country with exports of a similar commodity grown or produced in the United States, and can the activities reasonably be expected to cause substantial injury to U.S. exporters of a similar agricultural commodity; or (2) in support of research that is intended primarily to benefit U.S. producers?

2. **Tied Aid Credits** (FY 1995 Appropriations Act, Title II, under heading "Economic Support Fund"): Will DA funds be used for tied aid credits? No

3. **Appropriate Technology** (FAA Sec. 107): Is special emphasis placed on use of appropriate technology (defined as relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor)? Yes

4. **Indigenous Needs and Resources** (FAA Sec. 281(b)): Describe extent to which the activity recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civic education and training in skills required for effective participation in governmental and political processes essential to The project encourage civic participation in democratic decision making in Haiti's social, political and economic development on a grass root level through helping farmers, communities, and cooperatives. A

self-government.

national environmental framework will be strengthened through the participating development of the NEAP and through increased capacities in the Ministries.

**5. Economic Development (FAA Sec. 101(a)):** Does the activity give reasonable promise of contributing to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth?

Yes

**6. Special Development Emphases (FAA Secs. 102(b), 113, 281(a)):** Describe extent to which activity will: (a) effectively involve the poor in development by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, dispersing investment from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using appropriate U.S. institutions; (b) encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (e) utilize and encourage regional cooperation by developing countries.

Project emphasizes a) labor-intensive appropriate technology, production in rural and urban areas, and b) and c) encourages wide participation in community (self-help) initiatives using US PVOs and local GOH institutions. d) Participation by women will be greater than 20 percent. e) not specifically targeted.

**7. Recipient Country Contribution (FAA Secs. 110, 124(d)):** Will the recipient country provide at least 25 percent of the costs of the activity with respect to which the assistance is

No. The program includes a waiver of section 110 (a).

to be furnished (or is the latter cost-sharing requirement being waived for a "relatively least developed" country)?

**8. Benefit to Poor Majority** (FAA Sec. 128(b)): If the activity attempts to increase the institutional capabilities of private organizations or the government of the country, or if it attempts to stimulate scientific and technological research, has it been designed and will it be monitored to ensure that the ultimate beneficiaries are the poor majority?

Yes, customer plan will be developed.

**9. Contract Awards** (FAA Sec. 601(e)): Will the assistance utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise?

Yes

**10. Disadvantaged Enterprises** (FY 1995 Appropriations Act Sec. 555): What portion of the funds will be available only for activities of economically and socially disadvantaged enterprises, historically black colleges and universities, colleges and universities having a student body in which more than 40 percent of the students are Hispanic Americans, and private and voluntary organizations which are controlled by individuals who are black Americans, Hispanic Americans, or Native Americans, or who are economically or socially disadvantaged (including women)?

10 percent

**11. Biological Diversity** (FAA Sec. 119(g)): Will the assistance: (a) support training and education efforts which improve the capacity of recipient countries to prevent loss of biological diversity; (b) be provided under a long-term agreement in which the recipient

(a) Yes  
(b) to (d) No  
World Bank is replacing USAID's bridge funding to Parc Macaya at the end of FY 96.

country agrees to protect ecosystems or other wildlife habitats; (c) support efforts to identify and survey ecosystems in recipient countries worthy of protection; or (d) by any direct or indirect means significantly degrade national parks or similar protected areas or introduce exotic plants or animals into such areas? (Note new special authority for biodiversity activities contained in section 547(b) of the FY 1995 Appropriations Act.)

## 12. Environmental

**Considerations and Tropical Forests**  
(FAA Secs. 117 and 118; FY 1991 Appropriations Act Sec. 533(c) as referenced in section 532(d) of the FY 1993 Appropriations Act; USAID regulation 16, 22 CFR Part 216):

### a. Environmental

**Considerations:** Have the environmental procedures of USAID Regulation 16 been met?

Yes. See Annex E of the program.

**b. Conservation:** Does the assistance place a high priority on conservation and sustainable management of tropical forests? Specifically, does the assistance, to the fullest extent feasible: (1) stress the importance of conserving and sustainably managing forest resources; (2) support activities which offer employment and income alternatives to those who otherwise would cause destruction and loss of forests, and help countries identify and implement alternatives to colonizing forested areas; (3) support training programs, educational efforts, and the establishment or strengthening of institutions to improve forest management; (4) help end destructive slash-and-burn agriculture by supporting stable and productive farming practices;

Yes. The project will support soil conservation activities and forest resources management and associated training programs, educational effort, and institutional strengthening of the Ministries of Agriculture and Environment. World Bank will support activities in remaining "tropical forests".

- (1) Yes
- (2) Yes
- (3) Yes
- (4) Yes

(5) help conserve forests which have not yet been degraded by helping to increase production on lands already cleared or degraded; (6) conserve forested watersheds and rehabilitate those which have been deforested; (7) support training, research, and other actions which lead to sustainable and more environmentally sound practices for timber harvesting, removal, and processing; (8) support research to expand knowledge of tropical forests and identify alternatives which will prevent forest destruction, loss, or degradation; (9) conserve biological diversity in forest areas by supporting efforts to identify, establish, and maintain a representative network of protected tropical forest ecosystems on a worldwide basis, by making the establishment of protected areas a condition of support for activities involving forest clearance or degradation, and by helping to identify tropical forest ecosystems and species in need of protection and establish and maintain appropriate protected areas; (10) seek to increase the awareness of U.S. Government agencies and other donors of the immediate and long-term value of tropical forests; (11) utilize the resources and abilities of all relevant U.S. government agencies; (12) be based upon careful analysis of the alternatives available to achieve the best sustainable use of the land; and (13) take full account of the environmental impacts of the proposed activities on biological diversity?

(5) Yes. What is left  
(6) Yes  
(7) No, not much timber in country  
(8) Yes  
(9) Yes  
(10) Yes  
(11) Yes  
(12) Yes  
(13) Yes

**c. Forest degradation:**

Will assistance be used for: (1) the procurement or use of logging equipment, unless an environmental assessment indicates that all timber harvesting operations

No

involved will be conducted in an environmentally sound manner and that the proposed activity will produce positive economic benefits and sustainable forest management systems; (2) actions which will significantly degrade national parks or similar protected areas which contain tropical forests, or introduce exotic plants or animals into such areas; (3) activities which would result in the conversion of forest lands to the rearing of livestock; (4) the construction, upgrading, or maintenance of roads (including temporary haul roads for logging or other extractive industries) which pass through relatively undergraded forest lands; (5) the colonization of forest lands; or (6) the construction of dams or other water control structures which flood relatively undergraded forest lands, unless with respect to each such activity an environmental assessment indicates that the activity will contribute significantly and directly to improving the livelihood of the rural poor and will be conducted in an environmentally sound manner which supports sustainable development?

**d. Sustainable forestry:**

If assistance relates to tropical forests, will it assist countries in developing a systematic analysis of the appropriate use of their total tropical forest resources, with the goal of developing a national program for sustainable forestry?

n/a  
Already available.  
Will synthesize in  
NEAP.

**13. Energy (FY 1991**

Appropriations Act Sec. 533(c) as referenced in section 532(d) of the FY 1993 Appropriations Act): If assistance relates to energy, will such assistance focus on: (a) end-use energy efficiency, least-cost

n/a

energy planning, and renewable energy resources, and (b) the key countries where assistance would have the greatest impact on reducing emissions from greenhouse gases?

**14. Debt-for-Nature Exchange** (FAA Sec. 463): If assistance will finance a debt-for-nature exchange, describe how the exchange will support protection of: (a) the world's oceans and atmosphere, (b) animal and plant species, and (c) parks and reserves; or describe how the exchange will promote: (d) natural resource management, (e) local conservation programs, (f) conservation training programs, (g) public commitment to conservation, (h) land and ecosystem management, and (i) regenerative approaches in farming, forestry, fishing, and watershed management.

n/a

**15. Deobligation/Reobligation** (FY 1995 Appropriations Act Sec. 510): If deob/reob authority is sought to be exercised in the provision of DA assistance, are the funds being obligated for the same general purpose, and for countries within the same region as originally obligated, and have the House and Senate Appropriations Committees been properly notified?

Yes

**16. Loans**

**a. Repayment capacity** (FAA Sec. 122(b)): Information and conclusion on capacity of the country to repay the loan at a reasonable rate of interest.

n/a

**b. Long-range plans** (FAA Sec. 122(b)): Does the activity give reasonable promise of assisting long-range plans and programs designed to develop

n/a

economic resources and increase productive capacities?

c. **Interest rate** (FAA Sec. 122(b)): If development loan is repayable in dollars, is interest rate at least 2 percent per annum during a grace period which is not to exceed ten years, and at least 3 percent per annum thereafter?

n/a

d. **Exports to United States** (FAA Sec. 620(d)): If assistance is for any productive enterprise which will compete with U.S. enterprises, is there an agreement by the recipient country to prevent export to the U.S. of more than 20 percent of the enterprise's annual production during the life of the loan, or has the requirement to enter into such an agreement been waived by the President because of a national security interest?

n/a

17. **Development Objectives** (FAA Secs. 102(a), 111, 113, 281(a)): Extent to which activity will: (1) effectively involve the poor in development, by expanding access to economy at local level, increasing labor-intensive production and the use of appropriate technology, spreading investment out from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using the appropriate U.S. institutions; (2) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions; (3) support the self-help efforts of developing countries; (4) promote the participation of

Project emphasizes  
a) labor-intensive appropriate technology, production in rural and urban areas, and  
b) and c) encourages wide participation in community (self-help) initiatives using US PVOs and local GOH institutions.  
d) Participation by women will be greater than 20 percent.  
e) not specifically targeted.

women in the national economies of developing countries and the improvement of women's status; and (5) utilize and encourage regional cooperation by developing countries?

**18. Agriculture, Rural Development and Nutrition, and Agricultural Research (FAA Secs. 103 and 103A):**

**a. Rural poor and small farmers:** If assistance is being made available for agriculture, rural development or nutrition, describe extent to which activity is specifically designed to increase productivity and income of rural poor; or if assistance is being made available for agricultural research, has account been taken of the needs of small farmers, and extensive use of field testing to adapt basic research to local conditions shall be made.

Soil conservation, increased production in agro-forestry efforts, and vegetable gardening will increase productivity and incomes of rural poor. On farm research will occur.

**b. Nutrition:** Describe extent to which assistance is used in coordination with efforts carried out under FAA Section 104 (Population and Health) to help improve nutrition of the people of developing countries through encouragement of increased production of crops with greater nutritional value; improvement of planning, research, and education with respect to nutrition, particularly with reference to improvement and expanded use of indigenously produced foodstuffs; and the undertaking of pilot or demonstration programs explicitly addressing the problem of malnutrition of poor and vulnerable people.

Encourages increased agricultural productivity including vegetable gardens.

**c. Food security:** Describe extent to which activity increases national food security by

Increased agricultural

improving food policies and management and by strengthening national food reserves, with particular concern for the needs of the poor, through measures encouraging domestic production, building national food reserves, expanding available storage facilities, reducing post harvest food losses, and improving food distribution.

productivity has a positive impact on increased food security among poor families. The FSIS will provide pertinent information to use for policy formation.

**19. Population and Health** (FAA Secs. 104(b) and (c)): If assistance is being made available for population or health activities, describe extent to which activity emphasizes low-cost, integrated delivery systems for health, nutrition and family planning for the poorest people, with particular attention to the needs of mothers and young children, using paramedical and auxiliary medical personnel, clinics and health posts, commercial distribution systems, and other modes of community outreach.

The development of the NEAP will involve integrating food resources with national health/nutrition and population programs in vulnerable areas.

**20. Education and Human Resources Development** (FAA Sec. 105): If assistance is being made available for education, public administration, or human resource development, describe (a) extent to which activity strengthens nonformal education, makes formal education more relevant, especially for rural families and urban poor, and strengthens management capability of institutions enabling the poor to participate in development; and (b) extent to which assistance provides advanced education and training of people of developing countries in such disciplines as are required for planning and implementation of public and private development activities.

The program will encourage non-formal education by providing training for PVOs and the GOH.

21. Energy, Private Voluntary Organizations, and Selected Development Activities (FAA Sec. 106): If assistance is being made available for energy, private voluntary organizations, and selected development problems, describe extent to which activity is:

a. concerned with data collection and analysis, the training of skilled personnel, research on and development of suitable energy sources, and pilot projects to test new methods of energy production; and facilitative of research on and development and use of small-scale, decentralized, renewable energy sources for rural areas, emphasizing development of energy resources which are environmentally acceptable and require minimum capital investment;

a) Minimal

b. concerned with technical cooperation and development, especially with U.S. private and voluntary, or regional and international development, organizations;

b) The program will be implemented by several US PVOs or contractors which will build the capacity of Haitian PVOs/NGOs to manage programs.

c. research into, and evaluation of, economic development processes and techniques;

c) On farm and small scale research.

d. reconstruction after natural or manmade disaster and programs of disaster preparedness;

d) The program improves the country's disaster preparedness by the evaluation of this sector during the NEAP development.

e. for special development problems, and to enable proper utilization of infrastructure and related projects

e) Yes, depending on community needs.

funded with earlier U.S. assistance;

f. for urban development, especially small, labor-intensive enterprises, marketing systems for small producers, and financial or other institutions to help urban poor participate in economic and social development.

f) Yes, marketing of waste management plan in Cité Soleil.

22. **Capital Assistance** (Jobs Through Export Act of 1992, Secs. 303 and 306(d)): If assistance is being provided for a capital activity, is the activity developmentally sound and will it measurably alleviate the worst manifestations of poverty or directly promote environmental safety and sustainability at the community level?

Yes for urban pollution prevention project.

C. CRITERIA APPLICABLE TO ECONOMIC SUPPORT FUNDS ONLY

1. **Economic and Political Stability** (FAA Sec. 531(a)): Will this assistance promote economic and political stability?

Yes, yes

To the maximum extent feasible, is this assistance consistent with the policy directions, purposes, and programs of Part I of the FAA?

2. **Military Purposes** (FAA Sec. 531(e)): Will this assistance be used for military or paramilitary purposes?

No

3. **Commodity Grants/Separate Accounts** (FAA Sec. 609): If commodities are to be granted so that sale proceeds will accrue to the recipient country, have Special Account (counterpart) arrangements been made? (For FY 1995, this provision is superseded by the separate account requirements of FY

n/a

4. **Generation and Use of Local Currencies** (FAA Sec. 531(d)): Will ESF funds made available for commodity import programs or other program assistance be used to generate local currencies? If so, will at least 50 percent of such local currencies be available to support activities consistent with the objectives of FAA sections 103 through 106? (For FY 1995, this provision is superseded by the separate account requirements of FY 1995 Appropriations Act Sec. 536(a), see Sec. 536(a)(5).)

Yes

5. **Capital Activities** (Jobs Through Exports Act of 1992, Sec. 306): If assistance is being provided for a capital project, will the project be developmentally-sound and sustainable, i.e., one that is (a) environmentally sustainable, (b) within the financial capacity of the government or recipient to maintain from its own resources, and (c) responsive to a significant development priority initiated by the country to which assistance is being provided.

Yes, urban pollution project will be self-sustaining due to sale of water.

**TARGETED WATERSHED MANAGEMENT**  
**Project No. 521-0191**

**Amount:** \$16,900,000

**LOP:** 8 1/2 years (1987-1996)

**The Problem:** Pic Macaya, located in the Southern peninsula, the last remaining major rain forest in the country, is the watershed for seven rivers which irrigate one of Haiti's most productive agricultural regions. In 1983, the area was declared a national park (Parc Macaya). Parc Macaya possesses one of the highest rates of biological diversity in the world. Unfortunately, its water resources, as well as many of the endemic species, are now threatened or endangered by intense deforestation. There is a need to decrease direct pressure on the park and assure rational management of the soil and water resources through the promotion of productive agriculture in the park's buffer zone.

**Project Goal:** To arrest the process of environmental degradation in Southwest Haiti.

**Project Purpose:** To extend improved land management practices in the Pic Macaya watersheds and to apply lessons learned from this field effort to national-level hillside management program.

**Project Approach:** Until September 30, 1992, the original project completion date (PACD), the project comprised two components, "Projè Sove Tè (PST)" and the Macaya Biosphere Reserve (MBR). In August 1992, the project was amended and extended to September 30, 1994, to provide continued support for the protection and rehabilitation of the natural ecosystems, biological diversity and natural resources of the Parc Macaya and the surrounding areas through the promotion of ecologically sound agricultural practices. These activities are implemented by the Union des Cooperatives de la Region du Sud (UNICORS). Since the 1992 amendment, over 960,000 trees have been planted and more than 28,000 jobs generated. Under this amendment, USAID/Haiti is also providing funds for the technical assistance to UNICORS through the Biodiversity Support Program (BSP).

BSP is assisting in the conservation of this area by focussing assistance on 1) strengthening local NGOs in development of alternative sources of income and biological resources for families in the buffer zone to the south of the park, and 2) improved conservation and restoration of natural habitat in the core park area. The amendment is a mechanism for bridge funding to a prospective \$27 million project by the World Bank for the protection of natural resources in Haiti, including Parc Macaya. The activities implemented by UNICORS and BSP supplement the work undertaken by University of Florida (UF) in the core area of the park with a MacArthur Foundation Grant, and the environmental awareness radio program to be funded by UNDP. In May 1994, the Parc Macaya Project was positively

evaluated. As a result the project was further extended to March 1996, pending the Mission review of other donors commitment to Park Macaya and the current status of the World Bank project.

## PRODUCTIVE LAND USE SYSTEMS (PLUS)

Project No. 521-0217

**Amount:** \$61.5 million

**LOP:** 10 years (1989-1999)

**The Problem:** Deforestation and environmental degradation are near the top of the list of Haiti's most fundamental and intractable problems. Up to ten million trees have been planted annually since 1981 under two previous USAID agroforestry projects. The fact that we have only slowed down, but not reversed, the degradation, suggests that the mere planting of large numbers of trees, though necessary, is not sufficient. Moreover, the tree planting approach did not address farmers' need for more immediate economic returns as an incentive to adopt soil-conserving and fertility-enhancing land use practices. The Agroforestry II project was redesigned in 1992. The new project title, Productive Land Use Systems (PLUS), underscores the change in emphasis. PLUS is designed to address natural resource degradation by coupling increased food crop production and farm family income to the adoption of sustainable agricultural practices which conserve the environment.

**Project Goal:** To maximize the productive potential of Haitian hillside agriculture by reducing the degradation of the country's natural resources base through sustainable land-use interventions.

**Project Purpose:** To achieve sustainable increases in on-farm productivity and income generation by integrating into existing farming systems appropriate land use and soil and water conservation measures, involving trees, shrubs, grasses, and other plant materials which will enhance soil fertility.

**Project Approach:** The project is providing support services to small farmers to increase their income through expansion of fruit tree cultivation, improved farming system practices, intensive vegetable gardening, and reliable marketing systems. Implementation is carried out by two grantees (CARE and the Pan American Development Foundation (PADF) and one institutional contractor (SECID/Auburn University). The two grantees maintain outreach programs aimed at enhancing farm income, while conserving soil and water resources. CARE operates through partnership arrangements with the farmers, while PADF implements its activities through a network of Haitian NGOs. SECID is responsible for the monitoring and evaluation of project impacts, research and germplasm improvement, development of marketing linkages and value added enterprises.

PLUS has reached more than 49,000 farm families representing over 269,000 rural beneficiaries with sustainable farming practices, improved seed varieties, and alternative marketing opportunities. As of January 1995, these farm families have received financial benefits or "dividends" totaling an estimated \$1.66M. By the end of the project in 1999, benefits are expected to be flowing at the rate of \$8.3M per year. By that time, accumulated benefits are expected to total some \$23.7M.

# COFFEE REVITALIZATION PROJECT

Project No. 521-0216

**Amount:** \$7.2 million

**LOP:** 6 years 1/2 (1990-1996)

**The Problem:** Coffee, still the country's number one agricultural export crop, generates annually approximately 15 percent of the nation's foreign exchange earnings. However, production has been declining during the past two decades due to the low productivity of existing stands (250 kg/ha). Coffee production has been further reduced by the spread of coffee leaf rust infestation and the continuous decline of world coffee prices from 1989-1992. Some price recovery was realized in 1992 and 1993, with a reasonable prospect that price increases will continue at the farmgate level in 1994.

**Project Goal:** To increase coffee productivity and farmer income among small producers of rural Haiti.

**Project Purpose:** (revised 12/92) To upgrade the quality of coffee cultivation in Haiti by promoting higher-yielding, rust-tolerant varieties and sustainable production practices.

**Project Approach:** The project, implemented by InterAmerican Institute for Cooperation and Agriculture (IICA), operates at two levels in the field: a) in two regions (Jacmel and Beaumont); and b) at the national outreach level by assisting local organizations and coffee growers through training and access to rust tolerant seedlings. Suspended after the September 1991 coup, the project was redesigned to focus on the coffee farming system including improved food crop production. To increase cost-effectiveness, the project's secondary components of research, credit and national outreach were eliminated. Emphasis is now being placed on marketing of quality beans, production of rust tolerant, high yielding coffee seedlings and provision of affordable production inputs using market mechanisms. Overall funding, including PL480 local currency, was reduced from \$8.3 million to \$4.5 million, while retaining the completion date of March 1995. In 1994, the project was positively evaluated. Its PACD was extended until December 1996 with a new life of funding level of \$7.2 million.

Since its reactivation in early 1993, more than 1.8 million rust tolerant coffee seedlings have been produced directly by farmers associations; 440 hectares of new coffee plantations have been established; 11,000 lbs of quality coffee bean, produced by hand-operated processing units established by the project, were produced to be sold at premium prices; and 6,000 coffee producers participated in project-sponsored training. A high grown quality coffee, Haitian Blue, has been developed and promoted. More than 36,000 lbs of Haitian Blue will be sold to specialty buyers in the US. A network of US Distributors has been established for the sale of this specialty Coffee.

**SEED PRODUCTION AND MULTIPLICATION  
PROJECT NO. 521-0245**

**Amount:** \$1.4 million

**LOP:** 3 years (1993-1996)

**The Problem:** Lack of improved seed is a principal constraint to enhancing food grain production and productivity in Haiti. In general, farmers plant grains of fair to poor quality bought in the market rather than quality improved seed materials. Other factors affecting crop yields are: inappropriate post harvest handling techniques, pest and diseases control.

**Project Goal:** To increase farmer's income and agricultural production.

**Project Purpose:** To encourage the sustainable production and marketing of high quality bean, corn and sorghum seeds and sweet potato cuttings as a means of increasing agricultural production and enhancing food security.

**Project Approach:** The Seed Production and Multiplication (SPM) project will expand the seed production, processing and marketing capacity of the "Organisation pour la Rehabilitation de l'Environnement" (ORE), a local NGO. ORE will transfer these enhanced and expanded capabilities to seed multiplication farmers and interested groups (farmers and NGOs). Improved seed will be sold on local markets at increasing prices over time to eventually cover all production costs. The target beneficiaries are small farmers (29,267), with less than 5 hectares per farmer. The project comprises four main components:

- 1) **Production of basic seeds:** The project will continue to fund ORE's program of genetic improvement and multiplication of basic seeds. Basic seed material will be made available to other seed producers in order to insure rapid improvement of the germplasm stocks used as seeds for staple crop production throughout the country.
- 2) **Production and multiplication of 770 metric tons of improved commercial seeds:** 590 corn; 135 sorghum; 45 black beans; and 4 million sweet potato cuttings.
- 3) **Seed marketing to farmers at moderate prices; and**
- 4) **Training and technical assistance to commercial seed producers, farmer groups and NGO's in seed production, processing and storage technologies.**

**INITIAL ENVIRONMENTAL EXAMINATION**

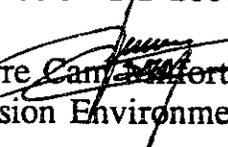
Project Location : Haiti

Project Title : Agricultural Sustainable System for Environmental Transformation (ASSET)

Project Number : 521-0257

Funding : US\$ 45,000,000

Life of Project : FY 1996 - FY 2000

IEE Prepared by :  / M Knight  
Mission Environmental Officer

Recommended Threshold Decision (a) Categorical exclusion for Result 1 under 22 CFR 216.2 (c)(1)(i); and Result No 4 under 22 CFR 216.2 (c)(2)(i).

(b) Conditional Negative Determination for Result No. 2 and 3, which will involve the improvement of physical facilities for research purposes.

**CONCURRENCE**

  
Abdul Wahab/Chief  
Economic Growth Office  
USAID/Haiti

**MISSION DIRECTOR'S DECISION**

Approved:   
Date: Nov 27, 95

**LAC CHIEF ENVIRONMENTAL OFFICER'S DECISION**

Approved: \_\_\_\_\_  
Date: \_\_\_\_\_

## Program Description

ASSET is a program aimed at consolidating all USAID/Haiti's initiatives related to Mission Strategic Objective Four (SO4) of the approved USAID/Haiti Strategic Plan 1996-1997. SO4 is directly related to the Agency's goals to protect the environment and to support broad based economic growth.

The component parts of ASSET are divided into four primary results. Each significant result is supported by a group of activities in a Results Package (RP).

### Result 1

This primary result is composed of three intermediate results aimed at building the institutional capacity of the Ministries of Agriculture and Environment, supporting the development of the National Environmental Action Plan (NEAP) and promoting a national information system to monitor changes and improvements in the agriculture and environment sectors.

### Result 2

Result 2 will increase the use of sustainable hillside agricultural practices and economic empowerment through the expansion of a farmer network in cooperation with farmer groups and local NGOs. ASSET will accomplish these results through adaptive research in support of extension services to hillside farmers to increase their income through expanded tree crop cultivation, improved farming system packages, intensified vegetable gardening, soil and water conservation practices, improved seeds, marketing support, and organizational management skills training. This Result will be achieved by continuing the PLUS and COFFEE projects until funding can be obligated to these activities through this new program.

### Result 3

Result 3 will lead to increased community participation in tree planting and protection of productive infrastructure. To expand tree planting and sound natural resources management (NRM) systems throughout the country, ASSET will use participatory approaches at the commune and municipal levels through collaboration with the Ministry of Agriculture, local government structures and local institutions.

### Result 4

Result 4 will improve environmental quality in a targeted urban location by reducing the effects of pollution on coastal natural resources and urban residents. This improvement will be achieved through the establishment of community level sustainable mechanisms to deal with environmental pollution impacts from both solid and liquid waste. This activity will be initiated as part of this program in year three. The Environmental Health Project is coordinating a pilot effort.

project) and Result 4 (urban project) will not be funded through ASSET. Only activities in Result 1 and 3 are new activities that will be funded through ASSET.

## Description of the Environmental Impact

In the light of widespread degradation of the environment and the continuing loss of productive capacity through soil erosion in Haiti, the activities under the ASSET program, will mitigate, on a sustainable basis, the man-made environmental destruction and resulting consequences on Haitians and the productive natural resource base.

### Result 1

Institution building and the development of the NEAP and an agricultural and environmental monitoring system will have a positive impact on the environment by creating an improved national framework for environmentally sound development. Activities include analyses, training, participation seminars, the production of the NEAP, and the collection of analytic data. When activities are identified to implement the NEAP, a revised environmental examination will be prepared for these activities.

### Result 2

PLUS project activities under Result 2 will, through the diffusion of more appropriate cultivation practices to farmers, result in reduced hillside erosion in different regions of the country. The Coffee Revitalization project, with the same technical methodology as the PLUS project, is oriented toward coupling conservation with income enhancing technologies because both use farmer driven approach to directly address extreme poverty in rural areas; promises of sustainability are good. Because the majority of PLUS and COFFEE activities are conducted on individual cultivated plots of land, the potential for negative environmental impact is negligible.

The PLUS activities are adhering to the environmental recommendations approved in State Cable No. 088412 of March 1989, the LAC/CEO approval of the Environmental Assessment made for the National Program for Agroforestry (521-0217), from which the PLUS project directly derived. The PLUS activities, are primarily with farmers who are not encouraged to use chemicals such as pesticides. An Environmental Assessment for the National Program for Agroforestry (521-0217), the forerunner of the PLUS project, dated March 1989 evaluated the use of pesticides for agroforestry activities. Nurserymen, under the PLUS project who receive training, use small quantities of chemicals in accordance with this approved environmental assessment (Approval Cable No. 088412).

To prepare this environmental examination for Results 2 and 3, each of the three PLUS implementors met with USAID's environmental officer after reviewing the current environmental assessment and provided USAID with information on what kind and quantity of

chemicals are used, what training is provided, what manuals are available, and what chemicals they would like to see on the list of permissible chemicals for larger-scale agroforestry activities (Result 3). For current PLUS activities, the quantity of chemicals used are very limited and training is sufficient combined with years of field experience in nursery operations. No revision of the IEE was determined to be required for Result 2 activities since the Environmental Assessment covers current activities, and the cooperators supply adequate training for small-scale chemical use.

Another activity proposed for one of the PLUS contractor's is the renovation of physical facilities for adaptive research purposes which may have a potential for negative environmental impact. Since detailed plans for this renovation are not available, the environmental examination will be updated, as per the suggested mitigative measure, if necessary when renovation plans are available. Several generic mitigative measures described below will be respected when developing or discussing detailed renovation plans with the Mission Environmental Officer.

Coffee activities have been evaluated and approved by the IEE (LAC-IEE 88-43), which determined that an Environmental Assessment (EA) should be done. That was prepared effectively in accordance with the environmental procedures of 22 CFR Part 216 (see project document). A revised IEE will be prepared when COFFEE activities are funded through this program.

### Result 3

Result 3 supports community productive infrastructure activities and tree planting supervised by program agents and a new competitively bid contractor. Pesticides and other types of chemicals in the tree nurseries, if not handled properly, can have negative health impacts on the human environment. In addition, construction of productive infrastructure activities can result in soil erosion if construction is not done properly.

Based on the information obtained with PLUS contractors, no additional chemicals will be required for tree planting than have already been evaluated in the referenced environmental assessment. Since the environmental assessment was performed in 1989, USAID/Haiti will update the information in the environmental assessment on the list of possible required chemicals and use the environmental assessment to prepare a best management practices plan for the proper use of chemicals to avoid any negative environmental impact. Training will be supplied on these nursery best management practices before any chemicals will be used in a community nursery. At the same time the Mission will review and update, if required, the environmental assessment recommendations provided under the COFFEE project.

In addition, USAID/Haiti has prepared a Best Management Practices plan for productive infrastructure activities to be used as guidance for agents transmitting technical information to communities. A community that receives any supplies from USAID for a productive infrastructure activity that could have a potential

adhere to a site-specific best management practice plan to prevent negative impact from soil erosion due to construction activities or community soil conservation projects.

#### Result 4

The purpose of this activity is to have a positive environmental impact by improving sanitation. At this time the Environmental Health Project is coordinating the activities contributing to this result, and an environmental examination is not necessary under this program. A revised environmental assessment will be prepared when new activities in year three are funded using the results of the pilot initiative.

#### Mitigation Measures

Based on discussions with the various program implementors, the Mission Environmental Officer (MEO) recommends the following conditions and/or mitigation measures:

1. Environmental Examinations for PLUS, COFFEE, and the EHP projects will remain in effect until a modification of these environmental examinations is necessary. A revised environmental examination will be necessary when NEAP implementation activities are developed, when urban sanitation improvement activities are funded under this initiative, in accordance with Recommendation No. 8, or when a major construction activity is planned.
2. PLUS and COFFEE cooperators will continue efforts to train and use chemicals in accordance with their respective Environmental Assessments ensuring that safety instructions (Material Safety Data Sheets) for use, handling, first aid, and disposal accompany any purchased pesticides and are followed when their use becomes necessary. Depending on the language of the instructions, translation of these instructions should be performed. USAID/Haiti will request copies of all Material Safety Data Sheets for chemicals currently used.
3. The PLUS and COFFEE Environmental Assessments will be revised and updated into a user friendly Best Management Practices plan by USAID/Haiti for PLUS, before initiating the new community agroforestry activities under Result 3 with a new contractor and for COFFEE, before funding activities from the COFFEE project through this program.
4. The generic BMPs provided by USAID/Haiti will be adapted as site specific plans for any community productive infrastructure activities that have the potential for a negative environmental impact due to partial USAID financing of the effort (such as providing construction supplies).

construction in sensitive habitats.

6. Construction material will not be placed temporarily or permanently in waterways or wetlands.
7. There will be minimal vegetation clearing for reconstruction activities; forested areas will not be used during reconstruction.
8. For renovation activities, the MEO shall be contacted, and from a site visit, shall design additional site-specific mitigation measures or, if necessary, require a modified IEE and possibly request an Environmental Assessment be conducted for the specific case.

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**ENVIRONMENTAL THRESHOLD DECISION**

Project Location : Haiti

Project Title : Agricultural Sustainable System  
for Environmental Transformation  
(ASSET)

Project Number : 521-0257

Funding : \$45 million

Life of Project : FY 96-FY 00

IEE Prepared by : Pierre Cam Milfort, Melissa  
Knight (USAID/Haiti)

Recommended Threshold Decision: Categorical Exclusion for  
Result 1 (22 CFR 216.2  
(c)(1)(i)); Categorical  
Exclusion for Result 4  
(216.2(c)(2)(i)).

Conditional Negative  
Determination for Results 2 and  
3 (physical facilities for  
research purposes).

Bureau Threshold Decision : Result 1-Categorical  
Exclusion; Result 2-Positive  
Determination; Result 3-  
Conditional Negative  
Determination; Result 4-Deferred  
Determination

Comments

Categorical Exclusion is issued under 22 CFR 216.2(c)(2)(i) and  
and (iii) for Result 1.

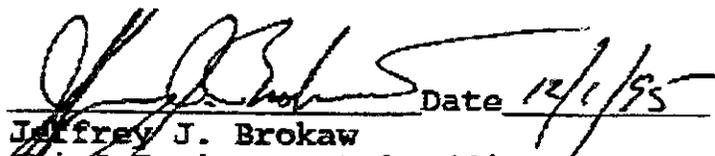
Activities under Result 2, continuation of the PLUS and Coffee  
Revitalization Projects, received positive determinations at the  
time of their original designs. New environmental assessments  
(EA) are not required. Rather, these activities shall be  
conducted in compliance with existing EAs. As always, amended  
IEEs must be submitted to LAC CEO for any PLUS and Coffee  
activities that were not considered in this and the original  
threshold decisions.

DECISION (cont'd.)

A Conditional Negative Determination is issued for activities under Result 3. Prior to implementing these activities, generic Best Management Practices for productive infrastructure activities and for tree planting must be submitted for LAC CEO's approval. Pesticide use for activities under Result 3 shall be in compliance with previous EAs cited in the attached IEE.

A Deferred Determination is issued for Result 4 activities. An amended IEE shall be submitted to LAC CEO once USAID/Haiti evaluates the pilot activities, and designs new activities in support of improved environmental quality (year 3).

Mitigation measures as discussed in the attached IEE shall be implemented.

  
Date 12/1/95  
Jeffrey J. Brokaw  
Chief Environmental Officer  
Bureau for Latin America  
and the Caribbean

Copy to : Larry Crandall, USAID/Haiti  
Mission Director

Copy to : Abdul Wahab, Chief  
Economic Growth Office  
USAID/Haiti

Copy to : Pierre Cam Milfort, MEO  
USAID/Haiti

Copy to : Daniel Riley, LAC/CAR

Copy to : Jean Meadowcroft, LAC/SPM-CAC

Copy to : IEE File

**Annex F. Illustrative Total Budget: ASSET 2000<sup>17</sup>**  
**1000 US Dollars**

Item	GOH LC	FX	Total
<b>Technical Assistance</b>			20,084
LT International Staff (37 py)		6,105	
LT Local Staff (1010 py)		11,759	
ST Consultants (192 pm)		2,220	
<b>Training</b>			6,245
LT Training (24 py)		720	
ST Training (300 pw)		612	
National and Local Level Workshops, Conferences, and Seminars	370	4,543	
<b>Commodities</b>		4,880	5,380
Vehicles (46)			
Motorcycles (122)			
Office Equipment and Supplies			
Training Equipment and Supplies	250		
Research Equipment and Supplies	250		
Communication Equipment			
Tree Nursery Equipment and Supplies			
Waste Treatment Equipment			
<b>Others</b>			15,291
Decentralization Support	900		
Support for NEAP		3,259	
FSIS Buy-in		1,300	
MTIE Buy-in		250	
Natural Resource Management Fund		1,000	
Other:	230	7,052	
Publish and Distribute NEAP Report			
Fuel, Repairs and Maintenance			
Insurance, Rent, Office Repairs, Utilities			
Miscellaneous			
Program Management FSN PSCs (4 technicians and one secretary for 4 years)		1030	
Evaluations and Audits		270	
<b>Total</b>	<b>2,000</b>	<b>45,000</b>	<b>47,000</b>

<sup>17</sup> ASSET budgets have been constructed based on historical experience under the PLUS project and other recent project design budget estimates (HS 2004, PRET, etc.) for training, workshops, short-term TA, etc.

Result No. 1.1 Support the National Environmental Action Plan (NEAP)

1000 US Dollars

Item	LC	FX	Total
<b>Technical Assistance</b> LT International Staff (1 py) ST Consultants (6 pm)		165 76	241
<b>Training</b>			
<b>Commodities</b>			
<b>Others</b> Publish / distribute the NEAP Report Seminars / workshops on NEAP Support for selected NEAP projects		100 159 3,000	3,259
<b>Total</b>		3,500	3,500

**Result No. 1.2 Institution Building**

**1000 US Dollars**

Item	LC	FX	Total
<b>Technical Assistance</b>			2,445
LT International Staff ( py)		825	
LT Local Staff		579	
ST Consultants ( pm)		1,041	
<b>Training</b>			1,290
LT Training (24 py)		720	
ST Training (200 pw or 100 trainees)		370	
Workshops, Conferences, Seminars		200	
<b>Commodities</b>			265
Vehicle (1) for SECID		25	
Office Equipment/Supplies		120	
Computers		100	
Training Equipment		20	
<b>Others</b>			1,400
Decentralization Support	900		
FSIS		300	
Fuel			
Repair / maintenance			
Insurance			
Misc		200	
<b>Total</b>	<b>900</b>	<b>4,500</b>	<b>5,400</b>

**Result No. 1.3 National Agriculture and Environment Monitoring and Information System**

**1000 US Dollars**

Item	LC	FX	Total
<b>Technical Assistance</b>			600
LT Local Staff ( py) - enumerators, analysts and researchers		600	
<b>Training</b>			150
ST Training (50 pw)		92	
Workshops, Conferences, Seminars		58	
<b>Commodities</b>			100
Computers		100	
<b>Others</b>			1,250
FSIS Buy-in		1,000	
M&E Buy-in		250	
<b>Total</b>		2,100	2,100

**Result No. 2. Increased Use of Sustainable Hillside Agricultural Practices**

**1000 US Dollars**

Item	LC	FX	Total
<b>Technical Assistance</b>			<b>14,238</b>
LT International Staff (23 py)		3,795	
LT Local Staff (835 py)		10,020	
ST Consultants (33 pm)		423	
<b>Training</b>			<b>3,805</b>
CARE (Local technical extension training)		40	
PADF (Local technical extension training)		3,395	
MARNDR (National, local level workshops, conferences and Seminars)	370		
<b>Commodities</b>			<b>3,645</b>
Vehicles	500	1,075	
Motorcycles		915	
Office Equipment		480	
Computers		600	
Training Equipment		75	
<b>Others</b>		<b>5,382</b>	<b>5,612</b>
	230		
<b>Total</b>	<b>1,100</b>	<b>26,200</b>	<b>27,300</b>

**Result No. 3 Increased Community Participation in Tree Planting and Protection of  
Productive Infrastructure**

**1000 US Dollars**

Item	LC	FX	Total
<b>Technical Assistance</b>			1,173
LT International Staff (4 py)		660	
ST Consultants (40 pm)		513	
<b>Training</b>			850
Local workshops and seminars		850	
<b>Commodities</b>		725	725
Vehicles (1)			
Motorcycles ( )			
Communication equipment			
Office equipment			
Nursery equipment and supplies			
<b>Others</b>			2,377
Natural Resource Management Fund		1,000	
Others:		1,377	
Community Forestry Corps Support			
Fuel			
Maintenance			
Miscellaneous			
<b>Total</b>		5,125	5,125

**Result No. 4 Improved Environmental Quality in Targeted Urban Locations**

**1000 US Dollars**

Item	LC	FX	Total
<b>Technical Assistance</b>			1,387
LT International Staff ( py)		660	
LT Local Staff (50 py)		560	
ST Consultants (13 pm)		167	
<b>Training</b>			150
ST Training USA (50 pw) 20 trainees		150	
<b>Commodities</b>			645
Waste treatment equipment/Miscellaneous		620	
Vehicles (1)		25	
<b>Others</b>			93
Fuel		10	
Miscellaneous		83	
<b>Total</b>		<b>2,275</b>	<b>2,275</b>

ANNUAL BUDGETS FY 1996-2000: ASSET 2000  
000 US DOLLARS

ITEM	FY 1996	FY1996	FY 1997	FY1997	FY 1998	FY 1998	FY 1999	FY 1999	FY 2000	FY 2000	TOTALS	TOTALS
	LC	FX	LC	FX	LC	FX	LC	FX	LC	FX	LC	FX
<b>TECHNICAL ASSISTANCE</b>												
LT International Staff (37 PY)		\$248		\$1,650		\$1,403		\$1,403		\$1,403		\$6,105
LT Local Staff (1010 PY)		\$466		\$2,794		\$2,853		\$2,853		\$2,794		\$11,759
ST Consultants (192 PM)		\$139		\$231		\$601		\$647		\$601		\$2,220
<b>TRAINING</b>												
LT Training (24 PY)		\$0		\$180		\$180		\$180		\$180		\$720
ST Training (300 PW)		\$0		\$51		\$153		\$204		\$204		\$612
National and Local Workshops, Conferences, and Seminars	\$100	\$0	\$270	\$529		\$1,739		\$1,275		\$1,000	\$370	\$4,543
<b>COMMODITIES</b>												
Vehicles (46)		\$0		\$250		\$350		\$550				\$1,150
Motorcycles (122)		\$0		\$180		\$285		\$450				\$915
Office Equipment and Supplies		\$0		\$75		\$150		\$300		\$75		\$600
Computers		\$80		\$100		\$300		\$200		\$120		\$800
Training Equipment and Supplies	\$125	\$0	\$125	\$20		\$25		\$25		\$25	\$250	\$95
Research Equipment and Supplies	\$125	\$0	\$125	\$0		\$70		\$70		\$70	\$250	\$210
Communication Equipment		\$0		\$60		\$0		\$60		\$0		\$120
Tree Nursery Equipment and Supplies		\$0		\$70		\$140		\$140		\$70		\$422
Waste Treatment Equipment		\$0		\$0		\$310		\$310		\$0		\$620
<b>DIVERSE</b>												
Decentralization Support		\$0	\$900	\$0		\$0		\$0		\$0	\$900	\$0
Support for NEAP Projects		\$0		\$400		\$1,100		\$1,000		\$500		\$3,000
FSIS Buy-in		\$200		\$200		\$200		\$200		\$200		\$1,000
MTIE Buy-in		\$50		\$50		\$50		\$50		\$50		\$250
Natural Resource Management Fund		\$0		\$150		\$350		\$250		\$250		\$1,000
Community Forestry Corps Support		\$0				\$459		\$459		\$459		\$1,377
SECID/CRDA Research Studies and Activities		\$0		\$0		\$200		\$215		\$100		\$515
CARE Extension Activities		\$0		\$0		\$275		\$275		\$200		\$750
PADF Extension Activities		\$0		\$0		\$1,258		\$1,530		\$1,329		\$4,117
Program Management FSN PSCs (4 technicians and one secretary for 4 years)		\$0		\$257		\$257		\$258		\$258		\$1,030
Evaluations and Audits		\$0		\$20		\$75		\$60		\$115		\$270
Other: Publish and Distribute NEAP Reports	\$100	\$18	\$130	\$82		\$0		\$0		\$0	\$230	\$100
Insurance, Rent, Office Repairs, Utilities		\$100		\$150		\$150		\$150		\$150		\$700
<b>TOTAL</b>	\$450	\$1,300	\$1,550	\$7,500	\$0	\$12,932	\$0	\$13,114	\$0	\$10,153	\$2,000	\$45,000

\* ASSET will be initiated in FY 1996; however, funding for a majority of the activities related to SO Four will be obligated under existing projects and Cooperative Agreements, e.g., PLUS, Coffee, and TWM.

Agricultural Production Index

The agricultural production index is computed as a Laspeyres index using volume of output in metric tons weighted by constant commodity base year prices for 8 major hillside agricultural crops. Agricultural production capacity is measured as trend in the index of production of the 8 major crops which comprise the bulk of Haiti's hillside crop production.

The Laspeyres production index is the ratio of the current years' production, valued at base year prices, of a group of agricultural crops relative to the value of production specified in the base year. For example suppose there are three agricultural crops (X, Y, and Z).

$$\frac{P_x * X_1 + P_y * Y_1 + P_z * Z_1}{P_x * X_0 + P_y * Y_0 + P_z * Z_0} = \text{Laspeyres Production Index}$$

Where:

$P_x, P_y,$  and  $P_z$  are base year crop prices

$X_0, Y_0,$  and  $Z_0,$  are base year crop production estimates for each crop in the group.

$X_1, Y_1,$  and  $Z_1$  are current year crop production estimates for each crop in the group.

Note that the prices in each year are the same. The use of constant prices allows us to group and aggregate the various agricultural commodities. If there has been an increase in production over the base year,  $L > 1$ . If they have fallen,  $L < 1$ .

Executive Summary

The return of constitutional government to Haiti has raised hopes that this nation will enter a new phase of its political, social and economic history. In response to this, the international donor community is considering substantial levels of funding to support the Haitian government's commitment to achieve good governance, sound environmental management and the alleviation of poverty. There is a spirit of optimism in the country which opens a window of opportunity to development agencies whose efforts have heretofore been severely restricted in their potential impact by political corruption, lethargy, and chaos.

A multi-donor mission to Haiti in November 1994, under the leadership of the Inter-American Development Bank (IDB), assisted the Government of Haiti (GOH) in preparing an Emergency Economic Recovery Program (EERP) for Haiti. Parallel to this mission, the Administrator of the United States Agency for International Development (USAID) charged a USAID Environmental Task Force with conducting a more comprehensive assessment of the priority needs for expanded environmental initiatives. This was done in view of the fact that environmental degradation represents a fundamental constraint to overall development efforts, including those to be funded as part of the EERP. The Environmental Task Force prepared a proposed three-year interim environmental action plan (IEAP) based on critical needs and absorptive capacity for consideration by the Government of Haiti and the international community.

The Task Force spent four weeks in Haiti during November and December 1994 conversing with key actors at all levels of the development scene: from central GOH ministries (Agriculture, Environment, Plan), international donor representatives, non-governmental organizations (NGOs), local government officials, to farmers in remote villages. The Task Force reviewed sector and sub-sector assessments along with technical reports documenting the accomplishments and lessons learned from past and ongoing environmental programs in Haiti. Selected site visits were also carried out to observe ongoing programs and environmental problems.

The restoration of President Aristide presents a singular opportunity to address Haiti's environmental crisis and lodge civic awareness and responsibility into public institutional life at both the local and national levels, as well as at the household level. Conceivably, interventions are now possible so that, in a generation or so, environment will no longer be a major constraint to achieving broad-based, sustainable economic development.

Proposed interventions under the interim environmental action plan are geared to the long-term objective of the restoration and sustainable management of Haiti's environment and natural resources. The interim environmental action plan, if implemented, will have a direct impact on the strengthening of local and national governance; enhancement of food security; improvement of health, employment, and private sector-led economic recovery, by addressing Haiti's environmental and developmental crisis in a sustainable manner.

The proposed Interim Environmental Action Plan (IEAP) for Haiti is aimed at achieving four outcomes:

- creation of the essential policy, legal and institutional conditions for environmentally sustainable development, with the participation of all sectors of Haitian society;

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<sup>17</sup> Prepared by USAID Environmental Task Force. December 1994

- implementation of a set of high-impact activities building upon ongoing GOH and donor-supported environmental programs;
- improved coordination between the Government of Haiti and the international donor community to catalyze environmental action and mobilize funds; and
- creation of the basis for a long-term sustainable environmental program by designing and integrating environment activities with other GOH and donor-supported programs to ease the underlying constraints that drive environmental degradation: poverty, poor governance, and rapid population growth.

The Task Force has identified activities under two elements for simultaneous implementation which are imperative to environmental restoration and sustainable natural resource management in Haiti. The first element establishes essential conditions for long-term environmentally sustainable development. The second element contains a set of immediate mutually reinforcing interventions which address critical environment problems and restore degraded natural resources. These are activities that the Task Force considered of critical importance and sufficiently tested (in Haiti or elsewhere) to be undertaken immediately without waiting for the National Environmental Action Plan (NEAP) to be completed.

**Element 1: Environmental Governance and Institutional Capacity Enhancement--Establishing the conditions for long-term environmentally sustainable development.**

- Development of a National Environmental Action Plan (NEAP), which will serve as a national framework within which policies, legislation and institutions will be strengthened and investment priorities will be set. The NEAP preparation will be led by the GOH with full participation of local government, grass roots organizations, the private sector, NGOs, and donors. Through public dialogue and consensus building, the NEAP will identify a series of priorities for institutional and policy reform and long-term field action.
- Promotion of Mechanisms for Decentralization and Sustainable Funding of Environmental Activities: A number of mechanisms (e.g., small grants programs, foundations, national environmental funds) should be considered to empower local communities and enable them to set their environmental priorities (consistent with national priorities but reflective of local concerns), manage funding, and ensure accountability. Options should also be explored for leveraging additional resources (debt-for-nature swaps, private sector fund raising) and ensuring long-term funding (endowments, trust funds) for environmental initiatives.
- Strengthening of Government of Haiti and NGO Institutions: Achieving sound and sustainable environmental management in Haiti requires capable, well managed institutions (both governmental and non-governmental). Government of Haiti institutions have essential roles, particularly in environmental sector planning, policy formulation, enforcement of environmental regulations, adaptive agricultural and environmental research, environmental monitoring. Non-governmental organizations likewise have important roles, particularly in areas of outreach and training. Both the GOH and indigenous NGOs would benefit greatly from assistance to enhance their institutional capacity and ensure adequate levels of financial resources to carry out their respective functions. Resources (training, technical assistance, equipment, operational funds) should be provided as part of an interim action plan to enhance the technical and administrative capacity of key GOH institutions and indigenous NGOs.
- Implementation of Critical Policy Reform: The NEAP will identify long-term policy and institutional reforms which are needed. However, there are a number of policies within the current Rural Code which are (or have the potential to be) significant disincentives for sustainable hillside agriculture, tree planting, adoption of alternatives to wood-based fuels, and farmer organization. These should be addressed quickly prior to NEAP completion.

These regulations either have not been enforced at all or have been used as tools of abuse, coercion and deriving income by local governments. These include regulations which require government approval of tree harvest, taxes on tree harvest and wood product transport, market taxes on agricultural products, and a tradition of lack of freedom of association; energy pricing policies which favor the use of wood-based fuels, a tradition of focusing on the promotion of capital-intensive row crops as opposed to low-input integrated tree crop-based farming systems. Reformation of the legal framework that governs rural Haiti should also be pursued. Reforms are needed to guarantee the freedom of association, due process of law, and collective action to address public problems. Actions should be undertaken to address these known policy constraints as soon as possible.

Element 2: Building Momentum--High Impact Interventions. There are certain activities which are clearly needed now for Haiti, but which will also in all likelihood be considered as integral elements of the longer term NEAP investment strategy. The Environmental Task Force proposes that these be considered by the GOH and donors for funding immediately.

- Reactivate extensive tree planting (based on the experience of the USAID supported agroforestry programs of the 1980's) with at least 25 million trees planted on privately controlled farmland during the next three years.
- Expand sustainable hillside farming interventions and promote tree crop-based agriculture utilizing approaches similar to USAID's highly successful Productive Land Use Systems - PLUS- initiative. This approach incorporates promotion of soil conservation and the use of improved agronomic practices including agroforestry. Increased emphasis should be placed on post-harvest issues, market development, and achieving greater effectiveness in the provision of research inputs.
- Continue employment creation programs to clear clogged irrigation ditches, repair farm to market roads, construct terraces and gully plugs, remove solid waste from urban sites and repair urban sewer and storm drainage systems. These programs will provide critical short-term employment and stimulate local economies while benefitting the environment.
- Expand integrated conservation and development activities in the critical ecological area of Pic Macaya National Park and extend these activities into other national parks and other key terrestrial and coastal ecosystems.
- Assist the private sector to produce and disseminate fuel efficient charcoal stoves in Port-au-Prince. Identify and promote alternatives to wood-based fuel, technologies which achieve fuel wood efficiencies, and appropriate renewable energy technologies.
- Introduce low cost household pollution prevention technologies into urban areas and provide urban environmental planning services.
- Restore barren hillsides by establishing legal usufruct rights with rural women's groups, private holders, and farmers associations.

The budget required for the proposed three-year interim program is estimated to be between U.S. \$112.5 million and U.S. \$169.5 million (depending on size of potential environmental fund and number of ecosystems targeted).

- implementation of a set of high-impact activities building upon ongoing GOH and donor-supported environmental programs;
- improved coordination between the Government of Haiti and the international donor community to catalyze environmental action and mobilize funds; and
- creation of the basis for a long-term sustainable environmental program by designing and integrating environment activities with other GOH and donor-supported programs to ease the underlying constraints that drive environmental degradation: poverty, poor governance, and rapid population growth.

The Task Force has identified activities under two elements for simultaneous implementation which are imperative to environmental restoration and sustainable natural resource management in Haiti. The first element establishes essential conditions for long-term environmentally sustainable development. The second element contains a set of immediate mutually reinforcing interventions which address critical environment problems and restore degraded natural resources. These are activities that the Task Force considered of critical importance and sufficiently tested (in Haiti or elsewhere) to be undertaken immediately without waiting for the National Environmental Action Plan (NEAP) to be completed.

**Element 1: Environmental Governance and Institutional Capacity Enhancement--Establishing the conditions for long-term environmentally sustainable development.**

- Development of a National Environmental Action Plan (NEAP), which will serve as a national framework within which policies, legislation and institutions will be strengthened and investment priorities will be set. The NEAP preparation will be led by the GOH with full participation of local government, grass roots organizations, the private sector, NGOs, and donors. Through public dialogue and consensus building, the NEAP will identify a series of priorities for institutional and policy reform and long-term field action.
- Promotion of Mechanisms for Decentralization and Sustainable Funding of Environmental Activities: A number of mechanisms (e.g., small grants programs, foundations, national environmental funds) should be considered to empower local communities and enable them to set their environmental priorities (consistent with national priorities but reflective of local concerns), manage funding, and ensure accountability. Options should also be explored for leveraging additional resources (debt-for-nature swaps, private sector fund raising) and ensuring long-term funding (endowments, trust funds) for environmental initiatives.
- Strengthening of Government of Haiti and NGO Institutions: Achieving sound and sustainable environmental management in Haiti requires capable, well managed institutions (both governmental and non-governmental). Government of Haiti institutions have essential roles, particularly in environmental sector planning, policy formulation, enforcement of environmental regulations, adaptive agricultural and environmental research, environmental monitoring. Non-governmental organizations likewise have important roles, particularly in areas of outreach and training. Both the GOH and indigenous NGOs would benefit greatly from assistance to enhance their institutional capacity and ensure adequate levels of financial resources to carry out their respective functions. Resources (training, technical assistance, equipment, operational funds) should be provided as part of an interim action plan to enhance the technical and administrative capacity of key GOH institutions and indigenous NGOs.
- Implementation of Critical Policy Reform: The NEAP will identify long-term policy and institutional reforms which are needed. However, there are a number of policies within the current Rural Code which are (or have the potential to be) significant disincentives for sustainable hillside agriculture, tree planting, adoption of alternatives to wood-based fuels, and farmer organization. These should be addressed quickly prior to NEAP completion.

These regulations either have not been enforced at all or have been used as tools of abuse, coercion and deriving income by local governments. These include regulations which require government approval of tree harvest, taxes on tree harvest and wood product transport, market taxes on agricultural products, and a tradition of lack of freedom of association; energy pricing policies which favor the use of wood-based fuels, a tradition of focusing on the promotion of capital-intensive row crops as opposed to low-input integrated tree crop-based farming systems. Reformation of the legal framework that governs rural Haiti should also be pursued. Reforms are needed to guarantee the freedom of association, due process of law, and collective action to address public problems. Actions should be undertaken to address these known policy constraints as soon as possible.

**Element 2: Building Momentum--High Impact Interventions.** There are certain activities which are clearly needed now for Haiti, but which will also in all likelihood be considered as integral elements of the longer term NEAP investment strategy. The Environmental Task Force proposes that these be considered by the GOH and donors for funding immediately.

- **Reactivate extensive tree planting (based on the experience of the USAID supported agroforestry programs of the 1980's) with at least 25 million trees planted on privately controlled farmland during the next three years.**
- **Expand sustainable hillside farming interventions and promote tree crop-based agriculture utilizing approaches similar to USAID's highly successful Productive Land Use Systems - PLUS- initiative. This approach incorporates promotion of soil conservation and the use of improved agronomic practices including agroforestry. Increased emphasis should be placed on post-harvest issues, market development, and achieving greater effectiveness in the provision of research inputs.**
- **Continue employment creation programs to clear clogged irrigation ditches, repair farm to market roads, construct terraces and gully plugs, remove solid waste from urban sites and repair urban sewer and storm drainage systems. These programs will provide critical short-term employment and stimulate local economies while benefitting the environment.**
- **Expand integrated conservation and development activities in the critical ecological area of Pic Macaya National Park and extend these activities into other national parks and other key terrestrial and coastal ecosystems.**
- **Assist the private sector to produce and disseminate fuel efficient charcoal stoves in Port-au-Prince. Identify and promote alternatives to wood-based fuel, technologies which achieve fuel wood efficiencies, and appropriate renewable energy technologies.**
- **Introduce low cost household pollution prevention technologies into urban areas and provide urban environmental planning services.**
- **Restore barren hillsides by establishing legal usufruct rights with rural women's groups, private holders, and farmers associations.**

The budget required for the proposed three-year interim program is estimated to be between U.S. \$112.5 million and U.S. \$169.5 million (depending on size of potential environmental fund and number of ecosystems targeted).