



Haiti Reconstruction Fund

Financial Report

Prepared by the Trustee

As of September 30, 2016



Table of Contents

Table of Contents

Introduction	3
HRF Trust Fund Financial Summary as of September 30, 2016	4
1. HRF Trust Fund Summary – Inception through September 30, 2016.....	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.....	12



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, 2016.

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



HRF Trust Fund Financial Summary as of September 30, 2016

Pledges and Contributions:

As of September 30, 2016, 19 donors had pledged and signed Administration Agreements or arrangements amounting to USD eq. 411.40 million. The Trustee has received USD 411.40 million in cash to date from these donors.

Investment Income:

As of September 30, 2016, the HRF Trust Fund had earned investment income of approximately USD 3.19 million on the undisbursed balances in the Trust Fund. The HRF Trust Fund liquid portfolio returned 0.43%² in 2016. 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 1.00 million.

Funding Approvals:

The cumulative funding decisions made by the HRF Steering Committee through September 30, 2016 totaled USD 383.02 million. Of the total amount approved, USD 366.32 million represents project³ approvals, and USD 16.70 million is for the partner entity fees and admin budget. Of the project approval amount, USD 366.32 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 20 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 383.02 million up to September 30, 2016, including USD 366.32 million for projects and USD 11.42 million for 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 September 30, 2016 amounted to USD 21.57 million, of which USD 20 million has been set aside in a financial reserve for future project approvals.

Partner Entity Disbursements⁵:

As of September 30, 2016, the UN has been allocated USD 147.58 million, of which USD 124.49 million has been disbursed; the IDB has been allocated USD 97.58 million, of which USD 39.63 million has been disbursed; and the World Bank has been allocated USD 132.58 million, of which USD 131.16 million has been disbursed.

Funds available to support new HRF Steering Committee funding decisions amounted to USD 1.57 million as of September 30, 2016.

² Non-annualized rate of return up to September 30, 2016.

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 September 30, 2016. The World Bank disbursements from July 1, 2016 to September 30, 2016 are updated based on the data available in the SAP system.



1. HRF Trust Fund Summary – Inception through September 30, 2016

In USD millions

	Total	% of Total
Donor Pledges and Contributions		
Contributions	411.40	100.0%
Pledges	-	0.0%
Total Pledges and Contributions	411.40	100.0%

Cumulative Resources		
<u>Resources received</u>		
Cash Receipts	401.40	96.8%
Investment Income earned	3.19	0.8%
Total Resources Received	404.59	97.6%
<u>Resources not yet received</u>		
Contributions not yet paid	10.00	2.4%
Total resources not yet received	10.00	2.4%
Total Potential Resources (A) (in USD millions)	414.59	100.0%

Cumulative Funding Decisions		
Projects	366.32	95.6%
Fees	11.42	3.0%
Administrative Budgets	5.28	1.4%
Total Funding Decisions Net of Cancellations (B)	383.02	100.0%
Total Potential Resources Net of Funding Decisions (A) - (B)	31.57	
Financial Reserve	20.00	
Total Potential Resources Net of Funding Decisions and Financial Reserve	11.57	

Funds Available		
Funds Held in Trust with no restrictions	1.57	
Approved Amounts Pending Cash Transfers	-	
Total Funds Available to Support HRF Steering Committee Decisions	1.57	

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



2. Contributions

In USD millions

Donor	Effective Contribution			Receipts	
	Contribution Currency	Agreed		Received	
		Contribution Amount a/	USD eq.	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	140.35	140.35	140.35	140.35
Total USD equivalent			411.40		401.40

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 September 30, 2016, the Trustee had entered into Administration Agreements/Administration Arrangements with 19 donors for a total of USD eq. 411.40 million and received USD 401.4 million in cash to date from these donors. Receipts of USD 10 million are pending from Spain.



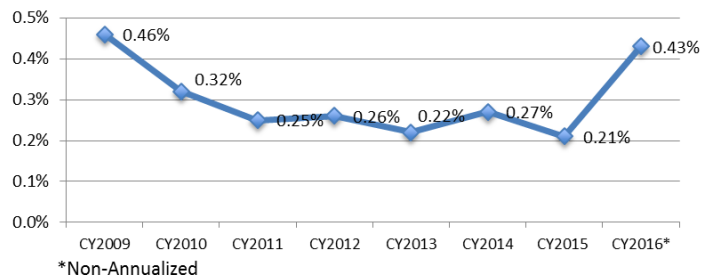
3. Asset Mix and Investment Income

ASSET MIX

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 21.57 million at September 30, 2016) earned USD 3.19 million in investment income since inception. In addition, the investment income of USD 1.00 million received from the partner entities UNDP and IDB.





4. Cumulative Funding Decisions

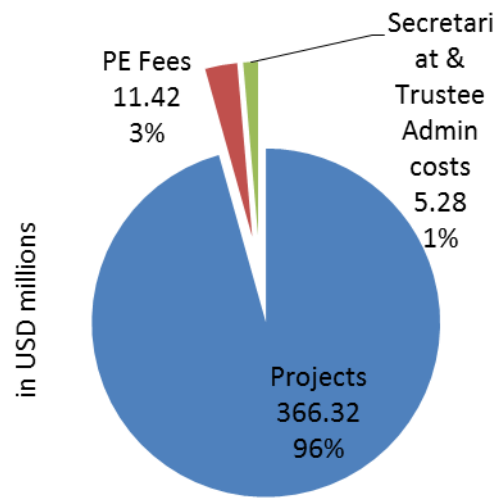
In USD millions

SNAPSHOT OF FUNDING DECISIONS:

The cumulative funding decisions made by the HRF Steering Committee up to September 30, 2016 amount to USD 383.02 million (see Annex I).

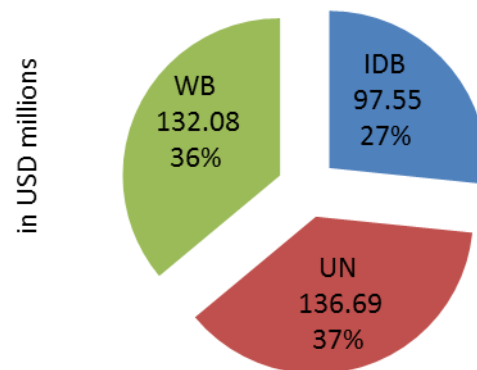
FUNDING DECISIONS BY ACTIVITY

Since inception to September 30, 2016 funding approvals made by the HRF Steering Committee totaled USD 383.02 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 366.32 million of approved projects to date, 36.1 % has been committed to the World Bank as Partner Entity, 37.3 % to the UN, and 26.6 % to the IDB.





5. Funds Available

In USD millions

Haiti Reconstruction Fund Table 2: Schedule of Funds Available Updated as of September 30, 2016 (in USD millions)				
	As of September 30, 2016 (a)		As of June 30, 2016 (a)	Changes since last report (c) = (a) - (b)
1. Cumulative Receipts	404.59		404.40	0.19
a. Cash receipts from Donors	401.40		401.40	-
b. Investment Income earned on undisbursed balances of HRF Funds	3.19	b/	3.00	0.19
2. Cumulative Cash Transfer	383.02		365.93	17.09
a. Projects	366.32		350.55	15.77
b. Partner Entity Fees	11.42		10.17	1.25
c. Administrative Budget	5.28		5.21	0.07
3. Funds held in Trust (3 = 1 - 2)	21.57		38.47	(16.90)
4. Financial Reserve a/	20.00		37.00	(17.00)
5. Funds held in Trust with no Restrictions (5 = 3 - 4)	1.57		1.47	0.10
6. Funding Decisions pending Cash Transfer	0.00		0.00	0.00
a. Projects	-		-	-
b. Partner Entity Fees	-		-	-
c. Administrative Budget	-		-	-
7. Funds available to support HRF Steering Committee Funding Decisions (7 = 5 - 6)	1.57		1.47	0.10

a/ Reflects the HRF Steering Committee's decision to reserve resources for future funding decisions.
b/ Includes USD 1 million investment income received from UNDP and IDB
c/ 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 July 1, 2016 through September 30, 2016:

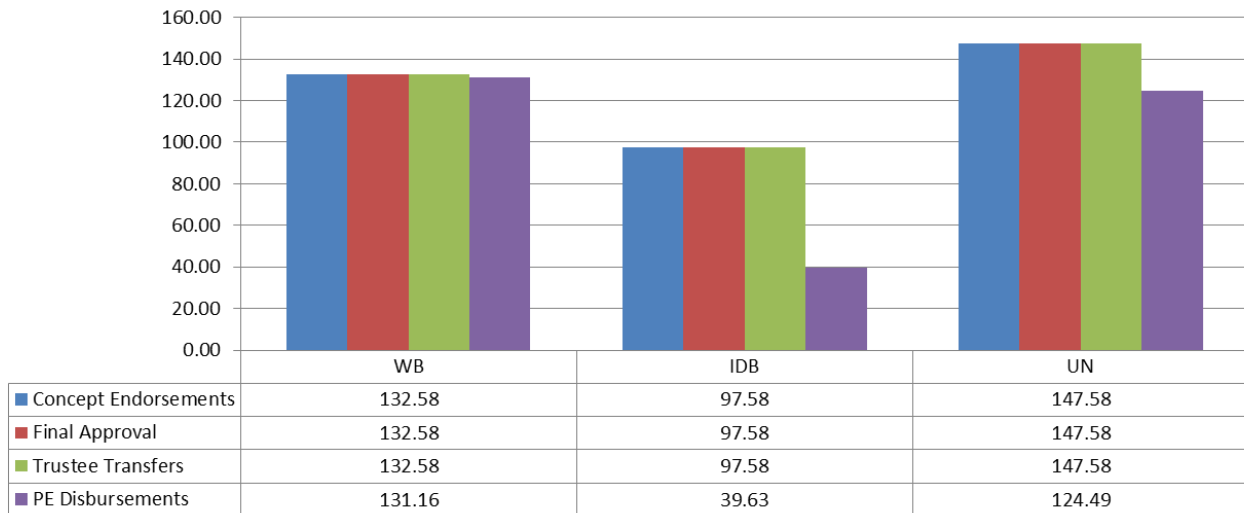
- **Funds Held in Trust** represents cumulative receipts less cumulative cash transfers, and amounted to USD 21.57 million as of September 30, 2016. Funds Held in Trust decreased by USD 16.90 million due to the increase in cash transfers by USD 17.09 million, offset by USD 0.19 million in investment income.
- **Financial Reserve** is USD 20 million reflecting the HRF Steering Committee's decision to reserve resources for future funding decisions.
- **Funding Availability** is USD 1.57 million as of September 30, 2016.



6. Partner Entity Disbursements⁶

PARTNER ENTITY DISBURSEMENT SUMMARY FOR PROJECTS AND ASSOCIATED FEES

As of September 30, 2016, the HRF Steering Committee has endorsed Concept Notes for 30 projects and approved final project proposals for all these projects. The Trustee has transferred funds totaling USD 377.74 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 295.28 million. As of September 30, 2016, the UN has been allocated USD 147.58 million, of which USD 124.49 million has been disbursed; the IDB has been allocated USD 97.58 million, of which USD 39.63 million has been disbursed; and the World Bank has been allocated USD 132.58 million, of which USD 131.16 million has been disbursed.



(in USD millions)

⁶ This section is based on the information provided by the Partner Entities as of September 30, 2016. The WB disbursements from July 1, 2016 to September 30, 2016 are added based on the data available in the SAP system.



Annex I - Cumulative Funding Decisions Details

In USD million

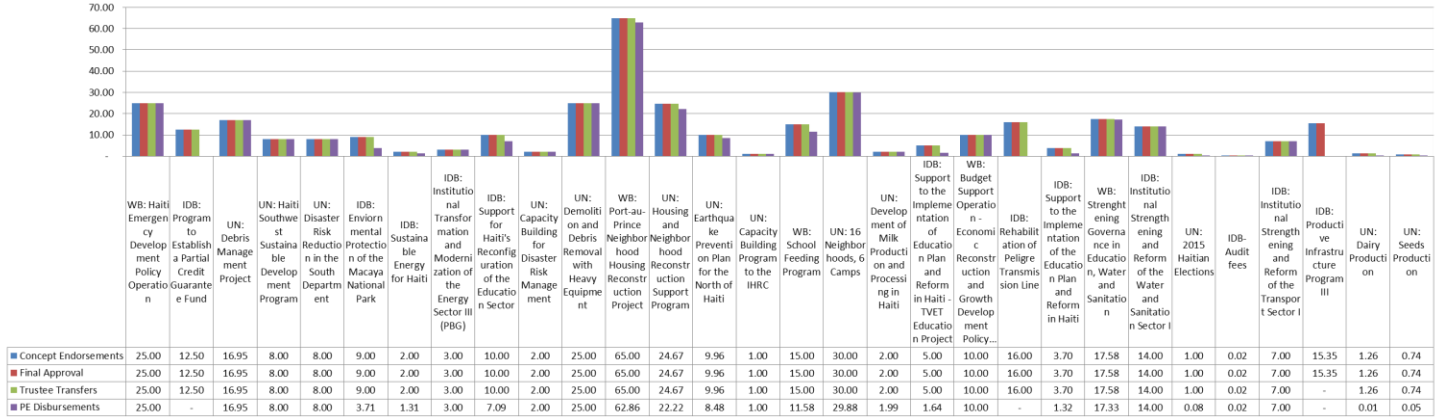
Haiti Reconstruction Fund Table 3: Cumulative Funding Decisions Updated as of September 30, 2016 (in millions)			
Activity	Title	Partner Entity	
Projects	Haiti Emergency Development Policy Operation - Budget Support	WB	25.00
	Debris Management Project	UN	15.68
	Program to Establish a Partial Credit Guarantee Fund	IDB	12.50
	Disaster Risk Reduction in the South Department	UN	7.40
	Port-au-Prince Neighborhood Housing Reconstruction Project	WB	65.00
	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 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
		Sub-total	
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	0.25
	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	
	Sub-total		11.42
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
	Sub-total		5.28
	Total		383.02

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 Disbursement Details ⁷

In USD millions



⁷ This section is based on the information provided by the Partner Entities as of September 30, 2016.