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Report No: PAD1512

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT PAPER

ON A

PROPOSED ADDITIONAL GRANT

IN THE AMOUNT OF SDR 2.0 MILLION  
(US\$2.8 MILLION EQUIVALENT)

TO THE

REPUBLIC OF HAITI

FOR A

INFRASTRUCTURE AND INSTITUTIONS EMERGENCY RECOVERY PROJECT

October 28, 2016

Transport and ICT Global Practice  
Latin America and the Caribbean Region

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## CURRENCY EQUIVALENTS

(Exchange Rate Effective: October 17, 2016)

Currency Unit = Haitian Gourds  
64.7 HTG = 1 USD  
0.73000 SDR = 1 USD

## FISCAL YEAR

October 1 – September 30

## ABBREVIATIONS AND ACRONYMS

AF	Additional Financing
BRH	Haiti Central Bank ( <i>Banque de la République d’Haiti</i> )
CIAT	Inter-ministerial Committee for Territorial Planning ( <i>Comité Interministériel d’Aménagement du Territoire</i> )
CNMP	Procurement Regulatory Agency ( <i>Commission Nationale des Marches Publics</i> )
CPF	Country Partnership Framework
CS-CCA	Supreme Audit Institution ( <i>Cour Supérieure des Comptes et du Contentieux Administratif</i> )
GoH	Government of Haiti
ICB	International Competitive Bidding
IDA	International Development Association
IDB	Inter-American Development Bank
IGF	Financial Inspectorate ( <i>Inspection Générale des Finances</i> )
IHSI	Haitian Statistics Institute
IIERP	Infrastructure and Institutions Emergency Recovery Project
IMF	International Monetary Fund
MEF	Ministry of Economy and Finance ( <i>Ministère de l’Economie et des Finances</i> )
MPCE	Ministry of Planning and External Cooperation ( <i>Ministère de Planification et Coopération Externe</i> )
MTPTC	Ministry of Public Works, Transportation and Communication ( <i>Ministère de Travaux Publics, Transport et Communications</i> )
NCB	National Competitive Bidding
NGO	Non-Governmental Organization
OM	Operations Manual
OCPAH	Association of Chartered Public Accountants of Haiti ( <i>Ordre des Comptables Professionnels Agréés d’Haiti</i> )
PCU	Project Coordination Unit ( <i>Unité de Coordination de Projet</i> )
PDO	Project Development Objective
PEFA	Public Expenditure and Financial Accountability
PIMAP	Public Investment Management Action Plan
PFM	Public Financial Management
PFMRAP	Public Financial Management Reform Action Plan
PPA	Project Preparation Advance
QCBS	Quality Cost Based Selection

SBD	Standard Bidding Document
SDR	Special Drawing Rights
SYSDEP	Expenditure Information System ( <i>Système d'Informatisation des Dépenses</i> )
SYSGEP	Public Investment Information System ( <i>Système de Gestion de Projets</i> )
UCE	Central Execution Unit ( <i>Unité Centrale d'Exécution</i> ) (PCU of MTPTC)
UCP	Project Coordination Unit ( <i>Unité de Coordination de Projet</i> – UCP-MEF)
ULCC	Anticorruption Agency ( <i>Unité de Lutte Contre la Corruption</i> )
USAID	United States Agency for International Development

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**HAITI**  
**INFRASTRUCTURE AND INSTITUTIONS EMERGENCY RECOVERY PROJECT –**  
**ADDITIONAL FINANCING**

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## ADDITIONAL FINANCING DATA SHEET

*Haiti*

*Second Additional Financing for Infrastructure & Institutions Emergency Recovery (P156049)*

*LATIN AMERICA AND CARIBBEAN*

*GTI04*

### *Basic Information – Parent*

Parent Project ID:	P120895	Original EA Category:	A - Full Assessment						
Current Closing Date:	31-Dec-2016								
<b>Basic Information – Additional Financing (AF)</b>									
Project ID:	P156049	Additional Financing Type (from AUS):	Scale Up						
Regional Vice President:	Jorge Familiar	Proposed EA Category:	A						
Country Director:	Mary A. Barton-Dock	Expected Effectiveness Date:	8-Feb-2017						
Senior Global Practice Director:	Pierre Guislain	Expected Closing Date:	31-Dec-2017						
Acting Practice Manager:	Gylfi Palsson	Report No:	PAD1512						
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<b>Borrower</b>									
Organization Name	Contact	Title	Telephone	Email					
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<b>Project Financing Data - Parent (Infrastructure &amp; Institutions Emergency Recovery- P120895) (in USD Million)</b>									
Key Dates									
Project	Ln/Cr/TF	Status	Approval Date	Signing Date	Effectiveness Date	Original Closing Date	Revised Closing Date		
P120895	IDA-H5510	Effective	18-Mar-2010	22-Mar-2010	23-Apr-2010	30-Jun-2013	31-Dec-2016		
P120895	IDA-H8120	Effective	27-Sep-2012	06-Nov-2012	05-Feb-2013	30-Jun-2016	31-Dec-2016		
Disbursements									
Project	Ln/Cr/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P120895	IDA-H5510	Effective	XDR	41.90	41.90	0.00	41.90	0.00	100.00

		e														
P120895	IDA-H8120	Effectiv e	XDR	23.30	23.30	0.00	13.22	10.08	56.75							
<b>Project Financing Data - Additional Financing Second Additional Financing Infrastructure &amp; Institutions Emergency Recovery (P156049)(in USD Million)</b>																
<input type="checkbox"/> Loan <input type="checkbox"/> Grant <input checked="" type="checkbox"/> IDA Grant <input type="checkbox"/> Credit <input type="checkbox"/> Guarantee <input type="checkbox"/> Other																
Total Project Cost:		2.80		Total Bank Financing:		2.80										
Financing Gap:		0.00														
<b>Financing Source – Additional Financing (AF)</b>								<b>Amount</b>								
BORROWER/RECIPIENT								0.00								
IDA Grant								2.80								
Total								2.80								
<b>Policy Waivers</b>																
Does the project depart from the CAS in content or in other significant respects?							No									
Explanation																
Does the project require any policy waiver(s)?							No									
Explanation																
<b>Team Composition</b>																
<b>Bank Staff</b>																
<b>Name</b>	<b>Role</b>		<b>Title</b>		<b>Specialization</b>		<b>Unit</b>									
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Faly Diallo	Team Member	Finance Officer	Finance Officer		WFALN
Locations					
Country	First Administrative Division	Location	Planned	Actual	Comments
Haiti	Departement de l'Ouest	Port-au-Prince	X	X	
Haiti		Republic of Haiti			
Institutional Data					
Parent ( Infrastructure & Institutions Emergency Recovery-P120895 )					
Practice Area (Lead)					
Transport & ICT					
Contributing Practice Areas					
Macro Economics & Fiscal Management					
Cross Cutting Topics					
[ ] Climate Change					
[ ] Fragile, Conflict & Violence					
[ ] Gender					
[ ] Jobs					
[ ] Public Private Partnership					
Sectors / Climate Change					
Sector (Maximum 5 and total % must equal 100)					
Major Sector		Sector	%	Adaptation Co-benefits %	Mitigation Co-benefits %
Transportation		Urban Transport	35		
Water, sanitation and flood protection		Flood protection	20		
Public Administration, Law, and Justice		Public administration-Financial Sector	20		
Water, sanitation and flood protection		Wastewater Collection and Transportation	15		

Public Administration, Law, and Justice	Central government administration	10		
Total		100		
<b>Themes</b>				
Theme (Maximum 5 and total % must equal 100)				
Major theme	Theme	%		
Social protection and risk management	Natural disaster management	100		
Total		100		
<b>Additional Financing Second Additional Financing Infrastructure &amp; Institutions Emergency Recovery (P156049)</b>				
<b>Practice Area (Lead)</b>				
Transport & ICT				
<b>Contributing Practice Areas</b>				
Governance, Macro Economics & Fiscal Management				
<b>Cross Cutting Topics</b>				
[ ] Climate Change				
[ ] Fragile, Conflict & Violence				
[ ] Gender				
[ ] Jobs				
[ ] Public Private Partnership				
<b>Sectors / Climate Change</b>				
Sector (Maximum 5 and total % must equal 100)				
Major Sector	Sector	%	Adaptation Co-benefits %	Mitigation Co-benefits %
Public Administration, Law, and Justice	Public administration-Financial Sector	100		
<b>Themes</b>				
Theme (Maximum 5 and total % must equal 100)				
Major theme	Theme	%		
Public sector governance	Public expenditure, financial management and procurement	100		
Total		100		
<b>Consultants (Will be disclosed in the Monthly Operational Summary)</b>				
Consultants Required ?Consultants will be required				



## **I. Introduction**

1. This Project Paper seeks the approval of the Executive Directors to provide an additional grant in the amount of SDR 2.0 million (US\$2.8 million equivalent) to the Republic of Haiti for the Infrastructure and Institutions Emergency Recovery Project (IIERP – P120895; IDA Grant Nos. H551-0-HT; H812-0-HT).

2. On October 3, 2016, a category IV Hurricane, Matthew, hit Haiti and caused a large-scale disaster and a humanitarian emergency. The Bank is providing an immediate response to this hurricane through existing IDA operations, including this proposed Additional Financing (AF) as well as a proposed Providing Education of Quality in Haiti Project (P155191). The AF and Education project were prepared prior to the disaster but, given their scope and location of investments, will help address impacts. Specifically, this proposed second additional grant would finance new activities aimed at supporting governance and public financial management (PFM) (Component 1), which is a critical need in the context of the current emergency, as well as complete ongoing road rehabilitation works. The resources would also cover the financing gap due to the depreciation of the SDR allocation.

3. The proposed Additional Financing (AF) (P156049, Grant No. IDA- D1360-HT) would also involve a level two project restructuring, which would include:

- (i) an extension of the closing date of the Project by 12 months, from December 31, 2016 to December 31, 2017, to allow for the completion of additional activities deriving from the recently adopted Public Financial Management Reform Action Plan (PFMRAP) under Component 1, and the rehabilitation of the road between Cap Haitian and Labadie under Component 2 of the parent Project;
- (ii) dropping the EDH (Power Utility) financial statements audit (now covered by the IDA-financed Rebuilding Energy Infrastructure and Access Project (P127203), the WIMAX backup of the Central Bank payment system network and the Civil Service census, all under Component 1; these freed resources would remain within Component 1 to cover new activities stemming from the PFMRAP and the Public Investment Management Action Plan (PIMAP);
- (iii) dropping the Rehabilitation of Aviation Safety Equipment, works for the rehabilitation of the road between Milot and Cap Haïtien, and mineral extraction, all under Component 2, due to shifting government priorities and use of domestic resources for these activities;
- (iv) reallocation of funds to reflect those activities already completed and the discrepancy between planned expenditures versus actual expenditures; and
- (v) modifications to the PDO Level and Intermediate Level Results Indicators to monitor the results expected from the modified activities.

4. This is the second AF to the IIERP. The first additional grant in the amount of SDR 23.3 million (US\$35.0 million equivalent), complemented the parent grant of SDR 41.9 million (US\$65 million equivalent), and financed the scale-up of activities of the parent Project. With

the proposed second AF, the level of International Development Association (IDA) funding for the Project would increase from SDR 65.2 million (US\$100 million equivalent) to SDR 67.2 million (US\$102.8 million equivalent). The proposed second AF would not entail any change to the project development objective or its institutional and implementation arrangements.

## **II. Background and Rationale for Additional Financing**

### **A. Country Context**

5. Haiti's geography, people, and history provide it with many opportunities. The third largest Caribbean nation by area and population (10.4 million), Haiti shares the island of Kiskeya with the Dominican Republic. In addition to an illustrious early history, as the first independent nation in the region and the first nation in the world to be led to independence by former slaves, Haiti benefits from proximity and access to major markets, a young labor force, a dynamic diaspora, and substantial geographic, historical, and cultural assets. The country possesses untapped markets and a pent-up demand for the private sector to explore, including in agribusiness, light manufacturing, and tourism.

6. Yet Haiti remains the poorest country in the Western Hemisphere and one of the poorest countries in the world, with a 2014 GDP per capita of US\$824. Almost 60 percent of the population lives below the national poverty line and inequality is high, with wealth and economic opportunity concentrated around Port-au-Prince.<sup>[1]</sup> Access to basic services is limited, particularly in rural areas, which has translated into low human development indicators (Haiti ranks 168th out of 187 countries in the Human Development Index).

7. Six years after the catastrophic earthquake of 2010, reconstruction efforts have yielded tangible progress. The earthquake killed an estimated 230,000 people (including scores of professionals and public servants) and displaced 1.5 million, causing damages and losses of 120 percent of GDP.<sup>[2]</sup> Reconstruction followed in the wake of the humanitarian effort, and progress has been made in several areas. Extreme poverty fell from 31 percent to 24 percent between 2000 and 2012, infrastructure and private sector activity have expanded, and health and education indicators have improved over the same period, thanks in part to substantial expansion of donor assistance after the earthquake and to sustained levels of remittances from the Haitian Diaspora. Nevertheless, Haiti remains extremely vulnerable to natural disaster with 96 percent of the population at risk. On average, each disaster costs 2 percent per GDP per year, and occasionally much more.

8. On October 3, 2016, Hurricane Matthew, a category IV hurricane, landed in Haiti and caused a large scale disaster affecting over 2.1 million people (almost 1/5 of the population) and leaving almost 1.4 million people in need of lifesaving assistance in the southern part of the country. Winds speeds up to 140 mph and torrential rain for 48 hours (around 1,016 mm) triggered widespread flooding and numerous landslides and caused severe damage to all sectors -

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<sup>[1]</sup> The national consumption-based poverty line is US\$1.98 per day, and the Gini coefficient is the highest in Latin America at 0.6. These results are presented in *Investing in People to Fight Poverty in Haiti* (World Bank 2015).

<sup>[2]</sup> These results are presented in the Haiti Country Partnership Framework (Report No.98132-HT).

water, electricity, education, health, food security, and livelihoods - particularly in the South Grand-Anse, and Nippes departments. The disaster also resulted in heavy damage to road infrastructure and buildings with thousands of houses flooded and without roofs as well as destruction of major bridges and roads. Substantial damage was also sustained in the agricultural sector with up to 80 to 90 percent losses of crops in some areas, including staple food, tree crops, and livestock. An upward of 500 schools are also estimated to have been destroyed and approximately 3,000 schools damaged, thus disrupting school for nearly over 470,000 children of ages six to fourteen. An uptake of suspected cholera cases has been reported in the affected departments where facilities were heavily damaged.

9. The hurricane has also exacerbated an already fragile state, where political uncertainty and a deteriorating economic environment were threatening post-earthquake gains. Nearly simultaneous municipal, parliamentary, and presidential elections in 2015 exacerbated underlying divisions in society, and contested election results in the late 2015 led to the appointment of a transitional government. Elections were rescheduled for October 9, 2016 and November 27, 2016. However, the damage sustained during the Hurricane Matthew triggered further postponement of the elections to November 20, 2016 and January 29, 2017.

10. Matthew is also expected to compound major economic challenges. Despite robust macroeconomic management, Haiti has seen limited growth, low revenue generation, and declining external financing (from aid and concessional borrowing), driven by shifts in international priorities and deteriorating global and regional economic conditions.<sup>[3]</sup> Moreover, an ongoing drought over the last three growing seasons has increased food insecurity, contributed to high inflation of domestic food prices and caused a contraction of the agricultural sector, which employs the majority of the poor. Taken together, these factors contribute to a decline in available resources for service delivery from the State and to increasing difficulty for households, who bear a large share of education and health costs, to cover such expenses, threatening the progress made in human development and poverty reduction. According to preliminary estimates, damages and losses caused by Matthew will likely amount 22 percent of GDP. It is also expected that the restoration of agriculture in the areas affected is likely to be very challenging. These developments are likely to further hamper domestic resources mobilization and increase Haiti's reliance on official development assistance and remittances.

11. In terms of both immediate disaster response and long-term recovery, support from Haiti's partners for improvements in governance is critical, since weak public sector management is one of the key constraints to quality public service delivery, including in disaster recovery management. The Bank Systematic Country Diagnostic revealed that Haiti's dismal developmental results can easily be attributed to many factors, including primarily the limited capacity of the Government to steer economic and social development, combined with persistent political instability and frequent natural disasters. These challenges translate into: (i) poor governance; (ii) absence of accountability; and, (iii) weak institutional capacity compounded by outsourcing of key public service delivery in social sectors (Education, Health, Water, Sanitation, etc.) to donors and NGOs, especially after the 2010 earthquake. However, with massive aid inflows in sharp decrease six years after the earthquake, the Government has begun

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<sup>[3]</sup> Details are discussed in the Haiti Systematic Country Diagnostic (SCD) referenced below.

work to increase efficiency and effectiveness in the use of available resources to better deliver on public services, and understands that an overhaul of PFM institutions, systems and processes is needed to support these efforts.

## **B. Sectoral and Institutional Context**

12. The January 2010 earthquake further deepened the existing governance challenges by severely diminishing already weak government capacity. Countries that have experienced major natural disasters need assistance to restore the main functions of the State. Institution building is a gradual and difficult process and a precondition for lasting change in Haiti. It can only be achieved with strong and sustained commitment from Government, Donors, and Partners. Despite demonstrating improvements in macroeconomic management in the last several years, weaknesses in public sector management remain and hamper sustained economic growth and poverty reduction. The impact of Hurricane Matthew on the country may also worsen the situation and deepen these challenges.

13. Public Financial Management (PFM) capacity has been severely undermined following the 2010 earthquake. Before the disaster, and with donors' assistance, the country was trying to overcome serious shortcomings in PFM, including lack of transparency and accountability in the management of public resources, and limited institutional and organizational capacity. After the quake, government efforts supplemented by donors support, especially from the Bank, helped in restoring key financial management functions, and thereafter in forging the building blocks for sustained PFM institutional development. In that regard, the Government devised and adopted a Public Financial Management Reforms Action Plan (PFMRAP) in May 2014, which includes six main areas related to budget management, treasury management, external controls, revenue mobilization, financial decentralization, and financial information systems. In December 2014, with Bank support, the Government also completed a review of the Public Investment Management (PIM) system, and endorsed a PIM Action Plan (PIMAP) organized around 10 measures to strengthen public investment planning, programming, budgeting, execution, and monitoring in the upcoming three years. Implementation of the PFMRAP and PIMAP is underway under the GoH leadership and coordination.

14. As learned from the 2010 earthquake and previous emergencies in Haiti, prioritization, accountability and efficiency in the management of public resources and delivery of services, as well as appropriate use and effectiveness of donor assistance are key following a disaster. In that perspective, the proposed second AF and restructuring would continue to support the implementation of the PFMRAP and the PIMAP, building institutional capacity and public financial management systems to improve public expenditures planning, budgeting, tracking, accounting and reporting; public procurement; investment planning; controls in the use of public resources; and by establishing a culture of transparency and accountability that aims to reduce corruption.

## **C. Consistency with CPF**

15. The proposed second AF is fully aligned with the Country Partnership Framework (CPF) for Haiti (FY16-FY19), discussed by the Board of Executive Directors on September 29, 2015 (Report No. 98132-HT). Activities to be financed by the proposed second AF would contribute

to the strategic objective of promoting inclusive growth and to the cross-cutting objective of strengthening governance and helping Haiti to mitigate the impact of natural disasters.

#### **D. Parent Project and First Additional Financing Background**

16. *Parent Project Grant (H551-0-HT)*: The original IIERP in the amount of SDR 41.9 million (US\$65 million equivalent) was approved on March 1, 2010, and became effective on April 23, 2010. The original closing date of the project was June 30, 2013.

17. *First Additional Financing (H812-0-HT)*: The first Additional Financing to the IIERP in the amount of SDR 23.3 million (US\$35 million equivalent) was approved by the Executive Board of Directors on September 27, 2012. The AF became effective on February 5, 2013, and the closing date was June 30, 2016.

18. *Project Restructuring*: The project closing date was extended once by 36 months with the first Additional Financing to June 30, 2016, and again by 6 months to December 31, 2016 with the Project Restructuring in June 2016, for a total cumulative extension of 54 months. The extension allowed for the completion of the remaining activities to strengthen public financial management under Component 1, and for the continued rehabilitation of the road between Cap Haïtien and Labadie under Component 2.

19. The Project Development Objective (PDO) is to support the Recipient in its sustainable recovery efforts from the effects of the Emergency, through selected interventions aiming at contributing to rebuilding key institutions and infrastructure. The PDO of the parent Project was slightly revised under the first AF to remove the word “early” before “recovery efforts.” Additionally, project activities were expanded under the first AF. The achievement of the PDO is supported by the following project components: (1) restoring key economic and financial functions of the recipient, (2) emergency rehabilitation of selected public infrastructure, and (3) institutional support, reconstruction planning and project management. The proposed second AF will support Component 1 of the Project, as described in the Financing Agreement.

#### **E. Status of Implementation**

20. The implementation of the IIERP is proceeding reasonably well, with both the Implementation Progress (IP) and Development Objective (DO) rated consistently over the last twelve months as “Moderately Satisfactory”. The Project has also demonstrated substantial compliance with key loan covenants, including audit and financial management reporting requirements. The parent Project has disbursed a total of US\$64.5million (equivalent to 100 percent) and the Additional Financing has disbursed a total of US\$20.39 million (equivalent to 58.26 percent) as of October 10, 2016. The Project has complied with all environmental, social and fiduciary safeguard requirements, and both financial management and procurement have been carried out in accordance with the Bank’s Financial Management and Procurement Guidelines. Component 1 of the parent Project and first AF assisted the government in achieving the full re-establishment (through relocation and physical structure rehabilitation), and thereafter operationalization (through provision of goods, equipment and technical assistance) of key government financial institutions. The first AF also supported the preparation and adoption of

the new PFMRAP, as well as the PIMAP, both of which address PFM reforms in a strategic and coordinated approach.

#### **F. Rationale for Additional Financing, Project Restructuring and Additional Benefits**

21. The Government of Haiti (GoH) officially requested additional financing from the World Bank to offset the impact of the recent drop in the SDR/\$ exchange rate which resulted in a financing gap estimated at US\$0.5 million for Component 1. The proposed AF would also finance an increase in costs of ongoing activities under Component 1 of the Project due to minor cost overruns for the construction of the airport customs office and additional needs arising from the implementation of the PFMRAP and PIMAP, especially those related to the implementation of the Information Technology Roadmap activities. More specifically, the proposed AF would continue to support institutional capacity building and public financial management systems in order: (i) to improve public expenditures planning, budgeting, tracking, accounting and reporting; public procurement; investment planning; controls in the use of public resources; and (ii) to foster a culture of transparency and accountability that aims to reduce corruption.

22. The proposed AF would provide the opportunity to effectively align the project activities with key PFM reforms activities set out in the PFMRAP and PIMAP agreed upon with the GoH and with donors interested in PFM reforms (see Annexes 4 and 5 for more details).

### **III. Proposed Changes**

#### *Scope of the Additional Financing*

23. The proposed second AF would provide additional financing to support Component 1 (Restoring Key Economic and Financial Functions of the Recipient) of the Project with the additional SDR 2.0 million (US\$2.8 million equivalent). The existing PDO and other project components remain relevant and there would be no change under the proposed AF.

24. This AF would also include a Level Two Restructuring with changes captured in subsequent sub-sections.

#### *Closing Date*

25. The proposed second AF and restructuring would extend the closing date of the parent Grant and the Additional Financing by 12 months from December 31, 2016 to December 31, 2017. The financing agreements of the parent Project and the first AF would be amended accordingly. This extension would allow for the completion of the IT Roadmap as well as PFMRAP and PIMAP activities supported under Component 1, and the rehabilitation of the road between Cap Haitian and Labadie under Component 2.

## *Project Components*

26. Component 1 – Restoring Key Economic and Financial Functions of the Recipient: Under this component, some activities initiated with the parent Project, including the WIMAX<sup>1</sup> backup of the Central Bank payment network and the *Électricité d'Haïti* (EDH) financial statements preparation and audit<sup>2</sup> would be dropped. The available resources released from these discontinued activities (around US\$2 million) and the residual envelope from the first AF (US\$1.6 million) would be mobilized to finance activities related to the implementation of the PFMRAP and PIMAP. In addition to supplementing funding for cost overruns for the customs building contract, and ongoing project activities that are already well aligned with the six priority areas set out in the PFMRAP, the proposed second additional grant and restructuring will enable the project to finance additional PFMRAP and PIMAP reform needs, such as: (i) public investment management planning, programming, budgeting, execution and monitoring; (ii) progressive introduction of an updated and more integrated financial management information system in line with the IT Roadmap adopted by the government in 2013 and supported by various donors (United States Agency for International Development (USAID); European Union (EU); and Inter-American Development Bank (IDB); and (iii) PFMRAP and PIMAP reforms coordination and management. Annex 4 details how these new activities were selected and how all project activities are re-aligned to support PFMRAP and PIMAP implementation moving forward.

27. Component 2 – Emergency Rehabilitation of Selected Public Infrastructure: The proposed restructuring would also involve changes to activities under Component 2. Activities under Sub-Component 2.1 – Rehabilitation of Aviation Safety Equipment of the first additional grant would be dropped from the project due to shifting government priorities and use of national funding for these activities. Additionally, in subcomponent 2.3, the remaining funds would be used to finance the ongoing rehabilitation of the Road from Cap Haitian to Labadie, as originally planned. The works for the rehabilitation of the road between Milot and Cap Haitian would be limited to spot interventions in the urban area of Milot instead of a full rehabilitation, as the rehabilitation of the main segment of the road would be performed by the GoH with national budget resources.

28. Component 3 – Institutional Support, Reconstruction Planning and Project Management: No change.

29. The Operational Manual would be updated to reflect the above changes.

### **A. Proposed Changes Data Sheet**

Summary of Proposed Changes
-----------------------------

<sup>1</sup> The WIMAX was supposed to be deployed 6 months after the earthquake, as an emergency activity. However, its completion was delayed for years by various implementation issues and the Central Bank meanwhile found alternative ways to cope with its destroyed payment network.

<sup>2</sup> EDH financial statements preparation and audit activity was transferred to the Bank-financed Rebuilding Energy Infrastructure and Access Project (P127203), approved in FY13.

The proposed second additional grant is necessary to a scale-up PFM support through additional activities and to cover the financing gap due to the depreciation of the SDR allocation and some cost overruns in the Parent Project. . The Government of Haiti (GoH) officially requested additional financing from the World Bank for this purpose and to offset the impact of the sharp drop in the SDR/\$ exchange rate which resulted in a financing gap of US\$0.5 million for Component 1. The proposed AF would also finance additional needs arising from the implementation of the PFM RAP and PIMAP, especially those related to the implementation of the Information Technology Roadmap activities and an increase in costs of ongoing activities under Component 1 due to costs overruns for the construction of the airport customs office. The proposed AF would extend the closing date of the Project by 12 months, from December 31, 2016 to December 31, 2017 and allow for changes in some PDO Level and Intermediate Level Results Indicators to monitor the results expected from the modified activities. The financing agreements of the parent Project and the first AF would be amended to be in line with the AF2.

Change in Implementing Agency	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]
Change in Project's Development Objectives	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]
Change in Results Framework	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ]
Change in Safeguard Policies Triggered	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]
Change of EA category	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]
Other Changes to Safeguards	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]
Change in Legal Covenants	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ]
Change in Loan Closing Date(s)	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ]
Cancellations Proposed	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]
Change in Disbursement Arrangements	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]
Reallocation between Disbursement Categories	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ]
Change in Disbursement Estimates	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ]
Change to Components and Cost	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ]
Change in Institutional Arrangements	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]
Change in Financial Management	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]
Change in Procurement	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ]
Change in Implementation Schedule	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]
Other Change(s)	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]

#### Development Objective/Results

##### **Project's Development Objectives**

##### Original PDO

The Project Development Objective is to support the Recipient in its early sustainable recovery efforts from the effects of the Emergency, through selected interventions aiming at contributing to rebuilding key institutions and infrastructure

##### Current PDO (revised in first AF)



The Revised PDO is to support the Recipient in its sustainable recovery efforts from the effects of the Emergency, through selected interventions aiming to rebuilding key institutions and infrastructure.

### Change in Results Framework

Explanation:

The Results Framework would be adjusted to reflect the change and impact of project activities under Component 1 and Component 2. Three new indicators were added under Component 3 to capture results of activities financed by the parent Project and first AF which were previously not captured. See Annex 1 for details.

### Compliance

#### Covenants - Additional Financing (Second Additional Financing Infrastructure & Institutions Emergency Recovery - P156049)

Source of Funds	Finance Agreement Reference	Description of Covenants	Date Due	Recurrent	Frequency	Action
				<input type="checkbox"/>		

### Conditions

Source Of Fund	Name	Type
IDAT	Update of Operations Manual	Effectiveness

#### Description of Condition

The Recipient has prepared and adopted, in form and substance satisfactory to the Association, the Operations Manual.

### Risk

Risk Category	Rating (H, S, M, L)
1. Political and Governance	High
2. Macroeconomic	Substantial
3. Sector Strategies and Policies	Substantial
4. Technical Design of Project or Program	Moderate
5. Institutional Capacity for Implementation and Sustainability	Moderate
6. Fiduciary	Substantial
7. Environment and Social	Moderate
8. Stakeholders	Moderate
9. Other	
OVERALL	Substantial

### Finance

#### Loan Closing Date - Additional Financing (Second Additional Financing Infrastructure & Institutions Emergency Recovery - P156049)

Source of Funds	Proposed Additional Financing Loan Closing Date
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IDA Grant			31-Dec-2017		
Loan Closing Date(s) - Parent ( Infrastructure & Institutions Emergency Recovery - P120895 )					
Explanation:					
The proposed additional financing would also extend the closing date of the Project and first two grants (IDA-H5510 and IDA-H8120) by 12 months from December 31, 2016 to December 31, 2017, to coincide with the closing date of the additional grant. The financing agreements of IDA-H5510 and IDA-H8120 would be amended accordingly. This extension would allow for the completion of the IT Roadmap as well as PFMRAP and PIMAP activities under Component 1, and the rehabilitation of the road between Cap Haitian and Labadie under Component 2.					
Ln/Cr/TF	Status	Original Closing Date	Current Closing Date	Proposed Closing Date	Previous Closing Date(s)
IDA-H5510	Effective	30-Jun-2013	30-Jun-2016	31-Dec-2017	30-Jun-2016, 31-Dec-2016
IDA-H8120	Effective	30-Jun-2016	30-Jun-2016	31-Dec-2017	30-Jun-2016, 31-Dec-2016
Change in Disbursement Estimates (including all sources of Financing)					
Explanation:					
Additional funds will be disbursed in support of the project.					
Expected Disbursements (in USD Million)(including all Sources of Financing)					
Fiscal Year	2016		2017		2018
Annual	0.80		1.30		0.70
Cumulative	0.80		2.10		2.80
Allocations - Additional Financing (Second Additional Financing Infrastructure & Institutions Emergency Recovery - P156049)					
Source of Fund	Currency	Category of Expenditure	Allocation	Disbursement %(Type Total)	
			Proposed	Proposed	
IDAT	XDR	Goods, works, non-consulting services, consultants' services, and Operating Costs for Part 1 of the Project	2.00	100.00	
		Total:	2.00		
Reallocation between Disbursement Categories					
Explanation:					
The disbursement tables of the first two grants (IDA-5510 and IDA-H8120) would be revised to reallocate funds between different disbursement categories. The accompanying revised Procurement Plan can be found in Annex 2. The indicative financing plan by component is shown below in Tables 1 and 2.					
Ln/Cr/TF	Currency	Current Category of	Allocation	Disbursement %(Type	

		Expenditure			Total)	
			Current	Proposed	Current	Proposed
IDA-H5510	XDR	GO/CW/Non-CS/CS/OP Part 1	6,440,000.00	5,320,319.00	100.00	100.00
IDA-H5510		GO/CW/Non-CS/CS Part 2	22,510,000.00	23,450,330.00	100.00	100.00
IDA-H5510		GO/CW/Non-CS/CS/OP Part 3	3,220,000.00	3,587,321.00	100.00	100.00
IDA-H5510		PPF REFINANCING	9,650,000.00	9,542,030.00	0.00	0.00
IDA-H5510		Unallocated	80,000.00	0.00	100.00	100.00
IDA-H5510		Designated Account	0.00	0.00	0.00	0.00
IDA-H5510		Designated Account	0.00	0.00	0.00	0.00
IDA-H5510		UN Advances	0.00	0.00	0.00	0.00
IDA-H5510		UN Advances	0.00	0.00	0.00	0.00
		<b>Total:</b>	41,900,000.00	41,900,000.00		
IDA-H8120	XDR	GO CW NCS CS OP Part 1 b,c,d,e,f	7,989,000.00	7,989,000.00	100.00	100.00
IDA-H8120		GO CW NCS CS Part 2 c,d,e	13,514,000.00	13,514,000.00	100.00	100.00
IDA-H8120		GO CW NCS CS OP Part 3 a,b,c,d,g,h	1,797,000.00	1,797,000.00	100.00	100.00
IDA-H8120		Designated Account	0.00	0.00	0.00	0.00
IDA-H8120		Designated Account	0.00	0.00	0.00	0.00
		<b>Total:</b>	23,300,000.00	23,300,000.00		
<b>Components</b>						
<b>Change to Components and Cost</b>						
<p>Explanation:</p> <p>The Government of Haiti (GoH) officially requested additional financing from the World Bank to offset the heavy impact of the sharp drop in the SDR/\$ exchange rate which resulted in a financing gap of US\$0.5 million for Component 1. The proposed additional grant would also finance an increase in costs of ongoing activities under Component 1 of the project due to costs overruns for the construction of the airport customs office and additional needs arising from the implementation of the PFM RAP and PIMAP, especially those related to the implementation of the Information Technology Roadmap activities.</p> <p>This additional grant would also involve a project restructuring, which would include: (i) an extension of the closing date of the Project by 12 months, from December 31, 2016 to December 31, 2017, to allow for</p>						

the completion of additional activities deriving from the recently adopted PFM RAP under Component 1, and the rehabilitation of the road between Cap Haitien and Labadie (ii) dropping the EDH (Power Utility) financial statements audit, the WIMAX backup of the Central Bank payment system network and the Civil Service census, all under Component 1; these freed resources would remain within Component 1 to cover new activities stemming from the PFM RAP and PIMAP; (iii) dropping of Rehabilitation of Aviation Safety Equipment and the works for rehabilitation of the road between Milot and Cap Haitien, and reference to mineral extraction in the Financing Agreement, all under Component 2, due to shifting government priorities and use of alternative funding for these activities; (iv) a reallocation of funds to reflect those activities already complete and the discrepancy between planned expenditures versus actual expenditures; and (v) modifications to the PDO Level and Intermediate Level Results Indicators to monitor the results expected from the modified activities.

<b>Current Component Name</b>	<b>Proposed Component Name</b>	<b>Current Cost (US\$M)</b>	<b>Proposed Cost (US\$M)</b>	<b>Action</b>
Project Preparation Advance	Project Preparation Advance	15.00	15.00	No Change
1. Restoring Key Economic and Financial Functions of the Recipient	1. Restoring Key Economic and Financial Functions of the Recipient	10.00	24.80	Revised
2. Emergency Rehabilitation of Selected Public Infrastructure	2. Emergency Rehabilitation of Selected Public Infrastructure	35.00	55.30	Revised
3. Institutional Support, Reconstruction Planning and Project Management	3. Institutional Support, Reconstruction Planning and Project Management	5.00	7.70	Revised
	<b>Total:</b>	65.00	102.80	

#### **Other Change(s)**

<b>Implementing Agency Name</b>	<b>Type</b>	<b>Action</b>
---------------------------------	-------------	---------------

#### **Change in Procurement**

Explanation:

Procurement arrangements will not change, but two additional procurement methods have been added and reflected in the Financing Agreements: Selection of UN agencies (UNOPS) and Single-source procedures for the Selection of Individual Consultants.

#### **Appraisal Summary**

#### **Economic and Financial Analysis**

Explanation:

No change.

#### **Technical Analysis**

Explanation:

No change.

<b>Social Analysis</b>
Explanation: No change.
<b>Environmental Analysis</b>
Explanation: No change.
<b>Risk</b>
Explanation: No change.

## **B. Revised Financing Plan**

30. The proposed restructuring would involve a reallocation of funds to reflect those activities already complete and the discrepancy between planned expenditures versus actual expenditures. The accompanying revised Procurement Plan can be found in Annex 3. The indicative financing plan by component is detailed in Annex 2, Tables 1 and 2.

## **C. Results Framework**

31. The Results Framework would be adjusted to reflect the changes and impact of project activities under Component 1 and Component 2. Three new indicators were added under Component 3 to capture results of activities financed by the first grant (IDA-H5510) which were previously not captured. In addition, Component 1 indicators related to Public Expenditure and Financial Accountability (PEFA) would be dropped and replaced since the PEFA exercise was not undertaken in 2013-2014 (as was expected) nor is it planned in the coming years. Furthermore, the PEFA Report and indicators are currently being reviewed and updated at the global level. See Annex 1 for details on proposed changes to the Results Framework.

## **D. Institutional Arrangements**

32. The proposed second additional grant would be implemented using the institutional framework, procurement, financial management and disbursement arrangements in place under the parent IIERP and first additional grant, all of which are working well and have the capacity to absorb additional funds. Both financial management and procurement have been carried out in accordance with the Bank's Financial Management and Procurement Guidelines, and there would be no changes to either financial management or procurement arrangements of the Project beyond the Operation Manual updating. Procurement arrangements will not change, but two additional procurement methods have been added and reflected in the Financing Agreements: selection of UN agencies (UNOPS) and single-source procedures for the selection of individual consultants.

## **E. Social, Environmental and Fiduciary**

33. The Project has complied with all social, environmental and fiduciary safeguard requirements.

34. The OPs triggered under the parent Project include: OP 4.01 Environmental Assessment, OP 4.04 Natural Habitats, OP 4.09 Pest Management, OP 4.11 Physical Cultural Resources and OP 4.12 Involuntary Resettlement). No additional Safeguard policies would be triggered under the second additional grant. The activities that triggered the Environmental Assessment Category A rating under the parent Project and first additional grant are now completed. The rating would be maintained, however, as Category A until project closure. No additional activities proposed in the second AF under Component 1 would require an update to the Environmental and Social Management Framework (ESMF), Environmental Management Plan, (EMPs) or Resettlement Action Plans (RAPs) that were prepared and cleared by the Bank for the debris processing, canal cleaning, bridge, and road works financed under the parent Project. There are no new activities proposed under Component 2 or 3, and the existing safeguard documents (specifically the EMPs and the Rapid Social Assessment) will continue to apply to the remaining activities. A RAP for the Cap-Labadie road was prepared, consulted, and disclosed on March 9, 2016 on both the Bank's external website and locally on the Ministry of Public Works, Transport, Energy and Communications website, and is currently being implemented.

35. The Project's capacity to manage safeguards has proven satisfactory. The implementing agency has a dedicated social and environmental cell that has successfully identified, mitigated, and resolved safeguards issues across the project's interventions. The Bank has also carried out several workshops to strengthen the client's local environmental and social capacity.

36. An audit for IIERP would be conducted annually. Each audit of the Financial Statements for the Project shall cover the period of one fiscal year of the Recipient. The last audit shall cover a period, which can be of more or less than 12 months to include the grace-period. The report for the audit for each such period would be submitted to the Bank no later than four months after the end of such period.

37. There are no overdue audit reports for the Project.

#### **F. Amendment to Financing Agreement**

38. The proposed second additional grant and Restructuring would involve an amendment to the Financing Agreements of the parent Project grant (H-551-0-HT) and the first additional grant (H-812-0-HT) to include all activities defined under Parts 1, 2 and 3 of the parent Project. Presently, these activities are limited to Part 1 (b, c, d, e, f), Part 2 (b, c, d, e, f) and Part 3 (a, b, c, d, g, h). These amendments would align project activities between the two grants. It would finance the additional activities as described above and accommodate cost overruns on activities under the parent Project and the first additional grant.

#### **IV. Overall Risk Rating**

39. The overall risk of the proposed Project is Substantial (based on the Systematic Operations Risk-rating Tool – SORT). Two key risks remain relevant to the proposed second

AF: (i) the political and governance risk of ongoing instability in leadership due to delayed elections may cause unexpected changes in the Government’s policy objectives; and (ii) fiduciary risk, which is heightened by the emergency resulting from the Hurricane. These risks will continue to be managed through active dialogue and consensus-building with stakeholders around the Government’s PFM Reform Action Plan, in which strong emphasis is placed on strengthening PFM systems, and through its implementation. In addition, the Government is working with Bank support to strengthen project management arrangements for accounting and control of resources. Risk with regard to Institutional Capacity for Implementation and Sustainability is considered moderate. The MEF has improved its technical capacity to steer and manage the project activities and PFM reforms with support from the Bank. Longstanding and successful implementation of activities under the parent Project and additional grant demonstrates effective risk mitigation for other risks.

40. Activities financed under the proposed additional grant are expected to benefit the general population as a result of support to key public financial institutions.

41. All activities that triggered the Environmental Assessment Category “A” rating under the parent Project have been completed and this proposed AF would not finance any new activities of that nature. No additional risks are expected as a result of the proposed additional grant and the proposed additional grant builds upon strong prior experience under IIERP. Nevertheless, consistent with the parent Project rating, the overall risk rating of the proposed AF is assessed as “Substantial”. The risk ratings are captured below in the SORT.

<b>Risk Categories</b>	<b>Rating (H, S, M or L)</b>
1. Political and governance	High
2. Macroeconomic	Substantial
3. Sector strategies and policies	Substantial
4. Technical design of project or program	Moderate
5. Institutional capacity for implementation and sustainability	Moderate
6. Fiduciary	Substantial
7. Environment and social	Moderate
8. Stakeholders	Moderate
9. Other	
<b>Overall</b>	<b>Substantial</b>

## **V. World Bank Grievance Redress**

42. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB’s Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB’s independent Inspection

Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the World Bank Inspection Panel, please visit [www.inspectionpanel.org](http://www.inspectionpanel.org).



## Annex 1: Revised Results Framework and Monitoring Indicators

### HAITI: Second Additional Financing to the Infrastructure and Institutions Emergency Recovery Project Results Framework

Revisions to the Results Framework			Comments/ Rationale for Change
<b>PDO</b>			
<i>Parent Project (PAD)</i>	<i>Changes with First Additional Financing – Current</i>	<i>Proposed Changes</i>	
To support the Recipient in its early sustainable recovery efforts from the effects of the Emergency, through selected interventions aiming at contributing to rebuilding key institutions and infrastructure.	To support the Recipient in its sustainable recovery efforts from the effects of the Emergency, through selected interventions aiming at contributing to rebuilding key institutions and infrastructure.	No change.	
<b>PDO indicators</b>			
<i>Parent Project (PAD)</i>	<i>Changes with First Additional Financing – Current</i>	<i>Proposed Changes</i>	
Estimated number of people benefiting from repaired infrastructure (including the proportion of women)	No change.	No change.	
Project influenced the reconstruction planning process for Port-au-Prince and surrounding affected areas so that public consultation mechanisms are strengthened.	No change.	No change.	
MEF restored internal control and audit, and able to process payroll.	No change.	No change.	
Project beneficiaries.	No change.	No change.	
Of which female (beneficiaries)	No change.	No change.	
<b>Intermediate Results indicators</b>			
<i>Parent Project (PAD)</i>	<i>Changes with First Additional Financing – Current</i>	<i>Proposed Changes</i>	
<b>Project Preparation Advance</b>			
Number of individuals receiving and using	No change.	Activity complete.	Activity complete.

immediate recovery supplies.			
<b>Component 1: Restoring key economic and financial functions of the Recipient</b>			
<b>Intermediate Result 1: Quality and comprehensive government accounts reports are produced and submitted within the legal timeframe to the Supreme Audit Institution. They include data on both recurrent and capital expenditures.</b>			
Quality and timeliness of annual financial statements (PI 25)	New.	Dropped and replaced by new indicator below.	This indicator (PI 25) is too broad to capture the actual impact of the project activities in this domain. The project provided support to Treasury through the purchase of accounting software (general ledger account) which helped to produce annual financial statements. The project planned to support better accounting and monitoring of public expenditure through a new accounting system. In addition, it is not clear that a new PEFA will be completed any time soon. PEFA Report and Indicators are also going under transition toward an updated version.
Scope, nature and follow-up of external audit (PI 26)	New.	Dropped and replaced by new indicator below.	Too broad to account for the limited activity done under the project in this domain, and a new PEFA will not be done before the closing of the project. PEFA Report and Indicators are also going under transition toward an updated version.
The MEF established and operationalized four (04) accounting posts ( <i>postes comptables</i> ) to control budget expenditures in line ministries.		New.	This indicator is a proxy to measure improvement in internal control as it was intended in the original indicator.
Number of months elapsed between the end of a fiscal year and actual submission of the consolidated government general accounts for external audit to CSC/CA.		New.	The indicator is taken from the CSI (7.3) and adjusted to account for project activities in support of Treasury for the preparation and submission of government financial statements to CSC/CA within the statutory timeframe.
Number of days elapsed between the submission of the government general accounts to CSC/CA and the submission of	.	New.	This new indicator is also taken from the Core sector Indicators (8.3) and adjusted to account for the capacity building

the audit report of the government general accounts to MEF by the CSC/CA.			activities support to CSC/CA to improve its control performance of public expenditures.
Legislative scrutiny of the annual budget law (PI 27)		Dropped.	The project does not support any activity related to Parliament.
Legislative scrutiny of external audit reports (PI 28)		Dropped.	The project does not support any activity related to Parliament.
<b>Intermediate Result 2: Key government budgetary and financial functions are fully restored</b>			
Payment system: The processing of public servants salaries is fully restored and the registry of civil servants is updated.	Revised. Payroll PEFA Indicators: PI-18	Revised (and Activity Completed). Payment system: The processing of public servants salaries is fully restored and the registry of civil servants is updated.	Original indicator was met early in the parent Project. Updated indicator in first AF to be better aligned with the 2011 PEFA report. However, PI-18 is complex and includes 4 broad sub-dimensions (degree of integration and reconciliation between Payroll and personal records; timeliness of changes to personal records; internal controls of changes to personal records and payroll; and existence of payroll audits) that the project does not support. Hence, the second AF aims to revert to the initial indicator, which was actually completed with project support.
Number of Public Financial Management entities back in operation following the earthquake.		New (Activity complete).	This ad-hoc output indicator is intended to capture the project's multiple activities and realizations to restore key PFM entities and functions such as (i) budget preparation (DGB and DEE); (ii) government expenditure processing and payment (Treasury); (iii) revenue collections (DGI and AGD); and (iv) control of the use of public resources (CSC/CA, IGF, ULCC, CNMP)
<b>Intermediate Result 3: Public investment projects management improved</b>			
Percentage of investment projects included in the PIP in the six agreed pilot ministries, which are evaluated ex-ante by the UEPs according to official guidelines.		New.	This new indicator is taken from CSI (10.1) and adjusted to account for project activities to improve public investment management based on the PIM report.

<b>Intermediate result 4: Small customs office is built and operational</b>			
Small Customs Building is built and used to provide services to the public.is operational, complying with international social and environmental standards.		Revised: Small Customs Building is built and used to provide services to the public.	Slightly revised to clarify the indicator definition.
<b>Component 2: Emergency Rehabilitation of Selected Public Infrastructure</b>			
Km of roads rehabilitated or repaired to agreed standards. (IDA CORE INDICATOR)	No change.	No change.	
Number of infrastructure built with due attention paid to sustainability as well as social and environmental aspects.	No change.	No change.	
Estimated number of days of work generated by infrastructure repair or reconstruction.	Estimated number of days of work generated by infrastructure repair or reconstruction disaggregated by gender.	No change.	
Truitier Debris Processing Facility is operational, complying with international social and environmental standards and support implementation of all stakeholders efforts for debris removal.	No change.	No change.	Activity Complete.
Aviation safety equipment is strengthened to support air traffic accordingly to international standards. Compliance of procured goods for aviation safety infrastructure in line with Standards and Recommended Practices (SARP) of ICAO.	New.	Dropped.	Activity dropped due to change in government priorities.
All bridge reconstruction or repairs financed under the project include seismic stops or equivalent design solutions aiming at improving the resilience to future disasters.	No change.	No change.	
<b>Component 3: Institutional Support, Reconstruction Planning and Project Management:</b>			
Crisis governance institutions received institutional strengthening support.	Key services of MTPTC received institutional strengthening support to be able to handle reconstruction process, Technical Unit for Building Evaluations and Dissemination of Best Practices of Construction (BTB) is created and operational and leads dissemination of repair, retrofit, and construction best	No change.	

	practices.		
Number of building structural damage assessments	New.	New.	Included to account for the results achieved through the development of the BTB.
Number of masons and engineers trained in paraseismic construction	New.	New.	Included to account for the results achieved through the development of the BTB.
Number of technical reference guidelines regarding paraseismic construction prepared under the project	New.	New.	Included to account for the results achieved through the development of the BTB.
CIAT has become an institution capable of influencing the reconstruction planning process with due attention being paid to social and environmental issues.	No change.	No change.	
Reconstruction planning alternatives consulted with relevant stakeholders.	No change.	No change.	
Fiduciary agent hired.	No change.	No change.	Activity Complete.

## REVISED PROJECT RESULTS FRAMEWORK

Project Name:	Second Additional Financing and Restructuring Infrastructure & Institutions Emergency Recovery (P156049)			Project Stage:	Additional Financing	Status:	FINAL
Team Leader(s):	Pierre Xavier Bonneau	Requesting Unit:	LCC8C	Created by:	Margaret Patricia Henley Barrett on 10-Jun-2015		
Product Line:	IBRD/IDA	Responsible Unit:	GTI04	Modified by:	Margaret Patricia Henley Barrett on 24-Oct-2016		
Country:	Haiti	Approval FY:	2016				
Region:	LATIN AMERICA AND CARIBBEAN	Lending Instrument:	Investment Project Financing				
Parent Project ID:	P120895	Parent Project Name:	Infrastructure & Institutions Emergency Recovery (P120895)				

### Project Development Objectives

Original Project Development Objective - Parent:

The Project Development Objective is to support the Recipient in its early sustainable recovery efforts from the effects of the Emergency, through selected interventions aiming at contributing to rebuilding key institutions and infrastructure

Current Project Development Objective – First Additional Financing (AF1):

The Revised PDO is to support the Recipient in its sustainable recovery efforts from the effects of the Emergency, through selected interventions aiming to rebuilding key institutions and infrastructure.

Proposed Project Development Objective – Second Additional Financing (AF2):

No change.

### Results

Core sector indicators are considered: Yes

Results reporting level: Project Level

### Project Development Objective Indicators

Status	Indicator Name	Core	Unit of Measure		Baseline	Actual(Current)	End Target
No Change	MEF restored internal control and audit, and able to process	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date		09-Jan-2016	31-Dec-2016

	payroll.			Comment			
No Change	Estimated number of people benefiting from repaired infrastructure	<input type="checkbox"/>	Number	Value		700000.00	800000.00
				Date		09-Jan-2016	31-Dec-2016
				Comment			
No Change	Project influenced the reconstruction planning process for Port-au-Prince and surrounding affected areas so that public consultation mechanisms are strengthened.	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date		09-Jan-2016	31-Dec-2016
				Comment			
New	Project beneficiaries	<input type="checkbox"/>	Number	Value	0.00		2000.00
				Date		09-Jan-2016	31-Dec-2016
				Comment		Has been present since beginning of project, but was not included in RF in Portal.	
New	Of which female (beneficiaries)	<input type="checkbox"/>	Percentage Sub Type Supplemental	Value			50.00

Intermediate Results Indicators							
Status	Indicator Name	Core	Unit of Measure		Baseline	Actual(Current)	End Target
Marked for Deletion	PI-25 Quality and timeliness of annual financial statements	<input type="checkbox"/>	Text	Value	D+	Not available	C
				Date		01-Jun-2015	30-Jun-2016
				Comment		This indicator (PI 25) is too broad to capture the actual impact of the project activities in this domain.	

						The project provided support to Treasury through the purchase of accounting software (general ledger account) which helped to produce annual financial statements. The project planned to support better accounting and monitoring of public expenditure through a new accounting system. In addition, it is not clear that a new PEFA will be completed any time soon.	
Marked for Deletion	PI-26 Scope, nature and follow-up of external audit	<input type="checkbox"/>	Text	Value	D+	Not available	C
				Date		01-Jun-2015	30-Jun-2016
				Comment		Too broad to account for the limited activity done under the project in this domain, and a	



						new PEFA will not be done before the closing of the project. PEFA Report and Indicators are also going under transition toward an updated version.	
Marked for Deletion	PI-27 Legislative scrutiny of the annual budget law	<input type="checkbox"/>	Text	Value	D+	Not available	C
				Date		01-Jun-2015	30-Jun-2016
				Comment		The project does not support any activity related to Parliament.	
Marked for Deletion	PI-28 Legislative scrutiny of external audit reports	<input type="checkbox"/>	Text	Value	D+	Not available	C
				Date		01-Jun-2015	30-Jun-2016
				Comment		The project does not support any activity related to Parliament.	
Marked for Deletion	Aviation safety equipment in strengthened to support air traffic accordingly to international standards.	<input type="checkbox"/>	Yes/No	Value	No	No	No
				Date		01-Sep-2013	30-Jun-2016
				Comment			Activity dropped due to change in government priorities.

No Change	Number of Individuals receiving and using immediate recovery supplies.	<input type="checkbox"/>	Number	Value	No	50,000	50,000
				Date		01-Feb-2016	01-Feb-2016
				Comment		Activity complete.	
New	MEF established and operationalized four accounting posts ( <i>postes comptables</i> ) to control budget expenditures in line ministries	<input type="checkbox"/>	Number	Value		4.00	4.00
				Date		09-Jan-2016	31-Dec-2016
				Comment		This indicator is a proxy to measure improvement in internal control as it was intended in the original indicator.	
New	Number of months elapsed between the end of a fiscal year and actual submission of the consolidated government general accounts for external audit to CSC/CA	<input type="checkbox"/>	Number	Value		9.00	7.00
				Date		24-Sep-2015	31-Dec-2016
				Comment		The indicator is taken from the CSI (7.3) and adjusted to account for project activities in support of Treasury for the preparation and submission of government financial statements to CSC/CA within the statutory timeframe.	
New	Number of days elapsed	<input type="checkbox"/>	Number	Value	0.00	120.00	15.00

	between the submission of the government general accounts to CSC/CA and the submission of the audit report of the general accounts to MEF by the CSC/CA			Date		09-Jan-2016	31-Dec-2016
				Comment		This new indicator is also taken from the Core sector Indicators (8.3) and adjusted to account for the capacity building activities support to CSC/CA to improve its control performance of public expenditures.	
Revised	Payment system: The processing of public servants salaries is fully restored and the registry of civil servants is updated.	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date		09-Feb-2011	09-Feb-2011
				Comment		Activity complete.	
New	Number of Public Financial Management entities back in operation following the earthquake	<input type="checkbox"/>	Text	Value		9 entities and FM main functions (budget preparation; revenue collection; payroll and salary payments; external and internal controls	9 entities and FM main functions (budget preparation; revenue collection; payroll and salary payments; external and internal controls
				Date		24-Sep-2015	31-Dec-2016
				Comment			

New	Percentage of investment projects included in the PIP in the six agreed pilot ministries which are evaluated ex-ante by the UEPs according to official guidelines.	<input type="checkbox"/>	Percentage	Value		0.00	50.00
				Date		09-Jan-2016	31-Dec-2016
				Comment			
Revised	Small Customs Building is built and used to provide services to the public.	<input type="checkbox"/>	Text	Value	0	No. Building is under construction.	Yes, Complete and operational.
				Date		09-Jan-2016	31-Dec-2016
				Comment			
No Change	Roads rehabilitated, Rural	<input checked="" type="checkbox"/>	Kilometers	Value	0.00	90.00	100.00
				Date		31-Dec-2017	31-Dec-2016
				Comment			
No Change	Number of infrastructure built with due attention paid to sustainability as well as social and environmental aspects.	<input type="checkbox"/>	Number	Value		107.00	118.00
				Date		09-Jan-2016	31-Dec-2016
				Comment			
No Change	Estimated number of days of work generated by infrastructure repair or reconstruction disaggregated by gender.	<input type="checkbox"/>	Number	Value		45000.00	50000.00
				Date		09-Jan-2016	31-Dec-2016
				Comment			
No Change	Truitier Debris Processing Facility is operational, complying to international social and environmental standards and support implementation of all stakeholders efforts for debris removal.	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date		01-Oct-2013	31-Dec-2016
				Comment		Activity complete.	
No Change	All bridge reconstruction or	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes

	repairs financed under the project include seismic stops or equivalent design solutions aiming at improving the resilience to future disasters			Date		10-Jun-2015	31-Dec-2016
				Comment			
Revised	Key services of MTPTC received institutional strengthening support to be able to handle reconstruction process, Technical Unit for Building Evaluations and Dissemination of Best Practices of Construction	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date		09-Jan-2016	31-Dec-2016
				Comment			
New	Number of building structural damage assessment	<input type="checkbox"/>	Number	Value	0.00	430000.00	430000.00
				Date		24-Sep-2015	31-Dec-2016
				Comment			
New	Number of masons and engineers trained to paraseismic construction	<input type="checkbox"/>	Number	Value	0.00	12000.00	14000.00
				Date		24-Sep-2015	31-Dec-2016
				Comment			
New	Number of technical reference guidelines for paraseismic construction prepared under the project	<input type="checkbox"/>	Number	Value	0.00	4.00	4.00
				Date		24-Sep-2015	31-Dec-2016
				Comment			
No Change	CIAT has become an institution capable of influencing the reconstruction planning process with due attention being paid to social and environmental issues	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date		10-Jun-2015	31-Dec-2016
				Comment		Activity complete.	
No Change	Reconstruction planning alternatives have been	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date		02-Feb-2012	31-Dec-2016

	consulted with relevant stakeholders			Comment		Activity complete.	
No Change	Fiduciary agent has been hired	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date		06-Feb-2012	31-Dec-2016
				Comment		Activity complete.	

**Annex 2: Revised Cost Allocations**  
**HAITI: Second Additional Financing to the Infrastructure and Institutions Emergency Recovery Project**

**Table 1: Project Components and Detailed IDA Allocation Revisions (in SDR millions)**

<i>Components/Activities</i>	<i>Project Costs (SDR m.)</i>				
	<i>Parent</i>	<i>Reallocated</i>	<i>1<sup>st</sup> AF</i>	<i>2<sup>nd</sup> AF</i>	<i>Total (reallocated + 1<sup>st</sup> AF + 2<sup>nd</sup> AF)</i>
<b>Expense Category 1 Component 1: Restoring Key Economic and Financial Functions of the Recipient</b>	<b>6.44</b>	<b>5.32</b>	<b>7.99</b>	<b>2.0</b>	<b>15.21</b>
<b>Expense Category 2 Component 2: Emergency Rehabilitation of Selected Public Infrastructure</b>	<b>22.51</b>	<b>23.45</b>	<b>13.51</b>	<b>0</b>	<b>36.96</b>
<b>Expense Category 3 Component 3: Institutional Support, Reconstruction Planning and Project Management</b>	<b>3.22</b>	<b>3.59</b>	<b>1.80</b>	<b>0</b>	<b>5.39</b>
<b>Expense Category 4 Project Preparation Advance</b>	<b>9.65</b>	<b>9.54</b>	<b>0</b>	<b>0</b>	<b>9.54</b>
<b>Expense Category 5 Unallocated</b>	<b>0.080</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>41.90</b>	<b>41.90</b>	<b>23.30</b>	<b>2.0</b>	<b>67.20</b>

\*Expenditure categories have been modified to include the entire parts of the Project as in the amended AF1 FA, for consistency with the revised Project Description.

**Table 2: Allocation of Proceeds (SDR)**

<b>Category of Expenditure</b>	<b>Allocation</b>	<b>% of Financing</b>					
		<b>Revised</b>	<b>1<sup>st</sup> Additional Financing</b>	<b>2<sup>nd</sup> Additional Financing &amp; Restructuring</b>	<b>Parent</b>	<b>Current</b>	<b>Revised</b>
(1) Goods, Works, non-consulting services, Consultant's Services, and Operating costs for Part 1 of the Project	6,440,000	5,320,31	7,989,000	2,000,000	100%	100%	100%
(2) Goods, Works, non-consulting services, consultants' services for Part 2 of the Project	22,510,000	23,450,330	13,514,000	0	100%	100%	100%
(3) Goods, Works, Non-consultant services, consultants' services, and Operating Costs for Part 3 of the Project	3,220,000	3,587,321	1,797,000	0	100%	100%	100%
(5) Refund of Preparation Advance	9,650,000	9,542,030	0	0			
(6) Unallocated	80,000	0	0	0	Amount payable pursuant to Section 2.07 of the General Conditions		
		41,900,000	23,300,000	67,200,000			

**Annex 3: Revised Procurement Plan**  
**HAITI: Second Additional Financing to the Infrastructure and Institutions Emergency Recovery Project**

Contract (Description)		Est. Cost/Real Cost (US\$)	Procurement / Selection Method	Planned Contract signature date	Planned Completion Date	Comment
<b>Component 1 – Restoring Key Economic and Financial Functions of the Recipient</b>						
Construction of small customs building at the airport.		1,925,000	ICB	December 2013	January 2016	Signed, ongoing
Equipment of small customs at airport		650,000	LC	Oct 2015	January 2016	
Accountability and efficiency: supply chain of fiscal reporting and execution and linking systems (IT Blue-Print and BRH); assist Treasury (DGT) and links to sector ministries; support accounting profession (OCPAH); operationalize public investment systems implementation units in ministries (MPCE-UEPs); improve internal and external audit and control (CSCCA/IGF); and		8,200,000	QCBS, Individual Consultants	Oct 2012-end of project	October 2017	
Transparency and participation: enhance public access to government information & data (eGov); improve data collection, statistics and records management; support anticorruption activities of the Anticorruption Agency ( <i>Unite de Lutte Contre la Corruption – ULCC</i> ) and improve its links to procurement (CNMP)		2,100,000	QCBS, Individual Consultants	Oct 2012-end of project	October 2017	
Project Management/ studies or training to strengthen Haiti's governance and institutional capacity		1,100,000	QCBS, Individual Consultants	Oct 2012-end of project	October 2017	
<b>Component 2 – Emergency Rehabilitation of Selected Public Infrastructure</b>						
Road Rehabilitation: Labadie - Cap Haitien	Design	100,000	Direct Contracting			Complete
	Supervision	500,000	QCBS		Contract signed July 2015 to end of project	
	Works	7,200,000	ICB		Contract signed, December 2015 to end of project	
	RAP and social technical assistance and compensation	150,000	QBS		Complete	
	Sub project for local community	150,000	Direct contracting		February 2016 to December 2016	
<b>Component 3 – Institutional Support, Reconstruction Planning and Project Management</b>						
Technical Assistance to MTPTC (multiple contracts)		500,000	QCBS, 3CV		February 2016 to end of project	
Goods & Equipment – Datacenter (multiple contracts)		200,000	LC, direct contracting		July 2016	
Small Office Building for MTPTC/BTB services		300,000	LC <sup>3</sup>		July 2016	



**Annex 4: Changes to Component 1 Activities**  
**HAITI: Second Additional Financing to the Infrastructure and Institutions Emergency Recovery Project**

1. The project restructuring and second additional grant is an opportunity for the Bank to realign the IIERP activities with the PFMRAP adopted by the GoH in May 2014. This Annex provides an overview and update on the country's overall PFM reforms implementation, how the Bank contributed to PFM achievements to date through the IIERP, and how IIERP activities would be realigned to help the country meet its PFMRAP objectives.

**A. Overall PFM Reforms Context and Implementation**

2. The Bank Systematic Country Diagnostic<sup>4</sup> for Haiti revealed that Haiti's dismal developmental results can easily be attributed to many factors, including primarily the limited capacity of the GoH to steer economic and social development, combined with persistent political instability and frequent natural disasters. These challenges translate into: (i) poor governance; (ii) absence of accountability; and, (iii) weak institutional capacity compounded by outsourcing of key public service delivery in social sectors (Education, Health, Water, Sanitation, etc.) to donors and NGOs, especially after the earthquake.

3. However, with massive aid inflows (especially the Venezuelan supported Petro-caribe program) in sharp decrease six years after the earthquake, the government is working to increase efficiency and effectiveness in the use of available resources, to better deliver on public services. There is now broad consensus within the GoH of the need to overhaul PFM institutions, systems and processes to support these efforts.

4. Following years of protracted and ad-hoc PFM reform activities, the government decided to adopt a comprehensive PFMRAP in May 2014, with Bank support, to address PFM sector issues more strategically and more systematically, streamline reform measures and move toward long term goals.

5. The PFMRAP covers six areas, namely: (i) Revenue Mobilization; (ii) Budget Management and internal controls; (iii) Treasury management and Accounting; (iv) External Controls and Audit; (v) Financial Information Management System; and (vi) Local Government Finance.

6. From its own assessment of the PFMRAP execution recently undertaken (December 2015), the GoH noted mixed overall results:

- Two areas (Treasury and Accounting and FMIS) have shown some promising progress with the establishment of the Treasury Single Account and the initial steps taken to upgrade and integrate budget and treasury information systems;

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<sup>4</sup> Haiti Systematic Country Diagnostic: Opportunities For All, May 2015, The World Bank

- Others, such as Revenue Mobilization and Budget Management and internal controls, have been somewhat active with the adoption of multiyear reforms plans in Tax and Customs Administration and, in Public Investment Management (PIM); and,
- Whereas the reforms activities in the last two areas (External controls and local government finance) did not progress as expected, despite some ad-hoc outstanding initiatives in external audit.<sup>5</sup>

7. Additionally, through newly established coordination and monitoring mechanisms, the GoH was, for the first time, able to better lead the PFM reforms processes and activities. Meanwhile, all major donors including the Bank; European Union (EU); United States Agency for International Development (USAID); Inter-American Development Bank (IDB); International Monetary Fund (IMF); and Canada are also working more closely together to align with the PFM RAP objectives and activities, in order to avoid duplication and boost synergies.

## **B. Bank support in the PFM sector**

8. The Bank has been involved in strengthening economic governance and PFM in Haiti since before the earthquake, given the importance of public sector management to developmental issues.

9. Following the earthquake, the Bank increased its support to PFM activities through two combined approaches involving Development Policy Operations (DPO) and Technical Assistance operations.

10. Various DPOs were initiated to provide emergency support and governance and institutional capacity building in public sector in general, and PFM sector in particular. DPOs yielded fewer results than anticipated since most of the prior PFM measures did not last. Building on lessons learned, a new multiyear operation is currently in preparation for the next three year period and is expected to yield more impact and results in the PFM sector.

11. Technical Assistance operations were undertaken immediately after the earthquake in 2010. IIERP helped to restore critical PFM functions including budgeting, accounting, payroll and external controls through provision of buildings, equipment, training, and consultants services to MEF units and some key institutions such as the CS-CCA; the Procurement Regulatory Agency (*Commission Nationale des Marches Publics* – CNMP) and the ULCC.

12. After the initial phase (Parent Project), the first additional grant included a second TA operation, to consolidate the initial phase results and assist the GoH to address more structured and longer term issues linked to PFM. PFM RAP, prepared and adopted with support from the Bank in May 2014, is based on these findings.

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<sup>5</sup> CSCCASC/CA undertook its first ever review of annual budget spending for FY13-14, and Petro-Caribe program and the reports received wide press coverage

13. The proposed second additional grant and restructuring would focus on activities expected to increase the GoH's PFM operational effectiveness while paving the way for more accountability of public officials and their use of public resources.

14. To this end, the second additional grant will be strictly aligned to support PFMRAP implementation (See Annex 4 for further detail on the realignment of project activities to support the PFMRAP), especially in promising areas which are critical to building the basic blocks of a robust PFM system, namely: (i) investment budget management reforms with the establishment of Coordination and Planning Unit (*Unité d'étude et de Programmation* – UEP) in line ministries; and strategic planning as well as budgeting and programming at the MPCE and MEF levels; (ii) TSA set-up; (iii) upgrading and integration of Financial Management Information Systems; (iv) strengthening of internal and external controls; and (v) procurement etc. Conversely, some important activities included under the Parent Project have been dropped, namely the WIMAX network at the Central Bank, due to delays and lack of relevancy; and, EDH financial statement preparation and audit, due to its transfer to the Bank-financed Rebuilding Energy Infrastructure and Access Project (P127203), approved in FY2013.

**Annex 5: Realignment of Component 1 Activities to support PFMRAP**  
**HAITI: Second Additional Financing to the Infrastructure and Institutions Emergency Recovery Project**

PFMRAP PRIORITY AREAS	IIERP (PARENT & 1 <sup>st</sup> AF) ONGOING ACTIVITIES	IIERP (2 <sup>nd</sup> AF) REVISED ACTIVITIES
<b>1. Mobilization of internal and external resources</b>		
<b>1.1 Tax Revenue Generation</b>		
<b>1.2 Customs Revenue Generation</b>	<ul style="list-style-type: none"> <li>Construction of Customs Airport Facility</li> </ul>	<ul style="list-style-type: none"> <li>Maintained and ongoing</li> </ul>
<b>1.3 Mobilization of External Resources</b>		
<b>1.4 Mobilization of Other Resources</b>		
<b>2. Overall Budget Management</b>		
<b>2.1 Macroeconomic Framework of the Budget Law</b>	<ul style="list-style-type: none"> <li>Support to macroeconomic capacity building activities (Economic Studies Department-DEE)</li> </ul>	<ul style="list-style-type: none"> <li>Maintained and ongoing</li> </ul>
	<ul style="list-style-type: none"> <li>EDH Financial Statements preparation and audit</li> </ul>	<ul style="list-style-type: none"> <li>Dropped. Transferred to Rebuilding Energy Infrastructure and Access Project (P127203).</li> </ul>
<b>2.2 Strategic Planning</b>	<ul style="list-style-type: none"> <li>Support to Ministry of Plan (MPCE) planning capacity building activities (not defined)</li> </ul>	<ul style="list-style-type: none"> <li>Revised to support activities derived from the 2014 PIM Report approved recommendations (<i>Support to six Line Ministries Planning Units Capacity Building Action Plan</i>)</li> </ul>
<b>2.3 Financial Programming and Budgeting</b>	<ul style="list-style-type: none"> <li>Support to Ministry of Plan (MPCE) programming and Budgeting activities (not defined)</li> </ul>	<ul style="list-style-type: none"> <li>Revised to support activities derived from the 2014 PIM Report approved recommendations (<i>Support to MPCE and six Line Ministries Planning Units Capacity Building Action Plan</i>)</li> </ul>
<b>2.4 Budget execution procedures and internal control</b>	<ul style="list-style-type: none"> <li>Support to Internal Audit Unit (<i>Inspection Generale des Finances</i>-IGF)</li> </ul>	<ul style="list-style-type: none"> <li>Maintained and ongoing</li> </ul>
		<ul style="list-style-type: none"> <li>Support to Ministry of Economy and Finance (MEF) and MPCE through PIM Report approved recommendations: “<i>Streamlining and simplifying budget spending execution procedures</i>”</li> </ul>
<b>2.5 Procurement</b>	<ul style="list-style-type: none"> <li>Support to the National Tender Board (CNMP) broadly defined</li> </ul>	<ul style="list-style-type: none"> <li>Maintained and ongoing</li> </ul>
<b>2.6 Program Budget and Results Based Management</b>		
<b>3. Treasury and Accounting</b>		
<b>3.1 Treasury Single Account</b>	<ul style="list-style-type: none"> <li>Support to the TSA establishment (not defined)</li> </ul>	<ul style="list-style-type: none"> <li>Revised to support setting-up of 8 Accounting Units in line ministries and training of accountants</li> </ul>
<b>3.2 Cash Management</b>	<ul style="list-style-type: none"> <li>Restoration of the Central Bank (BRH) payment network through a WIMAX network</li> </ul>	<ul style="list-style-type: none"> <li>Dropped because of lack of progress and establishment of alternative payment system networks by BRH</li> </ul>
<b>3.3 Management of Public Debt</b>		
<b>3.4 Deployment of the Accounting Units</b>		<ul style="list-style-type: none"> <li>Revised to support setting-up of 8 Accounting Units in line ministries and</li> </ul>

PFMRAP PRIORITY AREAS	IERP (PARENT & 1 <sup>st</sup> AF) ONGOING ACTIVITIES	IERP (2 <sup>nd</sup> AF) REVISED ACTIVITIES
in Line Ministries		training of accountants
3.5 Accounting - Finance		<ul style="list-style-type: none"> <li>Support to MEF and MPCE through PIM Report approved recommendations: “<i>Extending the use of SYSDEP as an accounting system for capital project expenditure included in the PIP</i>”</li> </ul>
	<ul style="list-style-type: none"> <li>Support to private accounting through professional association (<i>Organisation des Comptables Professionnels et Auditeurs de Haiti-OCPAH</i>) strengthening</li> </ul>	<ul style="list-style-type: none"> <li>Maintained and ongoing</li> </ul>
<b>4. Local Governance Finances</b>		
4.1 Budget of local authorities		
4.2 Mobilizing local resources		
4.3 Accounting for local authorities		
4.4 Monitoring of local authorities		
<b>5. External control</b>		
5.1 External Monitoring by the CSC-CA	<ul style="list-style-type: none"> <li>Support to the Supreme Audit Institution (<i>Cour Supérieure des Comptes et du Contrôle Administratif-CS-CCA</i>) broadly defined</li> </ul>	<ul style="list-style-type: none"> <li>Maintained and ongoing</li> </ul>
	<ul style="list-style-type: none"> <li>Support to Anti-corruption Agency (ULCC)</li> </ul>	<ul style="list-style-type: none"> <li>Maintained and ongoing (very small amount remaining)</li> </ul>
<b>6. Financial Management Information System</b>		
6.1 Steering and Control		<ul style="list-style-type: none"> <li>Support to IT Roadmap Supervision, Implementation, Monitoring and Updating</li> </ul>
6.2 Technical dimension		<ul style="list-style-type: none"> <li>Support to IT Roadmap Implementation: procurement and provision of the overall integrated accounting and budget management information system</li> </ul>
6.3 Support and common reference		<ul style="list-style-type: none"> <li>Support to IT Roadmap Implementation: procurement and provision of cross-cutting applications (data warehouse management software; security software; etc.)</li> <li>Support to IT Roadmap Implementation: strengthening of the IT Unit capacity (work space, equipment, and staffing)</li> </ul>
6.4 Communication		
<b>7. PFMRAP Preparation and Implementation</b>		
7.1 PFM Reforms Management	<ul style="list-style-type: none"> <li>Support to the PFMRAP preparation and adoption</li> </ul>	<ul style="list-style-type: none"> <li>Support to the PFMRAP Steering Committee capacity building program and activities (work space, equipment, and staffing)</li> </ul>
7.2 Fiduciary Management	<ul style="list-style-type: none"> <li>Support to UCP- MEF (fiduciary)</li> </ul>	<ul style="list-style-type: none"> <li>Maintained and ongoing</li> </ul>