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Report No: 47403-HT

# PROJECT PAPER

ON A

PROPOSED GRANT

IN THE AMOUNT OF SDR3.4 MILLION
(US$5 MILLION EQUIVALENT)

TO THE

REPUBLIC OF HAITI

FOR AN

# EMERGENCY SCHOOL RECONSTRUCTION PROJECT

February 17, 2009

Human Development Department
Caribbean Country Management Unit
Latin America and the Caribbean Region

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CURRENCY EQUIVALENTS
(Exchange Rate Effective February 11, 2009)

Currency Unit = Haitian Gourdes
US$ 1 = GDES 39.74
GDES 1 = US$ 0.0252

FISCAL YEAR
October 1 – September 30

## ABBREVIATIONS AND ACRONYMS

| | | | |
|---|---|---|---|
| APG | Adaptable Program Grant | IDB | Inter-American Development Bank |
| BRH | *Banque de la République d'Haïti* (Central Bank of Haiti) | IFR | Interim Un-Audited Financial Reports |
| CAS | Country Assistance Strategy | ISN | Interim Strategy Note |
| CDD | Community Driven Development | LAC | Latin America and the Caribbean Region |
| CIDA | Canadian International Development Agency | MEF | Ministry of Economy and Finance |
| DA | Designated Account | MENFP | *Ministere de L'Education Nationale et de la Formation Professionelle* (Ministry of National Education and Professional Training) |
| DAC | *Direction Adjudications et Embauches* (Directorate of Procurement and Contracts) | MPCE | Ministry of Planning and External Cooperation |
| DAF | *Direction Administrative et Financière* (Administrative Financial Directorate) | POM | Project Operation Manual |
| DDE | *Direction Departemental d'Education* (Regional Education Offices) | MOU | Memorandum of Understanding |
| DGS | *Direction du Génie Scolaire* (Civil Works Unit) | NAPSS | National Action Plan for Safe Schools |
| DPC | *Direction de la Protection Civile* (Directorate of Civil Protection) | NDRMS | National Disaster Risk Management System |
| DPRI | *Direction de Participation et Renforcement Institutionnel* (Directorate of Participation and Institutional Strengthening) | OP/BP | Operational/Bank Policy |
| DPS | *Direction de Projects Sociaux* (Directorate of Social Projects) | PAP | Project Affected Persons |
| DSNCRP | *Document de Stratégie Nationale pour la Croissance et pour la Réduction de la Pauvreté* (Poverty Reduction Strategy Paper) | PDNA | Post-Disaster Needs Assessment |
| ECVH | *Enquête sur les Conditions de Vie en Haiti* (National Living Standards Survey) | PNGRD | *Plan National de Gestion des Risques et des Désastres* (National Disaster Risk Management Plan) |
| EFA | Education for All | PPF | Project Preparation Facility |
| EMF | Environment Management Framework | RAP | Resettlement Action Plan |
| ERDMP | Emergency Recovery and Disaster Management Program | RPF | Resettlement Policy Framework |
| ESRP | Emergency School Reconstruction Program | RWSS | Rural Water and Sanitation |
| FAES | *Fonds d'Assistance Economique et Sociale* (Fund for Social and Economic Assistance) | SC | Steering Committee |
| FGHI | Tropical Storm Fay and Hurricanes Gustav, Hanna and Ike | SPF | State and Peace Building Fund |

**Abreviations and Acronyms (cont.)**

| | | | |
|---|---|---|---|
| FID | Social Development Fund | SOE | Statement of Expenditures |
| GFDRR | Global Facility for Disaster Reduction and Recovery | SPGRD | *Secrétariat Permanent de Gestion des Risques et des Désastres* (Permanent Secretariat of Disaster Risk Management) |
| GoH | Government of Haiti | | |

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| | |
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# EMERGENCY OPERATION PROJECT PAPER DATA SHEET

## Haiti
## Emergency School Reconstruction Project
## Latin America and Caribbean Region

| | |
|---|---|
| Date: February 17, 2009<br>Country Director: Yvonne Tsikata<br>Sector Manager/Director: Chingboon Lee/ Evangeline Javier<br>Project ID: P115261 | Team Leaders: Michael Drabble, Peter Anthony Holland<br>Sectors: Primary Education (100%)<br>Themes: Education for All (P)<br>Environmental Category: B |
| Borrower: Government of Haiti<br>Responsible Agency: Ministry of National Education and Vocational Training<br>Implementing Agency: *Fonds d'Appui Economique et Sociale (FAES)* | |
| Type of operation:<br>New operation [X] Additional financing [ ] Existing financing (restructuring) [ ] | |
| Financing type: Loan [ ] Credit [ ] IDA Grant [X] Other [ ] | |
| Total amount: SDR 3.4 million (US$5 million equivalent) | Expected implementation period: 2 and half years |
| Expected effectiveness date: June 15, 2009 | Expected/revised closing date: December 30, 2011 |
| Development objective: The project's development objective is to assist the Government of Haiti in restoring and improving access to basic education in selected destroyed and/or heavily damaged public primary schools of its territory. | |
| Short description: The proposed project will aim at responding quickly and effectively to damage caused to the education sector infrastructure by the recent hurricanes which struck Haiti in August and September 2008. According to official statistics it is estimated that 964 schools have been greatly damaged, affecting more than 200,000 children. The emergency Project will contribute to: (i) rebuilding and refurbishing an estimated 15-20 public primary schools; (ii) reducing and mitigating the vulnerability of educational infrastructure; (iii) elaborating a National Plan of Action for Safe Schools (NAPSS); and (iv) building the capacity of the MENFP Civil Works Unit (DGS – *Direction du Génie Scolaire*). "Building back better" through the use of revised and enhanced construction norms will be a key strategic approach promoted by the emergency Project. As a result, it is expected that all new educational infrastructure will use these construction norms and in the process become more resilient to natural disasters, therefore increasing their lifespan. | |

Financing plan (US$m.)

| Source | Local | Foreign | Total |
|---|---|---|---|
| Borrower | 0.00 | 0.00 | 0.00 |
| Total IBRD/IDA | 4.50 | 0.50 | 5.00 |
| Total | 4.50 | 0.50 | 5.00 |

Estimated disbursements (Bank FY/US$m.)

| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|---|
| Total IBRD/IDA<br>Trust funds | .5 | 3.0 | 1.5 | | | |

| | |
|---|---|
| Does the emergency operation require any exceptions from Bank policies?<br>Have these been approved by Bank management? | Yes [ ] No [X]<br>Yes [ ] No [ ] |
| Are any critical risks rated "substantial" or "high"? | Yes [X] No [ ] |
| What safeguard policies are triggered, if any? | Ref. Annex 8. Safeguards on Environmental Assessment and Involuntary Resettlement |
| Significant nonstandard conditions, if any: None | |

## A. INTRODUCTION

1. This Project Paper seeks the approval of the Executive Directors to provide a grant in an amount of SDR3.4 million (US$5 million equivalent) to the Government of Haiti for an Emergency School Reconstruction Project (ESRP). This proposed Project is a core part of the Bank's overall response to the emergency situation caused by the passing of Tropical Storm Fay and Hurricanes Gustav, Hanna and Ike (FGHI) in August and September, 2008.

2. This Project, processed under emergency procedures, will help the Government of Haiti (GoH) to respond quickly and effectively to damage caused to the education sector infrastructure, and enhance preparedness for future emergencies. It aims at restoring access to schooling through the reconstruction of existing though damaged schools and at improving the capacity and methods for safe school construction ("*building back better*"). The Project will also focus on strengthening the institutional capacity of the Ministry of National Education and Professional Training (*Ministère de l'Education Nationale et de la Formation Professionnelle – MENFP*) to fulfill its supervisory and regulatory mandate regarding such activities. The Project will reduce and mitigate the vulnerability of school infrastructure through the development of a National Plan of Action for Safe Schools (NAPSS), therefore improving emergency preparedness in the education sector. It is hoped that this Project, which is modest as measured by the level of resources mobilized, could nonetheless have a demonstration effect on the entire education sector in Haiti and, in particular, on changing practices and approaches in the construction sector.

3. The proposed grant provides financing to ongoing government activities, as well as technical assistance to improve existing procedures. It is expected that other donors will also contribute to the reconstruction efforts, including the Inter-American Development Bank (IDB) and the Canadian International Development Agency (CIDA). This grant also serves as a natural complement to two other ongoing IDA-supported operations in the education sector, focusing on access to basic education and teacher training.

## B. EMERGENCY CHALLENGE: COUNTRY CONTEXT, RECOVERY STRATEGY, AND RATIONALE FOR PROPOSED BANK EMERGENCY PROJECT

4. **Prolonged political instability, weak economic growth, and intractable poverty have resulted in Haiti's classification as a "fragile state".** According to 2001 data[1], 78 percent of Haitians are poor (living on less than US$2 a day), and in the United Nations 2007/2008 Human Development Index, Haiti ranks 146th of 177 countries worldwide. These indicators combine to make Haiti the poorest country in the Western Hemisphere, and one of the poorest in the world.

5. **Gains in establishing greater stability over the last few years have started to reverse, due to a political crisis triggered by the spike of food and fuel prices early in 2008, and the devastating storms of the hurricane season.** After political and economic turmoil in 2004, a transitional government developed an Interim Cooperative Framework which served as a vehicle for re-mobilizing international support, and ensured a smooth transition back to a democratic government in 2006. Since then, a macro-economic framework has been put in place and

[1] Enquête sur les Conditions de Vie en Haïti (ECVH) 2001

economic growth has improved (economic growth was 3.2 percent in 2007). However, the social strife and ensuing political transition that occurred earlier this year underscore the precariousness of living conditions and the importance of social services. The spike in international food and fuel prices provoked violent protests in April 2008, which led to the removal of the Prime Minister from office. The new Government, installed in September 2008, faces tremendous challenges, ranging from providing quality public social services – currently almost non-existent – to safeguarding the ability of families to invest in the human capital of their children. These challenges were further compounded by the storms that struck the country in August and September 2008.

6. **In August and September 2008, Haiti was struck by four successive storms and hurricanes, which greatly impacted major public and social infrastructure and injured and killed hundreds of people.** Under the leadership of the Ministry of Planning and External Cooperation (MPCE), the World Bank, the UN, the European Commission and the IDB conducted a Post-Disaster Needs Assessment (PDNA) that estimates the overall impact of the FGHI on the socio-economic development of the country and developed a preliminary strategy for early, medium and long-term recovery and reconstruction. The PDNA initiative also aimed to assist the Government through technical and policy assistance to strengthen their national disaster risk management system and to facilitate the coherent and effective implementation of the identified activities.

7. **With respect to education, the PDNA estimated total damages and losses at nearly US$30 million, with another US$70 million in identified needs for the sector.** According to official statistics, 964 schools have been greatly damaged, affecting more than 200,000 children. These assessments are likely to underestimate the total damages and needs, as the assessment conducted by the MENFP focused largely on public sector infrastructure, which accounts for less than 10 percent of the number of schools in the country. Aside from the damage from the latest storms, the education sector was already in poor shape, with damage from Hurricane Jeanne (2004) unattended to, and with many schools dilapidated due to decades of poor maintenance and neglect.

8. **Compounding the effects of FGHI are the recent school collapses that killed nearly 100 students and injured more than 150.** The extreme vulnerability of the school infrastructure in Haiti was made tragically apparent on November 7, 2008, when a school collapsed, killing nearly 100 students and injuring another 150. A week later a second school collapsed, injuring 10. These avoidable tragedies were the result of shoddy construction which permeates building infrastructure throughout Haiti. The collapse of the schools has also revealed the absence of building codes and norms in Haiti, as well as the weak capacity of the Government to supervise and enforce standards relating to infrastructure in the sector.

9. **In response to FGHI, the GoH passed a State of Emergency Law (*Loi sur l'Etat d'Urgence*) in September and made available more than US$4 million for emergency education-related activities.** The State of Emergency Law allows for accelerated procurement procedures for contracting firms to undertake emergency recovery activities including school construction. In addition, the Government has made available nearly 200 million Gourdes (approximately US$4.5 million) for emergency school construction and school rehabilitation activities identified by the MENFP during the damage and needs assessment. The Ministry of

Economy and Finance (MEF), and the MENFP signed a Memorandum of Understanding (MOU) with the Fund for Social and Economic Assistance (FAES) in order to execute these activities.

10. **The donors are also supporting this recovery in the education sector through a variety of interventions.** During the initial crisis period, UNICEF provided tents to schools with damaged or lost roofs, and CIDA increased its support to the tuition waiver program, through a co-financing of the IDA-supported EFA project. Looking forward, it is expected that donors will be increasing their support to rehabilitating and expanding education infrastructure throughout the country. The IDB, CIDA, and the French Development Agency (*Agence Francaise de Développement – AFD*) are all preparing operations to expand school infrastructure in Haiti.

11. **The rationale for Bank involvement centers on three main arguments.** First, this operation responds to a direct request received from the GoH, specifically the MENFP and the MEF. Second, since the Project will restore access to schooling, it is consistent with the focus on "quick wins" outlined in the Bank's Interim Strategy Note, and falls within the core priority of strengthening human capital outlined in the country's Poverty Reduction Strategy Paper (*Document de stratégie nationale pour la croissance et pour la réduction de la pauvreté – DSNCRP*). Third, the proposed operation builds on ongoing work in the education sector supported by the Bank, and further strengthens our position as one of the Ministry of Education's main partners in the education sector. Specifically, this supply-side operation complements the demand-side work currently financed by IDA in the education sector (Education for All – EFA - Adaptable Program Grant (APG 1) - US$25 million), and is timed to benefit from the increase in trained teachers, also financed by IDA (Meeting Teacher Needs for EFA - US$6 million), expected to enter the labor market in time for the 2009-2010 school year.

## C. BANK RESPONSE: THE PROJECT

### 1. Brief description of Bank's strategy of emergency support[2]

12. **Over the last few months, the World Bank has been preparing a comprehensive response to the FGHI emergency.** First, the Bank, together with other multilateral institutions, bilateral donors, and Government partners, conducted an initial needs assessment which has now evolved into an immediate emergency response. Building on the needs assessment, and in response to a specific request from the Government of Haiti, this Project will contribute to the reconstruction and recovery of schools in Haiti, and strengthen their resilience for future disasters.

13. In order to address the emergency and short-term reconstruction phase, the Bank has prepared the following package of new operations and restructuring of existing projects, in addition to the proposed ESRP:

- The Emergency Bridge Reconstruction and Vulnerability Reduction Project (US$20 million): This Project aims at rebuilding major bridges, improving the resilience of selected transport infrastructure, with a specific focus on the preparation, implementation

[2] Adapted from World Bank (2008), Emergency Bridge Reconstruction and Vulnerability Reduction Project, Emergency Project Paper, Washington DC

and monitoring of the disaster recovery and reconstruction program. Immediate funding has been made available through a Project Preparation Facility (PPF).

- US$7.4 million additional financing grant to the Emergency Recovery and Disaster Management Project (US$12 million) to support rehabilitation and local risk reduction activities following last year's tropical storm Noel was declared effective on September 22, 2008. The rehabilitation and reconstruction activities financed by the additional financing grant are being revised by the Government to account for the damage and losses associated with FGHI and the recovery and reconstruction priorities. The rehabilitation and reconstruction activities will address small (less than US$250,000) public infrastructure needs, including, but not limited to, community centers, health clinics, irrigation and drainage systems and schools. The local risk reduction activities will reinforce the 54 Community Civil Protection Committees established under the original grant and provide them with funds to execute an additional risk mitigation subproject. The additional financing will also expand the local risk reduction activities to 19 new communities in the targeted departments. In addition those institutional strengthening activities programmed under component 2 of the ERDMP will benefit from the technical assistance financed under this proposed Project.
- US$8 million reallocation of funds from the Haiti Transport and Territorial Development Project to support other reconstruction activities following last year's hurricanes.
- A US$5 million State and Peace Building Fund (SPF) grant for Rural Water and Sanitation will improve access to water supply and sanitation services in participating rural communities within the post-hurricane context, using the tested implementing arrangements of two existing Bank projects, the Community-Driven Development (CDD) project and the Rural Water and Sanitation (RWSS) project
- US$150,000 Global Facility for Disaster Reduction and Recovery (GFDRR) Track III for the execution of a joint Post-Disaster Needs Assessment. This may lead to the activation of a "Haiti Recovery and Resilience Fund" to support the recovery and reconstruction needs presented by the GoH.

14. Finally, the longer-term reconstruction and disaster prevention and mitigation challenges will be addressed by specific components and activities from the proposed Project, as well as from the Rural Water and Sanitation SPF and the GFDRR Track III initiatives.

**Table 1: Summary of World Bank response to FGHI[3]**

| | Amount (US$m) | Needs Assessment | Emergency | Reconstruction | Capacity Building |
|---|---|---|---|---|---|
| Emergency Bridge Reconstruction and Vulnerability Reduction Project | 20 | No | Yes | Yes | Yes |
| Emergency Recovery and Disaster Management Project | 7.4 (additional financing) | Yes | Yes | Yes | Yes |
| Transport and Territorial Development Project | 8 (reallocation) | Yes | Yes | Yes | No |
| State and Peace Building Fund for Rural Water and Sanitation | 5 | No | Yes | Yes | No |
| GFDRR Track III | 0.1 | Yes | No | No | No |
| Emergency School Reconstruction Project | 5 | Yes | Yes | Yes | Yes |

## 2. Project development objective

15. The Project's development objective is to assist the Government of Haiti in restoring and improving access to basic education in selected destroyed and/or heavily damaged public primary schools of its territory.

16. Furthermore, the Project will contribute to developing, demonstrating and disseminating improved standards and methods of safe school construction.

17. "Building back better" through the use of revised and enhanced construction norms will be a key strategic approach promoted by the ESRP. This Project will seek to demonstrate the feasibility and cost-efficiency of "building back better" over the medium to long-term, so that all new educational infrastructure will use enhanced construction norms and in the process become more resilient to natural disasters, therefore increasing their lifespan. Capacity-building activities through training, workshops, consultation activities and involving all key stakeholders will be instrumental to ensure that the ESRP will have a demonstration effect, which would contribute to improving the quality and resilience of educational infrastructure over the long-term. The MENFP Civil Works Unit (DGS – *Direction du Génie Scolaire*) will be strengthened to play a relevant role in supporting the "building back better" strategy.

18. It is important to note that the proposed operation will not have the capacity to address all the needs and shortcomings (both qualitative and quantitative) related to educational infrastructure and/or to ensure that all schools will be able to withstand the effects of future natural disasters. Furthermore, the main impact or contribution of the ESRP will not be on the number of primary schools rebuilt (around 15 damaged schools), which will remain relatively low compared with the overall need of the country, but rather on promoting a new vision,

[3] Adapted from World Bank, 2008, Emergency Bridge Reconstruction and Vulnerability Reduction Project, Emergency Project Paper, Washington DC

strategy and methods for safer school construction. Indeed, the ESRP will aim to demonstrate that: (i) good practices in school construction make sense and are economically feasible; and (ii) the education sector can become more resilient to natural disasters by investing in prevention, preparedness and overall school building maintenance. The ESRP will therefore seek to break new ground. Finally, there is currently a renewed interest from several donors in educational infrastructure beyond the emergency context, which will contribute to tackling the needs for educational infrastructure on a larger scale (see previous paragraph 10 on expected donor interventions in the construction of schools). This will create a window of opportunity to bring together several donors in order to support a common strategy and harmonized/coordinated approaches aimed at improving the quality and resiliency of school facilities.

## 3. Summary of Project components

19. The ESRP will feature two components: (i) "building back better" selected destroyed and/or heavily damaged public primary schools; and (ii) reducing and mitigating the vulnerability of educational infrastructure. The first component of the ESRP will therefore support the "hardware" whereas the second component will support the "software" relating to safe educational infrastructure. The latter, through capacity building, communication activities, stakeholder consultations, training and involvement of partners at central and local levels will lay the ground work for the demonstration effect that the ESRP will seek to promote for the enforcement of new methods for safe school construction. The Project will be executed by the FAES. This section describes each component and subcomponent (listing and details of activities to be financed by the Project are included in Annex 1).

### Component 1: "Building back better" selected destroyed and/or heavily damaged public primary schools (US$4.3 million equivalent)

20. The main purpose of this component is to promptly "build back better" and safeguard seriously damaged educational infrastructure. The Project will intervene in schools that have been destroyed and/or schools whose infrastructure represent a serious risk for the safety of the student population and educational staff (sub-component 1.1). This component will also finance the upgrade of facilities in a few selected schools that are used as temporary shelters in case of natural disasters (sub-component 1.2).

21. The ESRP will support the involvement of communities in the implementation of both sub-components during and after the completion of civil works. Communities will not be required to provide in-kind and/or cash support for the rebuilding of the heavily damaged/destroyed schools, but rather they will be consulted and regularly informed during the reconstruction process, as true partners of the new method for safe school construction.

*Sub-component 1.1 Reconstructing destroyed and/or heavily damaged school facilities (US$4.0 million equivalent)*

22. The purpose of this sub-component is to finance the reconstruction and rehabilitation of about 15 primary schools. It has been estimated that 964 schools had been partially and/or completed destroyed after four hurricanes struck Haiti in August and September of 2008. Overall, the educational infrastructure in Haiti is poor, even without considering the effects of the most recent hurricanes. The ESRP can only respond to a few of the worse situations identified recently through the national damage and needs assessment. The emergency Project

will ensure that new schools built in Haiti will use better standards and building norms, attempting to prevent further collapse of school buildings (i.e.: maintaining the structural integrity of the school facilities). The roles and responsibilities for the implementation of this sub-component will be shared between the FAES (in charge of civil works) and the DGS, who will be responsible for general quality control assurance. The reconstruction and/or rehabilitation of the schools will follow a five-step process: (i) pre-qualification of the schools; (ii) preparation of bidding documents (feasibility study) and contracting of construction firms; (iii) community mobilization; (iv) general supervision of civil works; and (v) final delivery of rebuilt schools.

23. **Schools will be selected using specific eligibility criteria and geographic targeting.** The DGS will be responsible for selecting the primary schools included in the Program. The DGS will work with the MENFP's Department for Private Education and Partnership (DAEEP) on this task. Schools included in this Project are public schools, which include inter alia national schools, national parochial (*congregationiste*) schools[4], municipal schools and community schools. Due to the large number of schools that could potentially be eligible, it was decided that only the schools that have at least 50 percent of their classrooms destroyed and/or schools to be in serious risk of collapsing will be eligible for support under the Project. Despite the national scope of the "build back better" Program, for quick success and possible economies of scale, the first group of schools to enter the Program will be selected from one or two geographical Departments. Schools in both urban and rural areas will be eligible. Although there is no predetermined criterion, the Project will require that a minimum number of rural schools be included.

24. **Cost of construction in Haiti is high**. A complete reconstruction of a six-classroom primary school with latrines, water well, surrounding wall and equipment is estimated to cost between US$200,000 and US$250,000 (including the 10% fee paid to a contract management agency such as FAES). Based on this unit cost, the emergency Project will be expected to finance the reconstruction of approximately 15 schools. This will include both full and partial reconstruction of school buildings and facilities with equipment, thus the average price of US$200,000 per school.

25. The issue of construction costs has been at the center of recent debates on the achievement of the Education for All goals. In a 2003 "Education Note" the World Bank estimated that to put all children worldwide in school by 2015, some 10 million new classrooms spread over 100 countries will have to be built. Based on average costs in Africa, Asia and Latin America, the total cost was estimated at US$72 billion trough 2015, or about US$6 billion annually[5]. Unit costs of school construction vary considerable across continents and within continents. Furthermore, building safer and more resilient schools implies higher costs and renders these initiatives more expensive than standard schools of lesser quality. Use of different building techniques also impacts the final cost of construction. For this ESRP, the choice was to promote a safer and more resilient model of schools, including access to latrines and potable

[4] National school = the government is the owner of the properties and infrastructure.
Congreganiste = Government has a management agreement with religious institution (cost sharing).
Municipal and community schools = schools whose owners are the municipality or the community. These are non for profit schools.

[5] August 2003. Education Note – *Education for All: Building the Schools*. Principal author Serge Theunynck

water. The frequency of weather-related events such as the hurricanes that swipe through the Caribbean region each year clearly justifies this approach. However, this also implies that it will be more expensive to build the same number of classrooms in Haiti than it will be in another country that does not have to deal with these same environmental risks. There is a trade-off here between quality and affordability of school construction. As a result of decades of school construction which in many cases are not able to withstand the weather conditions in Haiti, the Government has chosen to build fewer, more durable schools over the possibility of building more, less robust schools.

*Subcomponent 1.2 Upgrading and adaptation of schools as temporary emergency shelters (US$ 0.3 million equivalent)*

26. The purpose of this sub-component is to add a new facility in some of the rebuilt schools[6] to be used as a temporary emergency shelter for victims and evacuees during a natural disaster. In most cases, transforming a school to become an emergency shelter will imply one of the following: (i) building an extra-large room attached to the existing school structure; (ii) upgrading and expanding the school latrines; and (iii) ensuring that schools have a secure access to drinkable water and/or energy source if possible. This activity will be developed on a pilot basis in only a few schools (no more than five) deemed suitable. The FAES will be responsible for including this new requirement during the technical feasibility study of the project cycle described under sub-component 1.1. It is expected that this additional civil works might add between 15 and 25 percent to the US$200,000 project unit cost or equivalent to between US$30-US$50,000 per school.

**Component 2: Reducing and mitigating the vulnerability of educational infrastructure (US$0.7 million equivalent)**

27. The main objective of this second component is to put in place a nation-wide program contributing to the reduction of major risks to and vulnerability of schools caused by natural disasters, compounded by faulty designs and weak supervision in the construction of educational infrastructure as well as a lack of maintenance. To this end, the second component will support the creation of a mechanism for increased preparedness of key stakeholders in case of natural disasters that could affect school facilities, students and educational staff. Specifically, a National Action Plan for Safe Schools (NAPSS) will be developed as a key output of sub-component 2.1. Component 2 will also reinforce the capacity of the DGS to properly enforce new norms and regulations relating to the construction and maintenance of educational infrastructure (sub-component 2.2).

28. As part of this second component, the ESRP will support the development of a communications strategy and communication activities/tools aimed at disseminating the main lessons learned through the implementation of the Project. The objective is to ensure that the ESRP will have a strong demonstration effect for the various education stakeholders in Haiti (including, *inter alia*, Government actors, international partners, and local communities). Furthermore, to measure the demonstration effect of the ESRP, the utilization of the new

[6] The construction of temporary shelters on rebuilt schools will be decided based on the findings of the prequalification carried out by DGS and following consultations with the beneficiary communities.

methods for safe school construction by education stakeholders and donors will be tracked during the implementation of the Project (see Annex 2 on Result Framework and Monitoring).

*Sub-Component 2.1: Improving the resilience and use of educational infrastructure to withstand natural disasters (US$0.45 million equivalent)*

29. The main objective of this sub-component is to develop the NAPSS in order to contribute to better, more sustainable and resilient educational infrastructure in Haiti. The elaboration of the NAPSS will include undertaking the following activities: (i) a vulnerability assessment and risk analysis of existing educational infrastructure; (ii) a study on: "**The impact of disasters on the education sector in Haiti**"; (iii) the organization of a national workshop on building and maintaining safe schools; and (iv) the elaboration of the NAPSS implementation plan.

30. The implementation of this sub-component begins with: (i) an understanding of how disasters impact the education sector in Haiti and (ii) an assessment of disaster resilience of school buildings. As a complete survey of all educational facilities in the country is beyond the scope of this Project, and is not warranted for the purpose of a study on the impact of disasters on the education sector, efforts will focus on collecting information from a number of sources. A survey will be conducted on a statistically significant sample of schools, with a sample being taken up from each geographical *Department*. This action will develop a set of local evaluators, helping build capacity of the MENFP, which can be availed of in the future. The evaluators will be selected staff of the MENFP (DGS) and representatives of local Governments. The action will involve development of a training module and training material for imparting the skills of an evaluator.

31. A national workshop will be conducted to collect feedback from all stakeholders on the vulnerability assessment and on the preliminary draft of the study on: "**The impact of disasters on the education sector in Haiti**". It is expected that: (i) this workshop will aid in filling up any information and knowledge gaps in the study; and (ii) will also serve to validate the findings of the study. This national workshop will be a key part of the consultation process for the elaboration of the NAPSS.

32. The NAPSS will include the following parts: (i) it will prioritize the need for new school buildings, based on basic norms of construction which reflect international standards and respond to the findings of the vulnerability assessment and study; (ii) it will address the issue of retro-fitting of existing school buildings; (iii) it will cover protection and safety of the non-structural components of the schools such as equipment and pedagogical materials; (iv) it will include national guidelines for emergency planning at the school level, as well as holistic emergency planning for the sector; (v) it will include guidelines for capacity building of education professionals to promote a culture of safety in schools; and (vi) it will present clear and succinct guidelines to ensure effective implementation of each of the aforementioned activities.

33. A task force comprised of key stakeholders with experience on civil works, construction norms, risk management, and emergency education will be set up to lead the work under this sub-component. This task force will be reinforced by technical assistance provided by national and international consultants. Work on the NAPSS will draw heavily from best practices and lessons learned in other countries, such as the 2001 Caribbean Disaster Mitigation Project and its

National Plans to Reduce the Vulnerability of School Buildings to Natural Hazards in Caribbean countries. The elaboration of the NAPSS will be highly participative in order to ensure that the content of the NAPSS derives from a large consensus. Implementation of the NAPSS will begin under this emergency Project, but it will be a long-term endeavor, which will require a large mobilization of human and financial resources.

*Sub-Component 2.2: Supporting capacity-building activities for the DGS (US$0.25 million equivalent)*

34. Given the central role that the DGS will play in implementing several activities, the ESRP will contribute to reinforcing its capacity, focusing on the DGS' role in terms of: (i) identification and selection of schools or schools sites; (ii) general quality assurance of construction and rehabilitation of educational infrastructure; and (iii) involvement in reducing and mitigating the vulnerability of educational infrastructure. To that end, the DGS will receive some equipment (vehicles, motorcycles and office equipment/furniture) for the central level and the Education Departmental Delegations where the DGS has deployed staff. Training will also be part of the capacity building activities to ensure that all the staff involved in these activities have the required skills and knowledge to effectively carry out their duties. Finally, the DGS will receive a budget to undertake requisite field missions focusing on the aforementioned pre-qualification and supervision activities.

35. The DGS will participate in the elaboration and endorsement of the NAPSS and will play a key role in its implementation. The ESRP will train selected DGS staff as Master Trainers to become agents of change to disseminate the new methods for safe school construction. They will therefore be imparted the knowledge part for safe buildings and participate in a training of trainers program. This core group of trainers will be involved in teaching others in a cascading manner, with each Master Trainer further imparting training to 10-20 people at the community level. Costs for these activities will include recruiting of technical assistance, organization of training, elaboration and printing of teaching modules and mission expenses.

## 4. Readiness for implementation

36. **Identification, assessment, and recovery activities for school reconstruction have been underway since September.** On the technical side, the MENFP has already assembled a long list of damaged school infrastructure and other affected public assets related to education. The MEF working through the MENFP has already mobilized emergency public funds (State of Emergency Law passed in October 2008) to restore access to schooling in affected areas. The MENFP has already signed two contracting agreements with FAES as the executing agency of these emergency public funds. On the institutional side, the FAES has much experience in the area of school reconstruction and has a long-standing partnership with the MENFP and donors, such as IDB and KfW, in identifying, studying, reconstructing and evaluating school reconstruction projects. These preliminary activities will allow a head start upon project effectiveness. In order to further accelerate implementation, a Project Preparation Facility has been opened in order to, among other things: (i) start mobilizing the FAES team; and (ii) finance the pre-qualification process of schools and capacity-building activities to benefit the DGS.

## 5. Eligibility for processing under OP/BP 8.00

37. The findings of the GFDRR-led PDNA estimated the total effects of FGHI at US$897 million, or 14.6 percent of GDP. This is a very significant event relative to the size of the Haitian economy and represents the largest disaster in recent history. Destruction and damage to educational infrastructure has been widespread, in part due to the FGHI, but also because of the poor condition of many school buildings in Haiti. The Project will directly respond to the following objectives of the Bank's rapid response to crisis and emergencies as outlined in OP/BP 8.00, namely: (i) rebuilding and restoring physical assets; (ii) preserving or restoring essential services; (iii) establishing and/or preserving human, institutional, and/or social capital, including economic reintegration of vulnerable groups; (iv) assisting with the crucial initial stages of building capacity for longer-term reconstruction, disaster management, and risk reduction; and (v) supporting measures to mitigate or avert the potential effects of imminent emergencies or future emergencies or crises in countries at high risk.

## 6. Consistency with country strategy (CAS or ISN)

38. **The Project is consistent with both the existing Interim Strategy Note (ISN) and the forthcoming Country Assistance Strategy (CAS), currently under discussion.** The Project's overall objective of restoring access to schooling is consistent with the "quick wins" approach outlined in the ISN. The capacity-building component focuses on, *inter alia*, the GoH's ability through the DGS to develop and enforce norms and guidelines with respect to educational infrastructure, and the development of the NAPSS, including a vulnerability assessment of education infrastructure and a plan for increased prevention and preparedness, all of which is well aligned with the Bank's institutional strengthening pillar under the current ISN. With respect to the forthcoming CAS, these activities will directly contribute to the CAS outcome of increasing access to schooling in Haiti.

## 7. Expected outcomes

39. **The proposed emergency Project seeks to both restore access to education in some destroyed and/or heavily damaged public primary schools and to reduce as well as mitigate the vulnerability of educational infrastructure.** These outcomes will be achieved through a two-pronged strategy. Firstly, the ESRP will "build back better" 15 or so primary schools in selected areas of Haiti. This will allow children to return to these schools as well as potentially increase the number of students attracted by an enhanced schooling environment over the medium to long-term. In addition, the Project will attempt to provide a more middle to long-term solution to natural disaster/crisis situations by piloting in five of the rebuilt schools a shelter-in-place program for victims of future disasters which would include a specially-designed hall (multi-purpose room) and the enlargement of the sanitary facilities. Secondly, through the "building back better" strategic approach to be piloted in the reconstruction of the 15 primary schools, the ESRP will contribute to improving the resilience of educational infrastructure in Haiti to natural disasters. This specific outcome will be achieved by developing and enforcing enhanced norms and standard for construction and maintenance of schools. New norms and standards are currently being developed and will be further discussed through large stakeholder consultations, culminating in a national workshop financed by the ESRP under component 2.1. At the same time, the Project will implement an ambitious capacity-building program to assist

the DGS (and to some extent the FAES) to improve its norms, procedures and technical tools of processing the entire cycle of construction of social infrastructure projects with well defined responsibilities between the two institutions. This contribution of the ESRP for capacity building should benefit other stakeholders, in particular donors who are planning to sign contractual arrangements with FAES for the construction of educational infrastructure. Finally, the ESRP will also seek to strengthen the vulnerability reduction capacities of the Permanent Secretariat of Disaster Risk Management (SPGRD) through the elaboration of the NAPSS, with the intention of being integrated into the National Disaster Risk Management Plan (PNGRD).

40. **It is important to reiterate that the Project will not respond to all problems endemic to educational infrastructure in Haiti**, such as the lack of incentives designed to ensure the appropriate use of the public schools and their maintenance, or the poor quality and deficiency of the Haitian public and private school infrastructure in general. However, the Project will set the foundation for an appropriate solution to some of the central challenges to school infrastructure: (i) a revision of school designs and constructive practices; (ii) the appropriate use of schools as community shelters in times of crises (and exit strategies from such arrangements); (iii) increasing community ownership in school construction; and (iv) the ongoing maintenance of classrooms and the sanitary facilities. By doing so, it is hoped the ESRP can have a demonstration effect which will have a lasting impact on future construction of educational infrastructure in Haiti.

41. Key outcome/impact indicators include:

- Occupation rate of rebuilt schools will be maintained at 75 percent or above during the next school year following completion of civil works
- Stakeholders endorse and increasingly utilize the new methods for safe school construction

42. Key intermediate outcome/output indicators include:

- Number of schools rebuilt or rehabilitated with satisfactory technical standards
- Number of schools rebuilt which are retrofitted with an emergency-shelter and improved facilities, such as latrines
- Development of training modules, training materials, guides and other material on measures to increase safety in the schools, at the national and the local level
- Increased awareness of the vulnerabilities to disasters and the mitigation measures for the education sector, amongst the stakeholders
- A NAPSS which will sustain the activities beyond the Project life, as it will function as a business plan of the GOH over the medium to long-term
- Schools rebuilt for which prequalification visits were conducted
- General quality assurance supervision missions carried out by DGS for each school built
- Development of Master Trainers in the DGS. This exercise will also develop in-house expertise in all training related matters, enhancing the capacity of the DGS to function as a nodal point for disaster resilience related issues in the MENFP. The DGS would be in a position to assist other Government offices

## D. APPRAISAL OF PROJECT ACTIVITIES

43. **Economic benefits and beneficiaries.** The economic benefits of the ESRP will be to contribute to restoring access of students and education staff to 15 or so primary schools that have been destroyed and/or heavily damaged in recent years. The benefits will accrue to the communities beyond the schools rebuilt, for whom the restoration of social service delivery will be a strong and positive sign that the GoH is doing its upmost to support the population and communities that have been affected by the FGHI. It is expected that this will be an incentive to bring more investment in economic and social infrastructure in these targeted communities. In the long-term, the "building back better" approach is expected to prevent and over time reduce the risks of damage and/or destruction of educational infrastructure. It should therefore increase the lifespan of school buildings. By the same token, better and more resistant educational infrastructure will contribute to lowering the cost of school maintenance. With less need to rebuild schools, the GoH and other private education providers will be better encouraged to invest in educational infrastructure and expand school coverage as well as retention (i.e.: less disruption in schooling due to poor educational infrastructure). It is important to emphasize that these economic and social benefits will not be realized without the GoH and its donor-partners investing heavily over a number of years in the enforcement of good quality educational infrastructure and preparedness of the education sector in the face of natural disasters.

44. **Technical.** As implementing agency of the ESRP, the FAES is responsible for the construction of the schools to be rebuilt and/or rehabilitated. The FAES project cycle and manual of procedures were reviewed thoroughly and have been deemed satisfactory. FAES has a long track record of successful completion of civil works projects in the social sectors. None of the schools recently built under the FAES has suffered any significant damage after the FGHI. DGS will also play a general quality assurance role, supervising the schools being built on occasion during the construction cycle. It is likely however that DGS effectiveness will remain limited until it can benefit from institutional strengthening (see component 2.2). The best guarantee for good quality technical work will come from the initiative launched by FAES to elaborate and disseminate new school construction norms. This initiative will be further supported by the ESRP through the second component, which aims at reducing and mitigating the vulnerability of educational infrastructure. The NAPSS will probably be the vehicle to ensure that schools in the future are sound and resilient to natural disasters.

45. **Institutional.** The primary implementing agency is the FAES, an autonomous Haitian governmental entity, under the supervision of the Ministry of Economy and Finance, with a board of directors consisting of nine members (three ministers, five representatives of civil society and the FAES General Director). It was created in 1990 and since that date has invested several million dollars in hundreds of different community projects relating to education, health, drinking water, basic sanitation systems, and agricultural production. With respect to education, the FAES has invested a total of US$40.5 million in constructing 547 public schools over the last 10 years. The FAES has a staff of 132, located in the Port-au-Prince office and the 5 Regional Offices, of which 83 percent have a university degree.

46. **Financial management.** A financial management assessment has been carried out and concluded that arrangements for the Project satisfy the Bank's requirements under OP/BP10.02.

It pointed out the need to recruit an external auditor and to update the operational manual and the accounting software used by FAES.

47. **FAES will be responsible for the overall financial management of the Project.** FAES will ensure that, every semester, the Interim Un-Audited Financial Reports (IFR) are produced and transmitted to the Bank not later than 30 days after the end of the semester. On an annual basis, not later than four months after the fiscal year, annual audited financial statements will be sent to the Bank.

48. **Disbursements.** Disbursements will be made in accordance with procedures outlined in the Disbursement Handbook for World Bank Clients and allow for use of advances, reimbursement, direct payment, and issuance of Special Commitment. Expenditure reporting will include Statements of Expenditures (SOE) for goods, works and services contracts below US$20,000 and for all training and operating costs as well as records for all other expenditures. A designated account (DA), managed by FAES, will be open at the Central Bank of Haiti (*Banque de la République de Haïti - BRH*) for the implementation of the Project. The ceiling of the designated account will be US$0.8 million.

49. **Procurement** for the proposed Project would be carried out in accordance with the World Bank's "Guidelines: Procurement under IBRD Loans and IDA Credits" dated May 2004, Revised October 1, 2006; and "Guidelines: Selection and Employment of Consultants by World Bank Borrowers" dated May 2004 Revised October 1, 2006, and the provisions stipulated in the Legal Agreement. The various items under different expenditure categories are described in Annex 5.

50. **Environmental/Social.** This Project was classified under **Environmental Category B,** in which a complete environmental study is not necessary. According to the pre-screening of projects this emergency operation will trigger OP 4.01 (EA) and possibly OP 4.12 (Involuntary Resettlement).

51. To guide the environmental assessment and mitigation process, an Environmental Assessment and Management Framework (EMF) was undertaken by a qualified consultant based in Haiti. Environmental impacts under the proposed Project are expected to be minimal and highly localized as most construction will be on existing sites to replace damaged buildings. Nevertheless, some safeguards pre-cautions will be established with respect to: (i) the pre-screening of proposed sub-projects to ensure adequate evaluation of any site risks; (ii) establishing measures to ensure that contractors follow good environmental construction practices at each construction site; (iii) that capacity building under the Project include review of technical design and construction standards; and (iv) that measures for sub-project supervision include consideration of extent to which poor maintenance of sites may contribute to problems at specific sites. The EMF prepared will be updated and improved also within fourt month of effectiveness.

52. A resettlement or land acquisition is not expected under this emergency operation but in the unlikely event that some land is needed a Resettlement Policy Framework (RPF) will be prepared within four months of the effectiveness date. A Resettlement Action Plan (RAP) will be prepared as part of the RPF. If land acquisition is unavoidable, the area taken will be the

smallest area possible, so that the extent of physical and economic dislocation is reduced to the absolute unavoidable minimum. Further, Project Affected Persons (population) (PAP) will be afforded full and meaningful opportunity to participate and contribute to the design and implementation of the Project. Also, all PAP will be compensated fully for the loss of any and all assets, and payments will be effected in a timely manner so that the PAP are not further inconvenienced. Finally, PAP will be assisted in case of physical relocation or resettlement, and, no less importantly, PAP will be provided all reasonable and necessary assistance to restore their livelihoods, to the extent these are affected.

53. Public consultation will be undertaken during the elaboration of the RPF and also in the course of the revision and improvement of the EMF. These consultations will typically include a variety of stakeholders, such as: (i) the direct beneficiaries, such as school principals, teachers, and parents; (ii) people in the vicinity of the school; (iii) local authorities (elected officials); and, leaders from the civil society (association representatives for instance). Other consultations for the elaboration of both documents will be conducted with Government officials from the MENFP, the Ministry of Environment and other relevant line Ministries as well as with federations of private school providers and other national civil society leaders. The findings of these consultations will be documented and reflected in the elaboration of the RPF and EMF.

54. The Borrower has an acceptable institutional capacity for ensuring safeguard compliance. Specifically, the FAES has been conducting construction and rehabilitation of social infrastructure for more than a decade, following World Bank and Inter-American Development Bank procedures. Nonetheless, the client has expressed an interest in further strengthening its capacity, with a focus on undertaking environmental assessments of sub-projects. This request will be taken into consideration under the institutional strengthening activities incorporated under the Project. To the greatest extent possible the Project would support the development of a single review procedure which would apply to all sub-projects to be supported by FAES, and not only those financed by the Bank under the proposed operation.

55. **Lessons learned and reflected in the Project design**: The proposed Project design takes into account lessons learned from previous operations in Haiti and from Bank-wide experience with emergency response and mitigation operations at the global level. For Component One, those include:

- School retrofitting projects in LAC, including in Colombia (200 schools), Grenada (25 schools) and St. Lucia (about 20) which have developed a methodology for cost benefit analysis and prioritization.
- The school retrofitting project in Colombia (as well as elsewhere) has highlighted the fact that the Ministry of Education, the local Government and the community must be in the driver's seat to ensure success and sustainability, especially with respect to school maintenance.
- In Madagascar, the Bank has worked through the Social Development Fund (FID) in introducing cyclone-proof norms in schools and health centers. These facilities have proven resistant to cyclones in contrast with traditionally built facilities which typically crumble after cyclones.

- Many emergency projects have shown that reallocation of funds for disaster risk management simply displaces funds from school expansion programs and hence, it is better to have a rational plan for action.
- The US$164.7 million El Salvador Earthquake Emergency Reconstruction and Health Services Extension Project compiles and synthesizes good practices for building codes and norms so that the reconstructed facilities would be built according to international norms.
- The US$10 million Grenada Hurricane Ivan Emergency Recovery Project draws on the lessons from hurricanes in the country. The hurricanes caused damage to building structures (housing, schools, Government buildings, etc.) but at the same time, structures built or retrofitted in recent years under World Bank projects survived the storm with little or no damage. This demonstrated the benefits of applying hurricane resistant standards to vulnerable construction. A significant concern was that during the reconstruction effort, the same vulnerabilities would be rebuilt. It has been proven through the success of Bank retrofitting projects in Grenada that hurricane damage can be minimized by taking careful measures to ensure that new construction is hurricane resistant.

56. For Component Two, the following lessons learned have been incorporated into the Project design:

- Simplified objectives and scope limited to 1 or 2 sectors. While there are significant areas of the education sector which need qualitative improvement, the focus of this Project is on disaster resilience of the infrastructure, as this sector has been one which has suffered maximum impact from FGHI. Realizing the low capacity of the MENFP, the focus is on institutional strengthening through: (i) analysis of vulnerability and risks in the education sector; (ii) development of a National Action Plan for Safe Schools, based on a highly consultative process; and (iii) institutional strengthening of the DGS.
- Use of reinforced existing implementing agencies. The implementation plan aims to build on the existing capacity in the country, with a focus on the key players in the public sector (MENFP and FAES). Significant capacity for project management already exists within the FAES. In the MENFP, the DGS is the key agency to ensure standards of construction. This sub-component of the Project will involve all three key players in the education sector in Haiti. The objective is to build in-country capacity to ensure sustainability of the Project activities.
- Strong technical assistance package to accompany implementation and build capacity. Recognizing the need to quickly upgrade the existing capacity within the GoH, a strong technical assistance element is part of the Project. The sub-components will help develop a strengthened and resilient education sector which can better withstand the impacts of disasters. Institutional strengthening will be complemented by capacity building. The action will be based on local knowledge, made strong by global best practices. To fast track the vulnerability assessment and the development of the NAPSS, a number of workshops will be facilitated by consultants so as to compress the work of many months and the knowledge of many minds, for quick delivery of products.

## E. IMPLEMENTATION ARRANGEMENTS AND FINANCING PLAN

57. **Institutional arrangements.** The proposed Project will be implemented by the FAES, in close collaboration with the MENFP. Overall, the institutional arrangements consist of three elements:

- The Subsidiary Agreement: The MEF and the FAES will enter into a subsidiary agreement which will outline the obligations of FAES in the context of the carrying out, monitoring, reporting, and auditing the proposed Project. It will also make reference to FAES's compliance with the terms and conditions of the IDA grant agreement, the POM, and the WB/IDA guidelines for Procurement.
- A Memorandum of Understanding (MOU): An MOU will be signed between the MENFP and the FAES, outlining the roles and responsibilities of each party under the Project. A table detailing the responsibilities of both parties at each stage of the lifecycle has been agreed upon and will feature as an annex to the MOU.
- A Steering Committee (SC): A SC will be formed in order to give overall strategic direction to the Project. The SC will be composed of a high-level representative from the MENFP, the MEF, the FAES and the Directorate of Civil Protection (*Direction de la Protection Civile - DPC*). The FAES will assume the responsibility for the Executive Secretary of the Steering Committee.

58. **Project Preparation Facility (PPF).** A detailed project cost table has been prepared together with the Haitian counterparts. This table is attached in Annex 3. A Project Preparation Facility (PPF) has been requested by the MENFP and FAES for an amount of US$400,000. This PPF will reimburse the GoH for expenditures incurred to equip the DGS and to cover the mission-related expenses in order to immediately assume the responsibility of preparing the list of schools that will be reconstructed; and for FAES to prepare and to evaluate the pre-qualification dossiers of proposed sub-projects. Finally, the PPF will finance a Project Assistant based within the FAES.

59. **Alternative implementation arrangements considered.** Several options were considered and rejected for the implementation arrangements. First, the team considered processing this operation as Additional Financing to the Education for All Adaptable Program Grant (APG 1). However, it was decided that the reconstruction activities did not match the Project Development Objective under the APG 1. Second, the team considered having the MENFP serve as implementing agency for the overall Project, using the EFA Project coordination team within the MENFP. Given that the FAES is responsible for executing nearly 90 percent of the budget, and considering current capacity constraints within the MENFP, it was agreed that using the FAES as the implementing agency was the simplest, most effective and most straightforward design.

60. **Supervision, Monitoring and Evaluation.** The main challenge in the implementation of the Project is to assure an appropriate coordination between the DGS and the FAES, such that the former acts as the "Rector" of the Project and the latter as the implementer. Calibrating the right balance in this relationship is a challenge due to technical and logistical weakness of the DGS. The second task is to achieve an improvement in the Haitian educational infrastructure: lack of maintenance especially in the sanitary facilities and provision of drinking water.

Therefore, to better assist the Haitian counterparts, the World Bank will intensify its supervision efforts during the two and half years of implementation (with four to five supervision missions instead of the standard two per year). The World Bank has also recently expanded its country office staff to include a full time Human Development Project Officer who will provide timely supervisory support to the Project team. To support the supervision missions, the World Bank has hired an expert in Social Investment Funds and in community and municipal participation mechanisms to maintain the local infrastructure. Finally, the Steering Committee and the Project Assistant based at the FAES will play central roles in the supervision and monitoring processes.

## F. PROJECT RISKS AND MITIGATING MEASURES

| *Risk factors* | *Description of risk* | *Rating of risk* [a] | *Mitigation measures / factors* | *Rating of residual risk* [a] |
|---|---|---|---|---|
| I. Country-level risks | | | | |
| ♦ Macroeconomic framework | ♦ Budget under-execution could continue to hold back economic growth. Factors behind under-spending include limited absorptive capacity of line ministries, poor budget planning throughout the system, lack of cash flow planning and monitoring, and weaknesses in public expenditure management.<br>♦ Weaknesses in the monetary policy framework limit ability of central bank to control inflation.<br>♦ Government spending, fiscal balance and economic growth are highly susceptible to any drop-off in aid inflows, due to dependence on donor resources.<br>♦ Even assuming full delivery of HIPC Initiative assistance and bilateral debt relief, Haiti remains at high risk of debt distress. Under the baseline scenario of the Enhanced HIPC Decision Point Document (November 2006), the NPV of debt-to-exports ratio remains above the indicative threshold (100 percent) until FY2021. However, other debt indicators remain below the threshold over the projection period.<br>♦ As evidenced by FGHI, and the rise in food and fuel prices, the economy remains highly susceptible to external shocks, including from natural disasters, | S | ♦ **Overall:** An IMF macroeconomic program is in place for FY07-09, supported by a SDR 73.7 Poverty Reduction and Growth Facility. A fourth review of the program took place in November 2008 in Port-au-Prince. Haiti's PRGF-supported program remains on track.<br>♦ Ongoing IDA technical assistance supports the further streamlining of budget execution procedures to reduce expenditure processing times. Donors are providing technical assistance to strengthen capacity in line ministries and sectoral institutions.<br>♦ IMF provides ongoing support to enhance monetary management, in particular in the context of rising food prices in 2008.<br>♦ Haiti has obtained more than US$1.5 billion in multi-year pledges of donor assistance since 2004, and most donors have committed to long-term support. Government is committed to boosting own revenues from 10 percent of GDP (FY06) to 15 percent in medium term.<br>♦ 1) Considerable additional relief is set to be provided by MDRI, as well as IADB's switch to grant-only financing for the next two years. IDA financing has been 100% grants since FY06. 2) IDA and IMF staffs are jointly monitoring debt sustainability. DSAs will is carried out annually. 3) Progress has been made to strengthen debt management: the GoH has moved to centralize information on public external and domestic foreign currency debt into a single database and has requested UNCTAD assistance to update public debt management | M |

| | Risk factors | Description of risk | Rating of risk [a] | Mitigation measures / factors | Rating of residual risk [a] |
|---|---|---|---|---|---|
| | | particularly hurricanes and flooding. | | software at the central bank and Ministry of Economy and Finance.<br>♦ Ongoing assistance from IDA and other donors is supporting disaster preparedness and responsiveness. Haiti's participation in the Caribbean Catastrophe Risk Insurance Facility (CCRIF) provides some macroeconomic insurance against the impact of a catastrophic hurricane or earthquake. | |
| | ♦ Country engagement with the World Bank | ♦ History of on-off involvement by donors including Bank increases need to foster trust and cooperation of Government<br>♦ The World Bank's disengagement in the education sector in particular is well remembered | M | ♦ Bank has maintained close support and engagement since 2004, and is expanding country office to provide closer contact and support. IDA funding is now 100 percent grants.<br>♦ There is broad coherence between the Government and donors, including the Bank, on policy priorities<br>♦ Collaboration in the education sector is high, with three important donors (CDB, CIDA and IDA) co-financing the execution of the EFA project through the Ministry of Education | L |
| | ♦ Governance | ♦ Limited capacity of ministries and Government agencies slows project implementation.<br>♦ Despite considerable recent progress, general fiduciary environment is risky, with limited transparency or accountability, high levels of corruption, weak budget, procurement and financial management processes and inadequate financial controls. The budget is not comprehensive and many key reforms have not yet been implemented.<br>♦ Rule of law is weakly applied and judiciary does not function well. | H | ♦ Bank program balances institution building with delivery of quick results. Three investment projects are implemented directly by state entities (including two in education). Others use project implementation units (PIUs), but seek close Government involvement.<br>♦ IDA projects are ring-fenced and procurement and FM rules strictly applied. At the same time, IDA provides ongoing technical assistance and advisory support for economic governance reform (EGRO I and II, EGTAG I and II, PEMFAR).<br>♦ Other donors, including UN system, are supporting police and judicial reform. | S |
| | ♦ Systemic corruption | ♦ Corruption is perceived to be widespread, with Haiti ranking 176 out of 179 countries | H | ♦ President Préval has put great emphasis on fighting corruption. Measures are being taken to increase | H |

| Risk factors | Description of risk | Rating of risk [a] | Mitigation measures / factors | Rating of residual risk [a] |
|---|---|---|---|---|
| | in 2007 Transparency International Corruption Perceptions Index. | | transparency and accountability in public sector, including the introduction of asset declarations for Government. A Port-au-Prince tribunal has been investigating high-level corruption in private sector. A Government anti-corruption unit was created and staffed in 2004.<br>♦ | |
| ♦ Security and social stability | ♦ Despite improvements in security since December 2006, the peace is fragile, particularly in urban slums.<br>♦ There is a risk that economic growth, needed to underpin external stability and bring about significant improvement in social outcomes, will not accelerate. Without tangible social progress, and if food and fuel prices increase again, gang activity and civil conflict could resurface. | H | ♦ The 8,800 strong UN Stabilization Mission in Haiti (MINUSTAH) maintains order in cooperation with police. Rural areas do not have security concerns and the Government has been largely successful so far in responding to increases in food prices (in particular rice prices).<br>♦ Government and donors are working to strengthen infrastructure (in particular after the 2008 natural disasters) and improve the business environment to promote private-sector led growth. Focused initiatives provide jobs and services in impoverished urban areas, to improve living conditions, foster economic development, promote social stability and diminish gang activities. | H |
| ♦ Political stability and inclusion | ♦ Haiti has long been troubled by serious political instability, as witnessed in April 2008. Despite President Préval's personal achievements in promoting unity and inclusion, including through the formation of a broad coalition Government, divisions remain deep. Political parties are weak, and Preval's LESPWA maintains fragile support in the legislature. | H | ♦ Ongoing democratic consolidation, including re-establishment of functioning parliament (since 2006) and election of new local Governments is strengthening legitimate channels for the resolution of political conflicts.<br>♦ President Prevál maintains strong support from Haitians and the international community.<br>♦ The PRSP ("DSNCRP") has been endorsed through a broad consultative process, to build political consensus around it. | H |

| II. Operation and Sector-Specific Risks | | | | | |
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| | ♦ Technical/design | ♦ The approach of "building back better" implies quality over quantity tradeoffs with respect to school construction, which may not be universally supported by stakeholders.<br>♦ The lack of consistent, thorough and timely maintenance activities at the school level will erode benefits of new constructions and accelerate the dilapidation of school infrastructure.<br>♦ The introduction of multi-purpose rooms and other infrastructural elements to accommodate victims in times of crisis could create a moral hazard with respect to evacuations, and extend length of periods for which schools are used as shelters.<br>♦ The demonstration effect may be crowded out by multiple messaging relating to sector priorities in education. | H | ♦ During the preparation of the project, extensive consultations took place with various stakeholders within the Ministry, the FAES, and the public and non-public educations sectors to candidly discuss the advantages and disadvantages of quality reconstructions.<br>♦ Extensive work will be undertaken at the community level prior, during and after the civil works in order to foster community ownership over the schools. In addition, under the NAPSS, school maintenance will feature prominently.<br>♦ In addition to providing the 'hardware' surrounding shelters-in-place, the Project will ensure that schools have exit strategies to transition victims out of schools.<br>♦ The messaging related to the demonstration effect will be carefully crafted, with Bank technical assistance, and conveyed through a communication strategy. It will also be integrated into the development of the NAPSS and shall feature prominently in the consultation process. | M |
| | Implementation capacity and sustainability | ♦ General implementation capacity of the MENFP is very low. The likelihood of the DGS to effectively assume their role in the Project is questionable.<br>♦ Increased donor support toward infrastructure activities could result in the FAES capacity being stretched.<br>♦ FAES' strong leadership (i.e.: Director General) team has been an asset. But key people can be replaced, potentially destabilizing the implementing agency. | S | ♦ The ongoing EFA Project is working to strengthen the overall capacity of the MENFP. Under the PPF, capacity-building activities relating to the DGS will be accelerated.<br>♦ Implementation of the ESRP will begin after the closing of an IDB project, while the IDB and CIDA prepare their next operations. A Project Assistant dedicated to the ESRP will be recruited to oversee the implementation of the IDA funds.<br>♦ Bank will ask to be consulted by MEF on any major change of key staff. | S |
| | Financial management | ♦ The capacity for financial management by the FAES is untested and might not be satisfactory to produce quality financial reports and to carry our regular accounting operations. | M | ♦ The FAES, which has a long history of implementing Bank and IDB projects, will be used as the implementing agency for the overall operation. FAES has a good track record in managing external funded resources. Adequate training will be provided to FAES | M |

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| | | | | staff. Financial management supervision will consist of review of semi annual financial reports, the review of the FM system during a site visit, and the review of the annual audited financial statements.. | |
| | Procurement | ♦ FAES might be slow in adopting the new threshold for procurement methods required for this Project. FAES might also be overwhelmed by the value of procurement activities to be carried through various external funded resources. | M | ♦ The procurement assessment of the FAES by the Bank's fiduciary team was deemed satisfactory. FAES will recruit new staff. Training will be provided to the FAES on procurement. All procurement activities will be prior-reviewed by the Bank's procurement specialist. | M |
| | Social and environmental safeguards | ♦ Environmental and social impacts under the proposed Project are expected to be minimal and highly localized as most construction will be on existing sites to replace damaged buildings. Project will include seek to avoid triggering involuntary resettlement. | L | ♦ Some safeguards pre-cautions will be established with respect to: the pre-screening of proposed sub-projects to ensure adequate evaluation of any site risks; establishing measures to ensure that contractors follow good environmental construction practices at each construction site; that capacity building under the Project include review of technical design and construction standards; and that measures for sub-project supervision include consideration of extent to which poor maintenance of sites may contribute to problems at specific sites.<br>● RPF and revised EMF will be prepared and disclosed. External technical audit will be carried to ensure compliance and enforcement. | L |
| III. Overall Risk (including Reputational Risks): This Project is rated as High, because of the overall country risk. However, the operation and sector risk should be considered as Moderate, except in relation to the implementation capacity and sustainability that could be impeded by the DGS inability to fulfill their mandate as well unexpected changes in key staffing at the FAES. However the team would like to underline that FAES has an excellent track record in implementing similar donor-funded projects focusing on social service infrastructure. The second Project component is a new endeavor for the FAES and will require closer supervision and technical support. Establishing a productive working relationship between FAES and DGS might prove to be challenging. | | | | | H |
| Abbreviations:<br>DAA: Direction des affaires administratives; EFA: Education for All; FGHI : Fay, Gustav, Hanna and Ike ; MENFP : Ministère de l'Education Nationale et de la Formation Professionnelle ; FM: Financial management. | | | | | |
| a Rating of risks on a four-point scale—High, Substantial, Moderate, and Low—according to the probability of occurrence and magnitude of adverse impact | | | | | |

## G. TERMS AND CONDITIONS FOR PROJECT FINANCING

61. The proposed emergency Project will be financed through a US$5 million IDA Grant.

62. *Legal Covenants*

- The Recipient shall cause FAES, not later than four months after the Effectiveness date to adopt a Project Operational Manual for the Project, satisfactory in form and substance to the Association.

63. *Effectiveness Conditions*

- The Subsidiary Agreement shall have been executed on behalf of the Recipient and FAES and shall be binding upon them.
- Guidelines setting forth the pre-qualification requirements and procedures to be used for the selection of schools under the Project shall have been prepared and adopted by the Recipient, satisfactory to the Association.

## Annex 1. Detailed Description of Project Components

64. The Emergency School Reconstruction Project (ESRP) will feature two components: (i) restoring the supply of primary schools; and (ii) reducing and mitigating the vulnerability of educational infrastructure. The Project will be executed by the FAES. This section describes each component and subcomponent, listing all activities to be financed by the Project.

### Component 1: Restoring the supply of primary schools (US$4.3 million equivalent)

65. The main purpose of this component is to promptly "build back better" and safeguard seriously damaged educational infrastructure. The Project will intervene in schools that have been destroyed and/or schools whose infrastructure represents a serious risk for the safety of the student population and educational staff (sub-component 1.1). The selected schools in this "build back better" Program will be reconstructed using better and safer standards and refurbished with equipment and material as needed. This component will also finance the upgrading of facilities in a few selected schools that are used as temporary shelters in case of natural disasters (sub-component 1.2). A multi-purpose room will be added to some of the rebuilt schools that could be used as a first "triage" and storing space in case of emergency. During non-emergency periods this room could serve for educational and community activities. Other facilities will be installed including access to drinkable water and larger restrooms to be used by evacuees.

*Subcomponent 1.1 Reconstructing school facilities (US$4.0 million equivalent)*

66. The purpose of this sub-component is to reconstruct and rehabilitate about 15-20 primary schools. It has been estimated that 964 schools had been partially and/or completed destroyed after four hurricanes struck Haiti in August and September of 2008. Overall, the educational infrastructure in Haiti is poor, even without considering the effects of the most recent hurricanes. The emergency Project will ensure that new schools built in Haiti will use better standards and building norms, attempting to prevent further collapse of school buildings. The roles and responsibilities for the implementation of this sub-component will be shared between the FAES (in charge of civil works) and the DGS, who will be responsible for general quality control assurance. The role of each institution is described below.

67. **Eligibility Criteria**: The DGS will be responsible for selecting the primary schools included in the Program. Schools included in this Project are public schools, which include inter alia national schools, national parochial (*congregationiste*) schools[7], municipal schools and community schools. Due to the large number of schools that could potentially be eligible, it was decided that only the schools that have at least 50 percent of their classrooms destroyed and/or schools to be in serious risk of collapsing will be eligible for support under the Project.

68. **Geographical targeting**: The "build back better" Program is a nation-wide Program. However, for quick success and possible economies of scale, the MENFP has accepted that the

[7] National school = the government is the owner of the properties and infrastructure.
Congreganiste = Government has a management agreement with religious institution (cost sharing).
Municipal and community schools = schools whose owners are the municipality or the community. These are non for profit schools.

first group of schools to enter the Program be selected from one or two geographical Departments. The MENFP benefits from two other sources of financing to rebuild educational infrastructure, which are not tied to any specific geographic targeting and should thus provide all the flexibility required for the MENFP to intervene in urgent situations. Schools in both urban and rural areas will be eligible. Although there is no predetermined criterion, the Project will require that a minimum number of rural schools be included.

69. **Pre-Qualification Process**: All eligible schools selected will have to go through a pre-qualification process. The DGS will be responsible for conducting this pre-qualification, and will therefore be reinforced and equipped with the means necessary to fulfill this new mandate (see component 2). The DGS will work with the MENFP's Department for Private Education and Partnership (DAEEP) on this task. The purpose of this process is both to ensure that the schools identified by the MENFP meet the aforementioned eligibility criteria of the Program and to carry out a simple pre-assessment of the school reconstruction needs. The DGS will meet with the school community and local leaders in order to assess the potential impact of the reconstruction on each specific community. Thus, for the purpose of the pre-qualification process, the DGS will have to visit each school and undertake the following activities: (i) check the fulfillment of eligibility criteria; (ii) undertake a preliminary assessment of the civil works required and estimate costing; (iii) assess the impact of the reconstruction on the schooling population, especially in terms of an increase in access to education resulting from the reconstruction of the school; (iv) succinctly describe any environmental and safeguard issues that could be caused by the reconstruction of the school and/or resulting from its previous destruction; (v) verify the legal status of the school, including building and land ownership titles; (vi) certify the presence of teaching staff, and administrative personnel for larger schools; and (vii) verify the existence of any type of community involvement, such as school-committee, parent-teacher association and the like. The DGS will report the findings of the field evaluation in a "School Pre-qualification Report", to be discussed with the FAES prior to being transferred over to the FAES for the next phase of the project cycle. The complete pre-qualification process will be described in the POM.

70. **Project Cycle for School Reconstruction**: The FAES will be mostly in charge of the next phase of the "build back better" Program which mainly includes the school reconstruction itself. The FAES will follow its own project cycle, which is detailed in its Operative Manual (FAES-OM) and has been reviewed and approved by the Bank. The project cycle begins at the preparation of the bidding process (which includes the detailed feasibility study for the reconstruction project, above and beyond the pre-qualification process carried out by the DGS) to the final reception of civil works. The project cycle of FAES will include two additional steps that fall under the DGS responsibilities: the aforementioned pre-qualification process and the general supervision of civil works equivalent to a general quality assurance process.

71. **"Building back better" and promote school maintenance**: A key objective of the emergency Project is to reduce the vulnerability of educational infrastructure (i.e.: to maintain the structural integrity of the school facilities). To achieve this objective, the schools rebuilt will have to use and follow better and more stringent norms for construction, and be better maintained to preserve their quality and safety over the long term. "Build back better" will thus be at the core of this emergency Project and is expected to impact positively on any future interventions on educational infrastructure. The FAES is already enforcing high level quality

standards for all its civil works activities and is currently using the Caribbean Uniform Building Code and "the Guide for Building Schools" ("*Références Techniques sur la Construction d'Ecoles*") approved by the MENFP, which contains the construction norms for schools. However, for the purpose of this emergency Project, the FAES, DGS, contractors and other actors in the sector will work together to develop more comprehensive national building norms (see component 2).

72. **Community participation**: The emergency Project will finance activities to promote community participation to properly use and maintain the new educational infrastructure. To that end, the FAES will hire a community development specialist who will work alongside the communities to develop and deliver training on the following four topics: (i) social accountability; (ii) risks and disaster management; (iii) school maintenance; and (iv) relations between parents and teachers. It is expected that the hired specialist will intervene before the civil works begin on each site (possibly as early as during the pre-qualification process and/or the FAES feasibility study) and during and after civil works is completed. The Specialist will also intervene in the activities financed under component 2.

73. **Costing**: The cost of construction in Haiti is high. A complete reconstruction of a six-classroom primary school with latrines, water well, surrounding wall and equipment is estimated to cost between US$200,000 and US$250,000 (including the 10% fee paid to a contract management agency such as FAES). Based on this unit cost, the emergency project will be expected to finance the reconstruction of approximately 15-20 schools. This will include both full and partial reconstruction of school building and facilities with equipment, thus the average price of US$200,000 per project.

*Subcomponent 1.2 Upgrading and adaptation of schools as temporary emergency shelters (US$0.3 million equivalent)*

74. The purpose of this sub-component is to add a new facility in some of the rebuilt schools to be used as a temporary emergency shelter for victims and evacuees during a natural disaster. In most cases, transforming a school to become an emergency shelter will imply one of the following: (i) building an extra-large room and/or kitchen attached to the existing school structure; (ii) upgrading and expanding the school latrines; and (iii) ensuring that the school has a secure access to drinkable water and/or energy source if possible. The community leaders and other local stakeholders will be consulted. They will be expected to approve the choice of the school as an emergency temporary shelter and decide jointly on the nature of the transformation to be undertaken at the school.

75. This activity will be developed on a pilot basis in only a few schools (no more than five) deemed suitable. In most cases, it is expected that the choice of schools selected as emergency shelters will be done during the aforementioned pre-qualification process carried by the DGS. The FAES will be responsible for including this new requirement during the technical feasibility study of the project cycle described under sub-component 1.1. It is expected that this additional civil works might add between 15 and 25 percent to the US$200,000 project unit cost or equivalent to between US$30-US$50,000 per school.

**Component 2: Reducing and mitigating the vulnerability of educational infrastructure (US$0.7 million equivalent)**

76. The main objective of this second component is to put in place a nation-wide program contributing to the reduction of major risks to and vulnerability of schools. Risk factors affecting schools include natural disasters, faulty designs and weak supervision in the construction of educational infrastructure as well as a lack of maintenance. To this end, the second component will support the creation of a mechanism for increased preparedness of key stakeholders in case of natural disasters that could possibly affect school facilities, students and educational staff. This will include the elaboration of the National Action Plan for Safe Schools (NAPSS) as its key deliverable (sub-component 2.1), and the reinforcement of the capacity of the DGS to properly enforce new norms and regulations (sub-component 2.2).

*Sub-Component 2.1: Improving preparedness of educational infrastructure to withstand natural disasters (US$0.4 million equivalent)*

77. The main objective of this sub-component is to develop the NAPSS. This will include a series of steps and activities to be carried out, such as: (i) a vulnerability assessment and risk analysis of existing educational infrastructure; (ii) the organization of a national workshop on building and maintaining safe schools; and (iii) the elaboration of the NAPSS itself.

78. The process of development of the NAPSS will build capacity of the stakeholders in the education sector of Haiti, through understanding of issues of disaster risk reduction, cognizance of global best practices for risk reduction in the education sector, and development of a pool of experts in the Government and outside who can plan for risk reduction.

79. It is estimated that various activities included in this sub-component will cost around US$0.4 million. The FAES will lead the implementation of this sub-component, in close collaboration with a Task Force set up as the first activity for this sub-component.

80. **Vulnerability assessment and risk analysis**. As a first step, the implementation of this sub-component begins with: (i) an understanding of how disasters impact the education sector in Haiti; and (ii) an assessment of disaster resilience of school buildings. To that end a rapid visual screening method (using a rapid screening standardized check-list) will be utilized for a quick vulnerability assessment of school buildings. This will be preceded by a brief training program for the evaluators responsible for the vulnerability assessment. The evaluators will be comprised of selected staff of the MENFP (DGS) and representatives of local Governments. The action will involve the development of a training module and training material for imparting the skills of an evaluator. This action will develop a set of local evaluators, helping to build capacity of the MENFP, which can be availed of in the future.

81. Given that a complete survey of all educational facilities in the country is beyond the scope of this project, and is not warranted for the purpose of a study on the impact of disasters on the education sector, efforts will focus on collecting information from a number of sources. A survey will be conducted on a statistically significant sample of schools, with a sample being taken up from each geographical *Departments*.

82. Key information for the assessment and study of impacts of disasters on the education sector in Haiti will be obtained from various sources such as the relevant Ministries, including the MENFP, the Ministry of Economics and Finance, the Ministry of Public Works, international and national NGOs active in the education sector in Haiti, international financial institutions and donors such as CIDA The role of these players in the assessment is critical as they are the key informants and will eventually play a role in the execution of the NAPSS.

83. The final product for this vulnerability assessment and risk analysis will be a study on: "**The impact of disasters on the education sector in Haiti**". The development of this study will be facilitated by technical assistance in the form of a consultant, but the work will be led by a Task Force co-chaired by the MENFP and the FAES. To help build Haitian capacity, the involvement of a local research organization / university will be promoted. The processes will involve key informant interviews, sample survey, consultations through meetings and workshops.

84. **National workshop**. A national workshop will be conducted to collect feedback from all stakeholders on the vulnerability assessment and on the preliminary draft of the study. It is expected that: (i) this workshop will aid in filling any information and knowledge gaps in the study; and (ii) will also serve to validate the findings of the study. This national workshop will be a key part of the consultation process for the elaboration of the NAPSS. The organization of this national workshop and any consultation meetings will be facilitated by a consultant working closely with the Task Force.

85. **Development of the NAPSS**. The NAPSS will contribute to reducing and mitigating the vulnerability of educational infrastructure in Haiti. The elaboration and endorsement of the NAPSS will be the cumulative product of both the study and the national workshop described previously. The process of development of the NAPSS is as important as the plan itself. The involvement of the key stakeholders, such as the relevant ministries, NGOs and donors active in the Education sector in Haiti, is critical to the development of a plan which is to be owned by the relevant players. The NAPSS will need to be practical, implementable, and sustainable.

86. The NAPSS will have the following specific objectives:

- Contribute to knowledge and awareness of disaster risk reduction
- Provide a comprehensive framework (business plan) to guide and monitor the implementation of disaster risk reduction initiatives in the education sector in the country
- Create a conducive environment for the mainstreaming of disaster risk reduction into development plans, policies and projects of the Ministry of Education
- Compile the data on the education sector as a reference which will also aid future planning.
- Enhance coordination and cooperation between stakeholders
- Improve the efficiency of resource allocation and utilisation
- Orient donor support in disaster risk reduction to Ministry of Education's identified priorities
- Develop a core group of national experts who have a basic understanding of the issues of disaster risk reduction.

87. The NAPSS will comprise the following elements:

- New Facilities: Working from the vulnerability assessment, the plan will prioritize the need for new school buildings and lay out a plan to link up all proposed future construction and re-construction projects to the priorities identified through the vulnerability assessment. The plan for new buildings will be based on basic norms of construction which reflect international standards and respond to the findings of the vulnerability assessment and study.
- Retrofitting of existing facilities: The NAPSS will also address the issue of retro-fitting of existing school buildings based on international norms and standards. International estimates are that retro-fitting may cost as much as 20 percent of the initial school construction cost.
- Non-structural components of the education facility: The NAPSS will also cover protection and safety of the non-structural components of the schools such as equipment and pedagogical materials
- Disaster preparedness in education facilities: Preparedness for emergencies will be an integral component of the NAPSS. This involves development of National Guidelines for Emergency Planning at the school level, as well as holistic emergency planning for the sector.
- Capacity building for a disaster resilient facility: There will be a demand for capacity enhancement of the education professionals to promote a culture of safety in schools. Certain training institutes of the country (linked to DGS) could be selected, and faculty skills can be developed for issues of disaster resilience and safety. Once trained as Master Trainers the staff of the DGS would form a core group of experts skilled in construction of disaster resilient buildings. These skills would be of value to other sectors as well.
- Guidelines and Training: Producing clear and succinct guidelines will be essential to ensure an effective implementation of each of the aforementioned activities. By the same token, training programs will have to supplement the implementation of the NAPSS. Both development of guidelines and training and capacity building programs will form an integral part of the NAPSS. As there is a wealth of material available globally and regionally, this part of the NAPSS would focus on adapting and adopting such material, rather than developing new material. The guidelines, training modules and training aids would be of use to other departments and Ministries.

88. The consultant working closely with the aforementioned Task Force will facilitate the organization of stakeholders into a multi-sectoral Task Force, which will meet at regular intervals to deliberate on the contents of the NAPSS. The Task Force will be responsible for deliberation on all the components of the NAPSS, to facilitate obtaining required information from relevant stakeholders, including Ministries, to determine the priorities for action, and to eventually develop a NAPSS which is accepted by all stakeholders and is ready to implement. To ensure efficiency it is proposed that the Task Force be co-chaired by the MENFP and the FAES, as the Chair must have both the legal mandate to develop a NAPSS as well as the authority. The Directorate of Civil Protection (*Direction de la Protection Civile - DPC*) and the Permanent Secretariat of Disaster Risk Management (*Secrétariat Permanent de Gestion des Risques et des Désastres - SPGRD*) may be members of the Task Force.

89. The NAPSS is to be developed as a document with full ownership of the Government. Hence, it is to be developed through a Government-led participatory process that involves obtaining views and opinions of different stakeholders in the country including *inter alia* education officials, disaster management officials, local and international NGOs involved in the education sector, and donors. This process will help develop and enhance in-country capacity for planning for disaster resilient infrastructure.

90. The Task Force will build upon the findings of the study on: "The impact of disasters on the education sector in Haiti" by conducting a series of extensive consultation meetings with various stakeholder groups to discuss perceived gaps in policy and operations and to gather suggestions and recommendations. With inputs from these consultations guiding their analysis, the Task Force will conduct a series of internal meetings in order to decide the strategic priorities.

91. Several drafts of the NAPSS will be reviewed and revised based on discussions with officials of Government, international and local non-Government organizations and key donor institutions.

92. The objective is to have a NAPSS ready by the end of December 2009. Once the NAPSS is prepared, a donor conference could be suggested for the next phase, which will serve for bridging the funding gap and implementation of the Action Plan.

93. Given the constraint of human and financial resources, disaster risk reduction can only be achieved over the long-term, progressing through a number of stages. Implementation of the NAPSS will require prioritization and a logical sequencing of identified interventions. Within the context of this long-term effort, the NAPSS will identify sets of priorities to which the Ministry of Education (MENFP), and its development partner institutions, can direct their energy and resources.

*Sub-Component 2.2: Supporting capacity-building activities for the DGS (US$0.3 million equivalent)*

94. The DGS will play an important role to implement several of the activities included in this Project. Furthermore, as stipulated in the MENFP organic law, the DGS is responsible for supervision of construction and maintenance of public schools as well as for the supervision of construction and rehabilitation of non-public educational infrastructure. After years of under-investment in staffing and resources, and despite some recent efforts (IDB financed project provided some equipment and training of staff at the DGS) towards institutional strengthening, the DGS lacks some capacity to fulfill this role adequately. The emergency Project will, thus, contribute to reinforcing this capacity, focusing on the DGS role in terms of: (i) identification and selection of schools or schools sites; (ii) general quality assurance of construction and rehabilitation of educational infrastructure; and (iii) reduction and mitigation of the vulnerability of educational infrastructure.

95. As mentioned under the first component, the DGS will be in charge of the pre-qualification process for the selection of schools to be rebuilt as well as the general quality assurance supervision during the construction phase led by FAES. To that end, the DGS will receive some equipment (vehicles, motorcycles and office equipment/furniture) for the central

level and the Education Departmental Delegations where the DGS has deployed staff. A needs assessment will be carried out to ensure that only required equipment will be provided. Training will also be part of the capacity building activities to ensure that staff involved in these activities have the required skills and knowledge. The training could be undertaken by FAES and/or contracted out to an individual consultant. Finally, the DGS will receive a budget to carry out field missions focusing on the pre-qualification and supervision mentioned previously.

96. In regard to the sub-component 2.1 specifically, it is expected that the DGS will participate in the aforementioned activities, leading to the elaboration and endorsement of the NAPSS. In addition, the DGS will likely play a key role in the eventual implementation and use of the NAPSS. Indeed, a number of architects, engineers and contractors who have an understanding of the requirements of disaster resilient buildings will be needed for the implementation of the NAPSS. Therefore, the emergency Project will train selected staff of the DGS to become Master Trainers. They will be imparted the required knowledge for safe buildings and participate in a training of trainers program. This core group of trainers will be involved in teaching others in a cascading manner, with each Master Trainer further imparting training to 10-20 people at the community level. Costs for these activities will include recruiting of technical assistance, organization of training, elaboration and printing of teaching modules and mission expenses.

**Benefits of Component 2**

97. The Project benefits in this second component include:

- Development and enhancement of capacity of the MENFP through training and through development of analytical skills used in the study and in the development of the NAPSS.
- A Study which will serve as a standard reference on disasters and the education sector for the coming years.
- Development of Master Trainers in the DGS. This exercise will also develop in-house expertise in all training related matters, enhancing the capacity of the DGS to function as a nodal point for disaster resilience-related issues in the MENFP. The DGS would then be in a position to assist other Government offices.
- Development of training modules, training materials, guides and other material on measures to increase safety in the schools, at the national and the local level.
- Increased awareness of the vulnerabilities to disasters and the mitigation measures for the education sector, amongst the stakeholders. This will be significant, particularly amongst the members of the multi-sector Task Force.
- A NAPSS which will sustain the activities beyond the project life, as it will function as a business plan of the GOH and the MENFP over the medium to long-terms.

98. All the materials and skills developed under this component will enhance capacity of the MENFP and the Government in disaster risk reduction, and will remain with the country beyond the project life, contributing to a safer education sector in Haiti.

## Annex 2. Results Framework and Monitoring

| PDO | Project Outcome Indicators | Use of Project Outcome Information |
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| The project's development objective is to assist the Government of Haiti in restoring and improving access to basic education in selected destroyed and/or heavily damaged public primary schools of its territory. | • Occupation rate of rebuilt schools will be maintained at 75% or above during the next school year following completion of civil works | • Demonstrate that access to education can be restored and maintained over the long-term by improving the quality of educational infrastructure |
| **Intermediate Outcomes/Outputs** | **Intermediate Outcome/output Indicators** | **Use of Intermediate Outcome/Output Monitoring** |
| **Component 1: "Building back better" selected destroyed and/or heavily damaged public primary schools** | | |
| Sub-component 1.1: *Reconstructing destroyed and/or heavily damaged school facilities* | ▪ Number of schools rebuilt or rehabilitated with satisfactory technical standards | Verify that it is possible and economically feasible and sensible to build schools using the "build back better" strategic approach |
| Sub-component 1.2: *Upgrading and adaptation of schools as temporary emergency shelters* | ▪ Number of schools which are retrofitted with an emergency-shelter and improved facilities, such as latrines | Verify that it is possible to equip educational infrastructure used in times of crises as shelters to provide a more adequate response in case of recurring natural disasters like hurricanes and reduce the negative impact on schools in the longer-term |
| Component 2: Reducing and mitigating the vulnerability of educational infrastructure | | |
| Sub-component 2.1: *Improving preparedness of educational infrastructure to withstand natural disaster* | ▪ **Methods for safe school construction are adopted and increasingly used in school construction program**<br>▪ Development of training modules, training materials, guides and other material on measures to increase safety in the schools, at the national and the local level<br>▪ Increased awareness of the vulnerabilities to disasters and the mitigation measures for the education sector, amongst the stakeholders<br>▪ A NAPSS which will sustain the activities beyond the Project life, as it will function as a business plan of the GOH over the medium to long-term | Demonstrate the attractiveness and relevance of the new methods for safe school construction among education stakeholders and donors<br><br>Assess the capacity and willingness of all stakeholders to prepare and discuss a thorough diagnostic on the problems and causes of the poor quality of educational infrastructure in Haiti<br><br>Assess the capacity of all stakeholders to come up with a common strategic framework and design a Plan to deal with the chronic issues affecting the poor quality of educational infrastructure in Haiti |

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| Sub-component 2.2: *Supporting capacity-building activities for the DGS* | ▪ Schools rebuilt for which prequalification visits were conducted<br>▪ General quality assurance supervision missions carried out by DGS for each school built<br>▪ Development of Master Trainers in the DGS. | DGS is able (i.e.: has the staff trained and the resources) to fulfill its mission and become an agent of change to promote and enforce better norms and practices for educational infrastructure |

**Arrangements for results monitoring**

| Project Outcome Indicators | Baseline | Target Values | | | Data Collection and Reporting | | |
|---|---|---|---|---|---|---|---|
| | | YR1 | YR2 | YR3 | Frequency and Reports | Data Collection Instruments | Responsibility for Data Collection |
| Occupation rate of rebuilt schools will be maintained at 75% or above during the next school year following completion of civil works | NA | NA | 100% | 100% | Beginning and end of school year following completion of civil works | School statistical report | DPCE/FAES |
| **Intermediate Outcome/Output Indicators** | | | | | | | |
| Component 1: "Building back better" selected destroyed and/or heavily damaged public primary schools | | | | | | | |
| Sub-component 1.1: Reconstruction of school infrastructure | | | | | | | |
| Number of schools rebuilt or rehabilitated with satisfactory technical standards | NA | 7 | 8 | NA | Annual | Progress Report | DGS/FAES |
| Sub-component 1.2:Upgrading and adaptation of schools as temporary emergency shelters | | | | | | | |
| Number of schools retrofitted as emergency temporary shelter | NA | 3 | 2 | NA | Annual | Progress Report | DGS/FAES |
| Component 2: Reducing and mitigating the vulnerability of educational infrastructure | | | | | | | |
| Sub-component 2.1: *Improving preparedness of educational infrastructure to withstand natural disaster* | | | | | | | |
| Methods for safe school construction | NA | NA | 25% of civil works | 50% of civil works | Upon signature | MENFP internal | Minister's Office |

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| are adopted and increasingly used in school construction program | | | financed by bilateral/multi-donors utilize the new method for safe school construction | financed by bilateral/multi-donors utilize the new method for safe school construction | of new financing agreements between GoH and donors | reporting | |
| Development of training modules, training materials, guides and other material on measures to increase safety in the schools, at the national and the local level | NA | Set of training materials developed | Training materials disseminated | Training materials disseminated | Annual | Progress Report | DGS/FAES |
| Increased awareness of the vulnerabilities to disasters and the mitigation measures for the education sector, amongst the stakeholders | NA | Workshops and consultations with stakeholders carried out | Workshops and consultations with stakeholders carried out | Workshops and consultations with stakeholders carried out | Annual | Progress Report | DGS/FAES |
| A NAPSS which will sustain the activities beyond the project life, as it will function as a business plan of the GOH over the medium to long-terms | NA | NAPSS drafted and endorsed by most stakeholders and all major donors with current programs financing school construction | NAPSS increasingly utilized by donors for school construction | NAPSS increasingly utilized by donors for school construction | Annual | Progress Report | DGS/FAES |
| Sub-component 2.2: Supporting capacity-building activities for the DGS | | | | | | | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Percentage of schools rebuilt for which prequalification visits were conducted | NA | 100% | 100% | NA | Annual | Progress Report | DGS/FAES |
| Number of general quality assurance supervision missions carried out by DGS for each school built | NA | 3 per school built and per year | 3 per school built and per year | NA | Annual | Progress Report | DGS/FAES |
| Number of DGS staff trained to become Master Trainers on NAPSS issues | NA | 10 | 20 (cumulative) | NA | Annual | Progress Report | DGS/FAES |

**Arrangements for result monitoring**

99. **Measurement of the occupation rate**: As part of the prequalification process for the selection of schools, the DGS will be responsible for: (i) collecting information related to the number of children regularly attending the schools that will be rebuilt; and (ii) assessing the potential unmet demand for education. For the latter, the DGS will work with colleagues from the Planning Education Division and staff in DDE. The objective of this activity is to measure as accurately as possible the school-aged population that could be served by the improved and probably expanded school. As a result, it is hoped that the educational infrastructure will be correctly dimensioned, taking into account the existing and expected needs of the community. The DGS will have to meet with the school director and staff, the school-parent community and the local authorities. They will be assisted in this work by education staff at the local level such as the inspectors and/or the district education office staff. Participation of various local stakeholders in these discussions is particularly important, since the existence of a school is only one determinant of the access to education. Other dimensions, such as the direct and indirect costs of schooling; the availability of teachers in sufficient number and quality; and the availability of a school feeding program are factors among others that impact access to education and the decision of the parents to enroll their children. The pre-qualification will have taken into account all these different elements. The number of school-children expected to enroll will, thus, determine the size of the school to be rebuilt. A potential occupancy can therefore be established for each school. If a given school is built to accommodate 300 children in six grade levels, then if the 300 school-children are enrolled in the beginning of the school year, its occupation rate will be 100 percent. If the same number of school-children is accounted for at the end of the school year, the school occupation rate will have been maintained at 100 percent during the entire school year (even if some children have dropped out and others have registered during the school year). Measuring the occupation rate will contribute to assessing the achievement of the first part of the project's development objective, which is to restore access to basic education in selected areas. Additionally, it will help to measure if enrollment levels are maintained during at least one-school year after completion of civil works. It is clearly beyond the scope of this indicator to measure the quality of learning and teaching, nor the internal efficiency in the targeted schools.

## Annex 3. Summary of Estimated Project Costs

| Activities | PPF | Regular implementation | Total |
|---|---|---|---|
| **Component 1: Building back better" a few selected destroyed and/or heavily damaged public primary schools** | **115,000** | **3,622,500** | **3,737,500** |
| ***Sub-Component 1.1 Reconstructing destroyed and/or heavily damaged school facilities*** | ***115,000*** | ***3,355,000*** | ***3,470,000*** |
| Pre-qualification of sites by DGS | 30,000 | 30,000 | 60,000 |
| Preparation of technical description of civil works and bidding process | 65,000 | 65,000 | 130,000 |
| Civil works execution | | 3,000,000 | 3,000,000 |
| Civil works supervision | | 200,000 | 200,000 |
| Community training | 20,000 | 60,000 | 80,000 |
| ***Sub-component 1.2 Upgrading and adaptation of schools as temporary emergency shelters*** | ***0*** | ***267,500*** | ***267,500*** |
| Civil works execution | | 250,000 | 250,000 |
| Civil works supervision | | 17,500 | 17,500 |
| **Component 2: Reducing and mitigating the vulnerability of educational infrastructures** | **285,000** | **477,500** | **762,500** |
| ***Sub-Component 2.1 Improving preparedness of educational infrastructures to withstand natural*** | ***149,000*** | ***389,500*** | ***538,500*** |
| Vulnerability assessment and risk analysis | 50,000 | 0 | 50,000 |
| National workshop | 10,000 | 20,000 | 30,000 |
| Development of the NAPSS, including communication strategy | | 150,000 | 150,000 |
| Assistant Coordinator | 20,000 | 80,000 | 100,000 |
| Consultancies including external audit | 64,000 | 124,500 | 188,500 |
| Publications | 5,000 | 15,000 | 20,000 |
| ***Sub-Component 2.2 Institutional Strengthening of DGS*** | ***136,000*** | ***88,000*** | ***224,000*** |
| Equipment for the DGS | 120,000 | 0 | 120,000 |
| Training of DGS and stakeholders | 10,000 | 20,000 | 30,000 |
| Missions DGS (central and local levels) + workshop + studies | 6,000 | 68,000 | 74,000 |
| ***FAES Fee*** | | ***500,000*** | ***500,000*** |
| **TOTAL** | **400,000** | **4,600,000** | **5,000,000** |

## Annex 4. Financial Management and Disbursement Arrangements

### Executive Summary

100. This annex summarizes the findings of the financial management capacity assessment for the Emergency School Reconstruction Project. The objective of the assessment is to determine whether the implementing entity, the FAES, has acceptable financial management arrangements, including sound accounting, reporting, auditing, and internal controls system. The assessment was carried in accordance with the OP/BP 10.02 and the guidelines for Assessment of Financial Management Arrangements in World Bank projects issued by the Financial Management Sector Board on October 15, 2003.

101. The financial management arrangements for the Project build on the Public Expenditure Management and Financial Accountability Review (PEMFAR) led by the World Bank in 2007 as well as the Bank's experience in the sector with the EFA Adaptable Program Grant (APG I). The PEMFAR provides a complete overview of the public financial management strengths and areas for improvements in Haiti.

102. The PEMFAR report noted that although Haiti has made significant progress in strengthening fiscal discipline and improving the efficiency of its Public Financial Management (PFM) system in the last three years, there remain significant weaknesses and challenges related to the budget preparation, execution and internal and external controls. As a result of these challenges, financial management risk at the country level is high. However, the impact of these weaknesses on the project should be limited given the fact that the project will not be done through the public financial management system. In addition, implementation arrangements will build on the experience gained with APG I to minimize the risks.

103. Overall fiduciary responsibility of the project will be handled by the FAES. The conclusion of this assessment is that the financial management arrangements for the Project satisfy the Bank's minimum requirements under OP/BP10.02 and are adequate to provide, with reasonable assurance, accurate and timely information on the status of the program as required by the Bank. It should be noted however, that some important actions have to be implemented, notably:

(i) the recruitment of an external auditor with qualifications and experience satisfactory to the Bank; and,
(ii) the update of the operational manual and the accounting software.

### Summary of project description

104. The project consists of two components: (i) Restoring the supply of primary schools (US$4.3 M), and (ii) Reducing and mitigating the vulnerability of school infrastructure (US$.7 M). None of the components above presents a real financial management challenge.

**Country Issues and Risk Assessment**

105. As mentioned above, Haiti is still facing serious financial management challenges at the country level. However, the project should not be affected given the mitigation measures; fiduciary arrangements will notably be ring-fenced by the use of an implementing entity with a good track record of financial management. Although fiduciary risk is rated high at the country level, and substantial at the program level, the residual risk rating at the program level is expected to be moderate once the mitigation measures are implemented. The table in Appendix 3 shows the Financial Management Risk Assessment at the project level and the mitigation measures to be implemented.

**Financial Management Arrangements**

106. **Staffing and implementation arrangements.** The FAES is an autonomous entity with good financial management capacity. The FAES will have overall financial management responsibilities of the project. FAES's *Direction des Affaires Administratives et Financières (DAF)* is comprised of a Director[8], a deputy director, a chief accountant and 3 accountants with appropriate qualifications and experience. No additional staffing will be necessary.

107. **Budgeting, Accounting and Reporting.** FAES has an operational manual and a sound computerized accounting information system. The operational manual will be amended to reflect the changes introduced by the new project notably the disbursement and reporting arrangements. The accounting software will also be updated to record all financial transactions related to the project. The update of the operational manual and the accounting software will be completed by FAES's staff, not later than four months after effectiveness.

108. **Internal control and internal auditing.** Key internal controls of FAES are well documented in their operational manual. The update of the operational manual will include additional internal controls arising with this new project. It should be noted that FAES has a good internal audit unit that is already carrying out regular audits of the existing subprojects. Activities related to the project will be included in their audit plan.

109. **Disbursement arrangements.** Disbursements will be made in accordance with procedures outlined in the Disbursement Handbook for World Bank Clients and allow for use of advances, reimbursement, direct payment, and issuance of Special Commitment. Expenditure reporting will include Statements of Expenditures (SOE) for goods, works and services contracts below US$20,000 and for all training and operating costs as well as records for all other expenditures. A designated account (DA-A), managed by FAES, will be open at the Central Bank of Haiti (*Banque de la République de Haïti - BRH*) for the implementation of the project. The ceiling of the designated account will be US$0.8 million. The flow of funds is described in appendix 1 attached.

110. **Financial reporting.** FAES will be responsible of the overall reporting of the project and will ensure that on a semi annual basis the Interim Un-Audited Financial Reports (IFR) are produced and transmitted to the Bank not later than 30 days after the end of the quarter.

[8] It should be noted that, at the time of the assessment, the director had resigned and the deputy director was acting.

Format and content of the IFR will be agreed at negotiations. On an annual basis, not later than four months after the fiscal year, annual audited financial statements will be sent to the Bank. Annual financial statements will be prepared in accordance with the International Public Sector Accounting Standards (IPSAS) on a cash basis.

111. **Auditing.** The FAES is audited annually by a private auditing firm. The current auditors were appointed for a three year contract ended September 30, 2008. A new auditor will be recruited for a three year renewable contract not later than four months after effectiveness. The terms of reference and the selection process will be subject to prior review of the Bank. The auditors will express an opinion on the FAES's annual financial statements. These statements will disclose, by way of note or supporting schedule or statement, sufficient information on sources and uses of funds associated with the Project. The audit work will be conducted in accordance with the International Standards on Auditing (ISA). The audit reports for each fiscal year must be submitted no later than four months following the end of this fiscal year. The first audit will cover the period from effectiveness, tentatively planed for June 15, 2009, to the end of September 2010. The table below summarizes the auditing requirements:

| *Audit report* | *Due Date* |
|---|---|
| ▪ Project specific Financial Statements | End of January |
| ▪ Management letter | End of January |

**Disbursement schedule**

112. The table below sets out the expenditure components to be financed out of the grant proceeds. The allocations for each expenditure component are the following:

| **Category** | **Amount of the Financing Allocated (expressed in USS)** | **Percentage of Expenditures to be Financed (inclusive of Taxes)** |
|---|---|---|
| (1) Goods, works, consultants' services, Training and Operating Costs for Part 1 of the Project: | | |
| (a) FAES fees | 400,000 | 100% |
| (b) other | 3,684,000 | 100% |
| (2) Goods, consultants' services, Training and Operating Costs for Part 2 of the Project: | | |
| (a) FAES fees | 100,000 | 100% |
| (b) other | 416,000 | 100% |
| (3)Refund of Preparation Advance | 400,000 | Amount payable pursuant to Section 2.07 of the General Conditions |
| **TOTAL AMOUNT** | 5,000,000 | |

**Conditionality**

113. The standard financial management provisions will be mentioned in the legal agreement. No specific financial management conditions are attached to this project.

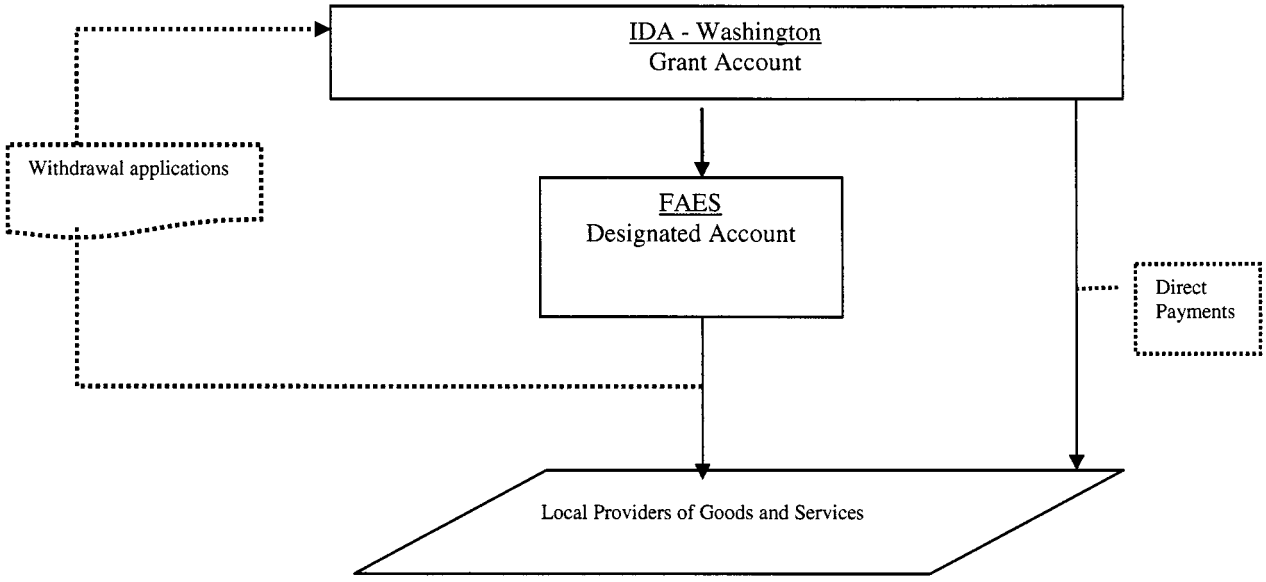
**Supervision plan**

114. Given the Moderate risk rating of the program, financial management supervision of the project will consist of an annual review of the FM system during a site visit, the review of the IFR, and the review of the annual audited financial statements. A particular attention will be given to the contracts for the civil works and FAES's management fees.

## Appendix 1: Financial Management action plan

| Action | Tasks | Entity | Target Completion Date |
|---|---|---|---|
| Operations Manual and accounting software | Update operational manual and the accounting software | FAES | Not later than one month after effectiveness |
| External Audit | Recruitment of the auditor | FAES | Not later than four months after effectiveness |

## Appendix 2: Flow of funds



## Appendix 3: Risk Assessment and Internal Control

| | Risk Assessment | | | | Risk Mitigations measures | Residual Risk |
|---|---|---|---|---|---|---|
| | H | S | M | L | | |
| **Inherent Risk** | | | | | | |
| **Country Level.** Quality of PFM institutions (see PEMFAR), standard of financial accounting, reporting and auditing, quality of FM profession | X | | | | Based on the findings of the PEMFAR, an action plan was developed by the Government. The Bank and other partners are assisting the institutions in the implementation of this action plan through technical assistance grants (EGTAG I & II) and DPLs (EGRO I & II). | S |
| **Entity level.** Independence of entity's management, appropriateness of the organizational structure, impact of civil service rules | | | X | | FAES is an autonomous entity with good financial management capacity | L |
| **Program level.** Relative size of the Bank loan, type of lending instrument, complexity of the APG (e.g. sectors involved, number of implementing and sub-implementing entities, multi-donor etc.) | | | X | | The fiduciary arrangements and the action plan will help mitigate the risks at the project level. | L |
| | | | | | | |
| ***Overall Rating Inherent Risk*** | | **X** | | | | **Moderate** |
| **Control Risk** | | | | | | |
| Budget | | | | X | The detailed cost table of the project and the procurement plan will be adopted not later than four months after effectiveness. | L |
| Accounting | | | X | | The accounting manual will be updated. In addition, key stakeholders will be trained and proper accounting procedures will be maintained. | L |
| Internal Controls | | | X | | FAES has good internal control unit | L |
| Funds Flow | | | | X | | L |
| Financial Reporting | | | X | | The format and content of the IFR will be agreed before negotiations | L |

| | Risk Assessment | | | | Risk Mitigations measures | Residual Risk |
|---|---|---|---|---|---|---|
| | **H** | **S** | **M** | **L** | | |
| Auditing | | | X | | An auditor with satisfactory qualifications and experience will be recruited | L |
| ***Overall Control Risk*** | | | **X** | | | **Low** |
| ***Residual Risk Rating*** | | | | | | **Moderate** |

*H – High* *S – Substantial* *M – Modest* *L – Low*

## Annex 5. Procurement Arrangements

115. **General:** Procurement for the proposed project would be carried out in accordance with the World Bank's "Guidelines: Procurement under IBRD Loans and IDA Credits" dated May 2004, Revised October 1, 2006; and "Guidelines: Selection and Employment of Consultants by World Bank Borrowers" dated May 2004 Revised October 1, 2006, and the provisions stipulated in the Legal Agreement. The various items under different expenditure categories are described in general below. For each contract to be financed by the Grant, the different procurement methods or consultant selection methods, the need for pre-qualification, estimated costs, prior review requirements, and time frame are agreed between the Borrower and the Bank in the Procurement Plan. The Procurement Plan will be updated at least annually or as required to reflect the actual project implementation needs and improvements in institutional capacity.

116. **Procurement of Works**: Works procured under this project are expected to consist of reconstructing and refurbishing classrooms damaged during the hurricanes for about US$4.3 million. It will intervene in schools that have been destroyed and/or schools whose infrastructure represent a serious risk for the safety of the student population and educational staff (sub-component 1.1). The selected schools in this "build back better" Program will be reconstructed using better and safer standards and refurbished with equipment and material as needed. The project will also finance the upgrade of facilities in a few selected schools that are used as temporary shelters in case of natural disasters (sub-component 1.2). A multi-purpose room will be added to some of the rebuilt schools that could be used as a first "triage" and storing space in case of emergency. The procurement will be done using the Bank Standard Bidding Documents (SBD) for all ICB and National SBD agreed with Bank.

117. **Procurement of Goods:** Goods procured under this project would include office supplies, equipment and furniture required under the capacity building for a disaster resilient facility component. The procurement will be done using the Bank's SBD for all ICB and SBD agreed with or satisfactory to the Bank for other procurement methods.

118. **Selection of Consultants**: The project will finance a number of consulting services for capacity building activities in response to a demand for capacity enhancement of the education professionals to promote a culture of safety in schools and faculty skills development for issues of disaster resilience and safety. Short lists of consultants for services estimated to cost less than US$100,000 equivalent per contract may be composed entirely of national consultants in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines. Where teams of consultants are not required, individual consultants would be hired to provide specialized advisory services, training and support to project implementation.

119. **Assessment of the Agency's capacity to implement Procurement:** It was agreed during the project preparation that the FAES, an autonomous organization created in June 1990 by the Government of Haiti, will carry out procurement activities under the project. The

Bank's assessment[9] of the capacity of FAES to implement procurement actions for these projects is based on FAES's satisfactory performance to date in implementing the component one of the Basic Education Program (PEB) financed by IDB and several other projects funded by international donors, for more than US$100 million. The FAES has a good experience of Procurement processing under ICB and NCB methods and with international donors procedures such as IADF and KFW. The implementation of project procurement activities by FAES in Haiti is rated highly satisfactory by IDB and only contracts awarded through ICB are prior reviewed under the IDB financed project; all other contracts are subject to post review. While the procurement team in the FAES is well-equipped to execute procurement according to Bank Guidelines, the overall public procurement system in Haiti remains relatively weak. Despite recent reforms in the legal and institutional framework for procurement, there is still a lack of skilled personnel with knowledge of international norms, limited planning and follow-up capacity and insufficient use of standard documents and procedures. Consequently, the overall project risk for procurement remains high.

120. **Procurement Plan:** The Borrower, at appraisal, developed a procurement plan for project implementation which provides the basis for the procurement methods. This plan was agreed between the Borrower and the Project Team on February 3, 2009 and is available at the project site. It will also be available in the project's database and on the Bank's external website. The Procurement Plan will be updated in agreement with the Project Team annually or as required to reflect the actual project implementation needs and improvements in institutional capacity.

### 1. Frequency of Procurement Supervision

121. Supervision would be carried out primarily through the prior review by the Bank of all procurement action. In addition, day-to-day procurement supervision would be supplemented by supervision missions carried out either by the Bank or short term consultants at least two times a year.

### 9. Details of the Procurement Arrangements Involving International Competition

### Goods, Works, and Non Consulting Services

122. (a) List of contract packages to be procured following ICB and direct contracting:

[9] The procurement capacity assessment report of FAES is available

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|
| **Ref. No.** | **Contract (Description)** | **Estimated Cost** | **Procurement Method** | **P-Q** | **Domestic Preference (yes/no)** | **Review by Bank (Prior / Post)** | **Expected Bid-Opening Date** | **Comments** |
| | | | | | | | | |
| | | | | | | | | |

123. (b) ICB contracts estimated to cost above US$250,000 per contract and all direct contracting will be subject to prior review by the Bank.

**Consulting Services**

124. (a) List of consulting assignments with short-list of international firms.

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|
| **Ref. No.** | **Description of Assignment** | **Estimated Cost** | **Selection Method** | **Review by Bank (Prior / Post)** | **Expected Proposals Submission Date** | **Comments** |
| | | | | | | |
| | | | | | | |

125. (b) All selection processes for consultancy services would be subject to prior review by the Bank.

126. (c) Short lists composed entirely of national consultants: Short lists of consultants for services estimated to cost less than US$100,000 equivalent per contract may be composed entirely of national consultants in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines.

**Thresholds for Procurement Methods and Prior Review**

| Expenditure Category | Contract Value (Threshold) US $ thousands | Procurement Method | Contracts Subject to Prior Review |
|---|---|---|---|
| | | | |
| **1. WORKS** | >1,000 | ICB | All |
| | 350-1,000 | NCB | All |
| | <350 | Shopping | All |
| | Regardless of value | Direct Contracting | All |

| | | | |
|---|---|---|---|
| **2. GOODS** | >250 | ICB | All |
| | 50-250 | NCB | All |
| | <50 | Shopping | All |
| | Regardless of value | Direct Contracting | All |
| **3. CONSULTING SERVICES** | | | |
| **-3.A FIRMS** | >100 | QCBS,QBS,FBS,LCS | All |
| | <100 | QCBS,QBS,FBS,LCS and CQS | All |
| | Regardless of value | Single Source | All |
| **-3.B INDIVIDUALS** | Regardless of value | Comparison of 3 CVs in accordance with Chapter V of the Guidelines | All |

Note: ICB = International Competitive Bidding NCB = National Competitive bidding
QCBS = Quality- and Cost-Based Selection QBS = Quality-Based Selection
FBS = Fixed Budget Selection LCS = Least-Cost Selection
CQS = Selection Based on Consultants' Qualifications

## Annex 6. Implementation and Monitoring Arrangements

127. The proposed Project (two components) will be implemented by the *Fonds d'Assistance Économique et Sociale* (FAES), specialized entity in implementation of small and medium community infrastructure Projects. Execution will be carried out in close coordination with DGS and under the monitoring of a steering committee constituted by the MEF, MENFP and the FAES. FAES will hire a Program Assistant to support the steering committee and to assure a close coordination with MENFP.

128. The special characteristics and objectives of component two require the high participation and collaboration between the *Direction de la Protection Civile* (Directorate of Civil Protection - DPC) and the *Secrétariat Permanent de Gestion des Risques et des Désastres* (Permanent Secretary for Disaster Risk Management - SPGRD).

129. The main units responsible for implementation of the Project within FAES are: *Direction de Projets Sociales (DPS), Direction Administrative et Financiere (DAF), Direction d'Adquisitions et Contratations (DAC) and Direction de Participation et Renforcement Institutionnel (DPRI).* Each of these has their respective representative in the five Regional Offices in the rural areas. Similarly, DGS has a representative (civil engineer) located in each Departamental Direction of MENFP (DDE).

130. DPS will process the technical steps of the Project cycle, such as the formulation and evaluation of the Project files, and address it to the FAES Management Committee for its approval. Once the Management Committee approves a subproject, DPRI will begin the community training and strengthening process.

131. DAF, with previous authorization of DPS, is responsible of the contractors' payment, which is based on the civil works advances.

132. Throughout this process, DGS under the direction of MENFP, is responsible for two steps: (i) prefeasibility and presentation of the process order to DPS; and (ii) jointly with FAES, general supervision of the civil works from the beginning of the process until the final reception.

133. As every Social Investment Fund, the principal steps of the Project cycle are implemented by private entities, being four contracts: (i) elaboration of the technical file; (ii) civil Works; (iii) community training and strengthening; and (iv) supervision.

134. The FAES Project cycle appears in the following chart, according to the special requirements of the Project.

| STEPS | MENFP | FAES | Observations |
|---|---|---|---|
| 1. Identification and Prefeasibility | X | | First field appraisal, verification of legal property status, verification of property status to FAES norms, verification if school fulfills the minimum number of students, teaching and administrative staff required by MENFP, verification of existence of a functional parents association and/or a school Management committee |
| 2. Prefeasibility visit | | X | |
| 3. Consultant hiring and technical file elaboration | | X | |
| 4. Identification of environment and safeguard potential risks and choice of mitigation tools (MEP and/or RAP) if needed | | X | |
| 4. Field and documentary evaluation | X | X | DGS participation is obligatory |
| 5. Approval | | X | |
| 6. Hiring of the community promoter | | X | |
| 7. Adjudication of civil Works. | | X | DGS participation is obligatory in the Procurement Committee |
| 8. Hiring of the constructor and supervisor | | X | A complete copy of the contract is sent to DGS |
| 9. Approval to begin the civil works * | X | X | Participation of Departmental Direction of MENFP is obligatory |
| 10. Supervision | | X | Under the supervision of the hired consultant and Regional Office of FAES. |
| 11. General supervision | X | | |
| 12. Provisional Reception* | X | X | Participation of Departmental Direction of MENFP is obligatory |
| 13. Final Reception* | X | X | Participation of Departmental Direction of MENFP is obligatory |
| 14. Operation and Maintenance* | | X | |

* Community participation is a requirement.

The table below sums up the respective responsibilities of key actors.

| Entity | Responsibilities In Project Implementation |
|---|---|
| Steering Committee (MEF, MENFP and FAES) | Coordination and Monitoring |
| FAES | Overall implementation of all the components of the Project. FAES Technical Committee, step 5 |
| DGS | Implementation of steps 1, 7 and 14; and essential participation in steps 4, 9, 12 and 13 and is the main beneficiary of component 2 |
| DPS | Implementation of steps 1, 2, 3, 4, 9, 10, 12 and 13 |
| DPRI | Supervision of community training activities and of step 6 |
| DAF | Payments to contractors and elaboration of financial reports |
| DAC | Contracting of providers |
| Private contractors and consultants, construction firms and consulting firms | (i) subproject preparation; (ii) civil works execution; (iii) civil works supervision; (iv) community training and strengthening |
| DPC | Participation in the elaboration of the Action Plan |
| SPGRD | Participation in the elaboration of the Action Plan |
| Private contractors and consultants, construction firms and consulting firms | Perform bridge reconstruction, repair and maintenance works, as well as related studies and supervision |
| Project Assistant | Assistance and Project coordination, including the final version of the Project, Activity and Financial Management Reports. |

## Annex 7. Project Preparation and Appraisal Team Members

135. Bank staff and consultants who worked on the project included:

| Name | Title | Unit |
|---|---|---|
| Solange Alliali | Sr. Counsel | LEGLA |
| John Atis | Consultant, Environmental Assessments | |
| Sanjaya Bhatia | Focal Point, Disaster-Resilient Schools | GFDRR |
| Michael Drabble | Sr. Education Specialist | LCSHE |
| David Freese | Sr. Finance Officer | LOAFC |
| Sophia Guerrier-Gray | Paralegal | LEGLA |
| Peter Anthony Holland | Education Specialist | LCSHE |
| Marsha Michel | Extended-Term Consultant | LCHHT |
| Glenn S. Morgan | Lead Environmental Specialist | LCSEN |
| Rene Rogriguez | Consultant, Operations | |
| Fily Sissoko | Sr. Financial Management Specialist | LCSFM |
| Yao Wottor | Procurement Specialist | LCSPT |
| Aracelly G. Woodall | Sr. Program Assistant | LCSHE |

Advisors and Quality Assurance:

| Name | Title | Unit |
|---|---|---|
| Alan Carroll | Country Operations Adviser | LCC3C |
| Chingboon Lee | Sector Manager | LCSHE |
| Sophie Makonnen | Social Development Specialist | IDB |
| Jamil Salmi | Peer reviewer | HNED |
| Peter Buckland | Peer reviewer | HNED |
| David Seth Warren | Sector Leader | LCC3C |

## Annex 8. Environmental and Social Safeguards

### Introduction

136. The Project will finance the construction and rehabilitation of schools and associated infrastructure throughout areas of Haiti damaged during the 2008 hurricane season. Approximately 15-20 schools have been identified for reconstruction. A small number of new schools will be constructed under the project.

137. It is not possible at this stage to give a complete description of the civil works since the pre-qualification and the technical assessment of works will only be carried out after the approval of the emergency project. However, as a reference we include the table below, which presents a quantitative description of civil works required under the new standards established by the MENFP for a six-classroom primary school. It is expected that this type of school would accommodate 40 children per classroom, equivalent to a total of 240 children, with six teachers and a school principal (serving as a teacher on occasion). In most cases, the emergency operation will be called on to intervene on existing educational infrastructure and will probably not include in the civil works all the facilities listed below (cf. discussion in annex 9 on affordability vs. replicability).

| |
|---|
| Six classrooms for a total area of 7.2m x 7.2 m per classroom |
| One administrative building (76m$^2$) and small library (30m$^2$) |
| Drinking fountain with 10 faucets |
| Canteen (137.5m$^2$) with a kitchen (12.2 m$^2$) and storage (9 m$^2$) |
| Water tank (5,000 gallons) |
| Water cistern (2220 gallons) to be alimented by the water tank |
| Latrines with 6 stalls (3 for boys and 3 for girls) |
| Playground (volley and/or basket ball fields) |
| Courtyard |
| Surrounding security wall of 220m long and entry gate of 4.5m |

### Potential Environmental and Social Impacts of the Project

138. Since almost all sub-projects to be financed under the project will be for the re-construction of damaged schools on existing school sites, the incremental adverse impacts of the project will be small. Such small-scale adverse impacts may be associated with the demolition, removal and disposal of existing structures as well as through minor impacts associated with the preparation of construction sites; and management of construction activities.

139. Adverse environmental impacts expected from the project are those typically associated with school construction and rehabilitation. Among other impacts these may include:

- Demolition, removal and disposal of damaged school infrastructure

- Erosion and sedimentation in local streams associated with site preparation and execution of construction works
- Dust and noise from equipment operations which may affect students or neighbors
- Handling and storage of construction materials, some of which may be of a hazardous nature such as fuels, lubricants or heavy equipment
- Impacts associated with demolition or reconstruction of on-site sanitation facilities such as latrines

140. All of these impacts can be easily managed with known management interventions and the majority of works will be located on the same sites to avoid incremental damages. All of these impacts are expected to be localized, small-scale and temporary in nature. For these reasons, the project has been considered as an environmental risk Category B in accordance with World Bank policy OP 4.01.

**Applicable Bank Safeguards**

141. According to the pre-screening of projects the Project will trigger OP 4.01 (EA) and possibly OP 4.12 (Involuntary Resettlement). The EA policy is triggered to the possible adverse impacts associated with small scale reconstruction or new reconstruction works. A resettlement or land acquisition is not expected under the Project but in the unlikely event that some land is needed a Resettlement Policy Framework will be prepared within four months of the effectiveness date. By the same token, the EMF prepared will be updated and improved also within the same deadline.

**Approach to Environmental Assessment**

142. To guide the environmental assessment and mitigation process, an Environmental Assessment and Management Framework (EMF) was undertaken by a qualified consultant based in Haiti. The main purpose of this consultancy was to review the project selection process and formulate measures for improved selection criteria; review proposed sub-projects and evaluate possible environmental social and environmental risks and benefits; prepare a simple methodology for evaluation of sub-projects and identification of site-specific concerns; develop applicable contractual clause to guide construction of reconstruction works; clarify the institutional arrangements for implementing the procedures defined in the EMF; carry out a capacity assessment of FAES for contracting educational civil works. The EMF has been reviewed by World Bank specialists to ensure compliance with applicable policies and consistency with quality expectations of the Bank.

143. Since the types of project interventions are well known at this point it is possible to carry out a preliminary screening of likely impacts. The evaluation of such impacts has been included in the EMF. The EMF includes among other items a review of the legal and regulatory framework governing civil works construction; description of the environmental context of the project; expected impacts; measures for mitigation and monitoring of possible impacts; plan for local communication and an overall management plan for the project.

144. Since most of the impacts of the project are construction impacts, the EMF provides explicit examples of contractual language to be included as part of all construction contracts.

All construction contractors will be required to carry out specific site management plan developed as appropriate to the level of risk associated with site characteristics or construction activities. Contractual obligations for contractors will include reference to responsibilities in areas such as site preparation; demolition; management of construction waste; handling and disposal of oils, lubricants, or other hazardous construction materials; minimization and avoidance of site disturbance to reduce soil erosion. Since some construction activities may take place at existing schools, special consideration should be given to issues associated with noise and safety.

145. The EMF outlines specific recommendations and responsibilities for avoiding damage as well as specific measures for communication and information campaigns to give local residents appropriate notification of the types of works, their timing and special requirements associated with the site construction. The EMF proposes simple procedure for public presentation and provides a simple methodology for presenting the management plan for each sub-project including institutional responsibilities.

146. One of the key problems in the area of school reconstruction is the lack of up to date construction norms and standards which guide the design and construction process. Institutional capacity for monitoring and adherence to the standards that do exist are also seriously lacking in Haiti.

**Social Aspects**

147. The EMF includes an assessment of social benefits and risks of the project. The likely beneficiaries of the projects are those families living in communities that have been adversely affected by hurricanes and tropical storms FGHI. As outlined in the project descriptions, these populations will be consulted throughout the school reconstruction process. The extent of community ownership and likely involvement in the school in the foreseeable future will be assessed during the prequalification process.

148. A Resettlement Action Plan (RAP) will be prepared as part of the RPF in the unlikely case that resettlement and land acquisition would occur. The most effective measure for avoiding disruption of people's lives and livelihoods is to avoid taking land in the first place. When land acquisition is unavoidable, the area taken will be the smallest area possible, so that the extent of physical and economic dislocation is reduced to the absolute unavoidable minimum. Further, Project Affected Persons (population) (PAP) will be afforded full and meaningful opportunity to participate and contribute to the design and implementation of the project. Also, all PAP will be compensated fully for the loss of any and all assets, and payments will be effected in a timely manner so that the PAP are not further inconvenienced. Finally, PAP will be assisted in case of physical relocation or resettlement, and, no less importantly, PAP will be provided all reasonable and necessary assistance to restore their livelihoods, to the extent these are affected.

149. The RAP preparation will be a two-step process tailored to project procedures. The first step is an initial screening when project opportunities are first under consideration; if land acquisition is required, the second step is the development of a RAP with project assistance.

**Institutional Responsibilities**

150. The principal responsibilities for implementing the environmental management process will be the FAES. FAES will introduce environmental review criteria in the planning and site evaluation process. In addition, FAES capacity will be strengthened under the project to include improvement to construction standards, monitoring and enforcement.

151. The Borrower has an acceptable institutional capacity for ensuring safeguard compliance. Specifically, the FAES (executing agency) has been conducting construction and rehabilitation of social infrastructure for more than a decade, following World Bank and Inter-American Development Bank procedures. Nonetheless, the client has expressed an interest in further strengthening its capacity, with a focus on undertaking environmental assessments of sub-projects. This request will be taken into consideration under the institutional strengthening activities incorporated under the project. To the greatest extent possible the project would support the development of a single review procedure which would apply to all sub-projects to be supported by FAES not only those financed by the Bank under the proposed operation.

**Disclosure of Safeguard Documents**

152. Public consultation will be undertaken during the elaboration of the RPF and also in the course of the revision and improvement of the EMF. These consultations will typically include a variety of stakeholders, such as for a given community identified with a need to rebuild a school: (i) the direct beneficiaries, such as school principals, teachers, and parents; (ii) people in the vicinity of the school; (iii) local authorities (elected officials); and, leaders from the civil society (association representatives for instance). By including a wide array of stakeholders, it is expected that both beneficiaries and potential people affected by the project activities would be consulted extensively. These public consultations will have to be carried out in at least two different regions. Other consultations for the elaboration of both documents will be conducted with Government officials from the MENFP, the Ministry of Environment and other relevant line Ministries as well as with federations of private school providers and other national civil society leaders. The findings of these consultations will be documented and reflected in the elaboration of the RPF and EMF.

153. Consultations during the actual construction phase will begin upstream during the prequalification of the school sites. The civil engineers of DGS and education administrators in the department will be responsible for this task. They will be trained in order to screen and review potential environment and safeguards risks. If needed the elaboration of an Environment Management Plan (EMP) and RAP will be undertaken by a consultant hired by the FAES. As mentioned earlier, the EMF includes simple procedures for public presentation and will provide a simple methodology/guideline for presenting the management plan for each project including institutional responsibilities. The same will happen for the RAP.

154. EMF and RPF will be disclosed within four months of effectiveness date and will be an integral part of the POM.

## Annex 9. Economic and Financial Analysis

155. No formal economic and financial analysis has been carried out as part of the preparation of the ESRP. The investments financed through the project will be limited to the most urgent reconstruction and rehabilitation works as well as when appropriate prevention and mitigation works.

156. The project preparation has benefited from the findings and insights of a World Bank study[10], which reviewed and analyzed forty years worth of experience and lessons learned in school construction in developing countries. This study is particularly important for the ESRP, which will face the twin challenges of rebuilding schools resilient to natural disasters and maintaining the cost of repair and/or reconstruction affordable so that the approach supported by the ESRP can be replicated by the different partners (communities, Government and donors) planning to finance educational infrastructure in Haiti. Some key lessons of this study are summarized below.

### International experience with construction cost[11]

157. Available information on classroom unit costs shows tremendous variance among regions and countries. The lowest classroom costs (in World Bank-financed projects) are all in Asia, where a number of countries (Bangladesh, India, Vietnam and China) succeeded in building classrooms at a unit cost of under US$4,000. At the opposite end of the spectrum, countries in Central and South America have unit costs often exceeding US$8,000. In the middle are African countries ranging from US$4,600 to US$8,800.

158. New ways of analyzing costs can also lead Governments and donors to revisit their construction policies and methods. In Africa, for instance, a classroom may cost from 2.5 years of teacher salary to 11 years. (Table 1, column 1). In other

**Table 1. Construction cost compared to recurrent cost**

| Country | Classrooms as multiple of annual teacher salary | Annualized construction Vs. recurrent cost |
|---|---|---|
| **Africa** | | |
| Chad | 6.6 | 49% |
| Guinea | 6.2 | 35% |
| Mauritania | 2.5 | 15% |
| Senegal | 2.6 | 13% |
| Zambia | 10.9 | 75% |
| **Average** | **5.7** | **38%** |
| **Asia** | | |
| Bangladesh | 2.1 | 15% |
| India | 2.0 | 13% |
| Pakistan | 3.4 | 17% |
| Philippines | 2.0 | 13% |
| Vietnam | 5.3 | 18% |
| **Average** | **3.0** | **15%** |
| **Latin America** | | |
| Honduras | 5.0 | 21% |
| Nicaragua | 6.5 | 29% |
| **Average** | **5.8** | **25%** |

[10] Serge Theunynck, World Bank "School Construction in Developing Countries. What do we Know". 2008
[11] World Bank - Education Notes – Education for All: Building the Schools. August 2003. Principal Author Serge Theunynck.

words, while construction in Zambia costs less than twice what it does in Mauritania or Senegal, the relative cost is four times as great. In Asia, countries such as Bangladesh, India and Pakistan have construction costs equivalent to two or three times the annual teacher salary. Vietnam is exceptional-its very low construction cost is still five times the annual teacher salary. In Latin America, one classroom costs five to seven years of teacher salary. Another way to look at construction costs is to compare the annualized cost of building a classroom and the annual cost of educating the student housed in this classroom (Table 1, column 2). For the African countries in the sample, the annualized cost of construction is equivalent to 38 percent of the recurrent educational costs for the student accommodated in the same classroom, more than twice those in Asian countries. Capital comes at a much higher price for Africa (idem for Haiti) than for countries in other regions, underscoring the critical importance to Africa (and Haiti) of donor support.

**The General Failure of Maintenance**

159. Classroom maintenance is still an unsolved problem. For Governments, maintenance of investment is an economic duty. Furthermore, good or bad maintenance of educational infrastructure has an impact on educational outputs since decrepit and inadequate facilities make schooling a less attractive product to children, parents and teachers. This well known issue has not been correctly addressed. For instance, Government-built classrooms are most often legally Government-owned, and considered by communities to be maintained by the owner, while the latter, in most developing countries, have never budgeted adequate resources nor set up adequate implementation arrangements. In many countries, poor Governments have simply shifted this responsibility to communities, also poor and heavily burdened by all other education costs. In addition, communities' reluctance to maintain Government-owned school buildings increases when the quality of construction is low, thus requiring more maintenance. Approaches relying on the communities alone have not provided adequate results since the cost of effective maintenance are out of communities' capacities. Promising approaches are still based on communities' involvement henceforth combined with complementing communities' contribution with the transfer to them of a minimum package of resources tailored and earmarked for maintenance. For highly indebted countries the debt relief initiative is a unique opportunity, with the new available funds, to create mechanism to inject adequate resources in the system for school maintenance. Yearly maintenance cost has been evaluated on a basis of a ration between one percent and two percent of the capital to be maintained, ratio commonly used in developing countries.

**Social Funds and Contract Management Agencies are efficient.**

160. Social Funds and Contract Management Agencies are excellent mechanisms to quickly build the desired number of schools. This approach has proven to be more cost-efficient than procurement by administrations such as the Ministries of Education, though less cost-efficient as compared to community-based approaches. Social Funds have proven more able to reach the poor and to provide classrooms that are staffed by Ministries of Education and used by communities.

**Unit Cost of School Construction in Haiti: Affordability and Replicability**

161. As mentioned earlier, the unit cost for a new six-classroom primary school with adequate facilities (such as latrines, a small principal office, small storage space, surrounding wall, kitchen and small lunch-room and a well/access to potable water) is estimated in a range of US$200,000 to US$250,000[12]. This unit cost has been rendered quite high due to these new requirements enforced by the MENFP, which also include a minimum standard for per student square footage. However, the lessons of 12 years of experience with FAES reveal average unit costs for rehabilitating and building a six-classroom school at around US$75,000. It is important to note that this is an average based on interventions on more than 547 schools including rehabilitation, expansion and construction of schools. The difference between both unit costs is quite striking and can be explained in part by the cost of adding new facilities, which on average require 35 percent more land (in urban areas this requirement for more land is not compatible with the high population density) than the more traditional schools. It should be underlined that all the schools rehabilitated and built by the FAES in the course of those 12 years have satisfactorily resisted the effects of natural disasters that have repeatedly stricken Haiti in recent years. Although this is a preliminary deduction, one could nonetheless conclude from the FAES experience that the increase in unit cost of rehabilitation and construction is not driven by more stringent requirements for improved safety and resilience of educational infrastructure, but rather by adding new facilities, which the MENFP can probably not afford to replicate on a large scale. An expected contribution of the ESRP will, thus, be to raise the question of affordability and replicability in the framework of safer schools. This will be a central question for the preparation of the NAPSS.

**How much does it cost to build safer schools?**

162. Risk mitigation in the education and health sectors is not something new for the World Bank. One example is the Bank-supported Istanbul Seismic Risk Mitigation and Emergency Preparedness project. After two years of project implementation, about 150 schools and two hospitals have been retrofitted[13], amongst other achievements. Similarly, in Uttar Pradesh India the Bank supported the construction of over 6,000 seismically safe school buildings under the Education for All project. When examining costs, it is clear that this investment is more efficient as when compared to the loss if the investment, which is already in the pipeline, goes ahead in the current state, and is then ultimately lost after a disaster. The additional cost of the safer construction is approximately eight percent of the actual cost. This can be as low as four percent. The additional cost of retro-fitting can be as low as 20-25 percent of the original cost. The mitigation measures to be proposed and which will be included in the "building back better" approach supported by FAES will include measures taken before an event aimed at decreasing or eliminating its impact. There are typically of two kinds:

- *Non-structural mitigation*[14] refers to elements of the building that do not belong to the load-bearing system. It reduces risk by means of such actions as land-use planning, early warning systems, insurance policies, legislation and regulatory measures such as

[12] This unit cost includes a 10 percent fee paid to the FAES as the contract management agency responsible for the civil works

[13] *Retrofitting* is defined as the strengthening of a building after its original construction

[14] As part of component 2.1 for the preparation of the NAPSS

zoning and building codes, and education and training activities such as evacuation plans, drills, and preparedness curricula.

- *Structural mitigation* consists of measures that involve the creation/erection of physical structures. Some examples are levees, drainage systems, retaining walls, earthquake bracing systems, and hurricane straps and shutters.

## Annex 10. Documents in Project Files


- Gouvernement de la République d'Haïti. *Rapport d'évaluation des besoins après désastres Cyclones Fay, Gustav, Ike et Hanna.* 28 novembre 2008.
- Demographic and Household Surveys (2001). *Enquête sur les Conditions de Vie en Haïti* (ECVH).
- FAES (2008) Direction des Projets Scoiaux. Référentiel technicque du bati scolaire en Haiti.
- Haiti: Emergency School Reconstruction Project (P115261)- Notification to Process under OP/BP 8.0, *Rapid Response to Crises and Emergencies*
- World Bank, FAES, MENFP (2008). *Aide mémoire de la mission de préparation et d'évaluation de la reconstruction des écoles.* 5 décembre 2008.
- World Bank (2008). "School Construction in Developing Countries. What do we Know?". Washington DC.
- World Bank (2008). Haiti Emergency Bridges Reconstruction and Vulnerability Reduction Project (P114292). Emergency Project Paper. Washington DC.
- World Bank (2006). Haiti Education for All (P099918). Project Appraisal Document. Washington DC.
- World Bank (2003). Education for All: Building the Schools. *Education Notes.* August 2003. Principal Author Serge Theunynck.
- Caribbean disaster mitigation project implemented by the Organization of American States unit of sustainable development and environment for the USAID office of foreign disaster assistance and the Caribbean regional program. School/shelter hazard vulnerability reduction resource page.

# Annex 11. Statement of Loans and Credits

| Project ID | FY | Purpose | Original Amount in US$ Millions IBRD | IDA | SF | GEF | Cancel. | Undisb. | Difference between expected and actual disbursements Orig. | Frm. Rev'd |
|---|---|---|---|---|---|---|---|---|---|---|
| P111667 | 2009 | HT Avian Human Influenza Emergency | 0.00 | 1.56 | 0.00 | 0.00 | 0.00 | 1.63 | 0.00 | 0.00 |
| P106699 | 2008 | HT Urban CDD / PRODEPUR | 0.00 | 15.70 | 0.00 | 0.00 | 0.00 | 15.65 | 0.00 | 0.00 |
| P106621 | 2008 | HT Meeting Teacher Needs for EFA | 0.00 | 6.00 | 0.00 | 0.00 | 0.00 | 6.20 | 0.00 | 0.00 |
| P104690 | 2007 | HT Catastrophe Insurance Project | 0.00 | 9.00 | 0.00 | 0.00 | 0.00 | 1.71 | 0.32 | 0.00 |
| P100564 | 2007 | HT 2nd Econ. Governance Reform | 0.00 | 23.00 | 0.00 | 0.00 | 0.00 | 13.44 | 12.66 | 0.00 |
| P099918 | 2007 | HT (APL1) Education For All | 0.00 | 25.00 | 0.00 | 0.00 | 0.00 | 23.84 | 0.60 | 0.00 |
| P098531 | 2007 | HT Electricity Project | 0.00 | 6.00 | 0.00 | 0.00 | 0.00 | 6.08 | 5.41 | 0.00 |
| P089839 | 2007 | HT Rural Water and Sanitation | 0.00 | 5.00 | 0.00 | 0.00 | 0.00 | 4.92 | 0.83 | 0.00 |
| P095523 | 2006 | HT Transport and Territorial Devopment | 0.00 | 16.00 | 0.00 | 0.00 | 0.00 | 16.72 | 7.31 | 0.00 |
| P095371 | 2006 | HT Economic Governance TAG II | 0.00 | 2.00 | 0.00 | 0.00 | 0.00 | 2.22 | 2.00 | 0.00 |
| P093640 | 2006 | HT CDD Project (PRODEP) | 0.00 | 38.00 | 0.00 | 0.00 | 0.00 | 19.81 | 6.65 | 0.00 |
| P093936 | 2005 | HT Governance Technical Assistance Grant | 0.00 | 2.00 | 0.00 | 0.00 | 0.00 | 0.68 | 0.53 | 0.53 |
| P090159 | 2005 | HT Emergency Recov.& Disaster Management | 0.00 | 12.00 | 0.00 | 0.00 | 0.00 | 11.09 | 2.61 | 2.09 |
| | | Total: | 0.00 | 161.26 | 0.00 | 0.00 | 0.00 | 123.99 | 38.92 | 2.62 |

HAIT
STATEMENT OF IFC's
Held and Disbursed Portfolio
In Millions of US Dollars

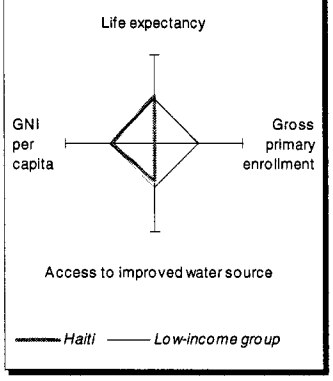
| | | Committed IFC | | | | Disbursed IFC | | | |
|---|---|---|---|---|---|---|---|---|---|
| FY Approval | Company | Loan | Equity | Quasi | Partic. | Loan | Equity | Quasi | Partic. |
| 2006 | Digicel Haiti | 15.00 | 0.00 | 0.00 | 0.00 | 15.00 | 0.00 | 0.00 | 0.00 |
| 1998 | MicroCredit | 0.00 | 0.27 | 0.00 | 0.00 | 0.00 | 0.27 | 0.00 | 0.00 |
| | Total portfolio: | 15.00 | 0.27 | 0.00 | 0.00 | 15.00 | 0.27 | 0.00 | 0.00 |

| | | Approvals Pending Commitment | | | |
|---|---|---|---|---|---|
| FY Approval | Company | Loan | Equity | Quasi | Partic. |
| | Total pending commitment: | 0.00 | 0.00 | 0.00 | 0.00 |

# Annex 12. Country at a Glance

| POVERTY and SOCIAL | Haiti | Latin America & Carib. | Low-income |
|---|---|---|---|
| **2007** | | | |
| Population, mid-year *(millions)* | 9.6 | 563 | 1,296 |
| GNI per capita *(Atlas method, US$)* | 560 | 5,540 | 578 |
| GNI *(Atlas method, US$ billions)* | 5.4 | 3,118 | 749 |
| **Average annual growth, 2001-07** | | | |
| Population *(%)* | 1.6 | 1.3 | 2.2 |
| Labor force *(%)* | 2.7 | 2.1 | 2.7 |
| **Most recent estimate (latest year available, 2001-07)** | | | |
| Poverty *(% of population below national poverty line)* | .. | .. | .. |
| Urban population *(% of total population)* | 45 | 78 | 32 |
| Life expectancy at birth *(years)* | 60 | 73 | 57 |
| Infant mortality *(per 1,000 live births)* | 60 | 22 | 85 |
| Child malnutrition *(% of children under 5)* | 19 | 5 | 29 |
| Access to an improved water source *(% of population)* | 58 | 91 | 68 |
| Literacy *(% of population age 15+)* | .. | 90 | 61 |
| Gross primary enrollment *(% of school-age population)* | .. | 118 | 94 |
| Male | .. | 120 | 100 |
| Female | .. | 116 | 89 |

**Development diamond***

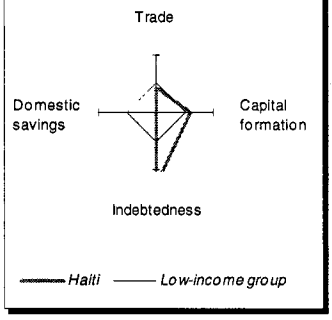



**KEY ECONOMIC RATIOS and LONG-TERM TRENDS**

| | 1987 | 1997 | 2006 | 2007 |
|---|---|---|---|---|
| GDP *(US$ billions)* | 2.2 | 3.2 | 5.0 | 6.1 |
| Gross capital formation/GDP | 14.3 | 24.7 | 28.9 | .. |
| Exports of goods and services/GDP | 15.7 | 10.5 | 14.1 | .. |
| Gross domestic savings/GDP | 4.8 | 8.6 | -0.3 | .. |
| Gross national savings/GDP | .. | 16.9 | .. | .. |
| Current account balance/GDP | .. | -7.2 | -0.9 | .. |
| Interest payments/GDP | 0.4 | 0.4 | 0.3 | .. |
| Total debt/GDP | 40.7 | 27.4 | 24.0 | .. |
| Total debt service/exports | .. | 5.5 | 8.4 | .. |
| Present value of debt/GDP | .. | .. | 18.7 | .. |
| Present value of debt/exports | .. | .. | 137.7 | .. |

| | 1987-97 | 1997-07 | 2006 | 2007 | 2007-11 |
|---|---|---|---|---|---|
| *(average annual growth)* | | | | | |
| GDP | -2.7 | 0.3 | 2.3 | 3.2 | .. |
| GDP per capita | -4.6 | -1.3 | 0.7 | 1.4 | .. |
| Exports of goods and services | -1.6 | .. | .. | .. | .. |

**Economic ratios***

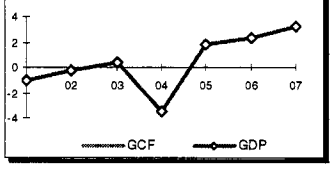



**STRUCTURE of the ECONOMY**

| | 1987 | 1997 | 2006 | 2007 |
|---|---|---|---|---|
| *(% of GDP)* | | | | |
| Agriculture | .. | 22.4 | .. | .. |
| Industry | .. | 33.8 | .. | .. |
| Manufacturing | .. | 11.5 | .. | .. |
| Services | .. | 43.8 | .. | .. |
| Household final consumption expenditure | 85.7 | 83.5 | 91.3 | .. |
| General gov't final consumption expenditure | 9.5 | 7.9 | 9.0 | .. |
| Imports of goods and services | 25.1 | 26.6 | 43.3 | .. |

| | 1987-97 | 1997-07 | 2006 | 2007 |
|---|---|---|---|---|
| *(average annual growth)* | | | | |
| Agriculture | 2.9 | .. | .. | .. |
| Industry | -9.5 | .. | .. | .. |
| Manufacturing | -2.5 | .. | .. | .. |
| Services | 0.9 | .. | .. | .. |
| Household final consumption expenditure | .. | .. | .. | .. |
| General gov't final consumption expenditure | .. | .. | .. | .. |
| Gross capital formation | -11.8 | .. | .. | .. |
| Imports of goods and services | 4.3 | .. | .. | .. |

**Growth of capital and GDP (%)**



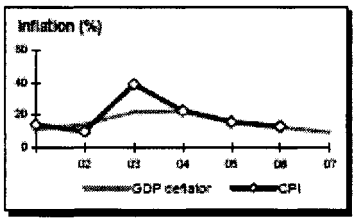

Note: 2007 data are preliminary estimates.

This table was produced from the Development Economics LDB database.

* The diamonds show four key indicators in the country (in bold) compared with its income-group average. If data are missing, the diamond will be incomplete.

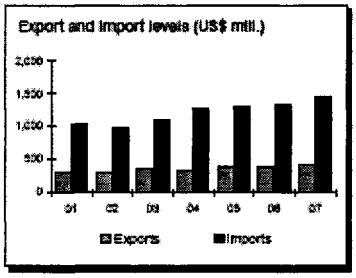
**PRICES and GOVERNMENT FINANCE**

| | 1987 | 1997 | 2006 | 2007 |
|---|---|---|---|---|
| *Domestic prices* | | | | |
| *(% change)* | | | | |
| Consumer prices | -11.4 | 20.4 | 13.0 | .. |
| Implicit GDP deflator | -2.7 | 9.6 | 12.4 | 9.3 |
| *Government finance* | | | | |
| *(% of GDP, includes current grants)* | | | | |
| Current revenue | .. | 9.0 | 13.3 | .. |
| Current budget balance | .. | 0.9 | 3.5 | .. |
| Overall surplus/deficit | .. | -0.4 | -2.1 | .. |



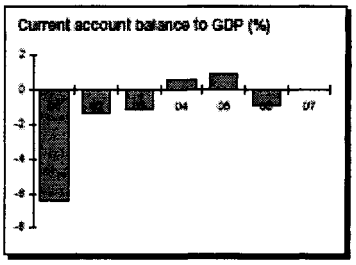

**TRADE**

| | 1987 | 1997 | 2006 | 2007 |
|---|---|---|---|---|
| *(US$ millions)* | | | | |
| Total exports (fob) | 198 | 196 | 384 | 420 |
| Coffee | 34 | 13 | .. | .. |
| Sisal and sisal strings | 9 | 1 | .. | .. |
| Manufactures | 132 | 159 | 336 | 370 |
| Total imports (cif) | 315 | 707 | 1,329 | 1,451 |
| Food | 72 | 200 | .. | .. |
| Fuel and energy | 48 | 75 | .. | .. |
| Capital goods | 57 | 92 | 5,489 | 5,723 |
| Export price index *(2000=100)* | .. | .. | .. | .. |
| Import price index *(2000=100)* | .. | .. | .. | .. |
| Terms of trade *(2000=100)* | .. | .. | .. | .. |



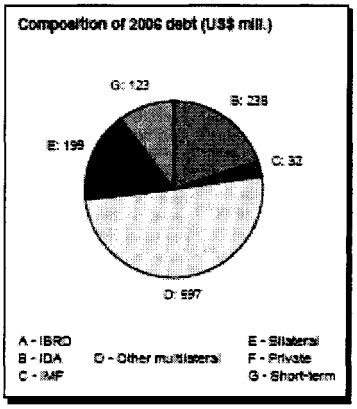

**BALANCE of PAYMENTS**

| | 1987 | 1997 | 2006 | 2007 |
|---|---|---|---|---|
| *(US$ millions)* | | | | |
| Exports of goods and services | .. | 380 | 675 | .. |
| Imports of goods and services | .. | 881 | 2,067 | .. |
| Resource balance | .. | -501 | -1,392 | .. |
| Net income | .. | 13 | -20 | .. |
| Net current transfers | .. | 256 | .. | .. |
| Current account balance | .. | -232 | -45 | .. |
| Financing items (net) | .. | 259 | .. | .. |
| Changes in net reserves | .. | -28 | .. | .. |
| ***Memo:*** | | | | |
| Reserves including gold *(US$ millions)* | 26 | 266 | .. | .. |
| Conversion rate *(DEC, local/US$)* | 5.0 | 15.7 | 40.4 | 36.9 |




**EXTERNAL DEBT and RESOURCE FLOWS**

| | 1987 | 1997 | 2006 | 2007 |
|---|---|---|---|---|
| *(US$ millions)* | | | | |
| Total debt outstanding and disbursed | 679 | 684 | 1,189 | .. |
| IBRD | 0 | 0 | 0 | 0 |
| IDA | 279 | 285 | 238 | 518 |
| Total debt service | 65 | 36 | 57 | .. |
| IBRD | 0 | 0 | 0 | 0 |
| IDA | 3 | 7 | 11 | 18 |
| Composition of net resource flows | | | | |
| Official grants | 108 | 133 | 301 | .. |
| Official creditors | 74 | 41 | 29 | .. |
| Private creditors | -2 | 0 | 0 | .. |
| Foreign direct investment (net inflows) | 5 | 4 | 160 | .. |
| Portfolio equity (net inflows) | 0 | 0 | 0 | .. |
| World Bank program | | | | |
| Commitments | 53 | 0 | 0 | 0 |
| Disbursements | 46 | 0 | 0 | 0 |
| Principal repayments | 1 | 4 | 9 | 15 |
| Net flows | 46 | -4 | -9 | -15 |
| Interest payments | 2 | 2 | 2 | 4 |
| Net transfers | 45 | -6 | -11 | -18 |

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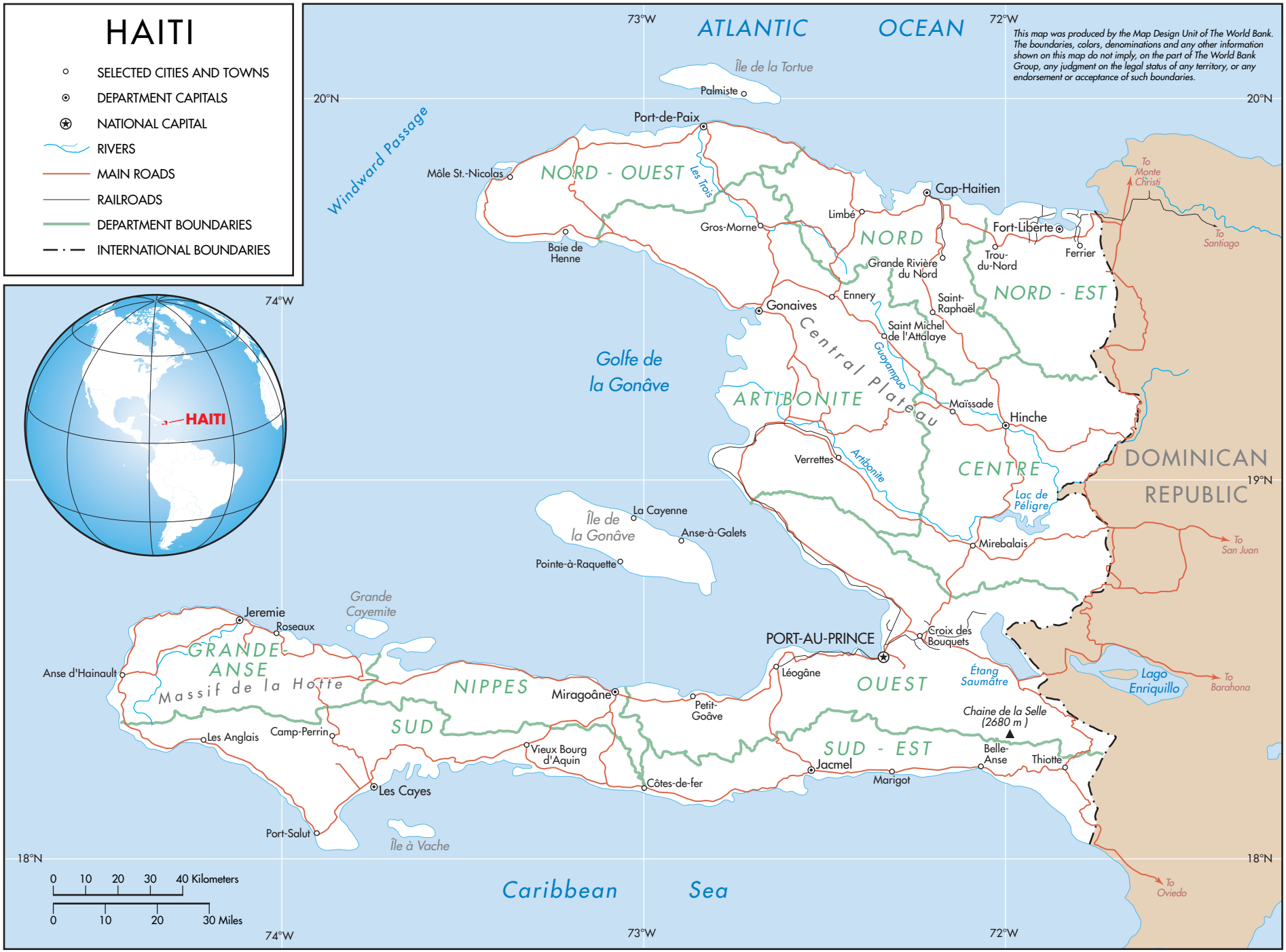
HAITI
SELECTED CITIES AND TOWNS
DEPARTMENT CAPITALS
NATIONAL CAPITAL
RIVERS
MAIN ROADS
RAILROADS
DEPARTMENT BOUNDARIES
INTERNATIONAL BOUNDARIES
This map was produced by the Map Design Unit of The World Bank. The boundaries, colors, denominations and any other information shown on this map do not imply, on the part of The World Bank Group, any judgment on the legal status of any territory, or any endorsement or acceptance of such boundaries.
ATLANTIC OCEAN
Île de la Tortue
Palmiste
Port-de-Paix
Windward Passage
Môle St.-Nicolas
NORD - OUEST
Les Trois
Baie de Henne
Gros-Morne
Limbé
Cap-Haitien
NORD
Fort-Liberte
Trou-du-Nord
Ferrier
Grande Rivière du Nord
NORD - EST
Ennery
Gonaives
Saint-Raphaël
Saint Michel de l'Attalaye
Central Plateau
Guayamouc
Golfe de la Gonâve
ARTIBONITE
Maïssade
Hinche
Verrettes
Artibonite
CENTRE
Lac de Péligre
Île de la Gonâve
La Cayenne
Anse-à-Galets
Pointe-à-Raquette
Mirebalais
Grande Cayemite
Jeremie
Roseaux
GRANDE-ANSE
Anse d'Hainault
Massif de la Hotte
PORT-AU-PRINCE
Croix des Bouquets
Léogâne
OUEST
Étang Saumâtre
Lago Enriquillo
NIPPES
Miragoâne
Petit-Goâve
SUD
Chaine de la Selle (2680 m)
Les Anglais
Camp-Perrin
Vieux Bourg d'Aquin
SUD - EST
Jacmel
Belle-Anse
Thiotte
Marigot
Côtes-de-fer
Les Cayes
Port-Salut
Île à Vache
DOMINICAN REPUBLIC
To Monte Christi
To Santiago
To San Juan
To Barahona
To Oviedo
Caribbean Sea
0 10 20 30 40 Kilometers
0 10 20 30 Miles
73°W
72°W
74°W
20°N
19°N
18°N
JANUARY 2006
IBRD 33417R