



Haiti Reconstruction Fund

Financial Report

Prepared by the Trustee

As of June 30, 2015



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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 June 30, 2015.

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



HRF Trust Fund Financial Summary as of June 30, 2015

Pledges and Contributions:

As of June 30, 2015, 19 donors had pledged and signed Administration Agreements or arrangements amounting to USD eq. 396.05 million. The Trustee has received USD 386.05 million in cash to date from these donors.

Investment Income:

As of June 30, 2015, the HRF Trust Fund had earned investment income of approximately USD 2.75 million on the undisbursed balances in the Trust Fund. The HRF Trust Fund liquid portfolio returned 0.08%² in 2015. The HRF Trust Fund balance is allocated to a highly liquid short term investment portfolio.

Funding Approvals:

The cumulative funding decisions made by the HRF Steering Committee through June 30, 2015 totaled USD 347.58 million. Of the total amount approved, USD 332.36 million represents project³ approvals, and USD 15.22 million is for the partner entity fees and admin budget. Of the project approval amount, USD 332.36 million has been committed and transferred by the Trustee to the respective Partner Entities based on the approval of their complete project documents. A total of USD 40 million has been set aside in a financial reserve for future project approvals.

Cash Transfers:

Based on HRF Steering Committee funding decisions, the Trustee has transferred a total of USD 347.25 million up to June 30, 2015, including USD 342.38 million for projects and Partner Entity fees.

Funds Held in Trust and Funds Available for HRF Steering Committee Funding Decisions

Funds Held in Trust⁴ reflect contributions paid-in from donors, investment income and cash transfers. Funds Held in Trust as of June 30, 2015 amounted to USD 41.56 million.

Partner Entity Disbursements⁵:

As of June 30, 2015, the UN has been allocated USD 127.58 million, of which USD 121.4 million has been disbursed; the IDB has been allocated USD 82.22 million, of which USD 33.33 million has been disbursed; and the World Bank has been allocated USD 132.58 million, of which USD 108.22 million has been disbursed.

Funds available to support new HRF Steering Committee funding decisions amounted to USD 1.23 million as of June 30, 2015.

² Non-annualized rate of return up to June 30, 2015

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 based on the partner entity's information as of June 30, 2015



1. HRF Trust Fund Summary – Inception through June 30, 2015

In USD millions

	Total	% of Total
<u>Donor Pledges and Contributions</u>		
Contributions	396.05	100.0%
Pledges	-	0.0%
Total Pledges and Contributions	396.05	100.0%

<u>Cumulative Resources</u>		
<u>Resources received</u>		
Cash Receipts	386.05	96.8%
Investment Income earned	2.75	0.7%
Total Resources Received	388.80	97.5%
<u>Resources not yet received</u>		
Contributions not yet paid	10.00	2.5%
Total resources not yet received	10.00	2.5%
Total Potential Resources (A) (in USD millions)	398.80	100.0%

<u>Cumulative Funding Decisions</u>		
Projects	332.36	95.6%
Fees	10.02	2.9%
Administrative Budgets	5.20	1.5%
Total Funding Decisions Net of Cancellations (B)	347.58	100.0%
Total Potential Resources Net of Funding Decisions (A) - (B)	51.23	
Financial Reserve	40.00	
Total Potential Resources Net of Funding Decisions and Financial Reserve	11.23	

<u>Funds Available</u>		
Funds Held in Trust with no restrictions	1.56	
Approved Amounts Pending Cash Transfers	0.33	
Total Funds Available to Support HRF Steering Committee Decisions	1.23	

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



2. Contributions

In USD millions

Donor	Effective Contribution Agreed			Receipts	
	Contribution Currency	Contribution Amount a/	USD eq.	Received Amount b/	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
Norway	NOK	274.00	44.27	274.00	44.27
Nigeria	USD	5.00	5.00	5.00	5.00
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	30.00	30.00	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	125.00	125.00	125.00	125.00
Total USD equivalent			396.05		386.05

a/ per countersigned Administration Agreements or arrangements in currencies
b/ in currencies of contribution
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 June 30, 2015, the Trustee had entered into Administration Agreements/Administration Arrangements with 19 donors for a total of USD eq. 396.05 million and received USD 386.05 million in cash to date from these donors. Receipts of USD 10 million are pending from Spain.



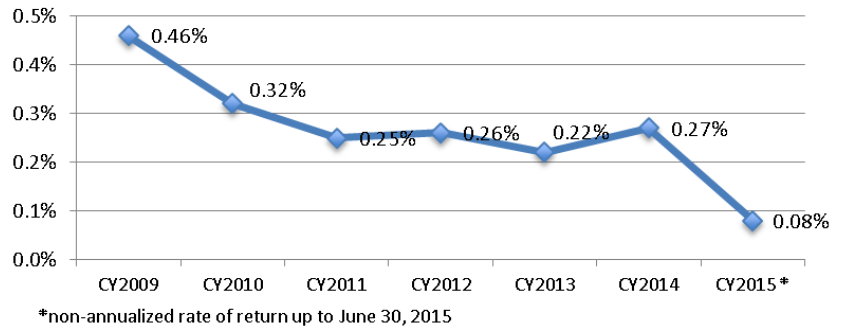
3. Asset Mix and Investment Income

ASSET MIX

Cash assets 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. The assets in the Pool are managed in accordance with the investment strategy established for all trust funds administered by the World Bank. The Pool is actively managed so that the probability of incurring negative returns is no more than 1% over the applicable investment horizon.

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 41.56 million at June 30, 2015) earned USD 2.75 million in investment income since inception including the investment income of USD 0.88 million received from UNDP and IDB.





4. Cumulative Funding Decisions

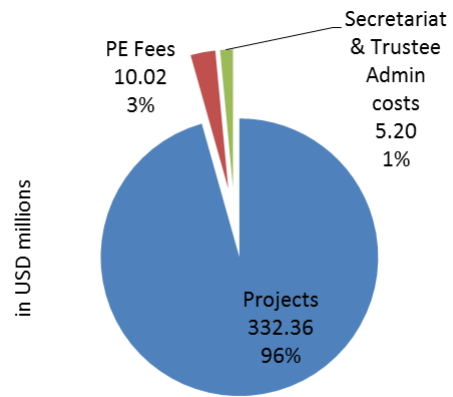
In USD millions

SNAPSHOT OF FUNDING DECISIONS:

The cumulative funding decisions made by the HRF Steering Committee up to June 30, 2015 amount to USD 347.58 million (see Annex I).

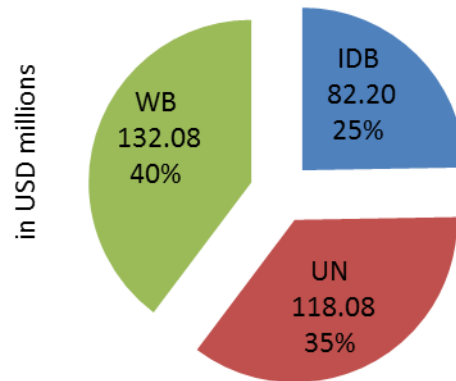
FUNDING DECISIONS BY ACTIVITY

Since inception to June 30, 2015 funding approvals made by the HRF Steering Committee totaled USD 347.58 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 332.36 million of approved projects to date, 40 % has been committed to the World Bank as Partner Entity, 35 % to the UN, and 25 % to the IDB.





5. Funds Available

In USD millions

Haiti Reconstruction Fund Table 3: Schedule of Funds Available Updated as of June 30, 2015 (in USD millions)				
	As of June 30, 2015 (a)		As of March 31, 2015 (a)	Changes since last report (c) = (a) - (b)
1. Cumulative Receipts	388.80		387.90	0.91
a. Cash receipts from Donors	386.05		386.05	-
b. Investment Income earned on undisbursed balances of HRF Funds	2.75	b/	1.85	0.91
2. Cumulative Cash Transfer	347.25		347.24	0.01
a. Projects	332.36		332.36	-
b. Partner Entity Fees	10.02		10.02	-
c. Administrative Budget	4.87		4.86	0.01
3. Funds held in Trust (3 = 1 - 2)	41.56		40.66	0.89
4. Financial Reserve a/	40.00		40.00	-
5. Funds held in Trust with no Restrictions (5 = 3 - 4)	1.56		0.66	0.89
6. Funding Decisions pending Cash Transfer	0.33		0.00	0.33
a. Projects	-		-	-
b. Partner Entity Fees	-		-	-
c. Administrative Budget	0.33		-	0.33
7. Funds available to support HRF Steering Committee Funding Decisions (7 = 5 - 6)	1.23		0.66	0.56

a/ Reflects the HRF Steering Committee's decision to reserve resources for future funding decisions.
b/ Includes USD 0.88 million investment income received from UNDP and IDB
NB: sub-totals may not add up accurately due to rounding errors

Highlights for the period March 31, 2015 through June 30, 2015:

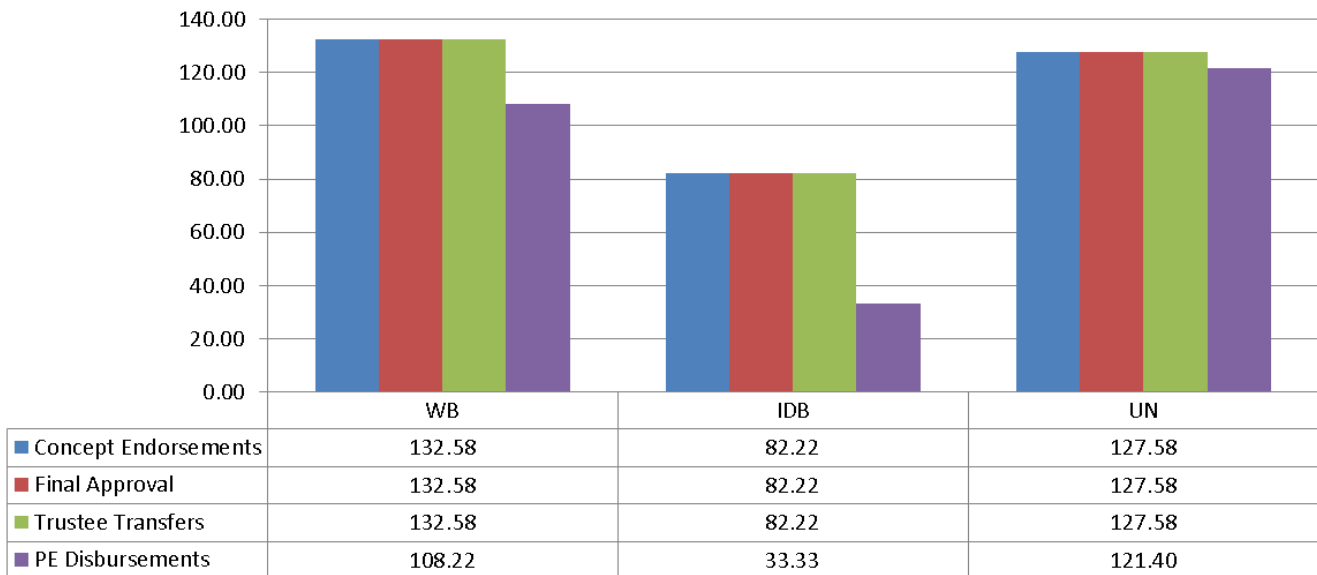
- **Funds Held in Trust** represents cumulative receipts less cumulative cash transfers, and amounted to USD 41.56 million as of June 30, 2015. Funds Held in Trust increased by 0.89 million.
- **Financial Reserve** is USD 40 million reflecting the HRF Steering Committee's decisions to reserve resources for future funding decisions.
- **Funding Availability** is USD 1.23 million as of June 30, 2015.



6. Partner Entity Disbursements⁶

PARTNER ENTITY DISBURSEMENT SUMMARY FOR PROJECTS AND ASSOCIATED FEES

As of June 30, 2015, the HRF Steering Committee has endorsed Concept Notes for 25 projects and approved final project proposals for all these projects. The Trustee has transferred funds totaling USD 342.38 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 262.95 million. As of June 30, 2015, the UN has been allocated USD 127.58 million, of which USD 121.40 million has been disbursed; the IDB has been allocated USD 82.22 million, of which USD 33.33 million has been disbursed; and the World Bank has been allocated USD 132.58 million, of which USD 108.22 million has been disbursed.



(in USD millions)

⁶ This section is based on the information provided by the Partner Entities as of June 30, 2015. The WB disbursements for Q2 of 2015 has been added based on SAP data.



Annex I - Cumulative Funding Decisions Details

In USD million

Activity			
Projects	Title	Partner Entity	
	Haiti Emergency Development Policy Operation	WB	25.00
	Program to Establish a Partial Credit Guarantee Fund	IDB	12.50
	Debris Management Project	UN	15.68
	Haiti Southwest Sustainable Development Program	UN	7.40
	Disaster Risk Reduction in the South Department	UN	7.40
	Enviornmental 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
	Reconstruction of the Education Sector	IDB	10.00
	Capacity Building for Disaster Risk Management	UN	1.89
	Demolition and Debris Removal with Heavy Equipment	UN	23.13
	Port-au-Prince Neighborhood Housing Reconstruction Project	WB	65.00
	Housing and Neighborhood Reconstruction Support Program	UN	22.83
	Earthquake Prevention Plan for the North of Haiti	UN	9.22
	Capacity Building Program to the IHRC	UN	0.93
	16 Neighborhoods, 6 Camps	UN	27.76
	Development of Milk Production and Processing in Haiti	UN	1.85
	TVET Education Project	IDB	5.00
	School Feeding Program b/	WB	14.75
	Budget Support Operation - Economic Reconstruction and Growth Development Policy Grant (Cofinancing)	WB	10.00
	Péligre-Port-au-Prince Transmission Line project c/	IDB	16.00
	Support to the Implementation of the Education Plan and Reform in Haiti	IDB	3.70
	Budget Support Operation - Education, and Water and Sanitation sectors	WB	17.33
	Budget Support Operation - Water and Sanitation	IDB	14.00
	Budget Support Operation - Transport	IDB	7.00
		Sub-total	332.36
Fees	Debris Management Project	UN	1.27
	Haiti Southwest Sustainable Development Program	UN	0.60
	Disaster Risk Reduction in the South Department	UN	0.60
	Capacity Building for Disaster Risk Management	UN	0.11
	Demolition and Debris Removal with Heavy Equipment	UN	1.87
	Housing and Neighborhood Reconstruction Support Program	UN	1.84
	Earthquake Prevention Plan for the North of Haiti	UN	0.74
	Capacity Building Program to the IHRC	UN	0.07
	16 Neighborhoods, 6 Camps	UN	2.24
	Fee-School Feeding Program b/	WB	0.25
	Budget Support Operation - Education, and Water and Sanitation sectors -Fee	WB	0.25
	Development of Milk Production and Processing in Haiti	UN	0.15
	Audit fee	IDB	0.02
		Sub-total	10.02
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
	FY15 Secretariat		0.26
		Sub-total	5.20
		Total	347.58

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 Disbursement Details

In USD millions

