

Testimony
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Mr. Chairman, Ranking Member Engel, Members of the Committee:

Thank you for the opportunity to appear before you to discuss the U.S. government's engagement with Haiti, with a particular focus on our foreign assistance. I welcome the chance to provide a brief overview of where we are in those efforts, to describe next steps, and to answer your questions.

The ties that link the United States and Haiti are broad and deep. Many are personal and involve direct experience. There is probably no American town of any size in which you will not find individuals or groups, non-governmental organizations, churches, schools or medical teams, trying – through fund-raising, visits, sponsorships, training, on-site assistance – to help Haitians. Following the devastating January 2010 earthquake an estimated one out of two U.S. households made some contribution to relief efforts for Haiti. Congress likewise was quick to respond to that country's urgent and longer-term needs, appropriating \$1.3 billion in Supplemental funding in September 2010. The U.S. government's assistance efforts are a tangible reflection of the concern and commitment Americans feel towards Haiti.

In 2009, before the earthquake, this Administration conducted a whole-of-government review of U.S. engagement with Haiti. To help put the country on a more solid and sustainable foundation, we would take a new tack, focusing on economic development and growth and encouraging decentralization to better balance Port-au-Prince, home of roughly one fifth of the country's population, with the rest of Haiti. This approach would not be effective, however, if the United States tried to impose it from above. To attract essential investment, Haitians themselves would have to show engagement and commitment in building capacity, fighting corruption, and increasing stability. The sudden enormous destruction caused by the earthquake gave these tasks even greater urgency.

Where do things stand in helping Haitians build a better future? Clearly, there is still much to be done. To be frank, we all, Haitians and Americans both, hoped we

would be farther along by now. Nevertheless, there are often overlooked signs of progress in Haiti, reasons to consider the glass half full. And we are not finished.

It is worth bearing in mind the point from which Haiti started. Even before the earthquake, Haiti suffered from very limited capacity in its governmental and civic institutions. The country's brain drain, which has resulted in more than 80 percent of the small number of Haitians with a college education using their talents and energy outside the country, compounded this problem. A long history of corruption and weak rule of law also held Haiti back.

The January 2010 earthquake, which in its human and material losses was the most destructive natural disaster in Haiti's recorded history, traumatized a country that was already facing uphill struggles. Like the country's population as a whole, Haiti's already weak governing institutions were left shocked and reeling. As a result, decisions crucial to recovery were often deferred or delayed. Furthermore, 2010 was an election year in Haiti, with the outcome determining who would lead the country through the next stages of its rebuilding, and under what policies. The November 2010 presidential and parliamentary elections were extremely contentious, and conducted under flawed conditions that left some initial results suspect and disputed. The United States and others in the international community successfully pressed for a review of electoral irregularities to ensure that the election reflected the will of Haiti's voters. In a second round of voting in March 2011 Michel Martelly was elected the 44th President of Haiti, getting about two out of three votes cast.

President Martelly entered office in May 2011 having pledged to speed up progress on Haiti's rebuilding. He brought to that task energy, determination and a formidable ability to communicate with the Haitian public. Even so, every new administration experiences a learning curve, and President Martelly was new to governing. As Members of Congress know, establishing a working relationship between the legislative and executive branches can be challenging, even in a system with longer practice in this than Haiti. It took several months to name and win parliamentary approval of a prime minister and cabinet. That prime minister served for only four months, and approval of a successor prime minister and cabinet took additional time. The president and the parliament are, on the whole, interacting more smoothly now, but frictions remain as they continue to learn to grapple with Haiti's challenges. There are important decisions that need to be made and key steps to be taken to move Haiti's recovery forward, and this requires effective governance by Haitians themselves.

These political adjustments were not the only factor affecting Haiti's recovery. Haitians' resilience was repeatedly tested over the past three years as the country experienced an outbreak of cholera, suffered a significant drought, and was buffeted by hurricanes and tropical storms. Taken together, those calamities made a difficult working environment even more challenging.

Under the circumstances, Haiti has perhaps made about as much progress in its recovery as history might lead one to expect. There are steps that can be taken to improve this, and we discuss this candidly with the country's leaders. Working with Haiti's governmental and civic institutions to build capacity is critical to our assistance strategy. But there are no shortcuts to this process; progress is more often incremental, and there is no magic wand. We cannot move faster than the Haitians themselves do. We have learned that the only sustainable path to better conditions for the people of Haiti is one that reflects Haitian priorities and is Haitian led.

This is not to say that the reasons Haiti's rebuilding has not further progressed lie exclusively with the Haitians. Staffing challenges slowed U.S. efforts. The earthquake exacted a toll of trauma, exhaustion, injury and, sadly, even loss of life for some American and Haitian personnel, our most crucial resource in pursuing our goals. Getting in place the right mix of people with the right combination of skills to implement all parts of our assistance strategy took time. This affected our rate of procurement and contracting, which also took longer than originally planned. These factors, together with delays in Haitian decision-making regarding land and sites, mean that commitments on building hospitals, law enforcement facilities, housing and a new port are not as far along as we had hoped.

None of these projects would be possible without the support Congress has shown Haiti. The House and Senate are our invaluable partners in Haiti's recovery. Assistance money is a trust, and sustaining that support requires communication on the part of us in the Department of State. We strive to ensure that you have accurate, timely information, but also recognize that there can be room for improvement. We welcome and indeed encourage your visits to Haiti to see firsthand what U.S. assistance is accomplishing.

No one would deny that much remains to be done in Haiti. Nevertheless, there is also progress to report in Haiti particularly in the areas of rubble removal, relocating displaced persons, improving health indicators, raising crop yields and farmer incomes, establishing a new economic hub in Haiti's north, and improving security through a larger and better trained police force .

If you visited Haiti in the first eighteen months after the earthquake and were to return now, you would be struck by how much of the debris is gone. Close to three quarters of the estimated ten million cubic meters of rubble created by the natural disaster have been removed, and the United States funded the removal of approximately 36 percent of that total. You would also see a dramatic reduction in the size and number of camps for internally displaced persons – IDPs. From a peak of approximately 1.5 million people living in those camps in summer 2010, the number of internally displaced persons has reduced to fewer than 280,000. The Government of Haiti has a realistic target of reducing this to no more than 100,000 people by the end of this calendar year.

The United States has played an important role in this resettlement effort by providing transitional shelters, repairing damaged houses, and providing support to host families who housed displaced people, and rental vouchers. This assistance reached more than 65,600 households. We are also helping Haitians return to their areas of origin and re-establish pre-earthquake social and economic networks through a resettlement program that is focused on neighborhoods and that is built in close coordination among the community members, the Government of Haiti, donors, and implementing partners. While this approach often takes longer than simply constructing shelters, helping Haitians increase their ownership of the solutions to housing issues is a trade-off worth making.

The United States government focused its assistance first on the most pressing humanitarian needs following the natural disaster, but since then we have made headway against broader systemic challenges. One case in point is health care in Haiti, which is showing signs of improvement. Through a network of almost 300 U.S. government-funded sites, we currently provide approximately 50 percent of Haiti's population with access to health care. We have renovated 20 clinics around the country, in such places as Cap Haitien, Quartier Morin, Caracol, Ouanaminthe, St. Marc, Cabaret, and Martissant. We have supported a national measles, rubella, and polio immunization campaign that reached over 90 percent coverage. Our assistance has enabled 45,000 people living with HIV to obtain anti-retroviral treatment, including 90 percent of HIV+ pregnant women. USAID recently signed two new health contracts to further expand maternal and child health services and family planning.

In health care, as in other areas, we aim to help the Haitians strengthen their ownership of an effective, adaptable public health system and reduce their

dependence on donor support over time. In June 2012, the U.S. government and the Government of Haiti signed a five-year Health Partnership Framework that lays out steps to that goal. Together under this framework, we are building hospitals and clinics. In cooperation with the governments of Haiti and of France, we initiated the renovation and reconstruction of the University Hospital; the renovated emergency room opened in late 2012 and the renovated maternity ward in the spring of 2013. Just last year Haitian schools graduated 300 doctors and 1,000 nurses. We want to help the Government of Haiti keep these crucial skills in the country. To assist with this, we are paying the salaries of 6,000 healthcare staff.

The international community has not stinted in its support for Haiti; the various pledges of assistance total approximately \$14 billion, including debt forgiveness, over the 2010-2020 period. But the key to sustainable improvement in Haiti lies not in the generosity of donors, but rather in the creation of economic opportunity. This is an explicit priority in both the Government of Haiti's Action Plan and in the U.S. government's strategy for Haiti, one we are pursuing through a range of projects. The flagship effort is the Caracol Industrial Park, a public-private partnership between the Haitian and U.S. governments, the Inter-American Development Bank, and Sae-A, the Republic of Korea's leading garment manufacturer. Caracol has the potential to generate an estimated 65,000 direct jobs as the park reaches full capacity. After just a year in operation, Caracol is already employing some 1,500 people, and additional prospective tenants are awaiting the completion of the next factory buildings. Congress, through the Haitian Hemispheric Opportunity through Partnership Encouragement Act (HOPE), HOPE II, and Haiti Economic Lift Program Act of 2010 (HELP) legislation, has helped make Haiti a more attractive place to invest, with 8,000 new apparel sector jobs created since 2008.

Our investment in the industrial park is complemented by other U.S. initiatives aimed at making Caracol a catalyst for economic growth outside Port-au-Prince. We have funded a 10 Megawatt power station that since June 2012 has been serving Caracol and neighboring communities, some of which never had electricity before. To ensure reliable service, in May we awarded a three-year contract for the operation and maintenance of the power plant, which has the capacity to expand to 25 Megawatts as demand increases. The United States is also supporting the construction of housing near the Caracol Industrial Park to provide safe and durable residences, and we have worked with the Haitians to develop a fair and transparent process to select beneficiaries of that project. In response to requests from Haitian officials, the specifications of those houses have changed since the

original plan. Unfortunately this, in addition to initial low estimates on our part, has reduced the total number of structures and delayed their construction. Finally, the United States is funding technical studies to examine the options for improved port facilities in Haiti's North, expanding Caracol's access to world markets.

Our efforts to promote economic growth also encompass agriculture where we are impacting some 100,000 Haitian farmers. Although roughly 60 percent of Haiti's population works in that sector, the country imports almost half its food.

Agriculture in Haiti is an area in which even modest inputs can translate into significant improvements. The introduction of improved seeds, fertilizer, and technologies to more than 13,000 farmers has increased rice yields by 129 percent, corn yields by 341 percent, and bean yields by 100 percent, in early 2012. Sales by farmers supported through our Feed the Future West program have increased from \$4.8 million to \$12.2 million. Our programs have increased the income of 5,000 cacao growers by a minimum of 25 percent through partnerships with private-sector entities to train farmers in cocoa production. By providing mobile collection centers, sorting tables, and 6,000 plastic crates for mango harvesting, the United States has increased mango sales by three farmer associations to exporters by 25 percent. Our support to improvements in infrastructure for agriculture includes irrigating thousands of hectares and building kilometers of roads. Sustainable natural resource management and conservation are integral to all our efforts in Haitian agriculture.

Without good governance, economic growth in Haiti is built on unreliable foundations. Corruption, red tape and antiquated procedures are impediments to both donor support and foreign investment. We speak plainly with the Haitians about this, about legislation and reforms necessary to promote rule of law and improve the business climate. And we complement those discussions with our assistance programs to help the Haitians to advance these priorities.

We work with your counterparts in Haiti's legislature. The United States is providing specialized expertise to help Parliament draft, debate, and pass priority legislation, including bills on anti-money laundering and adoptions; an improved law on adoptions consistent with international standards was passed in September. We work with the executive branch, funding the deployment of an integrated financial management system to 34 Haitian government offices. This network is designed to promote transparency and accountability through automated financial functions, enhanced control of all the expenditures of the Government of Haiti, and facilitation of investigations. And we work with the judicial branch. With strong U.S. support, Haiti in 2012 took a significant step toward judicial reform through –

the establishment of a Superior Judicial Council, a new body that will provide independent oversight of the judiciary. We are providing technical support to the Council, including to the Judicial Inspection Unit, which will conduct the vetting and certification of 1,000 judges. And we provided assistance to the Criminal Code Reform Commission to complete revisions to Haiti's outdated penal and criminal procedure codes. The revised codes were submitted to the Government of Haiti in 2012 but are still awaiting consideration by Parliament.

The Haitians, the United States and others in the international community support conditions-based consolidation of the United Nations Stabilization Mission in Haiti, or MINUSTAH, working toward the goal of MINUSTAH one day completing its important mission in Haiti. To accomplish this we are working to build capacity in the Haitian National Police, or HNP. The United States is providing equipment, uniforms, food and other essential supplies for new HNP cadets. We are also supporting the recruitment and training of new officers through repairs to the national police academy, including construction of additional classrooms, renovation of three instructor barracks, and completion of a 900-seat multi-purpose facility. The New York City and Miami-Dade Police Departments have provided technical training, in many cases by Haitian-American officers, and we have funded the participation of 70 HNP officers in training courses in Colombia, Brazil and the United States. Haiti's goal is to grow the HNP from its current size of approximately 10,000 to 15,000 officers in 2016. The improvements in law enforcement are tangible to the Haitian public, which in multiple surveys has repeatedly ranked the HNP as one of the most respected institutions in the country.

To assist the HNP with personnel and resource management as the department grows, we are in the process of constructing six commissariats and two new prisons, one of which will serve exclusively as a women's facility.

To aid the HNP in its capacity-building and professionalization efforts, we have provided five special advisors and technical assistance in the areas of management, administrative capabilities, and strategic planning. We will also support the HNP's efforts to improve facilities maintenance, and equipment and vehicle management.

I have been describing the progress that U.S. assistance has helped Haiti achieve in its effort to rebuild. But, I do not mean to minimize the challenges still ahead. Make no mistake: it will take many more years to make the kinds of far-reaching and lasting improvements we all wish to see in Haiti. Toward that goal we need to maintain an open and frank dialogue with the Haitians and focus on how we can help the country's institutions build their capacity to be effective providers of basic

services to the Haitian people. To a very real degree, this type of progress cannot move more quickly than the Haitians are capable of taking it on. But I take a positive view of this challenge and believe with our continued long-term commitment, the United States is helping Haitians achieve a better future.