

KEY STATISTICS

Contents

- I. Facts and figures on the delivery of international assistance to Haiti and other fragile settings.
 1. Aid to Haiti after the January 12, 2010 earthquake
 - a. Summary of aid to Haiti from 2010-2012
 - b. Who were the recipients of the \$6.43 billion disbursed by multilaterals and bilaterals from 2010-2012?
 - c. Local procurement and cash transfers in Haiti from 2010-2012
 2. Aid to other states in fragile settings
 3. Key data on the benefits of investing in the public and private sector in the delivery of aid to fragile settings
 - a. The benefits of using country systems, from 22 case studies on budget support
 - b. Examples of the benefits of local procurement
 - c. Examples of the benefits of cash transfers
 - d. Examples from emergency contexts
 4. Key facts on the challenges of investing in national and local institutions
 5. Key facts about donors' commitments relating to the delivery of aid, as part of the aid effectiveness agenda
 - a. The Paris Declaration on Aid Effectiveness (2005) and the Accra Agenda for Action (2008)
 - b. Busan Partnership for Effective Development
 - c. New Deal for Engagement in Fragile States (2011)
- II. Facts and figures about the 2010 earthquake in Haiti.

Facts and figures on the delivery of international assistance to Haiti and other fragile settings.

From 2009 to 2012, the United Nations Office of the Special Envoy for Haiti conducted research on the delivery of international assistance to Haiti and other countries in fragile settings. Key data from this research is below.

1. Aid to Haiti after the January 12, 2010 earthquake¹

a. Summary of aid to Haiti from 2010-2012²

According to data collected by the Office of the Special Envoy for Haiti, multilaterals and bilaterals have allocated \$13.34 billion to relief and recovery efforts in Haiti for 2010-2020. Of this \$13.34 billion, an estimated 48.2 percent (\$6.43 billion) has been disbursed.³

An additional \$3.06 billion (estimated) was contributed to UN agencies and NGOs by private donors (foundations, companies, individuals).⁴

The total funding disbursed by the bilaterals and multilaterals (\$6.43 billion) and resources contributed to the NGO community (\$3.06 billion) is \$9.49 billion.⁵ This \$9.49 billion in aid was three times the revenue of the Government of Haiti (\$3.17 billion) between 2010 and 2012.⁶

b. Who were the recipients of the \$6.43 billion disbursed by multilaterals and bilaterals from 2010-2012?

According to data collected by the Office of the Special Envoy for Haiti, of the total \$6.43 billion disbursed from 2010-2012:⁷

- 9.1 percent (\$582.3 million) was channeled to the Government of Haiti (GOH) through its national systems for public financial management (PFM) and procurement; and
- 0.6 percent (\$37.10 million) was received by Haitian non-governmental organizations (NGOs) and companies.

Of the \$2.41 billion in humanitarian aid (only) disbursed by bilaterals and multilaterals from 2010-2012, 0.9 percent (\$22.5 million) was channeled to the GOH using its PFM and procurement systems.⁸

Of the \$4.01 billion in recovery funding (only) disbursed by multilaterals and bilaterals from 2010-2012:⁹

- 7.5 percent (\$302.7 million) has reached the GOH as budget support. This includes:
 - \$277.7 million disbursed directly by donors to the GOH as budget support; and
 - \$25 million out of the \$107.5 million in planned budget support disbursed by donors to the Haiti Reconstruction Fund (HRF).
 - 90.4 percent was channeled in grants. This includes:
 - 83.4 percent (\$3.35 billion) in direct grants from donors; and
 - 7.02 percent (\$281.8 million) in grant funding for the Inter-American Development Bank (IDB), the UN and the World Bank through the HRF.

UN appeals only (2010-2012): \$2.04 billion was requested and \$1.38 billion received through three UN humanitarian appeals for Haiti from 2010-2012. Of these amounts, Haitian NGOs requested 1.3 percent (\$27.3 million out of \$2.04 billion) and received 0.1 percent of the total amount received (\$1.7 million out of \$1.38 billion).¹⁰

c. Local procurement and cash transfers in Haiti from 2010-2012

According to analyses conducted by the Office of the Special Envoy for Haiti, in Haiti:

- One of the top bilateral donors awarded only 1.4 percent of its contracts to local companies;¹¹ and
- Only 2.4 percent of humanitarian funding from bilateral and multilateral donors in 2010 was recorded as relating to cash transfer programmes.¹²

2. Aid to other states in fragile settings

The Office of the Special Envoy for Haiti also conducted research on the delivery of aid to other fragile settings. Key data include:

Use of country systems: In 27 countries in fragile settings (including Haiti), an estimated 80 percent of all aid from bilateral and multilateral donors in 2010 bypassed national systems. In some of these countries, less than 3 percent of total aid was channeled through country systems.¹³

Funding to local service providers: Of the \$4.27 billion received through UN humanitarian global appeals in 2012, only 0.6 percent (\$24.4 million) was channeled directly to local organizations.¹⁴

Local procurement: In 2009, of the \$8.64 billion awarded in open (untied) contracts by 14 bilateral donors in key countries, only four percent went to local companies.¹⁵

Cash transfers: In 2010 aid channeled as cash transfers was reported to be less than 0.78 percent of total aid.¹⁶

3. Key data on the benefits of investing in the public and private sector in the delivery of aid to fragile settings

a. The benefits of using country systems, from 22 case studies on budget support¹⁷

- In 82 percent of cases, governments that received budget support increased spending on basic services, especially in health and education. For example, according to a 2008 study by the UK's National Audit Office, in Ethiopia spending in priority, pro-poor areas doubled from 2004-2006;¹⁸
- In 100 percent of cases, governments' increased the quantity of services where this was a priority in their national development plans. For example, according to a 2011 joint evaluation of budget support to Mali, spending on basic education in Mali increased by 28 percent (as of 2009) following the introduction of sector budget support in 2002. At the same time, between 2003 and 2009, school enrolment increased by 49 percent (1.3 million to 1.9 million);¹⁹ and
- In the majority of cases, in particular when combined with targeted capacity development, using national systems for monitoring expenditure strengthens them. For example, according to a 2010 evaluation of sector budget support,²⁰ in Uganda, alongside the provision of budget support, donors supported a professional training program in local governments. From 1998 to 2007, the number of professionally qualified accountants rose from 0 to 41, and the number of accounting technicians rose from 3 to 391.

b. Examples of the benefits of local procurement

Importing food aid costs 50 percent more than local food purchases and 33 percent more than food procured in third countries, according to a 2006 study by the OECD.²¹

Local procurement can also create jobs, as demonstrated by the U.S. military's project, Afghan First. According to Building Markets (formerly Peace Dividend Trust):²²

- Over \$1 billion was injected into the local economy, creating or sustaining 118,000 jobs across Afghanistan; and
- The 146 Afghan businesses awarded international contracts expanded their employee base on average by 323 percent, with one month of employment being created for every \$600 spent by donors.

c. Examples of the benefits of cash transfers

In South Africa, a cash transfer programme reduced the poverty gap by 47 percent and approximately doubled the share of national income for the poorest 20 percent.²³

In Malawi, a study of a cash transfer programme showed that for every \$1 made as a transfer, a regional multiplier of 2.02 to 2.45 was observed in the local economy, benefiting traders, suppliers, services and other non-recipients within the community and beyond.²⁴

d. Examples from emergency contexts

Findings from a recent report on Christian Aid's unconditional cash transfer programme in Haiti, launched several weeks after the earthquake in Haiti, reflect the continuing cash needs of the poor in affected areas, including during emergencies. Of the transfers received, households spent:²⁵

- 47.3 percent on basic needs, including food, water, rent or shelter;
- 21.0 percent on cooking fuel and household goods;
- 19.8 percent on basic services, including education and health;
- 6.7 percent on small enterprise; and
- 5.2 percent on debt repayment and savings.

4. Key facts on the challenges of investing in national and local institutions

According to a survey of donors conducted by the OECD, donors reported greatest concern about the potential fiduciary and political risks of engagement.²⁶

In 2010-11, the United Kingdom's Department for International Development (DFID) spent £7.56 billion in aid (including £643.7 million in budget support)²⁷ and reported losses due to fraud amounting to 0.016% of its overall expenditure.²⁸

According to AusAid, the potential loss from currently active cases is estimated to represent 0.017 percent of the \$20 billion appropriated to AusAID from July 2004 to December 2010.²⁹ AusAID disbursed an estimated \$3.25 billion in 2010, of which 7 percent (\$226.3 million) was disbursed as budget support.³⁰

The Afghanistan Reconstruction Trust Fund (ARTF), a pooled fund that provides a mechanism for transferring funds directly to public institutions in Afghanistan, is an example of the possibilities that exist for making greater use of country systems while also protecting donors' fiduciary responsibilities over aid funds:

- The ARTF was ranked at 92 percent for financial effectiveness and capacity building by the Overseas Development Institute.³¹

- Created in 2001 and currently extended until 2020, ARTF funds are primarily used to support the Government of Afghanistan's (GOA) budget, including its recurrent and operational costs (such as public salaries).³²
- As of August 2012, the ARTF has received over \$5.7 billion in funding from 33 donors and disbursed \$4.2 billion (73 percent). An additional \$3 billion is planned for 2012-2014.³³
- 59 percent of the funds disbursed by the ARTF to the GOA have been used to support the GOA's recurrent budget and 39 percent have been used to support its investment budget.³⁴
- The majority of funds disbursed by the ARTF use the GOA's PFM systems for disbursing and monitoring funds (with the oversight of an external monitoring agent).³⁵

5. Key facts about donors' commitments relating to the delivery of aid, as part of the aid effectiveness agenda

Date	Name of Agreement	Adherents
2003	Rome Declaration on Harmonization	68 countries, bilaterals and multilaterals
2005	Paris Declaration on Aid Effectiveness	166 countries, bilaterals and multilaterals
2008	Accra Agenda for Action	166 countries, bilaterals and multilaterals
2011	Busan Partnership for Effective Development	211 countries, bilaterals and multilaterals
2011	New Deal for Engagement in Fragile States	41 countries, bilaterals and multilaterals

a. The Paris Declaration on Aid Effectiveness (2005) and the Accra Agenda for Action (2008)³⁶

The five principles agreed to in the Paris Declaration were:

1. Ownership: *Recipient countries set their own strategies for poverty reduction, improve their institutions and tackle corruption.*
2. Alignment: *Donor countries align behind these objectives and use local systems.*
3. Harmonization: *Donors coordinate, simplify procedures and share information to avoid duplication.*
4. Results: *Donors and partners shift focus to development results, which get measured.*
5. Mutual accountability: *Donors and partners are accountable for development results.*

Donors committed to channel funding to governments through their public financial management and procurement systems and agreed to reduce the amount of funding bypassing these systems, as recipient countries improve the quality of these systems.

Donors deepened this commitment in the Accra Agenda for Action, agreeing to "use country systems as the first option for aid programs in support of activities managed by the public sector."

b. Busan Partnership for Effective Development³⁷

The Busan Global Partnership for Effective Development Cooperation broadens the list of signatories to include other bilateral donors (such as China and Brazil), private sector and civil society organizations.

Four shared principles include:

1. Ownership of development priorities by developing countries
2. Focus on results
3. Inclusive development partnerships
4. Transparency and accountability to each other

Thus “inclusive development partnerships” was included as a core principle (replacing the focus on “alignment” and “harmonization” from the Paris Declaration.)

The document also reaffirms the commitments made at Paris and Accra to “use country systems as the default approach.”

c. New Deal for Engagement in Fragile States (2011)³⁸

The New Deal for Fragile States introduces two new sets of principles referred to (via their acronyms) as: FOCUS and TRUST.

FOCUS is described as a new “country-owned way of engaging in fragile states”, through a country-led plan, as well as a compact between the country’s major institutions and donors on how aid is to be delivered.

TRUST is a set of commitments from donors and fragile states to implement their previous commitments in the Paris Declaration and Accra Agenda. This includes the commitments to strengthen and use country systems. TRUST stands for:

- Transparency
- Risk sharing
- Use and strengthen country systems
- Strengthen capacities
- Timely and predictable aid

Facts and figures about the 2010 earthquake in Haiti.

Almost 3.5 million people experienced strong-to-extreme shaking in the January 12 earthquake, including the entire population of Port-au-Prince (2.8 million people, equivalent to the City of Chicago).

The Haitian government estimates that 222,570 people have died and 300,572 have been injured.

1.5 million children and young people under 18 were directly or indirectly affected by the quake; approximately 720,000 of them were aged between six and 12.

The Haitian Ministry of Education estimates that 4,992 schools were affected by the earthquake – 23 percent of all schools in Haiti. Of these, 3,978—80 percent of the affected schools—were either damaged or destroyed and were therefore closed after the quake.

Sixty percent of the schools in the South and West departments were destroyed or damaged.

Total damages and losses caused by the January 12 earthquake were estimated at US \$7.8 billion (US \$4.3 billion in physical damage and US \$3.5 in economic losses). The damages and losses are equivalent to more than 120 percent of Haiti’s 2009 gross domestic product.

At the peak of displacement, around 2.3 million people, including 302,000 children, were out of their homes.

After the earthquake, 604,215 people left Port-au-Prince and the West Department. An estimated 160,000 persons moved from Port-au-Prince to the border area with the Dominican Republic.

The government estimated that 105,000 houses were completely destroyed and 188,383 houses collapsed or were badly damaged across all affected areas.

According to the Government of Haiti, 60 percent of government, administrative and economic infrastructure was destroyed, as well as parliament and judicial sector buildings, including the Palais de Justice and numerous courts.

UNFPA estimated that 750,000 women and girls of childbearing age were affected by the earthquake. Of these, approximately 63,000 were pregnant.

About 494,600 children under five and 197,840 pregnant and lactating women were affected by the earthquake.

An estimated 302,000 children were displaced to other departments, with an additional 720,000 affected children remaining in their home communities.

Forty percent of the population of Haiti is under 14 years of age; 50 percent of the population is under 18 years of age.

Haiti development statistics (pre-earthquake):

- 55 percent of Haitians live on less than \$1.25 per day.
- Per capita annual income is \$660.
- 58 percent of children are under-nourished.
- 58 percent of the population lacks access to clean water.
- Devastating hurricanes in 2008 affected 800,000 people.
- Deforestation has left the nation with less than two percent forest cover.