

FY 2010 Supplemental Appropriations Spending Plan - Haiti

Pursuant to section 1003(a) of P.L. 111-212, the Supplemental Appropriations Act, 2010, the Department of State, after consultation with the Administrator of the U.S. Agency for International Development (USAID) hereby submits a report detailing planned uses of certain funds appropriated in chapter 10 of the Act for Haiti.

This report also serves as notification for the program including notification in accordance with section 1003(c) of the Act, section 634A of the Foreign Assistance Act of 1961, and section 7015(c) and (f) of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2010 (Div. F, P.L. 111-117), and other relevant notification requirements. Obligations may be incurred in fifteen calendar days; however, to the extent that funds included in this notification may only be made available after complying with any additional specific conditions, such as certification requirements, such funds would only be made available after such conditions are fulfilled.

(\$ in thousands)	Total	P & S	GJD	IIP	EG	HA	Prog Suprt
TOTAL	917,660	155,100	137,489	118,116	345,329	151,626	10,000
Economic Support Fund (ESF)	770,000	48,300	96,629	118,116	345,329	151,626	10,000
International Narcotics Control & Law Enforcement (INCLE)	147,660	106,800	40,860	-	-	-	-

Funding by Account (\$ in thousands)	FY 2010 Haiti Supplemental Appropriation	FY 2010 Haiti Supplemental Spending Plan
Recovery and Reconstruction Funding (Total)	917,660	917,660
Economic Support Fund (ESF)	770,000	770,000
Shelter and Supporting Infrastructure	144,000	61,626
Energy Infrastructure	147,000	137,110
Infrastructure for the Agricultural and Industrial Sector	147,000	137,110
Rural Economic Growth and Development	15,000	11,794
Market Access and Value Chains	5,000	4,914
Agricultural Services and Institutional Strengthening	10,000	9,829
Natural Resource Management	25,000	24,572
Health Systems, Professional Training and Reconstruction	72,000	70,000
Health Services to IDPs	30,000	28,287
Assistance for People with Disabilities	10,000	9,829
Education	10,000	-
Community Stabilization	57,000	48,300
Enabling the Government of Haiti to Function	11,000	11,000
Supporting Dialogue on Relief and Recovery	7,000	7,000
Public Institution and Civil Society Strengthening	65,000	63,886
Justice Reform and Human Rights	15,000	14,743
Multi-Donor Trust Fund (MDTF) Contribution*	-	120,000
USAID Operating Expenses (OE)	-	10,000
International Narcotics Control and Law Enforcement (INCLE)	147,660	147,660
Justice Reform and Human Rights	7,500	7,500
Corrections	33,360	33,360
Policing	35,100	35,100
Counternarcotics and Anti-Corruption	14,700	14,700
Trafficking in Persons	5,500	5,500
Peacekeeping	45,000	45,000
Program Development and Support	6,500	6,500

*The contribution to the Multi-Donor Trust Fund will be prefenced as follows: Housing (\$65 million), Rubble Removal (\$25 million), Partial Credit Guarantee Fund (\$12.5 million), Education (\$10 million) and Budget Support for the Government of Haiti (\$7.5 million).

Funding by Strategy (\$ in thousands)	FY 2010 Haiti Supplemental Appropriation	FY 2010 Haiti Supplemental Spending Plan
Recovery and Reconstruction Funding (Total)	917,660	917,660
Infrastructure and Energy	438,000	425,846
Shelter and Supporting Infrastructure	144,000	61,626
Urban upgrading in Port-Au-Prince: Multi-Donor Trust Fund	-	65,000
Rubble Removal: Multi-Donor Trust Fund	-	25,000
Energy Infrastructure	147,000	137,110
Infrastructure for the Agricultural and Industrial Sector	147,000	137,110
Food and Economic Security	55,000	63,609
Rural Economic Growth and Development	15,000	11,794
Market Access and Value Chains	5,000	4,914
Agricultural Services and Institutional Strengthening	10,000	9,829
Natural Resource Management	25,000	24,572
Partial Credit Guarantee Fund: Multi-Donor Trust Fund	-	12,500
Health and Other Basic Services	122,000	118,116
Health Systems, Professional Training and Reconstruction	72,000	70,000
Health Services to IDPs	30,000	28,287
Assistance for People with Disabilities	10,000	9,829
Education	10,000	-
Education: Multi-Donor Trust Fund	-	10,000
Governance and Rule of Law	302,660	292,589
Community Stabilization	57,000	48,300
Enabling the Government of Haiti to Function	11,000	11,000
Supporting Dialogue on Relief and Recovery	7,000	7,000
Public Institution and Civil Society Strengthening	65,000	63,886
Justice Reform and Human Rights	22,500	22,243
Corrections	33,360	33,360
Policing	35,100	35,100
Counternarcotics and Anti-Corruption	14,700	14,700
Trafficking in Persons	5,500	5,500
Peacekeeping	45,000	45,000
Program Development and Support	6,500	6,500
Budget Support: Multi-Donor Trust Fund	-	7,500
USAID Operating Expenses (OE)	-	10,000

SUMMARY

Supplemental funding will allow the U.S. Government (USG) to partner with the Government of Haiti (GOH) and the international community in an effort to “build back better” after the earthquake and lay the foundation for long-term stability and economic growth in Haiti.

Supplemental funding will support the USG post-earthquake Haiti strategy, which focuses on four areas: 1) Infrastructure and Energy; 2) Food and Economic Security; 3) Health and Other Basic Services; and 4) Governance and Rule of Law. Given the broad array of donor countries, multilateral institutions, non-governmental organizations (NGOs), and private sector actors, the USG will make strategic investments in areas and sectors where it can materially and systemically add value and generate results, with a core objective of assisting Haiti in building its own institutions and capacity and opportunities for long-term economic growth.

Congress appropriated \$1.5 billion in supplemental funding for USG recovery and reconstruction activities in Haiti, a portion of which will reimburse USAID for some of the disaster response activities that took place immediately after the earthquake and the transition activities that aim to prevent another humanitarian crisis during this year’s hurricane season. The remaining \$917,660 million in supplemental funds will be deployed by the USG, in partnership with the GOH, to address the country’s considerable needs and rebuild in ways that strategically contribute to long-term economic growth, stability and security (through approximately \$770 million in supplemental Economic Support Funds (ESF) and \$148 million in supplemental International Narcotics Control and Law Enforcement (INCLE) funding).

The long-term vision of success for Haiti is a more secure nation that contributes to regional and hemispheric stability, and is characterized by sustained democratic governance, new economically vibrant urban centers, increased rural productivity, rule of law, greater transparency and civil society inclusion, and reduced vulnerability to natural disasters. The USG will contribute to long-term stability in Haiti by helping to strengthen its public administration and governance, agriculture and food security, infrastructure, economic growth, health care, and rule of law, while seeking to protect vulnerable populations, increase access to opportunities for women and girls, and sustainably manage natural resources.

While this strategy will build the capacity of the national and local governments to deliver services and better respond to citizen needs, the chief ambition of the new USG strategy for Haiti is economic growth. To that end, supplemental funding will also be used to support decentralization of authority and resources to local governments and communities in conjunction with support for nascent economic opportunities and regional development in GOH-designated growth poles outside of Port-au-Prince in Cap-Haitien and Saint-Marc. Port-au-Prince, Cap-Haitien and Saint-Marc will anchor three USG development corridors, where the USG anticipates concentrating investments in infrastructure, housing, energy, agricultural value chains and health care to achieve significant, visible and sustainable improvement in people’s livelihoods.

USG programs will also work to ensure the integration of child protection into their programming. Likewise, programs will integrate gender considerations, analyzing men’s and women’s roles and access to resources to help ensure that USG activities benefit all segments of the population. Greater women’s leadership in the areas of governance and reconstruction will be encouraged.

The USG is committed to engaging a wide array of stakeholders to support a Haitian-led recovery. The USG will encourage greater use of public-private partnerships, local NGOs, and U.S. small, minority, and women-owned businesses. The USG will also seek to tap the expertise and energy of the Haitian-American community. Direct engagement with the U.S. Haitian-American community will provide the Diaspora with the opportunity to better participate in the U.S. strategy. Assessments of local NGOs will be conducted and technical assistance provided to build their organizational capacity to receive and effectively manage direct awards. The USG will also seek to improve the capacity of GOH-owned enterprises and increase direct engagement with the Haitian private sector.

As GOH capacity and transparency increases, the USG will seek to provide increased direct funding to the GOH and its implementing agencies. This will be done with the assistance of USG-supported personnel seconded to the GOH, including through a Haitian Government Fellows Program, to enable the USG to account for funds while also supporting Haitian-led recovery. Similarly, the USG will support and work closely with the Interim Haiti Recovery Commission (IHRC), established in April 2010 by the GOH with the joint chairmanship of Prime Minister Max Bellerive and U.S. President and UN Special Envoy, Bill Clinton. The IHRC is designed to ensure that the reconstruction effort is transparent and accountable, and reflects the priorities of the Haitian people. The IHRC is setting priorities for all recovery and reconstruction efforts, and has already approved \$1.6 million in programming. It will continue to review and approve projects and programs funded by bilateral and multilateral donors. The USG is represented on the IHRC board of directors and intends to provide sector experts into the IHRC Secretariat.

MULTI-DONOR TRUST FUND

The USG, through the Department of the Treasury, will contribute \$120 million in supplemental resources to the Haiti Reconstruction Fund (HRF), a World Bank-managed multi-donor trust fund designed to leverage donor funds for large, GOH-priority programs. Funds will be transferred to partner institutions and implementing agencies—including the GOH, the United Nations (UN), the Inter-American Development Bank (IDB), and the World Bank—to execute specific projects. A steering committee led by the GOH and comprised of major donors (including the United States) will oversee fund management, approve projects and programs, monitor implementation, and track performance. With this design, the HRF is structured to facilitate coordination between the GOH and donors, build GOH capacity, reduce transaction costs, and improve efficiency.

The USG contribution to this fund reflects stated GOH priorities for the HRF. The impact of the U.S. contribution will be multiplied by leveraging much larger amounts of resources from other donors that can be used in Haiti's recovery efforts. In addition, the sizeable contribution to the HRF will ensure that the U.S. has a voting seat and a strong and influential voice on the HRF Steering Committee.

Economic Support Fund (\$120 million)

Funding to the HRF cannot be “earmarked” or guaranteed to be used for specific activities; donors may, however, express a preference for how their contributions are used. The USG will preference its contribution to the HRF for the following program areas, which have been

identified by the GOH as priorities for the HRF: housing (\$65 million), rubble removal (\$25 million), partial credit guarantee fund (\$12.5 million), support for the IDB education reform plan (\$10 million), and budget support against line items for operating costs of the IHRC, and GOH civil service salary support, and infrastructure (\$7.5 million). In addition to the \$120 million contribution through Treasury to the HRF, another \$11 million of FY 2009 funds previously obligated for payment of Haitian debt, which has since been expunged by the Inter-American Development Bank, will be provided through USAID to the HRF and preferenced for budget support line items in the same categories.

INFRASTRUCTURE AND ENERGY

Supplemental funds will help support housing, the rehabilitation, modernization and expansion of energy supply and infrastructure—with due consideration given to renewable energy sources appropriate to the Haitian environment—increased market access through new roads and ports, and new economic opportunities in the USG’s three development corridors.

Economic Support Fund (\$425.8 million)

Infrastructure (\$151.6 million)

Shelter and Supporting Infrastructure (\$61.6 million plus \$90 million USG contribution through the HRF)

The USG will support permanent housing for internally displaced persons (IDPs) through urban upgrading programs in Port-au-Prince, investments in new settlements in the USG development corridors and increased access to finance and government capacity to appropriately regulate the housing sector. It will achieve these outcomes through three mechanisms: investing approximately \$61 million in USAID programs in shelter and IDP support; expressing a preference that \$65 million in USG contributions to the HRF be used for housing repair and assistance; and expressing a preference that \$25 million in USG contributions to the HRF be used for rubble removal in residential communities to repair and rebuild homes.

Permanent Housing in the USG Development Corridors (\$61.6 million)

Through USAID, the USG will provide permanent housing for IDPs outside of the city of Port-au-Prince, in the USG development corridors. Funds will support the careful planning and preparation of new housing developments in and around secondary cities, including provision of infrastructure services, conversion of existing transitional shelters to permanent homes where appropriate and construction of upgradable core housing units. The USG will seek the participation of Haitian construction companies and the use of Haitian materials in this reconstruction process. Ongoing assessments will examine potential sites according to a set of criteria including environmental hazard risks such as flooding, earthquakes and storms, social and economic viability, and synergy with other USG investments in infrastructure, health, agriculture and energy. All infrastructure solutions will be built to disaster-resistant standards and coordinated with USG investments in environmental management to protect against flooding. To maximize employment potential for those who choose to relocate to these housing developments, individual sites are expected to be easily accessible from existing population

centers to facilitate commerce in goods and services, and jobs in small business and formal enterprises.

Supplemental funds will also support institutional capacity building at the national and local level. At the national level, the USG will assist the GOH to develop a national housing policy, including an approach to addressing the needs of internally displaced families, building code improvements, careful land use planning where required for USG infrastructure investments, and a housing finance system. Key entities for USG support and collaboration include the Presidential Commission on IDP Resettlement, the IHRC, and the Ministry of Finance. In coordination with other donors, USG technical advisors provided to the IHRC and the Presidential Commission on IDP Resettlement will assist in major policy areas such as urban planning and management, housing finance, construction standards and housing administration (including accessibility for disabled persons), land tenure and titling, and gender considerations in shelter planning at the national and local level.

In the private sector, the USG will work with the banking system to explore a range of financial instruments that enable lenders to reach households currently excluded from affordable housing finance. Funds will support an improved regulatory environment that encourages greater provision of services from the private sector, which may include home improvement loans, construction finance, mortgage lending and subsidies, and vouchers for low-income populations.

Urban upgrading in Port-Au-Prince (\$65 million through the HRF)

The USG intends to express a preference to use \$65 million to the HRF to invest in urban upgrading programs in heavily damaged communities in Port-au-Prince to support internally displaced persons (IDPs) to rebuild their homes, lives and communities. This investment will include, among other activities, repair of damaged “yellow homes” and reparable “red homes” and assistance to IDPs to upgrade existing transitional shelters to permanent homes where feasible and cost-effective, or provide core housing units that are safe, adequate for a family and expandable over time. Funds will support essential community infrastructure such as access roads, water, electricity, storm drainage, sanitation, and community facilities such as schools and clinics. To facilitate resettlement, funds will also support community enumeration processes to address land tenure issues in each neighborhood. Managing land claims and ensuring safe construction methods requires local capacity. The USG investment will support capacity building at the municipal level by providing technical assistance, training, temporary personnel, and other needed resources.

Rubble Removal (\$25 million through the HRF)

The USG intends to express a preference that the HRF use \$25 million in supplemental funds for rubble removal. Rubble removal is currently one of the most visible signs of progress, and a USG contribution to this GOH-led effort will allow the GOH to demonstrate its leadership in an important, visible aspect of reconstruction. This contribution will also give the USG greater influence to ensure that rubble is removed from sites needed for shelter, infrastructure, economic, health, and education investments. Funds will be used to dispose of rubble in an environmentally sustainable manner. It is anticipated that a USG contribution in this area will also encourage other donors to contribute to rubble removal.

Among the anticipated results are: Relocation of IDPs to habitable homes and transitional shelters; urban upgrading programs in Port-au-Prince neighborhoods; contribution to thriving and sustainable communities in USG development corridors; contribution to improved GOH housing policies; and increased access to housing finance for Haiti's low- and middle-income households.

Implementing Partner(s): To be determined. \$90 million of the program, including \$65 million for housing and \$25 million for rubble removal, will be implemented through a contribution to the HRF.

Energy Infrastructure (\$137.1 million)

The overarching goal of donor support in energy infrastructure is a Haitian electricity sector that is reliable and financially viable; operating in a competitive and transparent market that is able to attract sufficient capital for maintenance and repairs; and able to expand service to meet current and future demand. A dependable electricity supply is essential to creating jobs in the manufacturing and tertiary sectors for poverty reduction. Based upon a review of the physical status of Haiti's grid, supplemental funds will be used to rehabilitate high-priority energy infrastructure and generation facilities. These improvements to the generation, transmission, and distribution of electricity will advance the recovery process as well as reduce cost, increase access, and improve reliability. Whenever feasible, the USG will employ Haitian expertise, local labor and renewable resources appropriate to Haiti.

In addition, supplemental funds will be used to modernize Haiti's electricity sector by enhancing its commercial viability, improving sector governance, strengthening institutional capacities, and attracting private sector participation. The USG will identify appropriate models for modernizing the sector, with an emphasis on improvements in regulatory frameworks, oversight mechanisms, revenue collection, and reduction of losses. To achieve these goals, USAID will provide technical assistance to the GOH and support legal reform.

Given the scale and scope of Haiti's needs, the USG investments in rehabilitation and new construction for the energy sector will be coordinated with other donors and the GOH, and will seek to attract further private sector participation and investment in the sector. Furthermore, USG investments will be prioritized and coordinated with other USG work, to ensure the greatest impact in development corridors. Ultimately, rehabilitation of grid infrastructure, new construction, and improvements to the business models of the entities providing electricity will enhance access to affordable and reliable electricity service for industry, businesses, and households in Haiti.

Alternative Cooking Technologies (\$7.5 million from Natural Resource Management): Approximately 70 percent of Haitian household energy needs are met using firewood and charcoal, which have had damaging impacts on the country's tree cover, watershed stability, and respiratory health. The USG will use supplemental funds to promote more efficient cooking technologies and alternative fuels. To that end, USAID will design and implement a comprehensive alternative cooking technologies program that encourages households, food vendors, and energy-intensive businesses such as laundries and bakeries, to reduce their consumption of charcoal by using cleaner and more efficient cooking technologies such as

improved biomass cookstoves and/or switching to alternative fuels such as Liquefied Petroleum Gas (LPG). These activities will be coordinated with USAID's natural resource management efforts in USG development corridors and will involve local Haitian entrepreneurs and businesses as partners in project implementation. Supplemental funding for Natural Resources Management will contribute to these programs.

Among the anticipated results are: Improved energy sector governance and management; greater private sector participation; targeted rehabilitation and generation, transmission, and distribution projects that help reduce system losses and improve the overall viability of the electricity system; reduced consumption of firewood and charcoal for use in cookstoves.

Implementing Partner(s): To be determined.

Infrastructure for the Agricultural and Industrial Sectors (\$137.1 million)

Supplemental funds for road and port development will further GOH efforts to expand economic activity outside of Port-au-Prince and into the priority economic corridors. Supplemental funds will assist the GOH in leveraging Haiti's proximity to the U.S. market by increasing the efficiency of Haiti's port sector and improving the regulatory environment. Supplemental funds will also be used, in collaboration with other bilateral and multilateral partners and the private sector, in the design and development of a modern and competitive international container port in the Saint-Marc or Cap-Haitian corridor. These investments will be coordinated with other USG and donor activities in support of an integrated regional economic development strategy.

The USG, through USAID, will use supplemental funds to improve rural farm-to-market and feeder roads and bridges to reduce transportation costs and loss of value for agricultural products destined for local or export markets in USG development corridors. Roads and bridges will link highland producers with lowland markets. USAID will rehabilitate irrigation canals to expand land under cultivation and permit multiple cropping. Post-harvest infrastructure (market sheds, cold storage facilities, etc.) will be established along strategic portions of new rural farm-to-market roads. This critical infrastructure will reinforce other USG efforts to support new sources of income for individuals in USG development corridors.

Among the anticipated results are: Contribution to a long-term GOH port development strategy, supported by engineering, customs, commercial, and regulatory assessments in partnership with other donors; visible and lasting improvements in Haiti's ports sector, as demonstrated by a drop in port charges through improved logistics and competitiveness of port operators, as well as shorter processing times through customs; significant contributions to a major container port, doubling existing capacity and annual container traffic.

Implementing Partners: Partners for ports to be determined. Partners for agricultural infrastructure: USAID will continue funding for DEED and WINNER, two existing agricultural programs, contingent on a review of past performance and determination of fit within strategic priorities after the earthquake. This allows the USG to have immediate impact in the short-run, while expanding the USG range of implementers (to include smaller and local contractors).

FOOD AND ECONOMIC SECURITY

Supplemental funds will be used to increase rural productivity and access to markets, ultimately increasing rural household income and food security while promoting agriculture, protecting natural resources, and contributing to broad-based economic growth in rural and urban centers.

Economic Support Fund (\$63.6 million)

Agriculture and Food Security (\$26.5 million)

Rural Economic Growth and Development (\$11.8 million)

With supplemental funding, the USG aims to improve sustainable agricultural productivity and rural household income in selected agricultural areas that offer untapped market potential for a small number of domestic staple crops and high-value mango and cocoa exports, doubling yields over five years in targeted areas and significantly increasing the flow of revenues to farmers. The increase in small farmers' income will be driven by identifying new sources of demand, investments in new seeds, use of appropriate fertilizers, and improved farming techniques to maximize yields from rehabilitated irrigation systems. Using improved technologies, more sustainable farming systems, and better post-harvest infrastructure within targeted agricultural areas will increase productivity and resiliency to external shocks. These productive plains and hillsides are directly affected by adjacent parts of the surrounding watersheds and their degree of erosion and associated flood risk. The USG investments will therefore address the health and long-term viability of those areas in watersheds that help safeguard the sustainability of productivity gains targeted and achieved by farmers.

Using supplemental resources, the USG will complement its agriculture-led rural economic growth program with activities that broaden employment opportunities for all Haitians. Investments will be made in line with identified domestic and export demand channels, which could include import substitution in fruits and vegetables, local purchase of food aid, and export of high-value crops. These include investments in the transportation and processing of key export crops such as mangos and cacao. Investments in rural small and medium-sized enterprises (SMEs) (food transformation and other agribusinesses) will create income for rural residents and encourage farmers to abandon erosive farming practices on steep hillsides.

Among the anticipated results are: Increased yields of mango, cocoa and priority staple crops; sustained agriculture sector growth within USG development corridors; and increased incomes and decreased poverty for rural smallholder farmers.

Implementing Partners: Academy for Educational Development (AED), World Council of Credit Unions, Development Alternatives, Inc., Chemonics; other partners to be determined (including local grantees through WINNER's Watershed Investment Fund).

Market Access and Value Chains (\$4.9 million)

To facilitate better prices for farmers' products and increase productivity, the USG will use supplemental resources to improve rural access to markets and help expand microfinance into select rural areas, giving more farmers access to resources for improved agricultural technologies (improved seeds, fertilizer, small farm mechanization, etc.). To enable more people to benefit from agriculture, USAID will provide training to rural SMEs in how to create value-added from investments (including USG investments) in agricultural infrastructure, production, and watershed protection programs; USAID will also support the creation of viable private sector and farmer-cooperative-owned agribusiness dealerships. Public-private partnerships, particularly with large export buyers, will leverage USG investment in high-priority markets. In addition, a market price information system will be developed and tested so that farmers and market women ("Madame Saras") will have access to the latest prices in local and national markets on a daily basis via radio and/or text messaging for staple crops and export commodities.

Research and extension centers will demonstrate on-farm storage technologies (including post-harvest infrastructure described in the Agriculture Infrastructure section), and farmers will be encouraged to adopt these technologies, which will allow them to store seeds or keep produce in good condition to improve prices. Investment in more sustainable farming systems and better post-harvest infrastructure will result in greater returns for farmers.

Finally, by strengthening local governance structures, such as water user groups, producer groups, and watershed management, the USG will help to ensure sustainability and proper management of donor assistance.

Among the anticipated results are: National market price information system established; increased access to markets for production in USG development corridors; increased numbers of farmers using on-farm storage technologies; and increase in agriculture value-added as a percentage of GDP.

Implementing Partners: Academy for Educational Development (AED), World Council of Credit Unions, Development Alternatives, Inc.; Chemonics; and other partners to be determined (including local grantees through WINNER's Watershed Investment Fund).

Agricultural Services and Institutional Strengthening (\$9.8 million)

The USG will work closely with the GOH and other donors to develop a national policy to create viable private sector and farmer-cooperative-owned agribusiness dealerships and reduce Haitian farmers' reliance on donated seeds and fertilizers. Instituting this policy reform at the national level will encourage foreign direct investment and job growth, especially in the food processing sector. Providing technical assistance to the GOH's Ministry of Agriculture, Natural Resources, and Rural Development (MARNDR) will increase its ability to extend new technologies, market information, and research results. Working under a new Participating Agency Service Agreement (PASA), the U.S. Department of Agriculture (USDA) will place advisors within the MARNDR to strengthen applied agricultural research (including in animal and plant health), enhance extension and vocational training, and support market information systems. Funds may also support research on natural resource management that will help to guide GOH policy and USG programming.

Among the anticipated results are: A national policy on private sector and farmer-cooperative-owned agribusiness dealerships; new farmer field schools established; and increased GOH capacity to extend new technologies and apply agricultural research.

Implementing Partners: Academy for Educational Development (AED), World Council of Credit Unions, Development Alternatives, Inc., Chemonics; other partners to be determined (including local grantees through WINNER's Watershed Investment Fund).

Natural Resource Management (\$24.6 million)

With supplemental funding, the USG will broaden and deepen its programming for watershed management, biodiversity, and climate change. USAID will continue funding for DEED and WINNER, two existing, watershed-based agricultural programs, contingent on a review of past performance and determination of fit within strategic priorities after the earthquake. This allows the USG to have immediate impact in the short-run, while expanding the USG range of implementers (to include smaller and local contractors). Soil erosion control on steep hillsides (contour terracing, contour ditches, gully plugs, and reforestation) using cash-for-work programs will continue in targeted watersheds in support of increasing productivity of certain staple and export crops in USG development corridors. USAID will train community groups (sub-watershed committees, locally elected officials, and risk management committees) and provide small grants for activities they identify to strengthen sustainable watershed management to protect crop productivity in USG development corridors. The introduction of perennial tree crops, mangos and cacao on public and private land will create sustainable income from land normally planted with erosive food crops.

\$7.5 million of these funds will be used to support alternative cooking technologies discussed in "Infrastructure and Energy".

Among the anticipated results are: Increased soil erosion control in watersheds to protect specific productive plains and areas with staple and export crop potential as prioritized by the USG strategy in USG development corridors; and minimized future flood risk and protected USG infrastructure investments and livelihoods of households within the USG development corridors.

Implementing Partners: Academy for Educational Development (AED), World Council of Credit Unions, Development Alternatives, Inc., Chemonics; other partners to be determined (including local grantees through WINNER's Watershed Investment Fund).

Partial Credit Guarantee Fund (\$12.5 million through the HRF)

As noted under "Multi-Donor Trust Fund," the USG will express a preference that \$12.5 million of its contribution from supplemental funds to the HRF be used for the Partial Credit Guarantee Fund (PCGF) to help refinance distressed loans held by small and medium-sized enterprises (SMEs) negatively impacted by the earthquake. The PCGF facility will enable these SME borrowers to receive restructured bank loans and supplementary financing to help them rebuild factories, re-stock inventory, and otherwise prepare to re-open their businesses, and in turn, re-establish a revenue stream that they can use to service their loans, re-hire workers and even create jobs to respond to rising demand associated with reconstruction. The USG contribution will leverage funds of other donors, including the IDB and World Bank.

HEALTH AND OTHER BASIC SERVICES

Supplemental funds will rebuild damaged healthcare infrastructure, including reconstruction of the country's primary medical, midwifery and pharmacology schools and Port-au-Prince's general hospital, which will function as the country's central teaching hospital. Supplemental funds will also support the Ministry of Health (MOH) in providing an integrated package of essential services (including maternal and child health, family planning, nutrition, water, sanitation and hygiene practices, prevention and control of major diseases, and education services) to IDPs. Persons with disabilities will also benefit from supplemental funds through the establishment of four service centers specializing in trauma and rehabilitation surgery, prosthetics and physical/occupational therapy. Supplemental funds will be invested in the USG development corridors and integrated with existing USG health programs in Haiti. Both in Port-au-Prince and in the outlying development corridors, reconstruction investments will aim to rebuild and renovate essential infrastructure and provide training for the delivery of primary, secondary and tertiary care, and strengthen the MOH's capacity to manage and govern of the sector. Outreach and health education at the community level will be essential elements of a holistic approach to improve access to services for underserved and vulnerable populations. Supplemental funds for education will also be "preferenced" through the HRF to the IDB for implementation of the IDB and Ministry of Education's reform agenda.

Economic Support Fund (\$118.1 million)

Health (\$108.1 million)

Health Systems, Professional Training and Reconstruction (\$70 million)

With supplemental funds, the USG will assist reconstruction of the health system by strengthening physical infrastructure, human resource training, and health management and governance systems. Renovation or new construction will begin on strategically-located health facilities, identified together with the MOH in the earthquake zone of greater Port-au-Prince and from among the underserved communes in USG development corridors that are serving displaced populations. Health centers or hospitals will be renovated or constructed and equipped to serve new settlements and communities targeted for USG investments in housing and other infrastructure, agriculture, and job creation. Funds will also partially support the management and operational costs of these new facilities, with clearly set timetables and benchmarks for an exit strategy and transition to MOH financial support and management.

A cornerstone of the health and education sector strategy will be a substantial investment in the reconstruction of the national health science campus, which was largely destroyed in the earthquake. To rebuild this campus—which will consist of a medical school, a nursing school, a midwifery school, a pharmacy school, and a laboratory technician training school, and a general hospital which will serve as the central teaching hospital—the USG will seek to partner with the Association of American Medical Colleges to develop a health science "twinning" arrangement whereby American health science faculty and students can work with Haitian counterparts to teach, develop curriculum, undertake research, and transfer skill sets and innovative techniques and technologies.

To place investments in healthcare delivery on a sustainable footing, the USG will support the MOH in playing an increasingly greater role in leading, planning, coordinating, and supervising healthcare planning and spending. Technical assistance to the MOH will include the key building blocks of health system strengthening, which address critical management systems and policy changes supporting priority services: human resources; medicines and logistics; health financing; information management; quality improvement; and governance. Within each critical health systems function, the USG will provide assistance to the MOH to address system bottlenecks that limit access and reduce quality of health services, and explore ways to assure long-term financing. Furthermore, building on the USG's use of performance-based contracting systems for health services in Haiti, the USG will undertake a phased approach to increase MOH ownership over time over the selection and management of health service contracts with public and NGO facilities.

Among the anticipated results are: Construction or renovation of hospitals and health clinics prioritized by the GOH, including community clinics and hospitals serving IDPs in secondary towns and rural communities and provided with essential equipment; reconstruction of facilities for medical education and professional training and the Port-au-Prince general teaching hospital; establishment of an MOH governance unit that governs, manages and supervises performance-based contracts for service delivery; an integrated budget compiled and approved by GOH for the entire health system (including its own and donor funds); a plan developed by the MOH for an appropriate mix of health professionals to be trained and deployed in adequate numbers nation-wide.

Implementing Partner(s): Management Sciences for Health LMS Project (Leadership, Management and Sustainability); others to be determined.

Health Services to IDPs (\$28.3 million)

Improvements in healthcare quality and access throughout the USG development corridors will play an essential role in attracting people to new settlements outside of Port-au-Prince. Although the large influx of health assistance for populations in the greater Port-au-Prince area following the earthquake resulted in increased access to essential care services, the provision of care is uneven, and in some cases, has diminished over time. Reports from the MOH and other observers indicate that there are inadequate services available to IDPs throughout the metropolitan area in three MOH programs: family planning, tuberculosis, and routine immunization. USAID will use supplemental funds to make these services available in all MOH facilities in the greater Port-au-Prince area. Furthermore, USG funding will ensure that trained staff are in place and protocols are followed within healthcare facilities to recognize, treat, and refer victims of gender-based violence (GBV) and child abuse, exploitation, violence, and neglect, to appropriate social, psychological, and legal services.

Among the anticipated results are: targeted facilities in the greater Port-au-Prince area offer full family planning, tuberculosis, and routine immunization services; an increased number of functioning Commune Health Networks (UCS) in USG priority areas (baseline is zero) are providing access to basic healthcare; and increased number of USG-assisted UCS facilities that have at least one trained staff member familiar with health-related protection protocols and able to manage services and supplies (baseline is zero).

Implementing Partner(s): Management Sciences for Health; Others to be determined—anticipated procurements with local and international NGOs; local and international (including Haitian diaspora) service providers, and local institutions and small businesses, among others.

Assistance for People with Disabilities (\$9.8 million)

The USG will use supplemental resources to improve access to services for persons with disabilities in Haiti. Four interrelated activities implemented by USAID will support this goal: (1) establish or strengthen services for persons with disabilities at four to six service centers; (2) training of paramedical staff, including rehabilitation technicians, prosthetists/orthotists, and physical/occupational therapists, to support health facilities and assisted living facilities that provide services to persons with disabilities; (3) technical assistance to the Ministries of Health and Social Affairs and the IHRC to build capacity in standard setting, accreditation, oversight and coordination of rehabilitation and reintegration programs and to the Ministry of Transport and Public Works in the revision of building codes to ensure accessibility to public facilities to persons with disabilities; and (4) capacity building assistance to organizations for disabled people and local NGOs working for people with disabilities so that these organizations can support the rights of persons living with disabilities through advocacy and education. USAID will also hire a disability advisor to review accessibility in reconstruction plans and programs. Finally, any facility constructed with USG funding will ensure accessibility to people with disabilities.

Among the anticipated results are: Guidelines and standards of care established by GOH for accrediting and monitoring rehabilitation care and disability integration services; four to six service centers established or strengthened, each with the capacity to treat at least 200 clients per year (baseline was 1 center prior to the earthquake); an increased number of trained rehabilitation technicians, prosthetist and orthotist technicians and physical and occupational therapists who are able to assist persons with disabilities to manage their physical disability and optimize their independence and ability to accomplish their daily activities; and structures newly constructed or refurbished by the USG have access for the disabled.

Implementing Partner(s): To be determined. Anticipated cooperative agreement with local institutions and small businesses.

Education (\$10 million through the HRF)

As noted above under “Multi-Donor Trust Fund,” the USG intends to express a preference to contribute \$10 million to the Inter-American Development Bank (IDB) for the execution of the education reform plan developed in coordination with Haiti's Ministry of Education (MOE) and National Education Commission. The USG has worked closely with the GOH, the IDB, and other donors in the education sector, and will continue to fully engage in the development of this plan. The USG will express a preference that supplemental funding be used to support the IDB-sponsored plan for school construction, teacher training, and other education programs that promote the evolution of a high-quality education system.

Supplemental funds requested for health care will also support the reconstruction of the health science campus and general teaching hospital that was destroyed in the earthquake (see

description above). These funds will support the build out of the medical school, the midwifery school, the pharmacy school, the laboratory technician training school, and the general hospital which will serve as the central teaching hospital for the campus.

Among the anticipated results are: Rebuilt and rehabilitated public and private school buildings, improved teacher quality, and MOE enforcement of uniform education standards across public and private schools.

Implementing Partner: HRF, through the IDB.

GOVERNANCE AND RULE OF LAW

Haiti will only achieve long-term stability and economic growth through transparent and responsive governance and improved rule of law. Supplemental resources will support effective legislature, public administration, and service delivery at the national and local levels; well-functioning justice and security sectors; and the protection of the rights of Haiti's most vulnerable citizens. Limited political will has been a perpetual challenge to USG investments in Haiti's governance and rule of law, and continued USG support is contingent upon the GOH meeting agreed-upon benchmarks for reform.

Economic Support Fund (\$144.9 million)

Community Stabilization (\$48.3 million)

The USG will use supplemental funds to increase the stability of communities in Haiti, including in IDP camps and adjacent neighborhoods. Through a process whereby community members identify priority short-term, quick-impact assistance activities, USAID's Office of Transition Initiatives (USAID/OTI) will expand stabilization activities to new communities, helping to create incentives for Haitians to move out of camps and back to their neighborhoods. The USG, through USAID/OTI, will continue to work closely with municipalities and residents to revitalize priority public spaces and infrastructure, and improve the quality of services. Activities will encourage collaboration between communities and local government and may include: removing debris in an environmentally sound manner; rehabilitating public buildings and spaces; and strengthening public-private partnerships.

Temporary employment will continue to be a vehicle for reducing the risk of instability caused by mass unemployment and displacement of personnel, which are two key drivers of instability in Haiti. USG activities will focus on public works, including rubble removal and housing repair, which are required as a precursor to reconstruction and will engage vulnerable populations with the objective of building confidence in the local government. USAID/OTI will coordinate these activities with other USG and donor investments, including investments that will be funded through the HRF. Additionally, \$8.7 million in USAID/OTI funds will be transferred to the HRF for rubble removal as described in the "Multi-Donor Trust Fund" section.

Among the anticipated results are: Increased temporary employment to reduce instability, increased household income, and implementation of priority public works; accelerated rubble removal in sites needed for shelter and infrastructure investments (dependent on HRF coordination and implementation).

Implementing Partners: Chemonics International and Development Alternatives, Inc. More than 60 percent of this funding is going directly to local organizations as grantees of Chemonics and DAI through a "grants under contract" mechanism. USAID/OTI will re-compete one or more new contracts for implementation of the remaining funds. \$8.7 million will be implemented through the HRF (preferred for rubble removal).

Enabling the Government of Haiti to Function (\$11 million)

Supporting state functions and public administration in the aftermath of the quake is a key goal of the USG's reconstruction efforts. USAID/OTI, in collaboration with international partners, will continue to provide the GOH with the infrastructure to enable the GOH to work; will retrofit, outfit, and equip existing facilities; and train respective tenant personnel in building and equipment maintenance and operations. USAID/OTI is providing technical and infrastructure assistance, including maintenance and equipment, to key GOH entities (Office of the President; Office of the Prime Minister; Ministries of Planning, Finance, Justice, and Interior, and the Parliament) to strengthen service delivery and encourage greater transparency and accountability. USAID/OTI will also seek opportunities to support other priority ministries - such as Health and Agriculture - in coordination with USAID/Haiti and other donors providing assistance to the GOH.

In coordination with the GOH and donor community, USAID/OTI will provide material assistance and short-term technical expertise to the IHRC. This assistance is intended to strengthen the management, operations, staffing, communications, policymaking, and implementation capacity that are essential to the IHRC's role as a donor coordinator.

In addition, USAID/OTI will provide targeted municipalities outside of greater Port-au-Prince (including within USG-identified development corridors) with technical and material resources to plan, implement, and evaluate earthquake relief and recovery operations in their respective localities. Illustrative activities may include facilitating public meetings and forums for dialogue between municipal authorities and community members/civil society, providing technical assistance to help municipal authorities adapt existing disaster management and recovery tools to the current situation, and helping them manage relocation, resettlement, and reconstruction. In this way, USAID/OTI activities will help lay the foundation for longer-term USG assistance in Haiti.

Among the anticipated results are: Greater GOH operational capabilities as temporary infrastructure is provided; increased GOH transparency and accountability through technical assistance and planning support.

Implementing Partners: Chemonics International and Development Alternatives, Inc. More than 60 percent of funding goes directly to local organizations as grantees of Chemonics and DAI through a "grants under contract" mechanism. OTI will re-compete one or more new contracts for implementation of the remaining funds.

Supporting Dialogue on Relief and Recovery (\$7 million)

The USG will use funds to increase the strategic communication and outreach capacity of the GOH and mass media outlets by working through USAID/OTI to provide equipment and

technical assistance, conduct media audience/perception surveys, implement citizen outreach/activism programming, and support GOH public outreach. Through USAID/OTI's programming, the USG will continue to strengthen the GOH's capacity to provide timely, relevant, and transparent information about accomplishments and planned activities in the aftermath of the earthquake through all forms of media.

The USG will help create opportunities for citizens to interact directly with the GOH and the IHRC, particularly on reconstruction policies. To that end, USAID/OTI programs will support the GOH and IHRC to provide accurate and balanced information to Haitians so that they better understand recovery and development initiatives. USAID/OTI will establish venues in local communities and neighborhoods—which could include focus groups, town hall meetings, and press conferences—through which citizens and government officials discuss Haiti's reconstruction and ways in which citizens can take part in reconstruction efforts.

The USG will also support an active, independent media sector and civil society that can facilitate interactive dialogue between citizens and government. The USG, through USAID/OTI programming, will increase the quantity and quality of information available to Haitian citizens, increase accountability and transparency, and will give voice to the Haitian people in discussions about relief and recovery, creating opportunities for citizens to interact directly with the GOH and IHRC, particularly on reconstruction plans.

Among the anticipated results is: Greater dialogue between public, civil society, media, and the GOH and IHRC on reconstruction plans; and improved public perception of communication about recovery and reconstruction efforts.

Implementing Partners: Chemonics and Development Alternatives, Inc. More than 60 percent of funding goes directly to local organizations as grantees of Chemonics and DAI through a "grants under contract" mechanism. OTI will re-compete one or more new contracts for implementation of the remaining funds.

Public Institution and Civil Society Strengthening (\$63.9 million)

Supplemental funding will be used to strengthen public administration and improve public sector performance. Working closely with the GOH and other donors, the USG will target priority institutions, including the Office of the Prime Minister and Ministries of Finance, Planning, Justice and Public Security, Agriculture, Health, Public Works, and the IHRC. USAID will provide \$6 million to build the capacity of the IHRC to fulfill its mandate to conduct strategic planning and coordination and implement donor resources with all necessary transparency and accountability. Strengthening the capacity of the IHRC is a crucial component of U.S. development efforts in Haiti, as it will be the primary entity overseeing the range of donor efforts in the country and ensuring their complementarity. A stronger and more effective IHRC will enhance the effectiveness and transparency of U.S. assistance programming. U.S. funding for the IHRC will be used to fund identifiable costs of establishing and operating the institution, including professional services costs, technical advisors, office equipment and vehicles. Technical assistance is being provided, at the same time, for the development of internal accounting and funds management control systems.

For priority institutions throughout the GOH, funding will be used to improve public financial management and procurement systems, including through the extension of the Integrated Financial Management System to all GOH ministries and agencies, thereby increasing the accountability of public officials and reducing opportunities for corruption. Through the Haitian Government Fellows Program, the USG will seek to attract new professional talent and strengthen institutions that provide support to the civil service on urgent reconstruction and development efforts. The program will seek to place American citizens, including Haitian-Americans, with public policy experience and Creole or French language skills within targeted Haitian government ministries to assist in reconstruction tasks.

As part of this effort to strengthen Haiti's public institutions, supplemental funds will also be provided to the Smithsonian to support the needed preservation of Haiti's cultural heritage—important as both a social and an economic asset in Haiti's future development. USAID will provide \$2 million toward the support of the Haiti Cultural Recovery Project. That project, organized and managed by the Smithsonian Institution (under formal agreement with the GOH Ministry of Culture and Communication and Haiti's Presidential Commission for Reconstruction, in partnership with the U.S. President's Committee on the Arts and the Humanities) rescues, recovers, safeguards and helps restore Haitian artwork, artifacts, documents, media, and architectural features damaged and endangered by the earthquake and its aftermath. The project operates a Cultural Recovery Center in a certified safe and secure building which houses conservation labs and facilities where cultural materials are catalogued, treated and stored. The project also targets Haiti's public and private museums and culturally significant sites, and trains dozens of Haitians in heritage conservation and management.

In support of efforts to decentralize and devolve greater governance authority to local levels in Haiti, supplemental resources will also build the capacity of local governments to deliver services and better respond to citizen needs. Partnering with municipal governments and local representatives of national ministries, the USG will work to improve the quality and coverage of government services in USG development corridors. Supplemental funding will support advocacy for decentralization of authority and resources; technical and material assistance for municipal action planning committees to facilitate participatory local planning, budgetary and management capacity; emergency preparedness/disaster risk reduction; and the integration of IDPs into host communities. Particular emphasis will be placed on strengthening local civil society organizations' capacity to work with the government to attain development goals, increase participation, and provide oversight of government activities.

Legislative elections are scheduled for November 28, 2010, and the newly elected parliamentarians will face the daunting task of passing key reform legislation, overseeing GOH reconstruction efforts, and representing the interests of the public. The USG will use supplemental funding to promote the enactment of the legislative reform agenda, including the draft criminal code reforms, decentralization, and anti-trafficking laws, while also building the legislative, oversight, and outreach capacity of elected members and staff, and strengthening the Parliament's internal management. In conjunction with the House Democracy Assistance Commission and other donors, USAID will provide technical assistance to members and key committee staff on legislative processes such as budget analysis and legislative drafting, as well as training on communications skills and outreach to enable members to consult regularly with constituents on the work being carried out on their behalf. This use of supplemental funds will contribute to the overarching goal of a more representative, effective government that is

committed to providing improved and expanded services to citizens at the national and local levels.

Among the anticipated results are: Haitian Fellows Program established; Integrated Financial Management System functioning across GOH entities and expanding to regional and municipal levels; increased levels of citizen confidence in local governments within the targeted development corridors; and strengthened Parliamentary capacity to propose, analyze and debate key legislation, such as decentralization and criminal code reform measured by legislation drafted and passed, discussion memoranda prepared for members of Parliament analyzing cost and policy implications of proposed legislation, and number of hearings held to review legislation.

Implementing Partner(s): To be determined. Local government programming will be implemented by ARD through September 2011. Full and open competition for all mechanisms expected by early 2011.

Justice Reform and Human Rights (\$14.7 million in Economic Support Funds)

The USG will use both ESF and INCLE supplemental funding in an integrated strategy to improve the basic functionality of the justice system and protect the human rights of Haiti's most vulnerable citizens, including IDPs, children, and detainees. With the new Parliament and administration in Haiti, the USG will work closely with the GOH and other donors to advance the passage and implementation of new criminal and criminal procedure codes; to support the review of pre-trial detention cases to facilitate trials or release; standardize case tracking practices; train court administrators on case tracking and management; and improve access to judicial services at the community level through support of legal aid centers and roving justices of the peace. These activities will reduce unwarranted pre-trial detention, a continuing issue as escapees from the quake are captured, and foster citizen confidence in the justice system.

With supplemental funding, the USG will expand its support to prevent and respond to human rights abuses, including human trafficking, gender-based violence and exploitation, violence, neglect and child abuse. USG programs will improve the capacity of GOH institutions, such as the Office of Citizen Protection, the Institute of Research and Social Welfare under the Ministry of Social Affairs and Labor, the Ministry of Women's Affairs, and the Haitian National Police's Brigade for the Protection of Minors, to prevent and respond to human rights abuses. The USG will also support critical interventions for victims, including rescue, medical and psychological, legal and education services, safe interim and long-term shelter and care, and social rehabilitation and integration of vulnerable populations back into Haitian society.

In partnership with the GOH and Haitian civil society organizations, supplemental funding will be used to improve child protection systems and services, helping to transform a welfare system that has been based on institutional care into one based on a child's right to care and protection within families. This includes efforts for household-level economic strengthening to prevent unnecessary separation of children from families; reuniting separated children with their own families; the transfer of children in orphanages and crèches to family-based care; and other efforts to prevent and respond to the *restavek* practice, institutional placement, and other violations of children's rights.

Activities funded through INCLE and described below will be included in this integrated justice reform and human rights agenda. That agenda will also be closely coordinated with the USG economic growth, health, and education goals.

Among the anticipated results are: While levels of funding and direction of programs will be contingent on sufficient political commitments by the GOH, targeted results include: reduction in pre-trial detainee and pre-arraignment populations; systemic improvements implemented to prevent recurrence of significant percentages of pre-trial detainees; mobile court system developed and implemented by March 2011; harmonized standard operating procedures covering human rights/child/gender abuse and civil rights protections developed and implemented within and across relevant GOH justice institutions and other institutions charged with protecting vulnerable populations (such as the Office of Citizen Protection); increased reporting of instances of human rights/child/gender abuse cases to/through the National Ombudsman's Office and the HNP; improved tracking and monitoring of cases; improved law enforcement capacity (i.e., HNP's Minors Protection Brigade, prosecutors, and magistrates) to respond, as seen through identification, arrest, and successful prosecution of perpetrators; reduction in the number of children sent into *restavek* situations, or participating in criminal activities/organized crime; reduced instances of trafficking in women and children; and increased citizen confidence in GOH's institutional capacity to protect civil and human rights, as measured through Americas Barometer.

Implementing Partners: To be determined. USAID will continue critical justice reform and human rights activities with FY 2009 and FY 2010 funds, and will program supplemental resources through a full and open competition.

International Narcotics Control and Law Enforcement (INCLE) (\$141.2 million)

In tandem with ESF funds described above, INCLE funding will help rebuild and reform the security sector, as well as enhance the ability of the GOH to provide for greater political stability in Haiti. Security and stability is a critical underpinning for all the donor and private sector investment anticipated to rebuild Haiti. Funded activities will lay the foundation for medium-term development by fostering community-level and local government organizing and increased government capacity.

Justice Reform and Human Rights (\$7.5 million in INCLE funds)

Haiti's criminal justice sector requires legislative and administrative changes as described above. To support the strategy to address the 85 percent pre-trial detention rate in Haiti, funds will provide a mobile court system to transport judges to prisons to adjudicate and classify prisoners. Mentors will work alongside judicial personnel in Haitian courts and the judicial police to provide training in the penal chain and assistance to re-establish a judicial process that is defined and functioning appropriately. Funds will contribute to physical reconstruction of key justice sector buildings destroyed during the earthquake. Criminal justice sector support will also include such costs as travel and logistics support; case filing systems; basic infrastructure and equipment, including computers, office furniture, computer servers, and supplies.

Anticipated Results: Classification system developed and implemented by the end of FY 2011; and Ministry of Justice rebuilt and staffed by the end of FY 2011.

Implementing Partners: State Department's International Narcotics and Law Enforcement bureau (State/INL) will use the Civilian Police base contract followed by its successor Criminal Justice Program Support (CJPS) contract, once awarded, to provide the assistance needed, including infrastructure support. In addition, State/INL will use local and disadvantaged (including from the Haitian diaspora) contractors to support specialized assistance.

Corrections (\$33.4 million)

Funds will support the repair or reconstruction of select damaged correctional facilities, including immediate equipment, infrastructure support, training and basic supplies to improve the conditions. In coordination with the Haitian Government and other major international donors, including Canada and the United Kingdom, the USG will support renovations or rebuilding damaged prison facilities in Petionville, Carrefour, and possibly other locations. The USG will also accelerate building of the new women's correctional center once the GOH obtains clear land title to a site deemed feasible for engineering and construction. The GOH has proposed a site in Thomazeau, and State/INL engineers are conducting a feasibility study of it. USG assistance will provide the Haitian Directorate of Prisons with training, mentoring, and equipment to re-establish and improve capacity. Assistance will also address improved prison management and administration. As a classification system is developed and implemented to manage both the pre-trial and sentenced populations, funds will support a community corrections program to provide alternatives to incarceration, which will help reduce prison overcrowding. Corrections assistance will include technical assistance and training, including travel costs; supplies; operations and maintenance costs, such as utilities; and water systems, electrical systems, and other equipment for a limited time, not to exceed one year.

Among the anticipated results are: Refurbishment of the Petionville women's prison; reconstruction of the Carrefour correctional facility; construction of a new women's prison on land deemed to be feasible for engineering and construction; classification system developed and implemented by the end of FY 2011; prison personnel vetted, equipped, and trained resulting in full staffing requirements met in all open prison facilities; and 100% of new construction of new correctional facilities is completed and operational between FY 2012 – FY 2014.

Implementing Partners: To be determined through an open competition that will include opportunities for small and disadvantaged businesses with experience in the sector (including from the Haitian diaspora).

Policing (\$35.1 million)

In accordance with the police reform plan targets agreed with the UN, the GOH is focused on increasing the number of Haitian National Police (HNP) to 12,000 people by 2012. A priority for USG assistance will be to reconstruct damaged portions of the HNP police training facility and to provide assistance for training new police recruits. USG funds implemented by State/INL will support projects to advance the operational capacity of the HNP, including activities to improve training academy administration; initiatives to establish new in-service, mid- and

command-level training, development, and professional education programs; and strengthening of specialized units, including forensic, SWAT, civil order and traffic units. Support will advance anti-corruption and accountability, including assistance to the Director of Administration and the Inspector General's office. Assistance to the HNP will include technical assistance and training; logistics support, such as travel costs; equipment, including computers and forensic equipment; uniforms; supplies and food; salaries or stipends to students when needed; and infrastructure support.

Among the anticipated results are: Graduation of the HNP's 22nd academy class and preparation with MINUSTAH and HNP of subsequent classes, to move toward the 12,000 officer target by 2012; improvement in HNP operational and administrative capacity beyond pre-earthquake levels to include infrastructure development and decreased reliance on MINUSTAH by the end of FY2012; increased presence and capacity of HNP in operationally significant units on the streets; standardized reporting and publishing of records of reports of criminal activity in the Port-au-Prince region and other significant population centers; HNP Inspector General provided with facilities by summer 2011; two classes of new HNP police trainees provided necessary equipment and supplies to facilitate training and graduation by the end of 2011; 100% of quake-damaged police stations and sub-stations restored and operational by March 2013; and 100% of new construction of police stations and sub-stations completed and operational between FY 2012 and FY 2014.

Implementing Partners: State/INL will use the Civilian Police base contract followed by its successor Criminal Justice Program Support (CJPS) contract, once awarded, to provide the assistance needed. The CJPS will also include a small business set aside that will provide additional implementing small business partners with specific policing reform expertise.

Counternarcotics and Anti-Corruption (\$14.7 million)

USG assistance will seek to reestablish and enhance the HNP capacity for counternarcotics, maritime, and transnational anti-crime operations. USG counternarcotics assistance provided through State/INL, will enable the U.S. Drug Enforcement Agency (DEA), and the U.S. Coast Guard to fund technical assistance and training; logistics support, including travel costs for operations and training; equipment; uniforms; supplies and food; and infrastructure support. Funds will support the counternarcotics unit of the HNP (BLTS), Guard Cote (Coast Guard), and anti-money laundering unit (BAFE). USG activities will include reestablishing the BLTS headquarters; providing infrastructure and equipment support, including vehicles; further developing the HNP's communications architecture to promote eventual sharing of intelligence analysis and coordination of operational information between Haitian counternarcotics units and USG entities; refurbishing and/or constructing maritime bases and piers; and continuing anti-money laundering and anti-corruption support, including training, technical and logistical assistance for specialized units, and expansion of the Integrated Financial Management system to Haitian government entities.

The USG will also use supplemental funds implemented through the U.S. Department of the Treasury, to support Haiti's financial intelligence and anti-corruption units, whose responsibilities are to investigate money-laundering activities and seize funds from illegal

enterprises. The USG will work with the GOH to reform these bodies to make them independent units capable of preventing, detecting, and referring corruption cases for prosecution.

Anticipated Results: Decreased drug trafficking and corruption in Haiti by enabling the GOH to improve governance, public security and citizen confidence in government institutions; building/rebuilding the GOH's capabilities to successfully undertake counternarcotics and anti-corruption operations; the BLTS is reinforced, expanded, and operational in a Port-au-Prince facility by the end of FY2011; establishment of BLTS operational counternarcotics capacity at logistical chokepoints through the country with infrastructure development and training by the end of FY2012; additional personnel dedicated to the Haitian Coast Guard from the upcoming HNP training class by March 2011; BLTS established in new headquarters by the mid-FY 2011; BAFE installed in new facilities and resumes investigation of financial crimes by the end of FY2011; and anti-corruption units of the GOH are trained and have the independence necessary to prosecute corruption cases according to a national anti-corruption strategy. .

Implementing Partners: Support for the BLTS is provided via an interagency agreement with the DEA. Support for the Haitian Coast Guard is coordinated with the U.S. Coast Guard who will assist with the selection of a contractor to rebuild damaged base facilities. Anti-money laundering and anti-corruption assistance is currently provided via an interagency agreement with the U.S. Department of Treasury.

Trafficking in Persons (\$5.5 million)

The USG will work diplomatically and programmatically to strengthen Haitian institutional and civil society capacity to identify and respond to human trafficking and complement existing efforts for citizen and victim protection.

The USG will implement supplemental funded-programs through the Department of State's Office to Monitor and Combat Trafficking in Persons (State/GTIP) to support technical assistance on anti-trafficking legislation and build awareness of the need for enactment and enforcement of a comprehensive TIP law, prevention and protection programs of both human trafficking victims and victims of gender-based violence, and investigations and prosecutions of cases in Haiti and the Dominican Republic. A portion of the funds will be used to enhance protection from gender-based violence, including in IDP camps, as well as to provide services for child and adult victims of sexual abuse during investigation of such crimes. Activities will be carried out in partnership with local government or civil society actors wherever possible.

Among the anticipated results are: Draft legislation considered by the Haitian legislature and government officials; increased capacity of targeted law enforcement and social welfare agencies to recognize human trafficking victims and work with NGOs that provide direct services; increased capacity of law enforcement officials to investigate and prosecute human trafficking cases; expanded and enhanced protections for victims of gender based violence; and increased public awareness of the plight of *restavek* children among all sectors and increased number of *restavek* children who are rescued, protected and reintegrated into communities or families of origin.

Implementing Partners: Support will be provided to the International Organization on Migration (IOM) to support coordination and direct services for victims of human

trafficking. Following an open competition for funding, State/GTIP will work through five to ten other non-governmental organizations (local and international).

Peacekeeping (\$45 million)

Supplemental funds will allow the USG to double its MINUSTAH contingent through the secondment of 50 police advisors and five corrections advisors. In the near term, it is important for MINUSTAH to have a visible presence on the ground to provide security to the community and internally displaced citizens and to assist the corrections department with detention facilities and proper inmate control. MINUSTAH is responsible for mentoring, advising and assisting with the training academy, which will help graduate new HNP academy classes and professionalize the correctional personnel. Support will include an increase in the U.S. contribution of police and correctional advisors to MINUSTAH, equipment for increasing personnel, an increase in temporary housing for those personnel located in Port-au-Prince, assistance to establish effective camp security measures for internally displaced persons, and provide equipment and training to foreign formed police units.

Among the anticipated results are: MINUSTAH improves security in IDP camps and neighboring communities through increased presence and patrols; an increase in the number of qualified police and corrections experts embedded in MINUSTAH; and training and mentoring provided by these advisors will increase the HNP's capacity, which will ultimately enable MINUSTAH to draw down.

Implementing Partners: Current assistance to MINUSTAH is provided through Pacific Architects and Engineers (PAE). State/INL will use the Civilian Police base contract followed by its successor Criminal Justice Program Support (CJPS) contract, once awarded, to provide the assistance needed, which includes set aside provisions for small and disadvantaged businesses.

BUDGET SUPPORT (\$7.5 million in Economic Support Funds through the HRF)

In its contribution to the HRF, the USG will express a preference to use \$7.5 million of its contribution from supplemental funds for budget support to the GOH. Consistent with USG accountability and transparency requirements, the HRF will maintain a mechanism for providing budget support to the GOH for certain items, which is needed following the collapse of government revenues in the aftermath of the earthquake. The USG will express a preference to use \$6 million in supplemental funds for operating costs of the IHRC. With the assistance of the USG, the IHRC is currently putting in place a financial accounting system and associated financial audit unit. Should this system meet international fiduciary standards for transparency and accountability, the USG will disburse \$6 million of the budget support contribution directly through this unit to the IHRC.

The remaining \$1.5 million in supplemental funds will be added to the \$11 million of FY09 funds (converted from debt relief to direct budget support) and "preferenced" through USAID to the HRF for budget support in other sectors. At this time, the GOH has not yet issued a line item budget. Once the budget is released, the USG will consult with the GOH and other donors to identify priority sectors and potential gaps in donor support before making a final budget support

allocation. Preliminarily, the USG anticipates that funding will be needed for infrastructure support line items and civil service salary support.

OPERATING EXPENSE COSTS, PROGRAM DEVELOPMENT AND PROGRAM ADMINISTRATIVE COSTS

The magnitude of the disaster caused by the January 12 earthquake in Haiti and the large reconstruction program will require a significant increase in staff to provide oversight and accountability. To effectively implement the USG reconstruction program, the USG will increase its personnel (both American and Foreign Service national staff) in Haiti, including an approximate doubling of USAID American staff in FY 2011 and significantly increase State/INL and State/GTIP permanent and temporary duty staff. New staff will include U.S. direct hires and U.S. personal services contractors (PSCs), who are needed to fill vacant positions as quickly as possible to provide specialized technical expertise in new sectors, such as shelter, energy, ports, and agricultural and health infrastructure. USAID will also hire a number of new Foreign Service national staff to augment technical capacity and ensure proper program oversight.

Since the earthquake, administrative and operational expenses have increased significantly for all USG agencies operating in Haiti, in part due to the rising cost of living in Haiti. Shortages of suitable housing, both long-term and short-term, have significantly driven up prices in the Port-au-Prince rental housing market. Rental prices are estimated to have at least doubled since the earthquake. Recurrent water, electricity, and security costs will also significantly increase the USAID Mission's program development and operating expense (OE) requirements. In keeping with the USG commitment to do business differently and our future focus on secondary cities, additional OE resources are needed so that staff can travel regularly outside of Port-au-Prince to monitor projects. Increased USG staff also requires additional cars - some of which are armored - and associated costs of drivers, gasoline and maintenance.

USAID Operating Expense Costs

Economic Support Fund (\$10 million)

As authorized in the Supplemental Appropriations Act, 2010, USAID intends to transfer up to \$10 million in ESF funds to merge with funds made available under the heading "United States Agency for International Development, Funds Appropriated to the President, Operating Expenses" (OE) for administrative costs. These funds will be taken proportionally from all project areas, excluding amounts designated for the HRF contribution. USAID will transfer and merge \$6.5 million in supplemental ESF resources in FY 2011. USAID projects that it will need to transfer and merge \$3.5 million in ESF supplemental resources in FY 2012, but will re-assess needs next year and notify Congress of the exact amount to be transferred and merged. This total of \$10 million represents 1.3% of the \$770 million in supplemental ESF funds allocated to USAID and will be spent over a period of two years as USAID contributes to an unprecedented reconstruction program.

OE funds will be used for administration and oversight expenses, including the salaries, benefits, allowances, and travel of U.S. direct hire personnel, residential leasing, International Cooperative Administrative Support Services (ICASS) costs, and other administrative and operating expenses.

Program Development and Administration Costs

Economic Support Fund (\$37 million)

USAID will use \$37 million in Supplemental funds for program development and program administrative costs to support the above USAID programs. This total of \$37 million represents 4.8% of the \$770 million in supplemental ESF funds allocated to USAID and will be spent over a period of two years.

Of this amount, \$25 million (3.25% of the total ESF) will be allocated for administration and oversight expenses, including the salaries, benefits, allowances, and travel of U.S. contract and foreign national personnel, residential leasing, International Cooperative Administrative Support Services (ICASS) costs, and other administrative and operating expenses.

A total of \$12 million (1.56% of the total ESF funds) will be allocated for Program Design and Learning activities, including program planning, design, implementation, monitoring, and evaluation. These resources will enable USAID to augment its capacity to monitor and evaluate its reconstruction and development activities. As described in the USG post-earthquake strategy for Haiti, the USG will establish an independent monitoring and evaluation (M&E) unit within the USAID mission, staffed with specialists who will collect data on program performance, design evaluations, and use data to assess program progress and impact. Rigorous assessments and thorough data collection and analysis will be integrated into the design and management of all USG programs in Haiti. The M&E team will track inputs, outcomes, and most importantly, impacts of development activities at the program, sector, and national levels. The M&E team will use this data and information to evaluate the impact of the USG's development activity, the relevance of program objectives, the effectiveness of the design and implementation of the program, the efficiency of the use of resources, and the sustainability of the results beyond donor funding. In this way, the USG will create a real-time feedback loop to re-evaluate and continually refine its strategy as necessary. Future programming will benefit from evidence-based designs that take the lessons of past evaluations into account.

International Narcotics Control and Law Enforcement (INCLE) (\$6.5 million)

State/INL will use \$6.5 million in Supplemental funds for program development, design and administrative and personnel costs to support State/INL police, courts, corrections, and counternarcotics programs. This total of \$6.5 million represents 4.5% of the \$142.2 million in supplemental INCLE funds allocated to State/INL and will be spent over a period of two years.

Funds will be used for the salaries, benefits, allowances and travel of direct hire and contract U.S. and foreign national personnel, residential leasing, International Cooperative Administrative Support Services (ICASS) costs and other administrative and operating expenses for program planning, design, implementation, monitoring and evaluation.