



Haiti Reconstruction Fund

Financial Report

Prepared by the Trustee

As of December 31, 2014



Table of Contents

Table of Contents

| | |
|---|----|
| Introduction | 3 |
| HRF Trust Fund Financial Summary as of December 31, 2014 | 4 |
| 1. HRF Trust Fund Summary – Inception through December 31, 2014 | 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 December 31, 2014.

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



HRF Trust Fund Financial Summary as of December 31, 2014

Pledges and Contributions:

As of December 31, 2014, 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 December 31, 2014, the HRF Trust Fund had earned investment income of approximately USD 1.83 million on the undisbursed balances in the Trust Fund. The HRF Trust Fund liquid portfolio returned 0.27%² in 2014. 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 December 31, 2014 totaled USD 347.50 million. Of the total amount approved, USD 332.36 million represents project³ approvals, and USD 15.14 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 347.31 million up to December 31, 2014, 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 December 31, 2014 amounted to USD 40.57 million.

Partner Entity Disbursements⁵:

As of December 31, 2014, the UN has been allocated USD 127.58 million, of which USD 118.66 million has been disbursed; the IDB has been allocated USD 82.22 million, of which USD 32.36 million has been disbursed; and the World Bank has been allocated USD 132.58 million, of which USD 101.34 million has been disbursed.

Funds available to support new HRF Steering Committee funding decisions amounted to USD 0.38 million as of December 31, 2014.

² Annualized rate of return up to December 31, 2014

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 December 31, 2014.



1. HRF Trust Fund Summary – Inception through December 31, 2014

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 | 97.0% |
| Investment Income earned | 1.83 | 0.5% |
| Total Resources Received | 387.88 | 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) | 397.88 | 100.0% |
| <u>Cumulative Funding Decisions</u> | | |
| Projects | 332.36 | 95.6% |
| Fees | 10.02 | 2.9% |
| Administrative Budgets | 5.13 | 1.5% |
| Total Funding Decisions Net of Cancellations (B) | 347.50 | 100.0% |
| Total Potential Resources Net of Funding Decisions (A) - (B) | 50.38 | |
| Financial Reserve | 40.00 | |
| Total Potential Resources Net of Funding Decisions and Financial Reserve | 10.38 | |
| <u>Funds Available</u> | | |
| Funds Held in Trust with no restrictions | 0.57 | |
| Approved Amounts Pending Cash Transfers | 0.19 | |
| Total Funds Available to Support HRF Steering Committee Decisions | 0.38 | |

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 | |
| | | 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 | 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 December 31, 2014, 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.



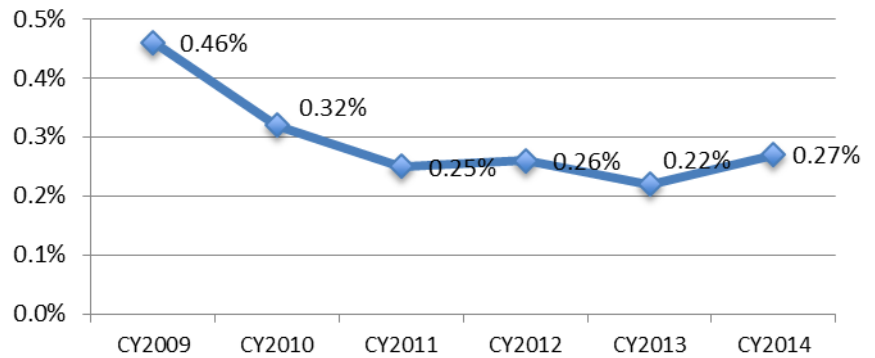
3. Asset Mix and Investment Income

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 40.57 million at December 31, 2014) earned USD 1.83 million in investment income since inception.





4. Cumulative Funding Decisions

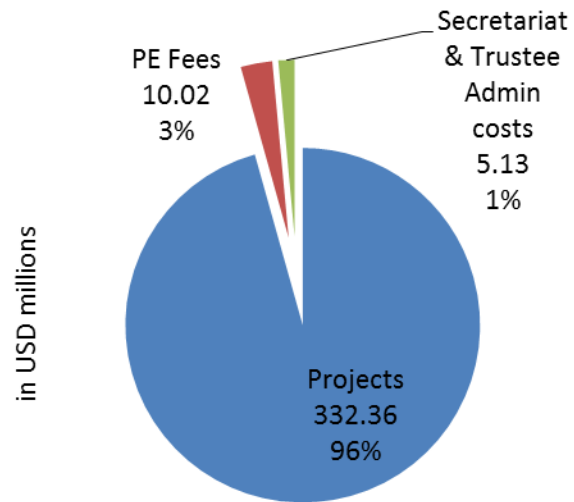
In USD millions

SNAPSHOT OF FUNDING DECISIONS:

The cumulative funding decisions made by the HRF Steering Committee up to December 31, 2014 amount to USD 347.5 million (see Annex I).

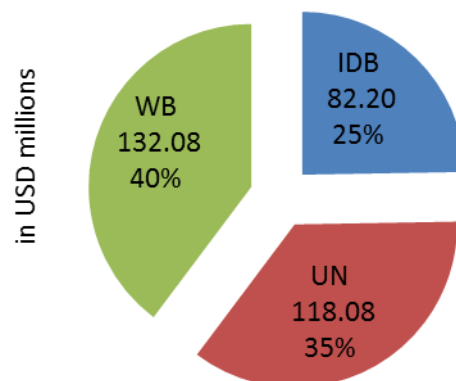
FUNDING DECISIONS BY ACTIVITY

Since inception to December 31, 2014 funding approvals made by the HRF Steering Committee totaled USD 347.5 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 December 31, 2014 | | | |
| (in USD millions) | | | |
| | As of December 31, 2014 | As of September 30, 2014 | Changes since last report |
| | (a) | (a) | (c) = (a) - (b) |
| 1. Cumulative Receipts | 387.88 | 387.74 | 0.14 |
| a. Cash receipts from Donors | 386.05 | 386.05 | - |
| b. Investment Income earned on undisbursed balances of HRF Funds | 1.83 | 1.69 | 0.14 |
| 2. Cumulative Cash Transfer | 347.31 | 330.90 | 16.41 |
| a. Projects | 332.36 | 316.86 | 15.50 |
| b. Partner Entity Fees | 10.02 | 9.52 | 0.50 |
| c. Administrative Budget | 4.94 | 4.52 | 0.41 |
| 3. Funds held in Trust (3 = 1 - 2) | 40.57 | 56.84 | (16.28) |
| 4. Financial Reserve a/ | 40.00 | 40.00 | - |
| 5. Funds held in Trust with no Restrictions (5 = 3 - 4) | 0.57 | 16.84 | (16.28) |
| 6. Funding Decisions pending Cash Transfer | 0.19 | 16.24 | -16.05 |
| a. Projects | - | 4.52 | (4.52) |
| b. Partner Entity Fees | - | 4.52 | (4.52) |
| c. Administrative Budget | 0.19 | 4.52 | (4.33) |
| 7. Funds available to support HRF Steering Committee Funding Decisions (7 = 5 - 6) | 0.38 | 0.60 | (0.22) |

a/ Reflects the HRF Steering Committee's decision to reserve resources for future funding decisions.

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

Highlights for the period October 1, 2014 through December 31, 2014:

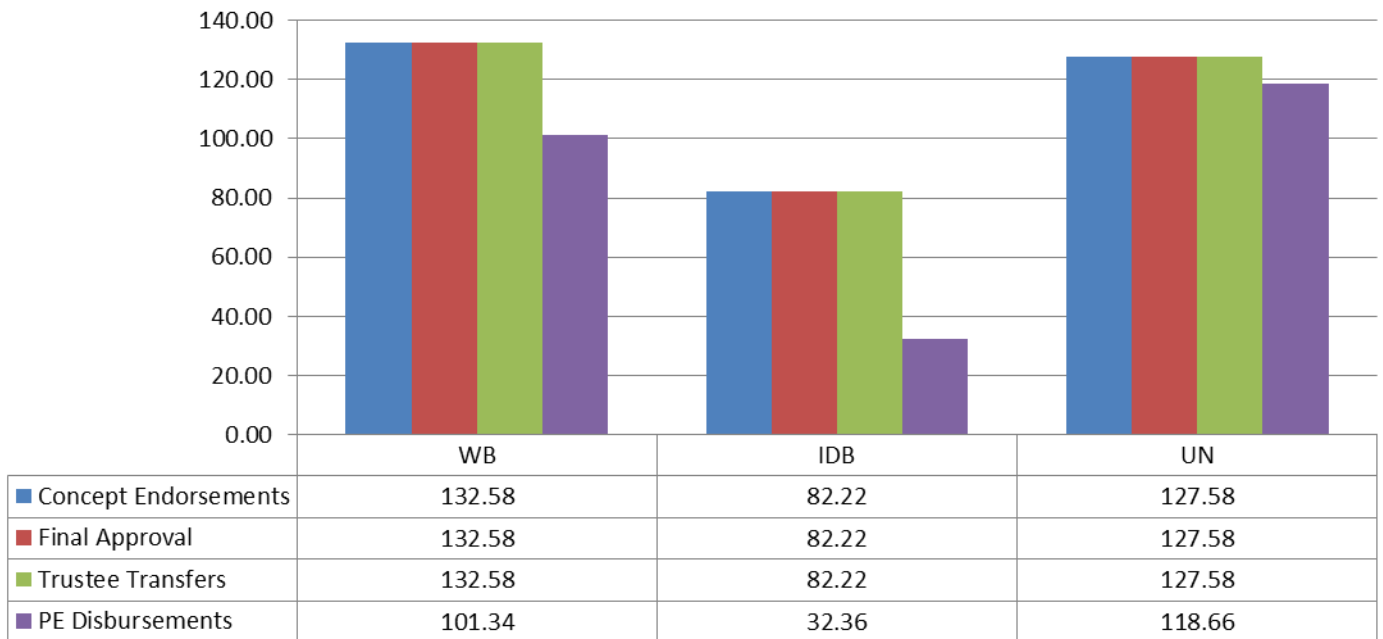
- **Funds Held in Trust** represents cumulative receipts less cumulative cash transfers, and amounted to USD 40.57 million as of December 31, 2014. Funds Held in Trust decreased by USD 16.28 million due to cash transfers during the period of October 1, 2014 to December 31, 2014.
- **Financial Reserve** is USD 40 million reflecting the HRF Steering Committee's decisions to reserve resources for future funding decisions.
- **Funding Decisions Pending Cash Transfer** arising from the HRF Steering Committee approvals amounted to USD 0.19 million for second half of FY15 administrative budget for Secretariat and Trustee.
- **Funding Availability** remains less than USD 1 million as of December 31, 2014.



6. Partner Entity Disbursements⁶

PARTNER ENTITY DISBURSEMENT SUMMARY

As of December 31, 2014, 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 252.37 million. As of December 31, 2014, the UN has been allocated USD 127.58 million, of which USD 118.66 million has been disbursed; the IDB has been allocated USD 82.22 million, of which USD 32.36 million has been disbursed; and the World Bank has been allocated USD 132.58 million, of which USD 101.34 million has been disbursed.



(in USD millions)

⁶ This section is based on the information provided by the Partner Entities as of December 31, 2014.



Annex I - Cumulative Funding Decisions Details

In USD million

| Table 2: Cumulative Funding Decisions | | |
|--|--|-------------------------|
| Updated as of December 31, 2014 (in millions) | | |
| Activity | | |
| Projects | <i>Title</i> | <i>Partner Entity</i> |
| | 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 |
| | Mid-Term Evaluation | 0.27 |
| | Evaluation study of the HRF first phase - UNIVERSALIA | 0.17 |
| | FY15 Secretariat | 0.35 |
| | FY15 Trustee | 0.08 |
| | | Sub-total 5.13 |
| | | Total 347.50 |

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

