

TC ABSTRACT

1 BASIC PROJECT DATA

▪ Country/Region:	Haiti /Country Department of Haiti (CDH)
▪ TC Name:	Support to the preparation of operation HA-L1090
▪ TC Number:	HA-T1194
▪ Team Leader/Members:	Sarah Matthieussent Romain (WSA/CHA), Team Leader; Corinne Cathala (INE/WSA), Alternate Team Leader (INE/WSA); Thierry Delaunay, Carlos Faleiro (WSA/CHA); Jorge Ducci (WSA/CCH); Irene Cartin (INE/WSA); Taos Aliouat (LEG/SGO); and Marise Etienne Salnave (PDP/CHA)
▪ Indicate if: Operational Support, Client Support, or Research & Dissemination.	Operational support
▪ If Operational Support TC, give number and name of Operation Supported by the TC:	HA-L1090 - Institutional Strengthening and Reform of the Water & Sanitation Sector
▪ Reference to Request	Haiti CPD for 2014 (XXX)
▪ Date of TC Abstract:	October 28 th , 2013
▪ Beneficiary (countries or entities which are the recipient of the technical assistance):	Republic of Haiti
▪ Executing Agency and contact name (Organization or entity responsible for executing the TC Program)	CDH/CHA
▪ IDB Funding Requested:	US\$400,000
▪ Local counterpart funding, if any:	0
▪ Disbursement period (which includes execution period):	18 months
▪ Required start date:	January 2014
▪ Types of consultants (firm or individual consultants):	Firms and individual consultants
▪ Prepared by Unit:	INE/WSA
▪ Unit of Disbursement Responsibility:	CHA
▪ Included in Country Strategy (y/n);	Yes
▪ TC included in CPD (y/n):	Yes
▪ GCI-9 Sector Priority:	Yes

2 OBJECTIVE AND JUSTIFICATION

- 2.1 The objective of this technical cooperation is to support the preparation of the operation Institutional Strengthening and Reform of the Water & Sanitation Sector Program (HA-L1090) which is structured as a Programmatic Policy Based Grant (PBP) consisting of three individual operations in support of a series of institutional and policy reforms in the water and sanitation sector. It will support the design of the global operation and also its execution for the first year by funding several studies and technical assistance to DINEPA (*Direction Nationale de l'Eau Potable*) in order to guarantee the accomplishment of the conditionalities in the first year.
- 2.2 This operation is consistent with the Bank's Country Strategy for Haiti for 2011-2015 (GN-2646), which sets the Water and Sanitation Sector as a priority sector. This operation is included in the 2013 Country Program Document for Haiti. It is also aligned with two of the priorities of the Ninth Capital Increase (GCI-9): (i) it targets small and vulnerable countries; and (ii) it contributes to reducing poverty and promoting equity.

3 DESCRIPTION OF ACTIVITIES AND OUTPUTS

- 3.1 **Component 1: Legal support.** This component will fund the legal technical assistance to DINEPA required for: (i) the finalization of the legal framework related to OREPAs; (ii) the legal constitution of the public utilities; and (iii) the legalization of *Unités Rurales Départementales* (URD), as entities “*deconcentrees*” of the OREPAs.
- 3.2 **Component 2: Technical support.** This component will fund all the necessary studies to elaborate technical proposals in relation with key issues such as tariff policy, sustainable financing policy, monitoring and follow up of operator's performance. The policy matrix will clearly identify the content of these studies.

4 BUDGET

- 4.1 The table below presents an indicative budget for the TC operation.

Indicative Budget (US\$)

Activity/Component	Description	IDB/Fund Funding	Counter-part	Total Funding
Component 1 Legal studies	Finalization of the legal framework related to OREPA; Legal constitution of the public utilities; and Legalization of the URD	100,000	0	100,000
Component 2 Technical studies	Tariff policy; Sustainable financing policy; and Monitoring and follow up of operator's performance	300,000	0	300,000

5 EXECUTING AGENCY AND EXECUTION STRUCTURE

- 5.1 The Bank will execute this TC because of the delay it would take to have DINEPA as executing agency, whereas the activities should be launched rapidly to facilitate the accomplishment of the triggers defined by the HA-L1090 operation (PBP). Nevertheless, The Bank will consult with DINEPA at each step of the execution (content of the activities and selection of consultants) to facilitate its ownership of the process.
- 5.2 The procurement of works, goods and services as well as the contracting of consultants will be governed by Bank policies for the Procurement of Goods and Works and for the Selection and Contracting of Consultants (GN-2349-9 and GN-2350-9).

6 PROJECT RISKS AND ISSUES

- 6.1 The success of this operation and of its associated grant will depend on: (i) the quality of the consultants that will be in charge of implementing Components 1 and 2; and (ii) the involvement of the respective institutions (MEF, MTPTC and DINEPA). The IDB will be providing support to prepare the terms of reference for the contracting of the consultants.
- 6.2 This TC operation will support the first operation of this nature in the water and sanitation sector. There is a high risk of delays in the implementation of some of the activities contemplated in the operation associated with the institutional capacity of the MEF/MTPTC/DINEPA to monitor the different activities contemplated. The MEF, MTPTC as well as the DINEPA have been executing satisfactorily several technical cooperations associated with Bank operations including Programmatic Policy Based Grants, particularly in the agriculture and energy sectors, which mitigates this risk.

7 ENVIRONMENTAL AND SOCIAL CLASSIFICATION

- 7.1 This operation has been classified as Category "C" by the safeguard classification tool of the Bank. According to this classification, this operation does not require environmental studies and public consultation processes. The TC is not expected to have any negative environmental or social implications since it will fund technical assistance and studies.