



Haiti Reconstruction Fund

Financial Report

Prepared by the Trustee

As of September 30, 2019



Table of Contents

Table of Contents

Introduction	3
HRF Trust Fund Financial Summary as of September 30, 2019	4
1. HRF Trust Fund Summary – Inception through September 30, 2019	5
2. Contributions	6
3. Asset Mix and Investment Income.....	7
4. Cumulative Funding Decisions	8
5. Funds Available	9
6. Partner Entity Disbursements	10
Annex I - Cumulative Funding Decisions Details	11
Annex II – Partner Entity Disbursement Details.....	13



Introduction

The Haiti Reconstruction Fund (HRF) is a partnership between the international community and the Government of Haiti to help finance post-earthquake reconstruction. The Latin America and Caribbean Region of the World Bank acts as the HRF Secretariat; and the Development Finance Vice-Presidency acts as the Trustee for a Financial Intermediary Fund (FIF) in support of the HRF. The HRF mobilizes, coordinates and allocates contributions from bilateral and other donors to finance high-priority projects, programs and budget support. Proponents partner with the Inter-American Development Bank (IDB), the United Nations (UN) or the World Bank (WB and IFC) to ensure that international standards for quality, good governance and financial management are met.

The Trustee provides administrative and financial services to the HRF Steering Committee and donors, by receiving contributions from donors to the FIF, investing liquid assets pending cash transfer, and transferring funds to the HRF Partner Entities. Working closely with the HRF Secretariat, the Trustee also records funding decisions made by the Steering Committee.

The Trustee periodically provides to the Donors and the Steering Committee reports on the financial status of the Trust Fund.¹ The information contained in this report is prepared based on financial information as of September 30, 2019.

The Fund will remain open until June 30, 2021 for monitoring and reporting of the HRF funded projects under implementation. The extension was approved by all donors through non-objection on December 24, 2017. The fund will accept the return of unused project funds and the posting/return of earned investment income from Partner Entities. The HRF Steering Committee has requested the Trustee to discontinue commitments and disbursements from the Fund after December 31, 2017.

¹ The Trustee's financial status reports are publicly available at: www.worldbank.org/fiftrustee



HRF Trust Fund Financial Summary as of September 30, 2019

Pledges and Contributions:

As of September 30, 2019, 19 donors had pledged and signed Administration Agreements or arrangements amounting to USD eq. 411.40 million. Since the fund is closed for future commitments and disbursements on December 31, 2017, the contribution receivable of USD 10 million from Spain is not expected to be received. Hence the total agreement amount for Spain will be considered equal to the receipt amount of USD 20 million. The total agreement amount from all contributors for the fund will be USD eq. 401.40 million. The Trustee has received USD 401.40 million in cash to date from these donors.

Investment Income:

As of September 30, 2019, the HRF Trust Fund has earned investment income of approximately USD 2.46 million on the undisbursed balances in the Trust Fund. The HRF Trust Fund liquid portfolio returned 1.96%² in 2019. The HRF Trust Fund balance is allocated to a highly liquid short-term investment portfolio.

In addition, the investment income received from the partner entities UNDP and IDB is USD 1.94 million.

Funding Approvals and Cash Transfers:

The cumulative funding decisions made by the HRF Steering Committee through September 30, 2019 totaled USD 403.02 million. Of the total amount approved, USD 384.7 million represents project³ approvals, USD 12.67 million is for the partner entity fees and USD 5.66 million is for the administrative budget. The Trustee has committed and transferred the project and the partner entity fees amount to the respective Partner Entities based on the approval of their complete project documents, and administrative budget to the Trustee and the Secretariat.

Funds Held in Trust:

Funds Held in Trust⁴ reflect contributions paid-in from donors, investment income and cash transfers. Funds Held in Trust as of September 30, 2019 amounted to USD 2.77 million.

Partner Entity Disbursements⁵:

As of September 30, 2019, the UN has been allocated USD 167.58 million, of which USD 140.72 million has been disbursed; the IDB has been allocated USD 97.58 million, of which USD 84.60 million has been disbursed; and the World Bank has been allocated USD 132.20 million, of which USD 132.20 million has been disbursed.

² Non-annualized rate of return up to September 30, 2019.

³ "Project" refers to all types of HRF funding, including project budget support.

⁴ Funds Held in Trust represents balance of cash, investments and unencashed promissory notes (if any) as of the reporting date.

⁵ Disbursed amounts are net of refunds from the executing agency based on the partner entity's information as of September 30, 2019.

1. HRF Trust Fund Summary – Inception through September 30, 2019

In USD millions

	Total	% of Total
<u>Donor Pledges and Contributions</u>		
Contributions	401.40	100.0%
Total Pledges and Contributions	401.40	100.0%
<u>Cumulative Resources</u>		
<u>Resources received</u>		
Cash Receipts	401.40	98.9%
Investment Income earned	4.40	1.1%
Refund to Contributors	(0.01)	0.0%
Total Resources Received (A)	405.79	100.0%
<u>Cumulative Funding Decisions</u>		
Projects	384.70	95.5%
Fees	12.67	3.1%
Administrative Budgets	5.66	1.4%
Total Funding Decisions Net of Cancellations (B)	403.02	100.0%
Total Funds Held in Trust as of Jun 30, 2019 (A)-(B)	2.77	

a/ includes USD 1.94 million investment income received from UNDP and IDB

NB: sub-totals may not add up accurately due to rounding errors



2. Contributions

In USD millions

Table 1: Status of Contributions						
Updated as of Sep 30, 2019 (in millions)						
Donor	Effective Contribution			Receipts		
	Contribution Currency	Agreed Contribution		Received		
		Amount a/ USD eq.	USD eq.	Amount b/ USD	USD	
Australia	AUD	10.00	8.56	10.00	8.56	
Brazil	USD	55.00	55.00	55.00	55.00	
Canada	CAD	46.30	45.50	46.30	45.50	
Colombia	USD	4.00	4.00	4.00	4.00	
Cyprus	USD	0.10	0.10	0.10	0.10	
Estonia	USD	0.05	0.05	0.05	0.05	
Finland	EUR	1.40	1.84	1.40	1.84	
France	EUR	24.82	32.28	24.82	32.28	
Ireland	EUR	1.00	1.33	1.00	1.33	
Japan	USD	30.00	30.00	30.00	30.00	
Latvia	LVL	0.03	0.06	0.03	0.06	
Nigeria	USD	5.00	5.00	5.00	5.00	
Norway	NOK	274.00	44.27	274.00	44.27	
Oman	USD	5.00	5.00	5.00	5.00	
State and Peace Building Fund	USD	2.00	2.00	2.00	2.00	
Spain	USD	20.00	20.00 c/	20.00	20.00	
Sweden	SEK	25.00	3.75	25.00	3.75	
Thailand	USD	2.30	2.30	2.30	2.30	
United States	USD	140.35	140.35	140.35	140.35	
Total USD equivalent			401.40		401.40	

a/ per countersigned Administration Agreements or arrangements in currencies
b/ in currencies of contribution
c/ The fund is closed for future commitments and disbursements on December 31, 2017. The agreed contribution amount from Spain is USD 30 million, however the contribution received is USD 20 million and hence the agreement amount is considered as USD 20 million for reporting purposes.

NB: sub-totals may not add up accurately due to rounding errors

The above table shows the total contributions to the HRF, defined as those for which Administration Agreements or arrangements have been signed by donors and the Trustee. As of September 30, 2019, the Trustee had entered into Administration Agreements/Administration Arrangements with 19 donors for a total of USD eq. 401.40 million and received USD 401.4 million in cash to date from these donors.



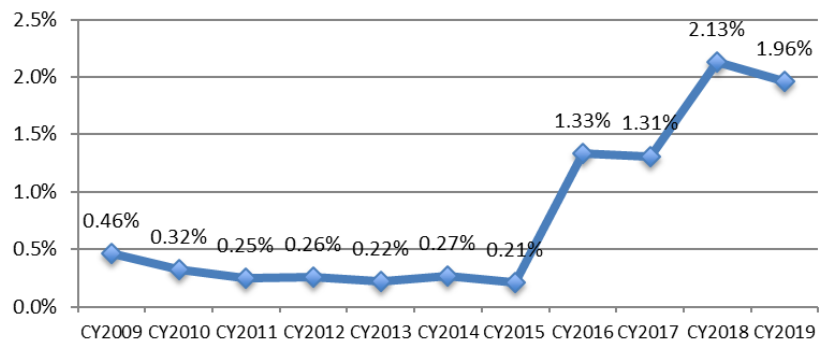
3. Asset Mix and Investment Income

ASSET MIX

Funds held in trust by the World Bank (as the Trustee) are maintained in a commingled investment portfolio (the “Pool”) for all trust funds administered by the World Bank. On July 1, 2015, the World Bank formally adopted the Conditional Value-at-Risk (CVaR) measure as the risk constraint in the management of trust funds. Funds are managed such that the expected maximum loss, as measured by the CVaR, at the portfolio’s investment horizon, is not to exceed 1% with 99% confidence.

INVESTMENT RETURNS

The HRF funds are invested in cash portfolio of the World Bank’s Trust Fund investment pool. This portfolio comprises bank deposits and investments in money market instruments with an investment horizon of less than 3 months. The HRF Trust Fund liquid portfolio (which totaled approximately USD 2.77 million at September 30, 2019) earned USD 2.46 million in investment income since inception. In addition, the investment income of USD 1.94 million received from the partner entities UNDP and IDB.





4. Cumulative Funding Decisions

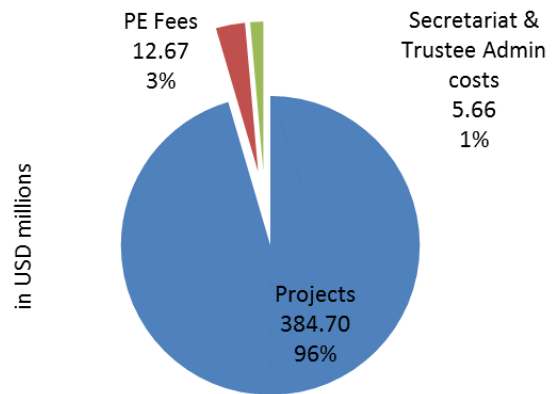
In USD millions

SNAPSHOT OF FUNDING DECISIONS:

The cumulative funding decisions made by the HRF Steering Committee up to September 30, 2019 amount to USD 403.02 million (see Annex I).

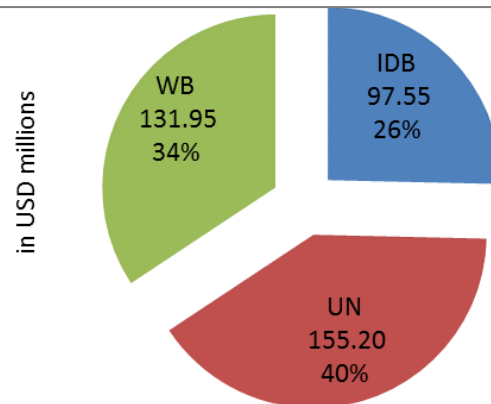
FUNDING DECISIONS BY ACTIVITY

Since inception to September 30, 2019 funding approvals made by the HRF Steering Committee totaled USD 403.02 million. Projects represent about 96%, fees for Partner Entities 3%, and administrative budgets for the Secretariat and the Trustee 1%.



PROJECT FUNDING DECISIONS BY PARTNER ENTITY

Of the total USD 384.7 million of approved projects to date, 34 % has been committed to the World Bank as Partner Entity, 40 % to the UN, and 26 % to the IDB.





5. Funds Available

In USD millions

Haiti Reconstruction Fund			
Table 2: Schedule of Funds Available			
Updated as of Sep 30, 2019			
(in USD millions)			
	As of Sep 30, 2019	As of Jun 30, 2019	Changes since last report
	(a)	(b)	(c) = (a) - (b)
1. Cumulative Receipts	405.80	405.78	0.02
a. Cash receipts from Donors	401.40	401.40	-
b. Investment Income earned on undisbursed balances of HRF Funds	4.40 a/	4.39 a/	0.02
2. Cumulative Cash Transfer	403.02	403.02	0.00
a. Projects	384.70	384.70	-
b. Partner Entity Fees	12.67	12.67	-
c. Administrative Budget	5.66	5.66	-
3. Refund to Contributors	(0.013)	(0.013)	0.00
a. Sweden	(0.013)	(0.013)	0.00
4. Funds held in Trust (3 = 1 - 2)	<u>2.77</u>	<u>2.75</u>	0.02

a/ Includes USD 1.94 million investment income received from UNDP and IDB
NB: sub-totals may not add up accurately due to rounding errors

Highlights for the period July 1, 2019 through September 30, 2019:

- **Funds Held in Trust** represents cumulative receipts less cumulative cash transfers, less refund to contributors, and amounted to USD 2.77 million as of September 30, 2019. Funds Held in Trust increased by USD 0.02 million due to the increase in investment income.



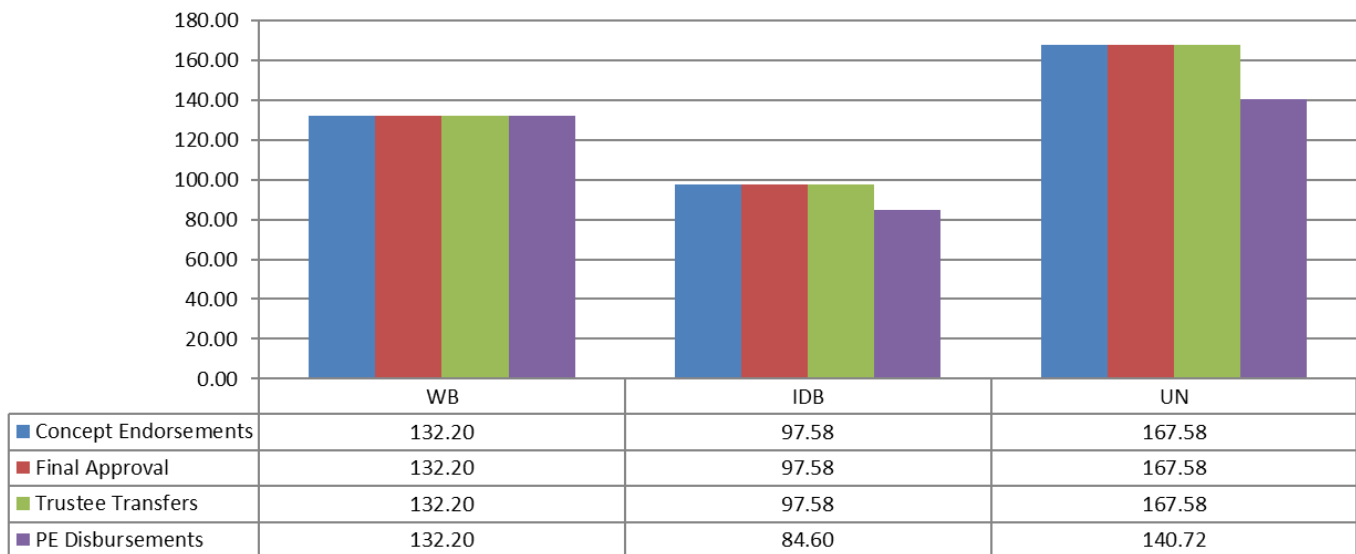
6. Partner Entity Disbursements⁶

In USD millions

PARTNER ENTITY DISBURSEMENT SUMMARY FOR PROJECTS AND ASSOCIATED FEES

As of September 30, 2019, the HRF Steering Committee has endorsed Concept Notes for 31 projects and approved final project proposals for all these projects. The Trustee has transferred funds totaling USD 397.36 million in respect of these approved projects and associated fees to the Partner Entities, upon receipt of cash transfer requests from the Partner Entities. The figure below shows the funding decisions and disbursements by Partner Entity, and the figure in Annex II details project-by-project disbursement status. The total disbursements by the Partner Entities are USD 357.52 million. As of September 30, 2019, the UN has been allocated USD 167.58 million, of which USD 140.72 million has been disbursed; the IDB has been allocated USD 97.58 million, of which USD 84.60 million has been disbursed; and the World Bank has been allocated USD 132.20 million, of which USD 132.20 million has been disbursed.

(in USD millions)



⁶ This section is based on the projects and fees disbursement amount net of refunds from the executing agency provided by the Partner Entities as of September 30, 2019.



Annex I - Cumulative Funding Decisions Details

In USD millions

Haiti Reconstruction Fund			
Table 3: Cumulative Funding Decisions			
Updated as of Sep 30, 2019			
(in millions)			
Activity			
Projects	<i>Title</i>	<i>Partner Entity</i>	
	Haiti Emergency Development Policy Operation - Budget Support	WB	25.00
	Debris Management Project	UN	15.68
	Program to Establish a Partial Credit Guarantee Fund	IDB	12.50
	Disaster Risk Reduction in the South Department	UN	7.40
	Port-au-Prince Neighborhood Housing Reconstruction Project	WB	64.87
	Capacity Building for Disaster Risk Management	UN	1.89
	Haiti Southwest Sustainable Development Program	UN	7.40
	Environmental Protection of the Macaya National Park a/	IDB	9.00
	Sustainable Energy for Haiti a/	IDB	2.00
	Institutional Transformation and Modernization of the Energy Sector III (PBG) a/	IDB	3.00
	Capacity Building Program to the IHRC	UN	0.93
	Demolition and Debris Removal with Heavy Equipment	UN	23.13
	Reconstruction of the Education Sector	IDB	10.00
	Earthquake Prevention Plan for the North of Haiti	UN	9.22
	Housing and Neighborhood Reconstruction Support Program	UN	22.83
	16 Neighborhoods, 6 Camps	UN	27.76
	TVET Education Project	IDB	5.00
	Development of Milk Production and Processing in Haiti	UN	1.85
	Budget Support Operation - Economic Reconstruction and Growth Development	WB	10.00
	Policy Grant (Cofinancing)	WB	10.00
	Support to the Implementation of the Education Plan and Reform in Haiti	IDB	3.70
	School Feeding Program b/	WB	14.75
	Budget Support Operation - Water and Sanitation	IDB	14.00
	Budget Support Operation - Transport	IDB	7.00
	Budget Support Operation - Education, and Water and Sanitation sectors	WB	17.33
	Péligre-Port-au-Prince Transmission Line project	IDB	16.00
	2015 Haitian Elections	UN	1.00
	Productive Infrastructure Program III	IDB	15.35
	Seeds Production	UN	0.65
	Dairy Production	UN	1.20
	Vocational School Project	UN	15.77
	Health Service Management Project	UN	18.50
	Sub-total		384.70



Annex I - Cumulative Funding Decisions Details (cont.)

In USD millions

Fees	Debris Management Project	UN	1.27
	Disaster Risk Reduction in the South Department	UN	0.60
	Capacity Building for Disaster Risk Management	UN	0.11
	Haiti Southwest Sustainable Development Program	UN	0.60
	Capacity Building Program to the IHRC	UN	0.07
	Demolition and Debris Removal with Heavy Equipment	UN	1.87
	Earthquake Prevention Plan for the North of Haiti	UN	0.74
	Housing and Neighborhood Reconstruction Support Program	UN	1.84
	16 Neighborhoods, 6 Camps	UN	2.24
	Development of Milk Production and Processing in Haiti	UN	0.15
	Audit fee	IDB	0.02
	Fee-School Feeding Program b/	WB	0.25
	Budget Support Operation - Education, and Water and Sanitation sectors -Fee	WB	-
	Seeds Production	UN	0.05
	Dairy Production	UN	0.10
	Audit Fee for IADB for FY16	IDB	0.02
	Vocational School Project - Fees	UN	1.23
	Health Service Management Project	UN	1.50
	Sub-total	12.67	
Administrative Budgets	FY11 Secretariat		1.05
	FY11 Trustee		0.45
	FY12 Secretariat		0.88
	FY12 Trustee		0.16
	FY13 Secretariat		0.70
	FY13 Trustee		0.12
	FY14 Secretariat		0.78
	FY14 Trustee		0.12
	Evaluation study of the HRF first phase - UNIVERSALIA		0.18
	FY15 Secretariat		0.35
	FY15 Trustee		0.08
	FY16 Trustee		0.07
	FY16 Secretariat		0.26
	FY17 Trustee		0.07
	FY18-21 Secretariat		0.18
	FY18-21 Trustee		0.20
	Sub-total	5.66	
	Total	403.02	

a/ Original project title was Natural Disaster Mitigation in the South Department (USD 14 million).

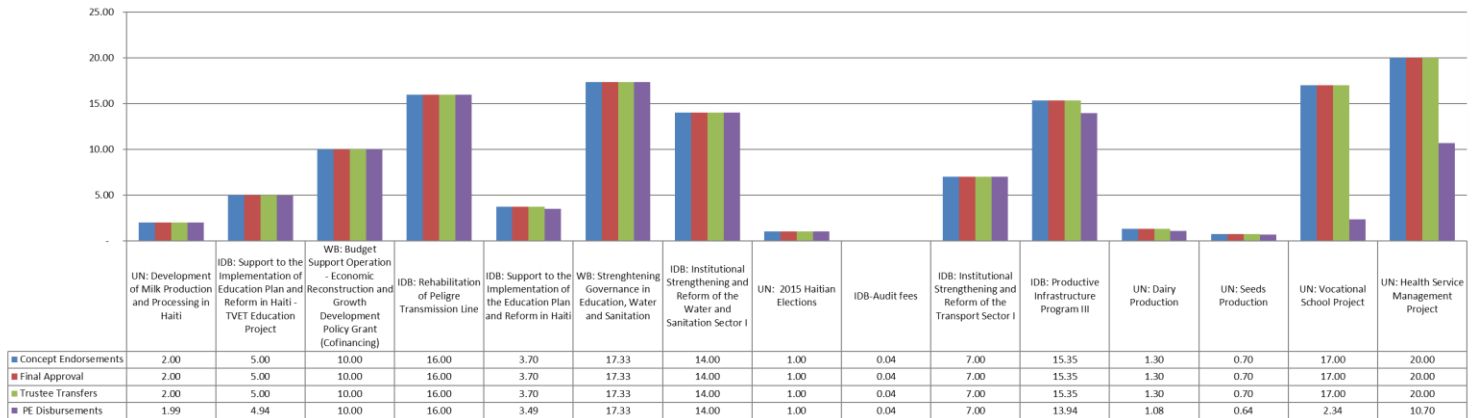
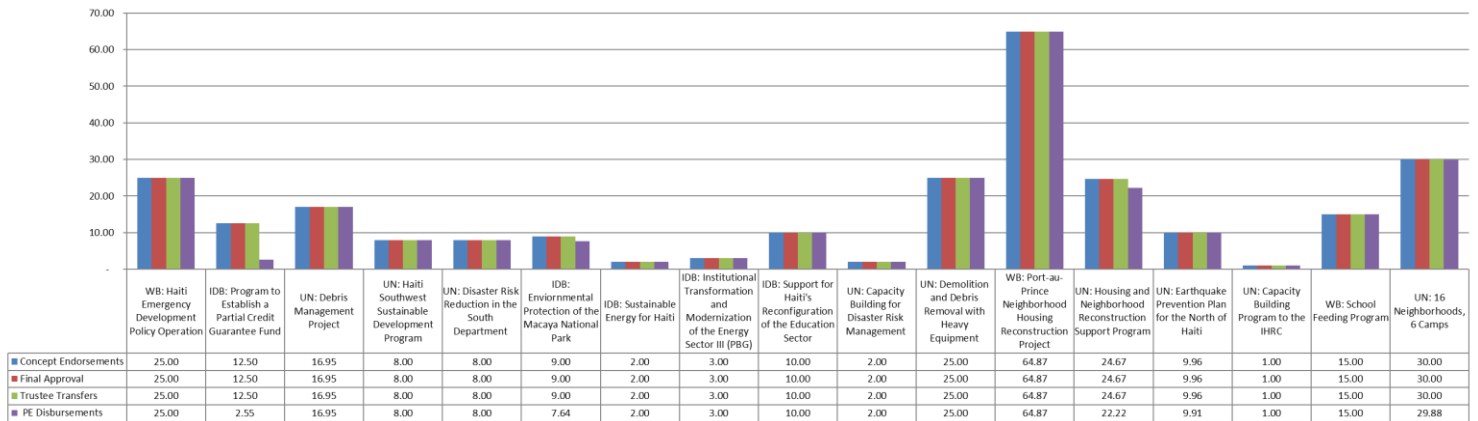
b/ The Steering Committee agreed to shift the targeted budget support operation (USD 14.75 million for projects and 0.25 million for fees) to the School Feeding Program.

NB: sub-totals may not add up accurately due to rounding errors



Annex II – Partner Entity Net Disbursement Details ⁷

In USD millions



⁷ This section is based on the information provided by the Partner Entities as of September 30, 2019.