

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

**HAITI**

**STRENGTHENING THE FOUNDATIONS OF DIGITAL TRANSFORMATION OF  
PUBLIC MANAGEMENT TO IMPROVE GOVERNMENT EFFECTIVENESS**

**(HA-J0010)**

**GRANT PROPOSAL**

This document was prepared by the project team consisting of: Claudia Mendieta, Team Leader; Alejandro Pareja, Alternate Team Leader, Ariel Nowersztern, Edgardo Mosqueira, Miguel Porrúa, Gastón Pierri, Catherinne De La Torre, Marianna González (IFD/ICS); Andrea Monje (SCL/GDI); Ghislaine Pierre (CID/CHA); Ana González, Ángel Sanabria (VPC/FMP); Sara Vila, Mónica Centeno (LEG/SGO); and Horacio Nemeth (consultant). The team thanks the valuable comments of Arturo Munte and José Luis Hernández (IFD/ICS).

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|--|---|
| REL#1                                  | <a href="#">Pluriannual Execution Plan (PEP)</a>                  |
| REL#2                                  | <a href="#">Monitoring and Evaluation Plan (MEP)</a>              |
| REL#3                                  | <a href="#">Environmental and Social Management Report (ESMR)</a> |
| REL#4                                  | <a href="#">Procurement Plan</a>                                  |

| <b>OPTIONAL ELECTRONIC LINKS (OEL)</b> |   |
|--|---|
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| OEL#2                                  | <a href="#">Lessons Learned</a>   |
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|  | C. <a href="#">Remote Work GHG</a>  |
| OEL#6                                  | <a href="#">Framework to Support Populations in Situations of Fragility, Conflict, and Criminal Violence, 2024–2027</a> |

**ABBREVIATIONS**

|              |   |
|--------------|---|
| AGD          | Customs General Administration  |
| BRH          | Central Bank  |
| CONATEL      | National Telecommunications Council   |
| CSIRT        | Cybersecurity Incident Response Team  |
| DGB          | Budget General Directorate  |
| DGI          | Taxes General Directorate   |
| DGTCP        | Treasury and Public Accounting General Directorate                                    |
| DSI          | Information Systems Directorate   |
| EA           | Executing Agency  |
| ERR          | Economic Rate of Return   |
| FCCV         | Fragility, Conflict, and Criminal Violence  |
| HDAP         | World Bank Digital Acceleration Project   |
| HRM          | Human Resources Management  |
| HTG          | Haitian Gourdes   |
| ICRL         | Institutional Capacity and Rule of Law  |
| ICRLCM       | Institutional Capacity and Rule of Law Country Matrix                                 |
| IDB          | Inter-American Development Bank   |
| IFMIS/SIGFIP | Integrated Public Financial Management System   |
| IHSI         | Statistics and Information Technology Institute                                       |
| MEF          | Ministry of Economy and Finance   |
| NPV          | Net Present Value   |
| PA           | Paris Agreement   |
| PAGEFIS      | World Bank Program to Improve Public Financial Management and Statistical Information |
| PFM          | Public Financial Management   |
| PMC          | Project Management Committee  |
| POM          | Project Operating Manual  |
| RIFOP        | Biometric Registry of Permanent Civil Servants and Contractors                        |
| WB           | World Bank  |

**PROJECT SUMMARY**  
**HAITI**  
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| Financial Terms and Conditions  |   |   |   |   |                              |                              |                              |
|---|---|---|---|---|------------------------------|------------------------------|------------------------------|
| Beneficiary   |   |   | Grant Facility                          |   |                              |                              |                              |
| Republic of Haiti   |   |   | <b>Amortization Period:</b>             | N/A                                     |                              |                              |                              |
| <b>Executing Agency (EA)</b>  |   |   | <b>Disbursement Period:</b>             | 5 Years                                 |                              |                              |                              |
| Ministry of Economy and Finance   |   |   | <b>Grace Period:</b>                    | N/A                                     |                              |                              |                              |
| <b>Source</b>   | <b>Amount (US\$)</b>                    | <b>%</b>  | <b>Interest rate:</b>                   | N/A                                     |                              |                              |                              |
| <b>IDB (IDB Grant Facility):</b>  | 16.000.000                              | 100   | <b>Credit Fee:</b>                      | N/A                                     |                              |                              |                              |
|   |   |   | <b>Inspection and supervision fee:</b>  | N/A                                     |                              |                              |                              |
| <b>Total:</b>   | 16.000.000                              | 100   | <b>Weighted Average Life (WAL):</b>     | N/A                                     |                              |                              |                              |
|   |   |   | <b>Currency of Approval:</b>            | Dollars of the United States of America |                              |                              |                              |
| Project at a Glance   |   |   |   |   |                              |                              |                              |
| <p><b>Project objective/description:</b> The project general development objective is to contribute to improvements to policy implementation and service delivery to citizens by supporting increased effectiveness of public management through digitalization. The specific development objectives are to: (i) increase the institutional capacity of the digital government agency; (ii) increase efficiency of core management systems run by the Central MEF through digitalization of Central MEF internal management; and (iii) increase cybersecurity monitoring and management capacity of priority public agencies.</p> |   |   |   |   |                              |                              |                              |
| <p><b>Special contractual clauses prior to first disbursement:</b> The Beneficiary, through the Executing Agency, shall provide evidence, to the satisfaction of the Bank, of: (i) approval and entry into effect of <a href="#">Project Operating Manual (POM)</a> according to terms and conditions previously agreed with the Bank; and (ii) selection of a financial management specialist and a procurement specialist, in accordance with terms agreed with the Bank, to reinforce the Project Team of the Executing Agency (EA) (¶3.9).</p>  |   |   |   |   |                              |                              |                              |
| <p><b>Special contractual clauses for execution:</b> See fiduciary special contractual clauses for execution included in the Fiduciary Agreements and Requirements (Annex III).</p>   |   |   |   |   |                              |                              |                              |
| <p><b>Exceptions to Bank policies:</b> None.</p>  |   |   |   |   |                              |                              |                              |
| Strategic Alignment   |   |   |   |   |                              |                              |                              |
| <b>Objectives<sup>(a)</sup>:</b>  | O1 <input checked="" type="checkbox"/>  |   | O2 <input checked="" type="checkbox"/>  |   | O3 <input type="checkbox"/>  |                              |                              |
| <b>Operational Focus Areas<sup>(b)</sup>:</b>   | OF1 <input checked="" type="checkbox"/> | OF2-G <input checked="" type="checkbox"/><br>OF2-D <input type="checkbox"/> | OF3 <input checked="" type="checkbox"/> | OF4 <input checked="" type="checkbox"/> | OF5 <input type="checkbox"/> | OF6 <input type="checkbox"/> | OF7 <input type="checkbox"/> |

<sup>(a)</sup> O1 (Reduce poverty and inequality); O2 (Address climate change); and O3 (Bolster sustainable regional growth).

<sup>(b)</sup> OF1 (Biodiversity, natural capital and climate action); OF2-G (Gender equality); OF2-D (Inclusion of diverse population groups); OF3 (Institutional capacity, rule of law, and citizen security); OF4 (Social protection and human capital development); OF5 (Productive development and innovation through the private sector); OF6 (Sustainable, resilient, and inclusive infrastructure); and OF7 (Regional integration).

## I. PROJECT DESCRIPTION AND RESULTS MONITORING

### A. Background, problem addressed, and justification

- 1.1 **Fragility, Conflict, and Criminal Violence (FCCV) situation and government effectiveness.** Haiti is a low-income, fragile state that has been struggling with sociopolitical and economic challenges for decades. Haiti is one of the most fragile countries in the world, ranked 11 out of 179 countries,<sup>1</sup> and it is one of the least effective governments, ranked in the 0.94<sup>th</sup> percentile according to the 2022 Worldwide Governance Indicators (WGI), comparable to Somalia (1.42) and South Sudan (0.00).<sup>2</sup> Haiti FCCV situation is associated to complex challenges on each of the elements of this condition: fragility, conflict, and criminal violence. Haiti's fragility –the FCCV element to be addressed by this project- is directly related to the insufficient capacity of the state to deliver basic public services.<sup>3</sup> Haiti's severe limitations in institutional capacity and rule of law translate into deficient public management with ineffective policy design and implementation and service delivery to citizens and firms. The state's weak capacity to deliver on its functions and services renders it an ineffective government.
- 1.2 Haiti's enduring security and political upheaval fuels a fifth consecutive year of economic decline. Ongoing instability and security crises, exacerbated by the proliferation of armed gangs, have severely impeded economic performance. According to the Statistics and Information Technology Institute (IHSI), the GDP experienced a downturn of 1.9% in FY2023. Inflation for January 2024 stood at a year-on-year rate of 20.9%, down from 21.2% the previous month, following a peak of 49% in January 2023. The Haitian *Gourde* (HTG) has shown sustained appreciation since April 2023, rebounding from its peak depreciation of 154.23 HTG/USD, and it recorded a 16.2% increase in value in mid-March 2024. Looking ahead, the severe deterioration in the security situation since February 2024, and the resulting casualties, displacements, and heightened tensions in *Port-au-Prince*, will have further adverse effects on economic indicators.
- 1.3 **Public sector management challenges.** Haiti's ineffective policy implementation and service delivery is due to interrelated causes underlying the weaknesses of its public management: (i) weak organizational and technical capabilities due in turn to a) deficient core crosscutting management systems to generate and allocate financial resources and to manage resources for service production and delivery, and b) frail governance and strategic approach with deficient organizational structures and regulatory framework; (ii) feeble accountability and rule of law framework; and (iii) an authorizing environment not conducive to consensus and support for reforms. Management systems are particularly relevant as they are

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<sup>1</sup> [Fragile States Index, 2022](#).

<sup>2</sup> Relatedly, Haiti is in the 7.55<sup>th</sup> percentile rank in Rule of Law, 5.19<sup>th</sup> in Control of Corruption, 10.38<sup>th</sup> in Political Instability and Absence of Violence/Terrorism, and 8.49<sup>th</sup> in Regulatory Quality. See: [WGI](#).

<sup>3</sup> The [IDBG Framework to Support Populations in Situations of Fragility, Conflict, and Criminal Violence, 2024–2027](#) (GN-3199-2) (herein FCCV Framework) defines the three elements of FCCV-fragility, conflict, and criminal violence. Fragility is defined as the “insufficient capacity of the state, or the subsystems within it, to deliver basic public services and mitigate, manage, or recover from the effects of shocks and risks associated with them”. According to its methodology to identify FCCV countries, one criteria assessed is “Countries with high institutional and social fragility” which is measured by “extremely weak institutional and policy environment”, among other indicators. Based on this, Haiti is classified as a fragile country.

preconditions for policy implementation and service delivery: budget, strategic planning, public investment, human resources, and procurement, as well as the use of digital technologies to improve these management systems' efficiency and effectiveness, are all critical for policy design and implementation as well as service production and delivery. The inability to leverage digital technologies in public management causes, among other, deficient management systems, weakening the state's organizational and technical capabilities for effective policy implementation and service delivery.

- 1.4 The Ministry of Economy and Finance (MEF) is at the heart of the country's center of government and is responsible for the core crosscutting management systems of the public administration, thus having an enormous impact across all government agencies, sectors and levels. However, gaps in MEF organizational and technical capabilities, including meager process optimization as well as scant digitalization of both mission areas and internal management, translate into deficient core management systems. The Central MEF comprises MEF Internal Services -Minister Office, General Directorate, and Treasury and Accounting Directorate (DGTCP)- as well as a critical MEF Deconcentrated Service -the Budget General Directorate (DGB).<sup>4</sup> The Central MEF runs several core crosscutting management systems, including budget planning and execution, public investment, strategic planning, civil service payroll management, and procurement's payments to suppliers, among other. Gaps in Central MEF technological enablers and capabilities to digitalize its internal management are key barriers to efficient and effective conduction of the core management systems under its responsibility. See [OEL#1](#).
- 1.5 **Digital government challenges.** Digital transformation of public management is a key means to improve effectiveness of policy design and implementation, efficiency, quality and inclusiveness of service delivery, and public sector transparency and integrity. And this is especially important for Haiti, as digital government could help provide a tailored response to its FCCV situation by enhancing government effectiveness while improving the resilience of public sector operation. However, Haiti presents severe shortcomings in all the digital transformation enablers that are crucial to foster and leverage digital government: digital governance and institutions, digital legal and regulatory framework, digital talent, and digital infrastructure and tools. In 2022 Haiti ranked 187 (of 193 countries) in the UN e-government index.<sup>5</sup> The country's gaps in this digital transformation enabling framework prevent it from developing this agenda in a coherent, sustained and inclusive way.<sup>6</sup> This inability to leverage digital government in turn exacerbates public sector management challenges, with extremely weak institutional capacity and rule of law compounded by pervasive usage of paper transactions and in person interactions as well as lack of resilience

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<sup>4</sup> "Central MEF" refers to core MEF Internal Services and Deconcentrated Services, and their corresponding Directorates and Units. This excludes (i) other MEF Deconcentrated Services such as Taxes General Directorate (DGI), Customs General Administration (AGD), Finance General Inspection (IGF), and Information Technology Institute (IHSI), among other; and (ii) MEF Autonomous Organisms such as Fight Against Corruption Unit (ULCC), Economic and Social Assistance Funds (FAES), and Industrial Parks National Society (SONAPI), among other.

<sup>5</sup> Haiti e-government index is 0.248 (0 indicates nil development, and 1 high development). See: [UN e-Government Knowledgebase](#).

<sup>6</sup> Cubo et al (2022). [Government digital transformation guide](#).

of public sector operation, causing enormous inefficiencies and a drain of public resources<sup>7</sup> and adding to the ineffectiveness of policies and services. See [OEL#1](#).

- 1.6 **Problem to address.** The problem identified is the government's ineffective policy implementation and service delivery to citizens. The project will address one of its main causes: the inability to leverage digital technologies in public management. This in turn is due to: (i) weak public sector digital governance; (ii) gaps in technological enablers and capabilities to digitalize and increase efficiency of core crosscutting management systems run by the Central MEF; and (iii) limited public sector cybersecurity capacity.
- 1.7 **Weak public sector digital governance.** Haiti's digital governance is weak, with overlapping roles and pervasive low institutional capacity. The IHSI, which depends on the MEF, has since 2020 the mandate of coordinating the country's digital transformation policy and efforts thus embodying the role of national digital government agency. The e-Governance Unit of the Prime Minister Office also has the mandate to orient the digital transformation policy and approve/validate all public sector initiatives in this regard, overlapping the IHSI role to set digital transformation policy strategic direction. The National Telecommunications Council (CONATEL)<sup>8</sup> also has an important role as the regulator of digital connectivity infrastructure. Before the recent mandate of the IHSI as digital government agency CONATEL played a leading role in this agenda, and its longer presence in the sector with stronger capacity frequently results in tensions when defining scope of both agencies. Another important actor is the MEF's Information Systems Directorate (DSI), which is conducting digital transformation initiatives within the ministry which will impact the broad public administration. All these agencies and units present very low technical and operational capacity, limiting their effectiveness and efforts to jointly address issues. This challenge is particularly problematic for the IHSI given its lack of capacity to fulfill its mandate of digital government agency.
- 1.8 **Gaps in technological enablers and capabilities to digitalize and increase efficiency of core crosscutting management systems run by the Central MEF.** The Central MEF presents severe limitations in digital infrastructure and digital shared solutions that are key technological enablers for the digitalization of processes and transactions underlying the core management systems this ministry runs. This includes strategic internal management services and tools supporting both the entire Central MEF back-office operation and front-office processes at the Minister Office, General Directorate, DGTCP and DGB entailing senior management's document processing and signature. The Central MEF has very limited quality connectivity for high-demand applications and deficient and unstable energy supply for the operation of connectivity solutions. Cloud computing IT infrastructure is also weak, rendering critical applications, services and data vulnerable and deficient. While some improvements have been made to its interoperability platform, scope and effectiveness are still very limited with a low rate of data exchanged, a critical issue given that MEF's interoperability platform is expected to become the public sector single interoperability platform allowing

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<sup>7</sup> Roseth et al (2018). [Wait no more: Citizens, Red Tape, and Digital Government](#).

<sup>8</sup> CONATEL is an Autonomous Organism of the Ministry of Public Works, Transportation, and Communication (MTPTC).



- data exchange between all government agencies and with private sector actors. The Central MEF also presents a limited institutional email system and very low uptake among employees at all hierarchy levels. Paper-based, in person transactions and interactions are pervasive across MEF operation, including document management and signature as well as payments management. The whole document workflow and signature is paper-based (i.e. 0% of documents are managed or signed digitally). Payroll management is another emblematic reflection of this, with 80% of permanent public sector employees of the whole public administration being paid through paper-based check issuance and in person check collection and cashing. In 2022, the annual cost of permanent employees' payroll payment management (i.e. payment processes and transportation costs) was estimated to be approximately US\$846,000 or 0.12% of payroll. Similarly, even though budget execution procedures allow payments to suppliers either by check or bank deposit, currently 100% of payments to MEF suppliers are done through paper-based check issuance. Moreover, payments to suppliers entail the issuance of two simultaneous checks, one for the supplier and one for the tax authority (DGI) to ensure the corresponding tax is retained and paid.
- 1.9 Furthermore, management systems' processes are cumbersome and have high compliance costs, underscoring the need of a process optimization approach for digitalization efforts and of building consensus and support for process simplification reforms.
- 1.10 Adding to these challenges, the country FCCV situation, with gang-controlled areas and increasing kidnappings and killings, limits severely the ability of employees to commute to MEF buildings, and more broadly pushes people to either be internally displaced or leave the country causing brain drain across all public sector institutions. The FCCV situation critically undermines the operation and business continuity of the entire public administration, including the MEF's, as frequent lockdowns and criminal violence both impede in-office operation and exacerbate digital connectivity and energy issues thus affecting remote work options. Hybrid -in office and remote- work, supported by autonomous connectivity and energy tools, is a solution the MEF is contemplating to increase the resilience of its operation and business continuity, and to mitigate brain drain by leveraging the benefits of a more flexible and resilient work environment. However, the MEF lacks the regulatory, digital talent, and technological environment to enable hybrid work.
- 1.11 The brain drain issue affects the Central MEF increasingly and across all hierarchy levels, limiting human resources' availability, competencies, and ability to work. In addition to this, there are low digital skills among Central MEF employees, from digital literacy to advanced skills,<sup>9</sup> compounding capacity issues. The Central MEF also presents limited functional and technological capabilities to leverage digital technologies, including the weak capacity of its DSI. See [OEL#1](#).
- 1.12 Besides the issue of low digital skills, there are gender digital gaps and labor gaps. Female workforce participation in Haiti<sup>10</sup> is 62.1%, 7.1 p.p. lower than men.<sup>11</sup> This

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<sup>9</sup> Porrua et al (2021). [Digital Transformation and Public Employment: The Future of Government Work](#).

<sup>10</sup> Haiti does not conduct regular labor force surveys. Hence, these data need to be taken with caution.

<sup>11</sup> World Bank. Gender Data Portal: Haiti (2022).

rate is higher than the LAC average (51%). However, Haitian women tend to be more economically marginalized and are more likely to be in vulnerable employment (83.5%)<sup>12</sup> than their Haitian male (69.8%) and LAC female counterparts (34.7%).<sup>13</sup> Additionally, women tend to have less access to internet and cellphones than men (10-20 p.p. difference depending on the age group),<sup>14</sup> resulting in less access to information and lower opportunities for upskilling and reskilling in an increasing digital labor market.<sup>15</sup> Haiti's MEF has approximately 4,700 employees<sup>16</sup> out of which 1,538 are women, representing 33% of the workforce (a little higher than the regional average of 31.3%).<sup>17</sup> However, this percentage is lower when considering high-level officers as women are only 22% of category A employees (*haut cadres* and *cadres de decision*).

- 1.13 **Limited public sector cybersecurity capacity.** Haiti has a very weak cybersecurity capacity, both in terms of institutional aspects and operational and technological capabilities. This is reflected in a low cybersecurity capacity maturity, as per the IDB-OAS 2020 assessment.<sup>18</sup> Haiti was assigned the lowest maturity level in all dimensions evaluated, faring among the worst performers in the region. The country lacks cybersecurity policy and national strategy, with no strategic direction on issues such as incident response, critical infrastructure protection, crisis management, cyber-defense, and communications redundancy. Accordingly, there is no cybersecurity national governance. The country also lacks legal frameworks (including on cybercrime, and data protection and privacy) and effective criminal justice system, as well as cooperation frameworks to combat cybercrime.
- 1.14 There is also an inability to control risks through standards, organizations and technologies, with gaps in internet infrastructure resilience, software quality, technical security controls, cryptographic controls, cybersecurity marketplace, and responsible disclosure. Similarly, the country fares poorly in its capacity to encourage a responsible cybersecurity culture within society, and cybersecurity education, training and skills. Consistent with this, there is no public sector Cybersecurity Incident Response Team (CSIRT) established to protect, monitor, detect, respond, and recover from cybersecurity incidents. According to the 2020 Global Cybersecurity Index, Haiti ranks 167 (of 182 countries).<sup>19</sup>
- 1.15 **Project design and implementation strategy.** This project is part of a series of IDB efforts to strengthen Haiti's state capacity and public management, and it builds on lessons learned from previous interventions implemented amidst the country's challenging context. In particular, this project is the continuation of efforts carried out during the last six years to strengthen the MEF as the agency responsible for the public administration's core management systems and a pillar

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<sup>12</sup> Defined by ILO as workers that are least likely to have formal work arrangements, social protection, and safety nets to guard against economic shocks.

<sup>13</sup> World Bank. Gender Data Portal: Haiti (2021).

<sup>14</sup> World Bank (2023). Haiti's Untapped Potential: An Assessment of the Barriers to Gender Equality.

<sup>15</sup> Chemonics (2023). Blog: Empowering Young Women to Bridge the Gender Digital Divide.

<sup>16</sup> MEF - Direction Generale du Budget : Payroll du Mois de Octobre et Decembre 2023, et Janvier 2024.

<sup>17</sup> Naranjo, S. et al (2022). [Mujeres Líderes en el sector público de América Latina y el Caribe: brechas y oportunidades.](#)

<sup>18</sup> IDB and OAS (2020). [2020 Cybersecurity Report: Risks, Progress, and the Way Forward in Latin America and the Caribbean.](#)

<sup>19</sup> Haiti ranks below countries such as Belize (159) and Nicaragua (165). See: [ITU Global Cybersecurity Index.](#)

of Haiti's institutional capacity. The Program to Strengthen Public Management to Improve Service Delivery ([4820/GR-HA](#), US\$55 million, in execution), whose objective is to improve service delivery by enhancing the effectiveness, efficiency and transparency of human resources and salaries management, builds up MEF capacity and does so with the MEF as executing agency in its role of owner of the reforms promoted by the program and the actor leading their implementation and institutionalization.<sup>20</sup> This project will directly complement and leverage [4820/GR-HA](#) objectives and results so far, and it will benefit from pre-existing execution capacity by using [4820/GR-HA](#) execution arrangements and governance (¶1.23 & ¶3.1). Thus, this project is a key next step in the Bank's progressive, adaptive strategy to build state capacity in Haiti whereby interventions are gradual and anchored in critical public management institutions, such as the MEF, and in critical capabilities, such as the use of digital technologies to improve public management.

- 1.16 Consistent with this, the project's design and implementation strategy internalizes challenges for execution and development effectiveness in Haiti, and it builds on the Bank's long-term engagement with the country. Key features of this strategy are: (i) incremental reforms that build upon one another leveraging longer term Bank support; (ii) streamlined design with modest and feasible objectives and sound theory of change; (iii) execution arrangements and governance that secure both institutional capacity for implementation and country's appropriation and accountability (¶3.1-¶3.6); and (iv) FCCV strategic and operational approach (¶1.33).
- 1.17 In this context, the project's strategy to contribute to improvements to policy implementation and service delivery to citizens by supporting increased effectiveness of public management through digitalization is to foster levers that both enable (and accelerate) digital transformation and improve core management systems for service production and delivery. To this aim, the project will: (i) strengthen public sector digital governance and capacity of the digital government agency; (ii) deploy technological enablers and improve capabilities for digitalization and increased efficiency of core crosscutting management systems run by the Central MEF, focusing on the digital transformation of Central MEF internal management; and (iii) develop public sector cybersecurity capacity. This will allow fostering institutional, regulatory, technological, and digital talent enablers of digital transformation of public management at large, while building capacity and accelerating digitalization at the heart of the public administration by strengthening Central MEF capabilities and digitalizing its internal management. Furthermore, this will allow gradual and sustained progress with digital transformation of Haiti's public management, starting by the Central MEF not only due to its importance and role but also because improvements at this level can be organically and effectively mainstreamed and scaled up in MEF Deconcentrated Services and Autonomous Organisms as well as Sector Ministries. The fact that the digital government agency (IHSI) depends on the MEF also contributes to impactful improvements in digital governance. This gradual and strategic approach

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<sup>20</sup> [4820/GR-HA](#) was originally approved in 2019, and its reformulation was approved in November 2022. Eligibility of the reformulation was attained in March 2023. First disbursement post reformulation was completed in April 2023. Total disbursements during 2023 are equivalent to 20% of (post reformulation) budget of Components 1 and 2, which are comparable to the present operation (HA-J0010). Further details in ¶1.23.

is necessary given Haiti's fragility and the complexity of its public management and digital government challenges. The project design and implementation strategy will thus allow it to tackle the issue of insufficient capacity of the state to deliver on its functions and services, contributing to address Haiti's FCCV situation -specifically the fragility element of this situation.

- 1.18 A potential spillover, in addition to improved effectiveness in policies and services, is increased public sector transparency and integrity which in turn strengthens the rule of law. Both institutional capacity for government effectiveness and rule of law contribute to improve the country's governance and address Haiti's fragility.
- 1.19 **Empirical evidence.** There is evidence about the effectiveness of interventions similar to those proposed in this project. Wandaogo (2022)<sup>21</sup> evaluated the impact of digitalization on government effectiveness using a panel methodology with data from 138 countries between 2006 and 2016. The results suggest that a government's use of Information and Communication Technologies (ICT) improves its effectiveness, in both developing and developed countries. The study also finds that an additional increase in digitalization of one unit has an average impact on government effectiveness of 0.048 for countries with an average effectiveness below the median. Roseth et al (2018)<sup>22</sup> analyze several LAC country case studies and find that government transactions (i.e. transactional public services) in the region are slow, prone to corruption, and exacerbate poverty and exclusion, as many of these transactions are carried out in person and on paper. This generates inefficiencies and costs for the citizens, the firms, and the government, with the government ultimately failing to connect public policies and services with intended beneficiary citizens and firms. The authors also find that digital technologies have a key role to address these issues as digitalization of government transactions are faster (74% on average), cheaper (between 2.35% and 5% of the cost of in person on paper transactions), and less vulnerable to corruption.<sup>23</sup>
- 1.20 **Country's strategy in the sector.** The project aligns with Haiti's Strategic Development Plan 2030,<sup>24</sup> which states the goal of digital modernization of public administration. It also aligns with the country's guidelines for a Digital Transformation Strategy and Action Plan,<sup>25</sup> which aim to establish the e-government framework. Likewise, the project aligns to MEF IT masterplan,<sup>26</sup> which establishes digital transformation actions and goals in line with MEF and public administration needs.
- 1.21 The Government of Haiti has shown commitment to address the challenges described by requesting donors' support. In response to this, programs supported by several donors are being implemented, including this project (¶1.26).

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<sup>21</sup> Wandaogo, A.-A. (2022). [Does digitalization improve government effectiveness? Evidence from developing and developed countries.](#)

<sup>22</sup> Roseth et al (2018). [Wait no more: Citizens, Red Tape, and Digital Government.](#)

<sup>23</sup> Additional evidence is presented in the [Monitoring and Evaluation Plan \(PME\).](#)

<sup>24</sup> See: [Plan Stratégique de Développement d'Haïti, Pays Émergent en 2030.](#)

<sup>25</sup> IHSI (2020). *La Transformation Numérique de l'Etat Haïtien – Résumé Exécutif de la Stratégie et Plan d'Action.*

<sup>26</sup> *MEF Schéma Directeur Informatique (SDI).*

- 1.22 **Bank experience in the country and sector, and lessons learned.** The project builds on IDB experience in Haiti strengthening public sector management broadly, and MEF institutional capacity and digital transformation particularly. Lessons from [4820/GR-HA](#) and [4352/GR-HA](#) (US\$27 million, approved in 2017 and now closed) regarding project strategy and implementation have been incorporated into this project's vertical logic (¶1.35), execution mechanism (¶3.1-¶3.6), risk management (¶2.5), and sustainability strategy (¶2.6). This includes, among other: lean execution mechanism with single executing agency, ensuring an acceptable level of executing agency's institutional capacity, fostering country appropriation and accountability and aligning this to project governance, and empowering officers at technical and managerial level to build sustainability and resilience. Lessons from Bank experience in the digital government and public sector management agendas, and the evolution of operations' strategies by sector and country, have also been internalized. This includes lessons from [2591/OC-UR](#), [3398/OC-UR](#), [4843/OC-UR](#), [5501/OC-PN](#), [4650/OC-PR](#), and [4942/BL-HO](#), about: ensuring project design is consistent with country context and institutional capacity, focusing on priority problems to enhance intervention strategy, and working at the intersection of digital government and public sector management, among other (¶1.15-¶1.17). Details on lessons and the way they are reflected in the project are presented in [OEL#2](#).
- 1.23 **Complementarities with other IDB operations in the country.** The project directly complements and leverages operation [4820/GR-HA](#).<sup>27</sup> The operation, particularly its Component 2, fosters the digital transformation of MEF administrative and financial management systems with focus on civil service human resources management (HRM) through: (a) a biometric registry of permanent civil servants and contractors (RIFOP), which will leverage digital identity for HRM; and (b) public sector employees' pay and pension modules of the Integrated Public Financial Management System (IFMIS/SIGFIP), which will allow digitizing wage and pension management at MEF level leveraging digital payments. Thus, both operations complement each other: this project will improve technological enablers and capabilities for the digitalization and efficiency of core management systems run by the MEF, including those related to HRM; and in doing so, the project will: (i) leverage [4820/GR-HA](#) progress with system innovations and MEF digital infrastructure; (ii) scale up innovations by using payroll payment improvements in a digital payment solution for suppliers, and by expanding use cases for digital identity beyond the RIFOP in digital document management and signature; and (iii) foster the sustainability of innovations by improving the country's digital transformation enabling framework. The project will therefore boost expected results with [4820/GR-HA](#) on wage bill control and efficiency and civil service HRM. This project will also use [4820/GR-HA](#) execution arrangements (¶3.1). The project will also build on sectorial digital transformation promoted by other operations, particularly in the social sector, such as interventions on the Education Monitoring and Information System ([5820/GR-HA](#), US\$15 million, active) and health sector internal management digital solutions

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<sup>27</sup> [4820/GR-HA](#) has three components: (i) strengthening wage bill control and efficiency through a payroll audit and the design of a retirement program (Component 1); (ii) enhancing efficiency through the implementation and use of digital technologies in administrative and financial management systems with focus on civil service human resources management systems (Component 2); and (iii) improving effectiveness and efficiency of human resources in the MEF and line ministries through the implementation of a retirement program (Component 3).



([5817/GR-HA](#), US\$50 million, active). The project will also complement infrastructure sector's investment in solar panels for a new MEF facility (in construction in the *Champ de Mars* area) ([4900/GR-HA](#), US\$38 million, under modification), by reinforcing energy of MEF connectivity hubs located in other MEF facilities in the capital's airport, metropolitan area network, and country's departments (¶1.40).

- 1.24 **Synergies with IDB Group.** By strengthening Haiti's public sector institutional capacity, the project will improve the enabling environment for private sector development and therefore IDB Lab and IDB Invest related interventions. Additionally, opportunities to pilot and/or scale-up IDB Lab digital government solutions, and to leverage IDB Invest activities aimed at fostering public-private investment in digital infrastructure and digital solutions, will continue to be explored. This includes synergies on the topic of digital payments with IDB Lab's project "Digital Wallet for Utility Payments" (HA-T1332, Client Support TC, in preparation), and IDB Invest operations that could potentially leverage digital payments solutions such as [14545-01](#) (US\$5 million, active).
- 1.25 **Technical Cooperation (TC) related to the project.** The project is linked to an Operational Support TC in execution,<sup>28</sup> for US\$300,000, that provides technical assistance for the assessment of digital transformation gaps and strategies as well as support to Central MEF management systems digital transformation.
- 1.26 **Collaboration and synergies with donors.** This project is part of donors' efforts to foster the digital transformation of Haiti's public sector. In particular, there are important complementarities and synergies with World Bank (WB) Haiti Digital Acceleration Project (HDAP), involving actions with MEF and IHSI. Specific HDAP outputs that would be leveraged by this project include: (i) improved connectivity of public sector institutions other than Central MEF; (ii) update of cybersecurity maturity assessment and preparation of cybersecurity strategy; (iii) strengthening of Central Bank (BRH) digital payments infrastructure (including infrastructure functional to Central MEF payments); and (iv) digital literacy activities for public sector employees. Given this project's support to the digital transformation of management systems run by the MEF, which will strengthen the country's Public Financial Management (PFM), there are also synergies with donor efforts on the broad PFM agenda. In line with the direct complementarity with [4820/GR-HA](#), there are synergies with WB Program to Improve Public Financial Management and Statistical Information (PAGEFIS), which is deploying critical modules of the MEF IFMIS. This project will complement IFMIS deployment by digitizing Central MEF internal management and some of the processes and transactions underlying IFMIS operation, and by strengthening MEF digital infrastructure, interoperability, cybersecurity, and business continuity, thus helping boost IFMIS performance. Other synergies include (i) International Monetary Fund (IMF) Staff Management Program reforms on public resources management and fiscal space for priority public investment; (ii) European Union and Canada work on resource mobilization with DGI and AGD, and planning and budgeting; and (iii) United States Agency for International Development (USAID) work on subnational public finance. Coordination with donors entails several mechanisms including bilateral

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<sup>28</sup> [ATN/OC-20532-HA](#), approved in 2023.

coordination with WB on the digital government and public management agendas, and multi-donor coordination on the PFM agenda.

- 1.27 **Strategic alignment.** The project is consistent with the IDB Group Institutional Strategy: Transforming for Scale and Impact (CA-631) and is aligned with the objectives of: (i) Reducing poverty and inequality, by supporting increased effectiveness of public management through digitalization thus improving policy implementation and service delivery to citizens; and (ii) Addressing climate change, by contributing to mitigation through digital solutions for processes and transactions that underlie core management systems at Central MEF and energy efficient equipment. Therefore, according to the [MDB Joint Climate Finance methodology](#), the project has 26.50% of climate mitigation finance due to investments in digitalization of MEF internal operations leading to a substantial reduction in travel and emissions, as well as in photovoltaic systems and energy efficient certified equipment. The project is also aligned with the operational focus areas of: (i) Biodiversity, natural capital and climate action; (ii) Gender equality and inclusion of diverse population groups; (iii) Institutional capacity, rule of law, and citizen security; and (iv) Social protection and human capital development. The project is aligned with the Country Strategy with Haiti 2017-2021 (GN-2904) strategic objective of Modernization of government organizations to enhance public sector management.<sup>29</sup> The project is included in the 2024 Operations Program (GN-3207).
- 1.28 **Climate change.** The project (Component 2) will implement digital solutions that will contribute to climate change mitigation, such as digital payments for suppliers and hybrid work solutions, as well as photovoltaic systems and energy efficient equipment. See [OEL#5](#).
- 1.29 **Gender equality.** The project (Component 2) will foster digital skills of women working in the MEF, thus reducing gender digital gaps and labor gaps, and improving conditions for professional growth in a male dominated agency.
- 1.30 **Social protection and human capital.** The project (Components 1, 2 and 3) will leverage digital technologies to improve public service delivery to citizens, enabling improvements to social policy implementation.
- 1.31 **Institutional capacity and rule of law (ICRL).** The project (Components 1, 2 and 3) will build state institutional capacity for effective policy implementation and service delivery through improved conditions for digital transformation of public management in general and the MEF in particular, and strengthened core management systems for service production and delivery with focus on those run by Central MEF (Figure 1 and 2).
- 1.32 **Alignment to Institutional Capacity and Rule of Law Country Matrix (ICRLCM) for Haiti.** The project is aligned with the Haiti ICRLCM,<sup>30</sup> which highlights that strengthening ICRL is crucial to address the country FCCV situation as sound ICRL is critical to both improve the ability of the state to deliver on its functions and

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<sup>29</sup> The Country Strategy with Haiti 2017-2021 (GN-2904) is still in force and extended until December 31, 2024 (GN-2904-4).

<sup>30</sup> IDB (2023). Institutional Capacity and Rule of Law Country Matrix (ICRLCM): Haiti Pilot (2023). (Confidential)

services and create an enabling environment for private sector development. The ICRLCM identifies as a priority ICRL area the strengthening of institutional capacity for service delivery and policy implementation by fostering governance and management systems at country/transversal level -in topics such as center of government, civil service, and digital transformation of public management- and at sector level.<sup>31</sup> Thus, the project is directly aligned with this priority by strengthening the institutional capacity of the MEF as a lead center of government agency, and by fostering the digital transformation of public management (Figure 1 and 2).

- 1.33 **FCCV Approach.** The project directly addresses the FCCV Framework (GN-3199-2) essential area of sector technical support of Institutional Strengthening and Capacity Building. The project's design and implementation strategy also has embedded the FCCV Framework adapted strategic and operational approach to FCCV areas, which is reflected in the execution arrangements (¶¶3.1-¶¶3.6), risk management strategy (¶¶2.5), sustainability strategy (¶¶2.6), and Components' operational provisions. See Figure 2.
- 1.34 **Paris Agreement (PA).** This operation has been analyzed using the [Joint MDB Assessment Framework](#) for PA and the [IDB Group PAIA](#) (GN-3142-1); it has been determined: (i) aligned to the adaptation goal of the PA; and (ii) aligned to the mitigation goal of the PA based on a specific assessment. Alignment was based on the consideration of the following elements: (i) financing of cloud services will prioritize options with the best power usage effectiveness and/or performance levels in terms of energy efficiency; and (ii) diesel backup financing is deemed coherent with the country's Nationally Determined Contribution and not representing a carbon lock-in or transition risk as the operation will finance and prioritize solar panels, and the diesel backup is complementary and necessary for energy security given the local context.

## **B. Objective, components, and cost**

- 1.35 **Objectives of the project.** The project general development objective is to contribute to improvements to policy implementation and service delivery to citizens by supporting increased effectiveness of public management through digitalization. The specific development objectives are to: (i) increase the institutional capacity of the digital government agency; (ii) increase efficiency of core management systems run by the Central MEF through digitalization of Central MEF internal management; and (iii) increase cybersecurity monitoring and management capacity of priority public agencies. To achieve these objectives, the project has been structured into three components described below. Figure 1 presents the project's vertical logic, theory of change, and results chain.
- 1.36 **Component 1. Public sector digital governance (US\$1.20 million).** This component will help achieve specific objective (i) and aims to strengthen both public sector digital governance and the institutional capacity of the digital government agency (IHSI). Fostering the public sector digital governance will also contribute to greater efficiency and quality of public investment in digital

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<sup>31</sup> Prepared during the piloting of the "Guidance Note for the Mainstreaming of the Institutional Capacity and Rule of Law Crosscutting Issue into the Country Strategy Cycle and the Project Cycle" (OP-2218-2).



transformation, optimizing this policy and resources and ensuring it responds to the country's governance, growth and inclusion goals. It has two sub-components:

- 1.37 **Sub-component 1.1. Strengthening of digital governance architecture (US\$0.13 million).** It will finance assessments and recommendations for a better definition of roles of the public agencies responsible for digital transformation policy (IHSI, *Unité E-Gouvernance de la Primature*, and CONATEL), including IHSI responsibilities as digital government agency leading and coordinating digital transformation throughout the government, and coordination and accountability mechanisms among these agencies.<sup>32</sup>
- 1.38 **Sub-component 1.2. Strengthening of digital government agency (IHSI) (US\$1.08 million).** It will support IHSI technical and organizational capabilities by financing the reinforcement of its technical team,<sup>33</sup> technical assistance and training to the IHSI, and the preparation of an operations manual in consistency with the IHSI mandate.
- 1.39 **Component 2. Digital transformation of Central MEF internal management (US\$9.30 million).** This component will help achieve specific objective (ii) and aims to deploy technological enablers and improve capabilities for the digitalization and efficiency of processes and transactions that underly core crosscutting management systems run by the Central MEF, focusing on the digital transformation of Central MEF internal management. This involves digitalization of strategic internal management services and tools supporting both the entire Central MEF back-office operation and front-office processes at the Minister Office, General Directorate, DGTCP and DGB entailing senior management's document workflow and signature. It has three sub-components:
- 1.40 **Sub-component 2.1. Strengthening of digital infrastructure (US\$2.57 million).** It will finance improvements in connectivity<sup>34</sup> and energy,<sup>35</sup> and cloud infrastructure.<sup>36</sup>
- 1.41 **Sub-component 2.2. Strengthening of digital shared crosscutting solutions (US\$4.96 million).** It will finance strengthening/development of interoperability platform,<sup>37</sup> institutional email system, digital document management,<sup>38</sup> digital

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<sup>32</sup> This will be complementary to WB HDAP efforts to develop a national digital economy strategy.

<sup>33</sup> This entails financing of IHSI specialized team members while fostering gradually-increasing public budget funding for this.

<sup>34</sup> This includes satellite broadband as a backup for MEF main connectivity sites (connectivity hubs) and to connect MEF facilities in remote areas underserved by mobile network operators, as well as switches and routers capacity.

<sup>35</sup> This includes more autonomous energy alternative and backup options, including solar power solutions, for MEF connectivity hubs such as its data center located in the airport, backbone relay sites of its Metropolitan Area Network, and MEF Departmental Directorates located outside the capital and which integrate its Wide Area Network. This will be complementary to [4900/GR-HA](#) energy reinforcement of a new MEF building under construction (¶1.23).

<sup>36</sup> This entails the migration and/or backup of critical data and applications in the cloud.

<sup>37</sup> The aim is to reinforce the interoperability platform so that it has the ability to integrate key systems/institutions using standard online protocols.

<sup>38</sup> Digital document management will be implemented with a business process management focus. This will leverage [4820/GR-HA](#) inputs for digital document management.

signature,<sup>39</sup> digital payments for suppliers,<sup>40</sup> and hybrid -in office and remote- work solution. It will also finance training on the use and management of digital solutions, and the implementation of a change management strategy. This will allow both: (i) piloting in the Central MEF digital solutions that can be shared and scaled up across the whole public administration; and (ii) deploying solutions to digitalize Central MEF internal management that in turn contribute to digitalize the core management systems run by this key actor.<sup>41</sup>

- 1.42 **Sub-component 2.3. Strengthening of MEF Information Systems Directorate (DSI) technical capacity (US\$1.77 million).** It will finance support to DSI organizational and technical capabilities, including the reinforcement of the DSI team,<sup>42</sup> as well as technical assistance and training to this unit.
- 1.43 The whole set of digital solutions to be deployed, including the remote work tool, will directly address the Central MEF critical need of improving the resilience of its operation and business continuity in the FCCV context. These solutions will also contribute to address MEF needs of retaining and attracting qualified employees currently lacking due to brain drain associated to the FCCV situation and absence of flexible work conditions.
- 1.44 These digital solutions will support the entire Central MEF back-office operation as well as front-office processes entailing senior management's document workflow and signature. Thus, they will gradually contribute to increase efficiency, effectiveness, and operational resilience of management systems run by the Central MEF, with priority macroprocesses directly supported by these tools.
- 1.45 Digitalization activities will be oriented by a process optimization approach aimed to simplify processes and reduce cost of compliance with procedures and regulations. This approach will be supported by the change management strategy, which will involve all relevant stakeholders to identify opportunities for simplification, define incentives and accountability mechanisms, and build consensus and support for process simplification reforms. Training and change management will be implemented with a gender equality perspective, fostering the participation of Central MEF women employees and ensuring they benefit from activities aimed at developing digital skills.<sup>43</sup>
- 1.46 **Component 3. Public sector cybersecurity capacity (US\$3.00 million).** This component will help achieve specific objective (iii) and aims to develop public sector cybersecurity capacity. It has two sub-components:

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<sup>39</sup> This includes the definition of a strategy for electronic signature and digital signature, and the corresponding implementation phases.

<sup>40</sup> This includes mapping Central MEF payments to suppliers' current processes, simplifying them, and designing and implementing a digital solution to support the simplified processes. This will leverage [4820/GR-HA](#) improvements to payment system for public sector employees. It will also be complementary to WB PAGEFIS, currently deploying critical modules of MEF IFMIS.

<sup>41</sup> Joint implementation of Components 1 and 2 will also ensure digital shared solutions deployed in the Central MEF are consistent with government-wide guidelines and standards.

<sup>42</sup> This entails financing of DSI specialized team members (as a complement to funding from [4820/GR-HA](#)), while fostering gradually-increasing public budget funding for the team.

<sup>43</sup> Central MEF women employees trained in the use and/or management of new digital solutions are expected to represent a percentage of trainees consistent with their participation in the Central MEF workforce.

- 1.47 **Sub-component 3.1. Development of public sector cybersecurity governance (US\$0.08 million).** It will finance assessments to define and implement an optimal governance model (in consistency with the public sector digital governance architecture to be fostered by Component 1).<sup>44</sup>
- 1.48 **Sub-component 3.2. Development of capacity to protect, monitor, detect, respond and recover from cybersecurity incidents (US\$2.92 million).** It will finance the implementation of a Cybersecurity Incident Response Team (CSIRT), and support to its operational capacity through specialized team members,<sup>45</sup> technological tools for its operation, and technical assistance and training to the CSIRT.<sup>46</sup> The CSIRT will be a cornerstone of public sector cybersecurity capacity as it will monitor critical systems of priority public agencies and protect them from cybersecurity incidents.<sup>47</sup> The component will also finance training to cybersecurity specialists in public agencies,<sup>48</sup> and cybersecurity awareness for public sector employees.
- 1.49 **Project management (US\$2.50 million).** This will finance: (i) the operation and strengthening of the executing unit at the MEF; (ii) a monitoring and evaluation system; and (iii) project audits.

### C. Key results indicators

- 1.50 **Expected results.** The general development objective of contributing to improvements to policy implementation and service delivery to citizens by supporting increased effectiveness of public management through digitalization will be associated to improved conditions for government online services. Regarding the specific development objectives: (i) increased institutional capacity of digital government agency will be reflected in strengthened IHSI technical and organizational capabilities; (ii) increased efficiency of core management systems run by the Central MEF through digitalization of its internal management will be reflected in an increase of Central MEF macroprocesses supported by digital document management and digital signature solutions, a decrease of payments to suppliers through checks, and cost savings in operations to make payments; and (iii) increased cybersecurity monitoring and management capacity of priority public agencies will be associated to an increased number of critical systems of priority agencies protected by the CSIRT.
- 1.51 **Beneficiaries.** This project will benefit the citizens of Haiti by improving (i) efficiency of core management systems run by Central MEF that are key to improve public services production and delivery; and (ii) institutional, regulatory,

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<sup>44</sup> This will build on IDB-OAS 2020 Cybersecurity Report findings on Haiti's Cybersecurity Capacity Maturity, which includes an assessment of institutional and governance aspects such as cybersecurity policy and strategy, and legal and regulatory frameworks. This will also be complementary to WB HDAP efforts to update the cybersecurity maturity assessment and develop a cybersecurity strategy.

<sup>45</sup> This entails financing CSIRT specialized team members while fostering gradually-increasing public budget funding for this.

<sup>46</sup> This includes third-party cybersecurity services supporting the operation of the CSIRT.

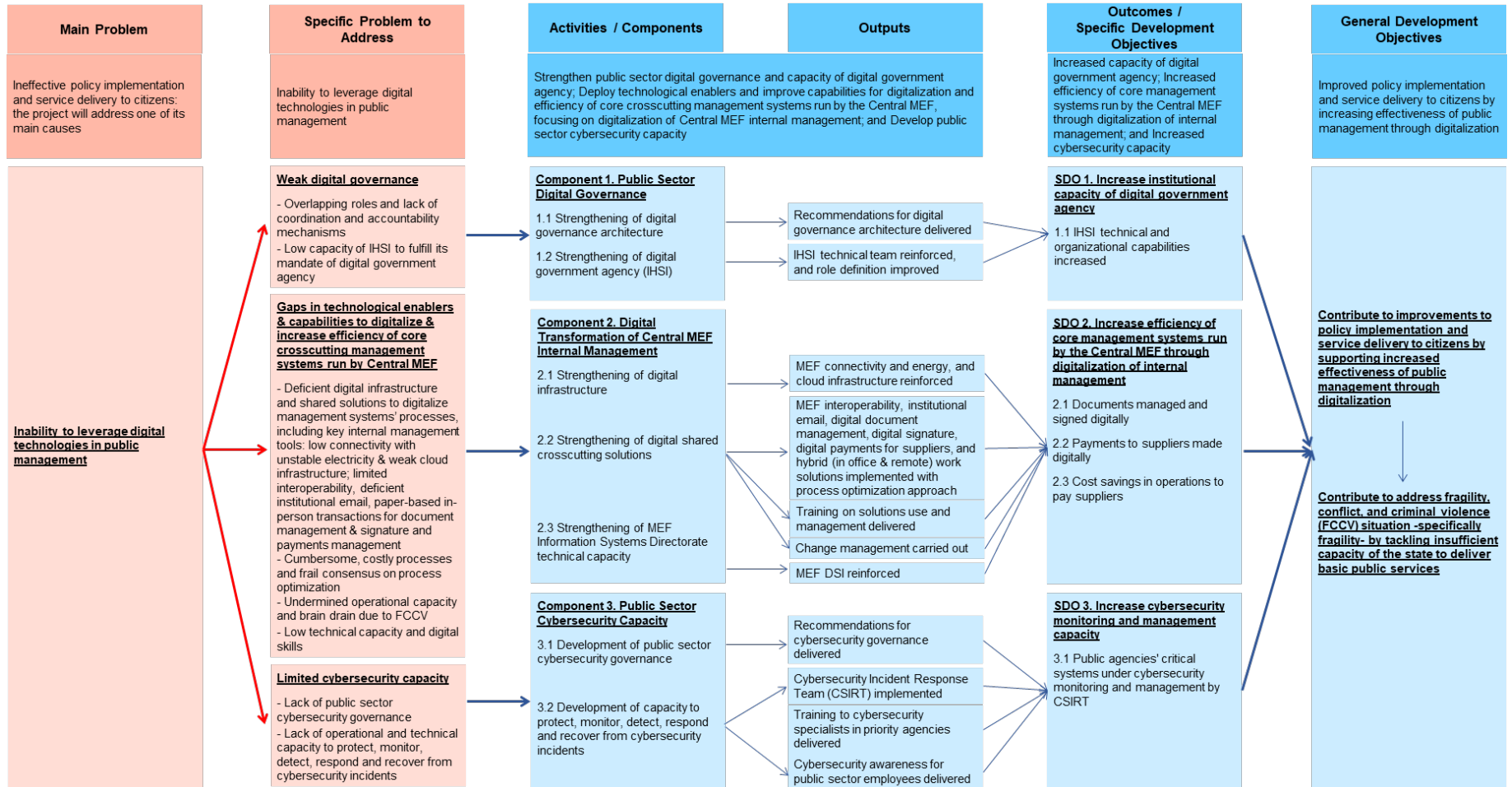
<sup>47</sup> Priority public agencies and systems to monitor and protect will be selected based on: (i) system criticality from a financial and administrative perspective, and (ii) vulnerability to cyberattacks.

<sup>48</sup> Priority public agencies for training to cybersecurity and information systems specialists will be selected in consistency with critical systems for cybersecurity protection, together with criteria such as availability of cybersecurity specialists.

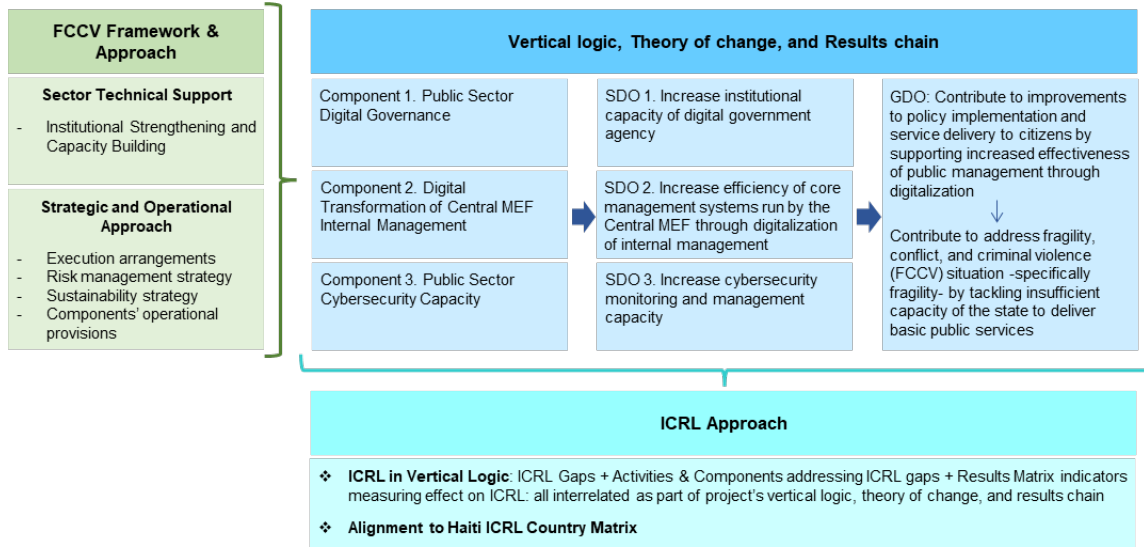
technological, and digital talent enablers of digital transformation of public management, which is a key means to improve efficiency, quality and inclusiveness of service delivery to citizens. The project will also develop digital skills of Central MEF employees as direct users of the digital solutions to be deployed (Component 2), and cybersecurity skills and awareness of employees of priority public agencies as users of the cybersecurity tools to be implemented (Component 3). Furthermore, the project will directly contribute to address the current instability and security crises by improving the resilience of MEF operation (and therefore the whole public administration operation), and by strengthening institutional and operational capabilities at the MEF to manage donor-funded projects (including IDB portfolio and other donors' interventions to cope with the crises). The project will also indirectly benefit MEF Deconcentrated Services and Autonomous Organisms as well as Sector Ministries by deploying digital solutions that can be shared, mainstreamed, and scaled up in said agencies.

- 1.52 **Scale of impact and remaining challenges.** The project will strengthen public sector digital governance, foster digital transformation of Central MEF internal management, and develop public sector cybersecurity capacity (¶1.50). However, given the magnitude of gaps in Haiti, there are multiple remaining challenges to be addressed on both the digital government and public sector management fronts. These include, among other: (i) furthering the digitalization of internal management of Central MEF and scaling it up to all MEF Deconcentrated Services and Autonomous Organisms; (ii) boosting digitalization of all MEF mission areas (i.e. budget planning and execution, public investment, strategic planning, tax and customs administration, etc.); (iii) deepening MEF process optimization reforms; (iv) strengthening governance, strategic approach, organizational structures, regulations, and accountability and rule of law framework of the country's center of government (including the MEF's); and (v) broadening support to digital transformation enablers, including by further strengthening the digital government agency and strategy, building a digital regulatory framework, developing digital talent, and continue deploying digital infrastructure and tools. The IDB Group and the donor community have a key role to address these challenges (¶1.26).
- 1.53 **Economic analysis.** The Economic Analysis ([OEL#3](#)) employs a cost-benefit methodology that focuses on: (i) digital transformation of Central MEF internal management, and benefits of digitalization in terms of efficiency of processes and transactions that underly management systems run by the Central MEF, including (a) public employees productivity gains associated with the implementation and use of the digital solutions to be deployed, and (b) savings from digital payments for suppliers; and (ii) increased public sector cybersecurity capacity with improved ability to prevent, detect, and recover from cyberattacks, and benefits in terms of reduced direct costs of cyberattacks and costs of response to cyberattacks. In the conservative (base) scenario, project Net Present Value (NPV) is US\$4,239,743 and Economic Rate of Return (ERR) is 19.96% -higher than social discount rate of 12% (Component 2 NPV is US\$3,577,373 and ERR 20.92%, Component 3 NPV is US\$662,370 and ERR 17.08%). The sensitivity analysis shows that under slightly less conservative assumptions, project NPV is US\$6,803,149 and ERR 24.39%.

Figure 1. Vertical Logic, Theory of Change, and Results Chain



**Figure 2. ICRL and FCCV Approach**



## II. FINANCING STRUCTURE AND MAIN RISKS

### A. Financing instruments

- 2.1 **Modality and financial structure.** This non-reimbursable Specific Investment Operation (ESP) is financed with resources from the IDB Grant Facility for US\$16,000,000. This instrument is appropriate since the scope, costs, and investments are well defined.

**Table 1. Estimated project costs (US\$)**

| Component   | Total            | %            |
|---|------------------|--------------|
| <b>Component 1. Public Sector Digital Governance</b>  | <b>1,200,000</b> | <b>7.5%</b>  |
| Sub-component 1.1 Strengthening of digital governance architecture                              | 125,000          | 0.8%         |
| Sub-component 1.2 Strengthening of digital government agency (IHSI)                             | 1,075,000        | 6.7%         |
| <b>Component 2. Digital Transformation of Central MEF Internal Management</b>                   | <b>9,300,000</b> | <b>58.1%</b> |
| Sub-component 2.1 Strengthening of digital infrastructure                                       | 2,565,000        | 16.0%        |
| Sub-component 2.2 Strengthening of digital shared crosscutting solutions                        | 4,964,289        | 31.0%        |
| Sub-component 2.3 Strengthening of MEF Information Systems Directorate (DSI) technical capacity | 1,770,712        | 11.1%        |

| Component   | Total             | %             |
|---|-------------------|---------------|
| <b>Component 3. Public Sector Cybersecurity Capacity</b>  | <b>3,000,000</b>  | <b>18.7%</b>  |
| Sub-component 3.1 Development of public sector cybersecurity governance   | 83,333            | 0.5%          |
| Sub-component 3.2 Development of capacity to protect, monitor, detect, respond and recover from cybersecurity incidents | 2,916,667         | 18.2%         |
| <b>Project Management</b>   | <b>2,500,000</b>  | <b>15.6%</b>  |
| <b>Total</b>  | <b>16,000,000</b> | <b>100.0%</b> |

Note: Costs under Components are indicative

- 2.2 **Disbursement schedule.** A five-year disbursement schedule is proposed due to: (i) time involved in implementing proposed activities taking into account Haiti’s fragile context; (ii) executing agency historical execution performance; and (iii) alignment with other milestones in the country’s digital transformation agenda.

**Table 2. Disbursement schedule (US\$)**

| Source      | Year 1  | Year 2    | Year 3    | Year 4    | Year 5    | Total      |
|-------------|---------|-----------|-----------|-----------|-----------|------------|
| IDB (Total) | 571,372 | 2,435,665 | 4,545,087 | 4,253,569 | 4,194,308 | 16,000,000 |
| %           | 4%      | 15%       | 28%       | 27%       | 26%       | 100%       |

**B. Environmental and social safeguard risks**

- 2.3 In accordance with the Environmental and Social Policy Framework (ESPF) (GN-2965-23), the operation was classified as Category “C” as it is expected to cause minimal or no negative environmental or social impacts. Environmental and Social Performance Standards 1, 2 and 10 were activated, and the corresponding actions are being considered during project preparation as detailed in [REL#3](#). Investments in solar panels (¶1.40) will include measures to avoid and mitigate risk of forced labor pursuant to GN-3062-1 and will comply with GN-2965-23, GN-2349-15, and GN-2350-15.

**C. Fiduciary risk**

- 2.4 The most recent evaluation of public financial management in Haiti indicates that its fiduciary systems are not fully compliant with features required for implementation of IDB projects. The Institutional Capacity Assessment of the MEF, carried out in June 2022, identified that fiduciary risk is related to the limited experience of civil servants implementing donor-financed projects. The project will use the same execution arrangements and governance of [4820/GR-HA](#), which mitigates the fiduciary risk but only partially. Therefore, there are executing agency



high-level risks regarding human resources and goods and services procurement as described in ¶2.5-f & h.

**D. Other risks and key issues**

**2.5 Execution environment and capacity risks, and risk management strategy.**

Given the country context, execution environment risks are high level. Execution capacity risks are also high level even though MEF's capacity as executing agency has improved. Project sustainability risks are high level too. The country's FCCV situation underlies most of the risks identified, namely: execution environment's political, institutional and social (¶2.5-a), and economic and financial (¶2.5-b) risks; execution capacity and executing agency's human resources (¶2.5-f), systems (¶2.5-g), and goods and services procurement (¶2.5-h) risks; and project's technical design (¶2.5-j), and sustainability (¶2.5-k) risks. All risks and corresponding management strategy are detailed below<sup>49</sup>:

- a. **Political, Institutional and Social Instability and Uncertainty due to FCCV Situation, and Enabling Environment for Reforms (authorizing environment of reforms):** If there is a change of Minister at the MEF or cabinet changes affecting the IHSI or other stakeholders' leadership, and/or a deteriorated FCCV situation with ensuing violence, civil unrest, border closure, and other related issues, this could halt project execution and reforms implementation. Mitigation: the project will (i) implement a resilient execution mechanism whereby key fiduciary processes are entrusted to several alternative high-level officers (¶3.5); (ii) improve connectivity, energy, cloud infrastructure, and internal management digital solutions to improve MEF's ability to operate in a deteriorated FCCV context (¶1.43 & ¶3.2); and (iii) leverage the Project Management Committee (PMC) as project execution, governance and appropriation body (¶3.3), and engage technical and managerial champions to foster government ownership and appropriation, consensus on and support for reforms, and reforms institutionalization.
- b. **Economic and Financial Instability:** If there are macroeconomic or financial shocks such as high inflation, devaluation, limited access to financing, or other related factors, this could affect procurement procedures, costs, quality, and contract execution. Mitigation: the project will implement (i) cost monitoring and forecasting; (ii) proactive procurement management (¶2.5-h); and (iii) financial buffers and contingency funds.
- c. **Legal and Regulatory Framework:** If there is a lack of legal and regulatory framework to enable digital governance, infrastructure and tools promoted by the project, this could affect deployment and adoption of solutions. Mitigation: the project will foster adjustments to the legal framework at the relevant, feasible level (¶2.6-a).
- d. **Governance and Interinstitutional Coordination:** If there are barriers (institutional, communicational or logistical) to coordination between MEF and public agencies that are key stakeholders -particularly the IHSI, this could affect implementation timeliness and effectiveness. Mitigation: this will be

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<sup>49</sup> All risks are high level, except 2.5-c (medium-high), d (medium-high), and i (medium-high).



tackled through (i) the role of the PMC as project governance body (¶3.3); and (ii) a change management strategy throughout project execution, where coordination and communication issues will be directly addressed (¶2.6-f).

- e. **Internal Processes:** If there are MEF heavy and dysfunctional bureaucratic procedures, this could affect implementation timeliness and effectiveness. Mitigation: MEF processes related to project execution are being streamlined and optimized in the context of execution of [4820/GR-HA](#), which will be further consolidated for this project. This includes a resilient execution mechanism (¶2.5-a), improved processes for procurement and payments to project suppliers, and overall project management through PMC.
- f. **Human Resources:** If there is loss of MEF personnel due to brain drain resulting from FCCV context or high turnover, impacting MEF Project Team or Directorates, this could affect availability of skilled professionals and technical and managerial capacity, and therefore implementation timeliness and effectiveness, including fiduciary aspects (financial management and procurement). Mitigation: the project will (i) reinforce the MEF Project Team hiring additional fiduciary personnel including a financial management specialist, a senior accountant and a procurement specialist (¶3.2), and continue training the team; (ii) foster a hybrid work environment in the MEF contributing to retain employees and attract new personnel (¶1.43 & ¶3.2); and (iii) develop digital skills and technical and managerial capacity (¶2.6-b & c).
- g. **Management Systems:** If there is lack of MEF automatized financial and administrative management systems providing real time data to inform planning and decision-making, compounded by limited connectivity and electricity, this could affect implementation timeliness and effectiveness. Mitigation: the project will foster digital document management, digital signature and digital payments, as well as digital infrastructure to enable these tools, contributing to improve MEF management systems for project execution and policy implementation.
- h. **Goods and Services:** If there are difficulties with procurement due to supply chain limitations resulting from the FCCV context, this could affect equipment and services availability, cost, quality and maintenance, and thus execution of activities and disbursement. Mitigation: the project will implement proactive procurement and contract management including (i) risk-adjusted and streamlined procurement and contract processes and management; (ii) suppliers and partnerships early identification and diversification; (iii) public-private collaboration and incentives; and (iv) communication and collaboration with suppliers.
- i. **Resistance to Change:** If there is resistance to change at individual, organizational or systemic levels, this could affect implementation effectiveness. Mitigation: the project will implement (i) a change management strategy whose objective includes addressing resistance to change at individual and organizational levels, and engaging reform champions broadly to mitigate systemic issues (¶2.6-f); and (ii) a training strategy which will prevent resistance to change stemming from lack of skills to adopt digital solutions or knowledge about legal provisions supporting solutions (¶2.6-c).

- j. **Technical Design and Digital Infrastructure:** If the FCCV situation and local conditions have a negative impact on existing digital infrastructure (connectivity, energy and data centers), this could affect project execution readiness and digital solutions to be deployed. Mitigation: (i) [4820/GR-HA](#) is already working on providing the MEF with satellite connectivity reinforcement and cloud back-ups and critical systems migration; and (ii) the project will further reinforce connectivity and energy and develop cloud infrastructure.
  - k. **Sustainability of Investments and Solutions:** If there is lack of continuity of financial, technical and institutional provisions for digital solutions maintenance and upgrade, technical and functional teams in charge of them, and governance arrangements, this could affect long-term sustainability of project outcomes. Mitigation: the project will implement a sustainability strategy (¶2.6) that will foster institutional capacity, technical, and financial conditions for long-term sustainability. On the institutional capacity front, the project will implement execution arrangements (¶3.1-¶3.6) and operational provisions (¶2.6-b, c, d, e & f) that strengthen country's institutional capacity for project execution in the short-term and for policy implementation in the long-term. On the technical front, project components will follow implementation principles and operational provisions (¶2.6-a, b, c & g) that will ensure digital solutions' technological, digital talent, institutional and legal framework enablers for sustainable results are in place, while fostering long-term technological independence for the country, functional process optimization as driver of digital solutions, and technical capabilities. And on the financial front, the project will implement a budget schedule that nudges public budget funding for long-term operation of digital solutions (¶2.6-a.vi & [REL#1](#)).
- 2.6 **Sustainability and development effectiveness strategy.** The project will implement a sustainability and development effectiveness strategy focusing on: (i) strengthening MEF and Digital Government Agency's institutional capacity for both project execution and policy implementation by (a) improving their organizational and technical capabilities, (b) fostering a governance and accountability framework for project execution and policy implementation, and (c) fostering agencies' appropriation and ownership of project design, execution strategy, and results; (ii) leveraging learning from implementation during project execution to provide constant feedback to adjust design and enhance execution; (iii) ensuring learning, iteration and adaptation are embedded in project design and execution; and (iv) improving conditions for sustainability of results. This sustainability strategy will be implemented by:
- a. **Adopting the following implementation principles for Components 1, 2 and 3 to foster effective solutions with sustainable results:** (i) In addition to the design and implementation of the proposed digital solutions, ensure a) development of digital skills for implementation, adoption and management of solutions, b) legal framework adjustments to enable and support solutions, and c) solution/system cybersecurity; (ii) promote optimal mix of digital infrastructure and solutions as a service and local investments; (iii) maximize technological independence for the country, including by leveraging opportunities to use cloud and open-source software, and training government officials in charge of systems; (iv) mutually reinforce implementation and change management so that the design and deployment of a solution enables

and supports the others (i.e. institutional email usage will be a pre-requisite for access to and use of digital document management, digital signature, digital payments, and hybrid work solution; and hybrid work solution will be supported by complementary tools such as digital document management, digital signature, and digital payments); (v) orient digitalization activities by a process optimization approach; and (vi) nudge gradually-increasing public budget funding for digital solutions upgrade and maintenance, and human resources needs, by implementing a budget schedule ([REL#1](#)) such that project funding for solutions maintenance and technical teams reinforcement decreases gradually starting in year 4 of execution.

- b. **Strengthening organizational and technical capabilities of MEF and Digital Government Agency (IHSI)** by jointly -public agencies and consulting firms/individuals- designing and implementing policy and digital solutions/tools through the following problem-solution cycle: (i) assess functional needs with a process optimization approach, and define the problem to address; (ii) design solutions/tools by defining solution concept, architecture, and technological specifications; (iii) test implementation of solutions through pilots, adjust, and validate solutions ensuring they are locally relevant and appropriate for the country's FCCV context; (iv) deploy/scale-up solutions; (v) handover and transfer competencies to public agencies; and (vi) validate operation of solutions by public agencies.
- c. **Developing technical capacity, including digital skills**, sustainably by: (i) training MEF and Digital Government Agency teams across the problem-solution cycle above described and throughout project execution; (ii) financing public agencies' teams in charge of project reforms; and (iii) gradually nudging public budget funding for these teams as the project phases out ([¶2.6-a.vi & REL#1](#)).
- d. **Designing and implementing both policy tools and digital solutions:** policy goals, national strategies and agendas, results indicators, roadmaps, operation manuals and protocols, etc., as well as digital solutions supporting management systems.
- e. **Fostering a governance, accountability, and appropriation framework through project execution mechanism** by: (i) defining roles and responsibilities of MEF, IHSI, and other stakeholders for policy implementation and digital tools deployment and adoption; and (ii) strengthening and leveraging the role of the PMC integrated by all key stakeholders.
- f. **Conducting change management throughout project execution** with the objective of: (i) fostering MEF and digital government agency appropriation and accountability; (ii) improving coordination and communication among all public agencies involved, and leveraging synergies among them; (iii) addressing resistance to change issues at individual and organizational levels; (iv) identifying and engaging reform champions within MEF and among public sector and civil society, and leveraging their role; and (v) fostering consensus and political support for reforms thus improving the authorizing environment for their implementation.

- g. **Creating conditions to scale up and mainstream digital shared crosscutting solutions** -piloted and validated at Central MEF level- in MEF Deconcentrated Services and Autonomous Organisms as well as Sector Ministries, thus improving the enabling environment to leverage digital technologies in public management broadly.

### III. IMPLEMENTATION AND MANAGEMENT PLAN

#### A. Summary of implementation arrangements

- 3.1 **Executing agency and execution mechanism.** The project will be executed by the MEF and will use the same execution arrangements and governance of [4820/GR-HA](#), including the MEF as executing agency, the current MEF Project Team, and the PMC. This will allow benefiting from institutional capacity built in the MEF in the context of [4820/GR-HA](#) with satisfactory results to date, while ensuring continuity and resilience of execution capacity amidst the country FCCV situation. This will also allow continuing strengthening MEF capabilities as executing agency of donor-funded projects, a MEF goal that is embedded in the execution arrangements of [4820/GR-HA](#) and this project.
- 3.2 The MEF will be responsible for the coordination, execution, strategic management and technical quality, and fiduciary management of all project resources and all components. The MEF Project Team will provide managerial, technical, and fiduciary support for project execution, and it will be financed by this operation. The MEF Project Team is currently implementing [4820/GR-HA](#) and is integrated by MEF key personnel for project execution, including a coordinator, a financial management specialist, a procurement specialist, a senior accountant, and an administrative assistant. This team will also constitute the key personnel for the execution of this project, and it will be reinforced with additional personnel that will strengthen technical, subject matter aspects (i.e. public management and digital transformation specialist) as well as financial management and procurement (i.e. financial management specialist, senior accountant, and procurement specialist) (¶3.9). In order to improve conditions for the operation of MEF Project Team amidst the country's deteriorated FCCV and security situation, the project will also implement tools to better enable the team's hybrid work through reinforced connectivity for remote work, and facilities with reliable connectivity for in-office work (¶1.43).
- 3.3 The PMC is the project governance and accountability body. It is led by the MEF General Director and integrated by relevant Central MEF Directors (DSI, DGTCP, and DGB, among other), MEF Project Team, IHSI, and other public agencies that are key stakeholders such as the *Unité E-Gouvernance*, CONATEL, and National Identity Office (ONI). The PMC is responsible for the strategic direction of the project, and it meets monthly (or sooner if needed).
- 3.4 Given the nature of Components 1 and 3, which have a larger public sector scope, the IHSI as digital government agency will contribute to ensure optimal strategic, technical and institutional direction. The IHSI will also accompany execution of Component 2, to contribute to ensure digital shared solutions deployed in the Central MEF are consistent with government-wide guidelines.

- 3.5 The project will leverage enhancements already made to the execution mechanism in the context of [4820/GR-HA](#), such as: (i) ensuring resilient and agile execution by entrusting key processes related to justification of funds use, requests of advances of funds, requests of non-objection, and communications and transmission of reports, to several alternative high-level officers including MEF General Directors and Project Team Coordinator -a key measure implemented to enable and protect execution capacity amidst the FCCV situation; and (ii) enabling project payments to providers by entrusting this responsibility to MEF Project Team, while MEF public accountants remain in charge of other project payments. Topics that will continue to be strengthened during project execution include: (i) financial management and procurement; and (ii) streamlining processes under direct responsibility of MEF Minister.
- 3.6 The reinforcement of MEF Project Team, the improved conditions for MEF Project Team hybrid work, and the key role of the PMC, together with project risk management (¶2.5) and sustainability (¶2.6) strategies' provisions to protect and strengthen execution capacity, will all be key to ensure and further increase capabilities for project execution while navigating effectively challenges derived from the country FCCV situation.
- 3.7 **Project financial management.** Project financial management will be executed according to OP-273-12. The project will open separate bank accounts for the management of the grant provided under this operation. An account in US dollars and in HTG will be opened at the BRH, for a total of two separate bank accounts. The project will maintain proper financial management systems and will prepare an Annual Operation Plan, a Procurement Plan, and a twelve-month detailed Financial Plan indicating cash flow needs for execution and as the basis for advance of funds disbursements. Advances of funds for the execution of the project will be for the equivalent of funding needs required for up to six months. Given the coordination required among stakeholders involved in the decision making of the project, the operation is expected to justify 75% of accumulated balances pending of justification to receive a new advance of funds.
- 3.8 **Financial audits.** The MEF will be responsible for contracting an external auditor eligible to the Bank to perform the financial audit of the project according to Bank procedures and to be submitted within 120 days of the end of each Haitian fiscal year, and a final financial audit to be submitted within 120 days after the last disbursement date.
- 3.9 **Special contractual clauses prior to first disbursement. The Beneficiary, through the Executing Agency, shall provide evidence, to the satisfaction of the Bank, of: (i) approval and entry into effect of [POM](#) according to terms and conditions previously agreed with the Bank; and (ii) selection of a financial management specialist and a procurement specialist, in accordance with terms agreed with the Bank, to reinforce the Project Team of the Executing Agency.** These conditions are based on fiduciary recommendations and are essential for execution readiness. The POM includes the framework and guidelines for: institutional arrangements for project execution, technical management, administrative and fiduciary management, and monitoring and evaluation.

- 3.10 **Procurement of works, goods, and services.** Procurement of works, goods and services, as well as consulting services, will be executed in accordance with Bank procurement policies, rules, and procedures GN-2349-15 and GN-2350-15.
- 3.11 **Execution readiness.** To expedite execution readiness, preparations for project key procurement processes and new hires to reinforce MEF Project Team will be launched under [4820/GR-HA](#) (¶1.23 and ¶3.2).

**B. Summary of arrangements for monitoring results**

- 3.12 **Monitoring.** The project monitoring ([REL#2](#)) will be based on: Pluriannual Execution Plan (PEP), Annual Operational Plan (AOP), Procurement Plan, Financial Plan, Results Matrix, Risk Matrix, and POM, among other tools for monitoring outputs and outcomes. Monitoring activities regulated by the IDB include the Progress Monitoring Report (PMR), Supervision Plan, result-monitoring midterm meeting and Midterm Evaluation Report, and pre-completion meeting. The MEF Project Team will submit semi-annual progress reports to the Bank within 60 days after the end of each semester. The Midterm Evaluation Report will be submitted when disbursements reach 50% (within 120 days after reaching 50% of disbursements).
- 3.13 **Evaluation.** The project evaluation plan ([REL#2](#)) will consist of: (i) an evaluation that allows verifying the achievement of the proposed objectives and determining their attribution; (ii) an evaluation that allows an ex post economic analysis; and (iii) at closing, an analysis in accordance with IDB guidelines for Project Completion Report (PCR). The Final Evaluation Report will be submitted when disbursements reach 90% or when disbursement expiration date has been reached (whichever happens first).
- 3.14 **Before and after analysis.** The project will include an evaluation using a mixed methodology based on: (i) a before and after evaluation for the outcome indicators; (ii) a critical review of the vertical logic and theory of change of the project during preparation, implementation and completion; (iii) an analysis of project results in the context of existing evidence of the effectiveness of similar interventions; and (iv) a qualitative evaluation.
- 3.15 **Qualitative evaluation.** This will be a critical complementary evaluation as its objective is to assess: (i) soundness of project's vertical logic, theory of change and results chain; and (ii) key institutional capacity aspects to increase development effectiveness, in terms of both project execution capability and policy implementation capability, including (a) public agencies' technical and organizational capacity; and (b) governance and accountability as well as appropriation and ownership.



| Development Effectiveness Matrix   |   |   |
|--|---|---|
| Summary  |   | HA-J0010  |
| <b>I. Corporate and Country Priorities</b>   |   |   |
| <b>Section 1. IDB Group Institutional Strategy Alignment</b>   |   |   |
| Operational Focus Areas  | <ul style="list-style-type: none"> <li>-Biodiversity, natural capital, and climate action</li> <li>-Gender equality and inclusion of diverse population groups</li> <li>-Institutional capacity, rule of law, citizen security</li> <li>-Social protection and human capital development</li> </ul> |   |
| [Space-Holder: Impact framework indicators]  |   |   |
| <b>2. Country Development Objectives</b>   |   |   |
| Country Strategy Results Matrix  | GN-2904   | Modernization of government organizations to enhance public sector management |
| Country Program Results Matrix   | GN-3207   | The intervention is included in the 2024 Operational Program                  |
| Relevance of this project to country development challenges (If not aligned to country strategy or country program)  |   |   |
| <b>II. Development Outcomes - Evaluability</b>   |   | <b>Evaluable</b>  |
| <b>3. Evidence-based Assessment &amp; Solution</b>   |   | <b>9.5</b>  |
| 3.1 Program Diagnosis  |   | 2.5   |
| 3.2 Proposed Interventions or Solutions  |   | 3.2   |
| 3.3 Results Matrix Quality   |   | 3.8   |
| <b>4. Ex ante Economic Analysis</b>  |   | <b>10.0</b>   |
| 4.1 Program has an ERR/NPV, or key outcomes identified for CEA   |   | 1.5   |
| 4.2 Identified and Quantified Benefits and Costs   |   | 3.0   |
| 4.3 Reasonable Assumptions   |   | 2.5   |
| 4.4 Sensitivity Analysis   |   | 2.0   |
| 4.5 Consistency with results matrix  |   | 1.0   |
| <b>5. Monitoring and Evaluation</b>  |   | <b>9.5</b>  |
| 5.1 Monitoring Mechanisms  |   | 4.0   |
| 5.2 Evaluation Plan  |   | 5.5   |
| <b>III. Risks &amp; Mitigation Monitoring Matrix</b>   |   |   |
| <b>Overall risks rate = magnitude of risks*likelihood</b>  |   | <b>High</b>   |
| <b>Environmental &amp; social risk classification</b>  |   | <b>C</b>  |
| <b>IV. IDB's Role - Additionality</b>  |   |   |
| The project relies on the use of country systems   |   |   |
| Fiduciary (VPC/FMP Criteria)   |   |   |
| Non-Fiduciary  |   |   |
| The IDB's involvement promotes additional improvements of the intended beneficiaries and/or public sector entity in the following dimensions:                            |   |   |
| Additional (to project preparation) technical assistance was provided to the public sector entity prior to approval to increase the likelihood of success of the project | Yes   | ATN/OC-20532-HA (HA-T1315)  |

**Evaluability Assessment Note:** The document presents an investment project for \$16 million financed by the Grant Facility for Haiti. The general objective is to contribute to improvements to policy implementation and service delivery to citizens by supporting increased effectiveness of public management through digitalization. The operation will finance actions to strengthen i) public sector digital governance and the institutional capacity of the digital government agency, ii) the capabilities for digitalization and efficiency of processes and transactions that underly core crosscutting management systems run by the Ministry of Economy and Finance, and iii) the cybersecurity capacity of the public sector.

The diagnosis is adequate, supported by evidence, and highlights the public sector challenges in Haiti. The main problem is related to the government's ineffective policy implementation and service delivery to citizens. This problem is related, in part, to weak public sector digital governance, gaps in technological enablers and capabilities to digitalize and increase efficiency of core crosscutting management systems run by the Ministry of Economy and Finance, and limited public sector cybersecurity capacity.

The results matrix is consistent with the vertical logic of the operation and presents reasonable, well-specified and adequate impact and results indicators to measure the achievement of the specific objectives. Targets require justification. The monitoring and evaluation plan proposes a reflexive evaluation (before and after methodology) for all the indicators associated with the program's specific objectives. The cost-benefit analysis shows that the investment is profitable.

The project obtained an Environmental and Social rating in category C, since only minimal or no negative environmental or social impacts are to be expected. The project has a high overall risk rating, highlighting execution environment risks, and capacity risks of the executing agency. Appropriate mitigation measures have been proposed and can be monitored throughout the project.

**RESULTS MATRIX**

|                           |   |
|---------------------------|---|
| <b>Project Objective:</b> | The project specific development objectives are to: (i) increase the institutional capacity of the digital government agency; (ii) increase efficiency of core management systems run by the Central MEF through digitalization of Central MEF internal management; and (iii) increase cybersecurity monitoring and management capacity of priority public agencies. The project general development objective is to contribute to improvements to policy implementation and service delivery to citizens by supporting increased effectiveness of public management through digitalization |
|---------------------------|---|

**GENERAL DEVELOPMENT OBJECTIVE**

| Indicators  | Unit of Measurement                            | Baseline value | Baseline year | Expected year of achievement | Target | Means of verification | Comments                |
|---|--|----------------|---------------|------------------------------|--------|-----------------------|-------------------------|
| <b>Contribute to improvements to policy implementation and service delivery to citizens by supporting increased effectiveness of public management through digitalization</b> |  |                |               |                              |        |                       |                         |
| 1.1. Improved conditions for government online services   | Online services index of UN e-government index | 0.0865         | 2022          | 2029                         | 0.092  | UN e-government index | See <a href="#">MEP</a> |



### SPECIFIC DEVELOPMENT OBJECTIVES

| Indicators   | Unit of measurement   | Baseline value | Baseline year | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | End of project | Means of verification  | Comments                |
|--|---|----------------|---------------|--------|--------|--------|--------|--------|----------------|--|-------------------------|
| <b>Specific Development Objective 1. Increase the institutional capacity of the digital government agency</b>  |   |                |               |        |        |        |        |        |                |  |                         |
| 1.1 IHSI technical and organizational capabilities increased   | % of technical and organizational recommendations adopted   | 0%             | 2023          | 0%     | 0%     | 30%    | 50%    | 60%    | 60%            | MEF Project Team Report and IHSI Report                                      | See <a href="#">MEP</a> |
| <b>Specific Development Objective 2. Increase efficiency of core management systems run by the Central MEF through digitalization of Central MEF internal management</b> |   |                |               |        |        |        |        |        |                |  |                         |
| 2.1 Documents managed and signed digitally   | % of Central MEF macroprocesses supported by digital document management and/or digital signature solutions | 0%             | 2023          | 0%     | 0%     | 13%    | 13%    | 13%    | 38%            | MEF Project Team Report and MEF DSI Report                                   | See <a href="#">MEP</a> |
| 2.2 Payments to suppliers made digitally   | % of checks issued for payments to Central MEF suppliers that are enabled to receive bank deposits          | 100%           | 2023          | 100%   | 100%   | 90%    | 80%    | 70%    | 70%            | MEF Project Team Report and MEF DSI & CPCNC (Public Accountants Unit) Report | See <a href="#">MEP</a> |
| 2.3 Cost savings in operations to pay suppliers  | Savings due to reduction of checks issued for payments to suppliers as % of                                 | 0.00%          | 2023          | 0.00%  | 0.00%  | 0.03%  | 0.05%  | 0.07%  | 0.07%          | MEF Project Team Report and MEF DSI & CPCNC (Public Accountants Unit) Report | See <a href="#">MEP</a> |

| Indicators  | Unit of measurement  | Baseline value | Baseline year | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | End of project | Means of verification  | Comments  |
|---|----------------------|----------------|---------------|--------|--------|--------|--------|--------|----------------|--|---|
|   | budget for suppliers |                |               |        |        |        |        |        |                |  |   |
| 2.4 Employees with increased digital skills for the use and/or management of new solutions  | Number of employees  | 0              | 2023          | 0      | 120    | 180    | 180    | 120    | 600            | MEF Project Team Report and Training certificates                | See <a href="#">MEP</a>                         |
| 2.5 Women employees with increased digital skills for the use and/or management of new solutions                                    | Number of employees  | 0              | 2023          | 0      | 36     | 54     | 54     | 36     | 180            | MEF Project Team Report and Training certificates                | See <a href="#">MEP</a><br>Pro-Gender indicator |
| <b>Specific Development Objective 3. Increase cybersecurity monitoring and management capacity of priority public agencies</b>      |                      |                |               |        |        |        |        |        |                |  |   |
| 3.1 Public agencies' critical systems under cybersecurity monitoring and management by Cybersecurity Incident Response Team (CSIRT) | Number of systems    | 0              | 2023          | 0      | 0      | 1      | 1      | 1      | 3              | MEF Project Team Report and CSIRT Report                         | See <a href="#">MEP</a>                         |
| 3.2 Public sector employees of priority public agencies trained   | Number of employees  | 0              | 2023          | 0      | 100    | 150    | 150    | 100    | 500            | MEF Project Team Report, CSIRT Report, and Training certificates | See <a href="#">MEP</a>                         |



### OUTPUTS

| Indicators   | Unit of measurement | Baseline value | Baseline year | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | End of project | Means of verification   |
|--|---------------------|----------------|---------------|--------|--------|--------|--------|--------|----------------|-------------------------|
| <b>Component 1. Public sector digital governance</b>                                     |                     |                |               |        |        |        |        |        |                |                         |
| <b>Sub-component 1.1 Strengthening of digital governance architecture</b>                |                     |                |               |        |        |        |        |        |                |                         |
| 1.1.1 Diagnosis and recommendations to improve digital governance architecture delivered | Report              | 0              | 2023          | 0      | 1      | 0      | 0      | 0      | 1              | MEF Project Team Report |
| <b>Sub-component 1.2 Strengthening of digital government agency (IHSI)</b>               |                     |                |               |        |        |        |        |        |                |                         |
| 1.2.1 IHSI technical capacity increased  | Contract package    | 0              | 2023          | 1      | 1      | 1      | 1      | 1      | 5              | MEF Project Team Report |
| 1.2.2 Technical assistance to IHSI provided  | Contract package    | 0              | 2023          | 0      | 1      | 1      | 1      | 1      | 4              |                         |
| 1.2.3 IHSI operations manual prepared  | Report              | 0              | 2023          | 0      | 1      | 0      | 0      | 0      | 1              |                         |

| Indicators  | Unit of measurement  | Baseline value | Baseline year | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | End of project | Means of verification   |
|---|----------------------|----------------|---------------|--------|--------|--------|--------|--------|----------------|-------------------------|
| <b>Component 2. Digital transformation of central MEF internal management</b>   |                      |                |               |        |        |        |        |        |                |                         |
| <b>Sub-component 2.1 Strengthening of digital infrastructure</b>                |                      |                |               |        |        |        |        |        |                |                         |
| 2.1.1 MEF buildings and spaces connected  | Connectivity hubs    | 0              | 2023          | 0      | 3      | 7      | 10     | 10     | 10             | MEF Project Team Report |
| 2.1.2 MEF buildings and spaces connected with reinforced power supply           | Power systems        | 0              | 2023          | 0      | 0      | 3      | 4      | 3      | 10             |                         |
| 2.1.3 MEF cloud infrastructure reinforced                                       | Cloud infrastructure | 0              | 2023          | 0      | 1      | 1      | 1      | 1      | 1              |                         |
| <b>Sub-component 2.2 Strengthening of digital shared crosscutting solutions</b> |                      |                |               |        |        |        |        |        |                |                         |
| 2.2.1 MEF interoperability platform reinforced                                  | Platform             | 0              | 2023          | 0      | 0      | 1      | 1      | 1      | 1              | MEF Project Team Report |
| 2.2.2 MEF institutional email system implemented                                | System               | 0              | 2023          | 0      | 0      | 1      | 1      | 1      | 1              |                         |

| Indicators   | Unit of measurement | Baseline value | Baseline year | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | End of project | Means of verification   |
|--|---------------------|----------------|---------------|--------|--------|--------|--------|--------|----------------|-------------------------|
| 2.2.3 MEF digital document management solution designed and implemented                                | Digital solution    | 0              | 2023          | 0      | 0      | 1      | 1      | 1      | 1              |                         |
| 2.2.4 MEF digital signature solution designed and implemented  | Digital solution    | 0              | 2023          | 0      | 0      | 1      | 1      | 1      | 1              |                         |
| 2.2.5 MEF payment for suppliers digital solution designed and implemented                              | Digital solution    | 0              | 2023          | 0      | 0      | 1      | 1      | 1      | 1              |                         |
| 2.2.6 MEF hybrid -in office and remote- work solution designed and implemented                         | Digital solution    | 0              | 2023          | 0      | 0      | 1      | 1      | 1      | 1              |                         |
| 2.2.7 Training on solutions use and management delivered   | Training campaigns  | 0              | 2023          | 0      | 1      | 1      | 1      | 1      | 4              |                         |
| 2.2.8 Change management strategy designed and implemented  | Strategy            | 0              | 2023          | 0      | 1      | 1      | 1      | 1      | 1              |                         |
| <b>Sub-component 2.3 Strengthening of MEF Information Systems Directorate (DSI) technical capacity</b> |                     |                |               |        |        |        |        |        |                |                         |
| 2.3.1 DSI technical and operational capacity increased   | Contract package    | 1              | 2023          | 1      | 1      | 1      | 1      | 1      | 5              | MEF Project Team Report |

| Indicators   | Unit of measurement | Baseline value | Baseline year | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | End of project | Means of verification   |
|--|---------------------|----------------|---------------|--------|--------|--------|--------|--------|----------------|-------------------------|
| 2.3.2 Technical assistance to DSI provided   | Contract package    | 0              | 2023          | 0      | 1      | 1      | 1      | 1      | 4              |                         |
| <b>Component 3. Public sector cybersecurity capacity</b>   |                     |                |               |        |        |        |        |        |                |                         |
| <b>Sub-component 3.1 Development of public sector cybersecurity governance</b>   |                     |                |               |        |        |        |        |        |                |                         |
| 3.1.1 Diagnosis and recommendations to define cybersecurity governance delivered   | Report              | 0              | 2023          | 0      | 1      | 0      | 0      | 0      | 1              | MEF Project Team Report |
| <b>Sub-component 3.2 Development of capacity to protect, monitor, detect, respond and recover from cybersecurity incidents</b> |                     |                |               |        |        |        |        |        |                |                         |
| 3.2.1 Cybersecurity Incident Response Team (CSIRT) implemented   | Contract package    | 0              | 2023          | 1      | 1      | 1      | 1      | 1      | 5              | MEF Project Team Report |
| 3.2.2 CSIRT equipped to monitor and manage cybersecurity incidents   | Toolkit             | 0              | 2023          | 0      | 0      | 1      | 1      | 1      | 3              |                         |
| 3.2.3 Technical assistance to CSIRT provided   | Contract package    | 0              | 2023          | 0      | 1      | 1      | 1      | 1      | 4              |                         |
| 3.2.4 Training to cybersecurity specialists in priority public agencies delivered  | Training campaigns  | 0              | 2023          | 0      | 1      | 1      | 1      | 1      | 4              |                         |



| Indicators  | Unit of measurement | Baseline value | Baseline year | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | End of project | Means of verification |
|---|---------------------|----------------|---------------|--------|--------|--------|--------|--------|----------------|-----------------------|
| 3.2.5 Cybersecurity awareness campaigns for public sector employees delivered | Awareness campaigns | 0              | 2023          | 0      | 1      | 1      | 1      | 1      | 4              |                       |

Country: Haiti

Division: IFD/ICS

Operation No.: HA-J0010

Year: 2024

## FIDUCIARY AGREEMENTS AND REQUIREMENTS

**Executing Agency (EA):** Ministry of Economy and Finance (MEF)

**Operation Name:** Strengthening the Foundations of Digital Transformation of Public Management to Improve Government Effectiveness

### I. FIDUCIARY CONTEXT OF EXECUTING AGENCY

#### 1. Use of country systems in the operation<sup>1</sup>

|                                     |   |   |   |
|-------------------------------------|---|---|---|
| <input type="checkbox"/> Budget     | <input type="checkbox"/> Reports          | <input type="checkbox"/> Information System     | <input type="checkbox"/> National Competitive Bidding (NCB) |
| <input type="checkbox"/> Treasury   | <input type="checkbox"/> Internal audit   | <input type="checkbox"/> Shopping               | <input checked="" type="checkbox"/> Others                  |
| <input type="checkbox"/> Accounting | <input type="checkbox"/> External Control | <input type="checkbox"/> Individual Consultants |   |

#### 2. Fiduciary execution mechanism

|                                     |  |  |
|-------------------------------------|--|--|
| <input checked="" type="checkbox"/> | Particularities of the fiduciary execution | The MEF will be responsible for the coordination, execution, strategic direction and technical quality, and fiduciary management of all project resources. The MEF Project Team will provide managerial, technical, and fiduciary support for project execution and will be financed by this operation. The MEF Project Team is currently implementing 4820/GR-HA and is integrated by MEF key personnel for project execution, including a coordinator, a financial management specialist, a procurement specialist, a senior accountant, and an administrative assistant. This Project Team will also constitute the key personnel for the execution of the project and will be reinforced with a financial management specialist, a senior accountant, and a procurement specialist. The Project Management Committee (PMC) is the project governance and accountability body. It is led by the MEF General Director and integrated by relevant Central MEF Directors, MEF Project Team, IHSI, and other public agencies that are key stakeholders. |
|-------------------------------------|--|--|

#### 3. Fiduciary capacity

|                              |   |
|------------------------------|---|
| Fiduciary Capacity of the EA | Based on the capacity assessment made in 2022 and considering that the current execution team will be responsible for projects 4820/GR-HA and HA-J0010, the project team will be reinforced (I.2). This structure will hierarchically report to the MEF General Director and will also have a matrix-based dependency on the PMC. |
|------------------------------|---|

#### 4. Fiduciary risks and risk response

| Risk taxonomy   | Risk  | Risk level | Risk response   |
|-----------------|---|------------|---|
| Human Resources | If there is loss of MEF personnel due to brain drain resulting from FCCV context or high turnover, impacting MEF Project Team or Directorates, this could affect availability of skilled professionals and technical and managerial capacity, and therefore implementation timeliness and effectiveness, including fiduciary aspects. | High       | The project will (i) reinforce the MEF Project Team hiring additional fiduciary personnel including a financial management specialist, a senior accountant and a procurement specialist, and continue training the team; (ii) foster a hybrid work environment in the MEF contributing to retain employees and attract new personnel; and (iii) develop digital skills and technical and managerial capacity. |

<sup>1</sup> Any system or subsystem that is subsequently approved may be applicable to the operation, in accordance with the terms of the Bank's validation.

| Risk taxonomy      | Risk   | Risk level | Risk response   |
|--------------------|--|------------|---|
| Goods and services | If there are difficulties with procurement due to supply chain limitations resulting from the FCCV context, this could affect equipment and services availability, cost, quality and maintenance, and thus execution of activities and disbursement. | High       | The project will implement proactive procurement and contract management including (i) risk-adjusted and streamlined procurement and contract processes and management; (ii) suppliers and partnerships early identification and diversification; (iii) public-private collaboration and incentives; and (iv) communication and collaboration with suppliers. |

5. Policies and Guides applicable to the operation: Financial Management of the project will be in accordance with OP-273-12. Procurement will be undertaken in accordance with GN-2349-15 and GN-2350-15 or future revised versions.

## II. ASPECTS TO BE CONSIDERED IN THE SPECIAL CONDITIONS OF THE GRANT AGREEMENT

|  |
|--|
| <p><b>Exchange rate:</b> For purposes of Article 4.10 of the General Conditions, the Parties agree that the applicable exchange rate shall be that indicated in paragraph (b)(i) of said Article. For purposes of determining the equivalency of expenditures incurred in Local Currency chargeable to the Additional Resources or of the reimbursement of expenditures chargeable to the Grant, the agreed exchange rate shall be the exchange rate on the effective date on/in which the Borrower, the Executing Agency, or any other person or legal entity in whom the power to incur expenditures has been vested makes the related payments to the contractor, supplier, or beneficiary.</p> |
| <p><b>Audit and financial reporting:</b> Throughout the grant disbursement period, the executing agency will submit audited financial statements as follows: (i) annual financial audit reports of the program within 120 days after the closure of each Haitian fiscal year; and (ii) a final financial audit report within 120 days after the date of the last disbursement.</p>   |
| <p><b>Special contractual clauses of execution (designated accounts and authorized signatures):</b> The MEF will keep two separate accounts for the management of project resources (one in USD and another in HTG). Authorized signatures for each account will be sent to the IDB by the MEF.</p>  |

## III. AGREEMENTS AND REQUIREMENTS FOR PROCUREMENT EXECUTION

|                                     |                                   |  |
|-------------------------------------|-----------------------------------|--|
| <input checked="" type="checkbox"/> | Bidding Documents                 | For procurement of Works, Goods and Services Different of Consulting executed in accordance with GN-2349-15, subject to ICB, the Bank's Standard Bidding Documents (SBDs) or those agreed between EA and the Bank will be used for the particular procurement. Likewise, selection and contracting of Consulting Services will be carried out in accordance with GN-2350-15 and the Standard Request for Proposals (SRP) issued by the Bank or agreed between the EA and the Bank will be used for the particular selection. For the NBC a procurement document shall be developed to be agreed between the competent authority of the country and the Bank. The revision of technical specifications, as well as terms of reference of procurement during the preparation of selection processes, is responsibility of the sectorial specialist of the project. This technical review can be ex-ante and is independent of the procurement review method. |
| <input checked="" type="checkbox"/> | Complementary Procurement Support | Complementary Procurement Support is being offered to assist the MEF during the transition period between the current project team and the new structure. Conditions of this support are described in OP-272-3.  |
| <input checked="" type="checkbox"/> | Procurement supervision           | Ex ante for all Procurement Processes. Thresholds by Country: <a href="https://projectprocurement.iadb.org/en/policies">https://projectprocurement.iadb.org/en/policies</a> .  |
| <input checked="" type="checkbox"/> | Records and Archives              | The MEF must ensure set-up of document management and archive system prior to the commencement of any fiduciary activity.  |

### Main Acquisitions

| Description of Procurement               | Selection Method  | Estimated Date | Estimated Amount US\$ |
|--|---|----------------|-----------------------|
| <b>Non-consulting services</b>           |   |                |                       |
| Services to improve Cloud Infrastructure | International Competitive Bidding (ICB)                 | Jan 2025       | 1,200,000             |
| Cybersecurity Services                   | ICB   | Jan 2025       | 1,540,000             |
| <b>Consulting firms</b>                  |   |                |                       |
| Technical Assistance to IHSI             | Quality- and Cost-Based Selection (QCBS)                | Jan 2025       | 540,000               |
| Technical Assistance to DSI              | Quality-Based Selection (QBS)                           | Oct 2024       | 1,500,000             |
| <b>Individuals</b>                       |   |                |                       |
| Consultants for IHSI                     | Selection of individual consultant (by open invitation) | Oct 2024       | 500,000               |
| Consultants for CSIRT                    | Selection of individual consultant (by open invitation) | Oct 2024       | 730,000               |

### IV. AGREEMENTS AND REQUIREMENTS FOR FINANCIAL MANAGEMENT

|                                     |   |   |
|-------------------------------------|---|---|
| <input checked="" type="checkbox"/> | Programming and Budget                        | The MEF Project Team will coordinate inputs of different stakeholders through PMC and will prepare annual operations plans and annual budget. Programming and budget planning, execution, and monitoring at the project level will rely on IDB project financial management procedures. Implementation challenges are foreseen due to potential bottlenecks caused by coordination needed among different areas within the MEF and with IHSI that could affect execution.   |
| <input checked="" type="checkbox"/> | Treasury and Disbursement Management          | <p>Financial management will be guided by OP-273-12 and Bank Disbursements Handbook. Funds will be deposited by IDB in the project designated USD account opened at BRH and transferred to project designated local currency account as needed by EA for payment of expenses in HTG.</p> <p>The MEF Project Team, in coordination with PMC, will prepare annual planning of the project cash flow and will update it quarterly. The projected cash flow will be based on activities planned, procurement plan, and payment terms agreed with suppliers and project beneficiaries. The projected annual cash flow will be the basis for determining advances of funds to be disbursed by the Bank to the MEF.</p> <p>Advances of funds will cover the financial needs for up to 4 months based on the updated financial plan and needs for the execution of project activities as approved in the AOP and updated on the procurement plan. After the first year of execution and upon performance, advances of funds might cover the needs for a period of up to 6 months.</p> <p>Given the coordination required among all stakeholders involved in the decision making of the project, the operation is expected to justify 75% of accumulated balances pending of justification to receive a new advance of funds.</p> <p>Prior agreement with the Bank and according to OP-273-12 and Grant Agreement, the project could also use Direct Payments and Reimbursement of Expenses for disbursements.</p> |
| <input checked="" type="checkbox"/> | Accounting, Information Systems and Reporting | QuickBooks software will be used for financial administration of the project and will generate financial reports according to the chart of accounts and investment components approved for the project. Modified cash basis will be used for accounting purposes and the International Financial Reporting Standards will be followed when applicable, in accordance with the established national criteria. Financial reports will be presented in USD.  |

|                                     |  |  |
|-------------------------------------|--|--|
|                                     |  | In addition to the policies and guides applicable to the operation, the POM will be used with the documented definition of internal workflows and controls.  |
| <input checked="" type="checkbox"/> | Internal Control and Internal Audit                            | Based on the most recent institutional capacity evaluation (performed in 2022 for the reformulation of operation 4820/GR-HA), the MEF has an internal audit service performed by the <i>Inspection Générale Fiscale</i> , which performs the internal control functions. Given the structure foreseen for the project, the internal audit function applied to the project would be low, and therefore the internal control of the unit will be based on the unit procedures as well as the operations manuals and IDB Guidelines. Regular supervisions reports and recommendations will be used to monitor and strengthen internal controls within the unit.   |
| <input checked="" type="checkbox"/> | External Control: External Financial Audit and Project Reports | <p>The MEF will select and contract external audit services in accordance with the terms of reference previously agreed between the MEF and the Bank. These will establish the type of review, opportunity, and scope.</p> <p>The selected external auditor and the audit norms to be applied will be acceptable to the Bank. External financial audits will be performed in accordance with Bank policies and Handbooks. The annual project financial statements will correspond to the Haitian fiscal year and will be audited by an independent firm eligible to the Bank. The project audited financial statements will be submitted annually to the Bank 120 days after the closing of Haiti fiscal year or the last disbursement date.</p> |
| <input checked="" type="checkbox"/> | Project Financial Supervision                                  | Financial supervision will be conducted monthly on an ex-post basis and will consider on-site inspection visits and “desk” reviews, as well as analysis and follow-up of results and recommendations of audits of financial reports, review of justification of advance, and reconciliation of project accounts.   |

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION DE-\_\_\_/24

Haiti. Nonreimbursable Financing \_\_\_/GR-HA to the Republic of Haiti  
Strengthening the Foundations of Digital Transformation of Public  
Management to Improve Government Effectiveness

The Board of Executive Directors

RESOLVES:

That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, as Administrator of the IDB Grant Facility (hereinafter referred to as the "Account"), to enter into such contract or contracts as may be necessary with the Republic of Haiti, as beneficiary, for the purpose of granting it a nonreimbursable financing to cooperate in the execution of the project "Strengthening the Foundations of Digital Transformation of Public Management to Improve Government Effectiveness". Such nonreimbursable financing will be for an amount of up to US\$16,000,000, which form part of the Account, and will be subject to the Terms and Financial Conditions and the Special Contractual Conditions in the Project Summary of the Grant Proposal.

(Adopted on \_\_\_ \_\_\_\_\_ 2024)