



The World Bank

Decentralized Sustainable and Resilient Rural Water and Sanitation Project (P178188)

Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 23-Feb-2023 | Report No: PIDA34442



BASIC INFORMATION

A. Basic Project Data

Country Haiti	Project ID P178188	Project Name Decentralized Sustainable and Resilient Rural Water and Sanitation Project	Parent Project ID (if any)
Region LATIN AMERICA AND CARIBBEAN	Estimated Appraisal Date 13-Feb-2023	Estimated Board Date 31-May-2023	Practice Area (Lead) Water
Financing Instrument Investment Project Financing	Borrower(s) Ministre de l'Economie et des Finances	Implementing Agency DINEPA	

Proposed Development Objective(s)

The Project Development Objective (PDO) is to increase access to inclusive, resilient, and sustainable rural basic water and sanitation services.

Components

- Component 1: WASH Response to Cholera and Emergency Preparedness
- Component 2: WASH Service Development
- Component 3: Sector wide results-based strengthening
- Component 4: Contingent Emergency Response

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	80.00
Total Financing	80.00
of which IBRD/IDA	80.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	80.00
---	-------



IDA Grant	80.00
Environmental and Social Risk Classification	
Substantial	
Decision The review did authorize the team to appraise and negotiate	

Other Decision (as needed)

B. Introduction and Context

Country Context

1. **Haiti is one of the world's poorest, unequal, and fragile countries.** The country remains one of the poorest in the Western Hemisphere. In 2022, its gross domestic product (GDP) per capita was US\$1,744. About 60.7 percent of its 11.7 million people live below the poverty line, with 31.6 percent living in extreme poverty. Haiti ranked 163 out of 191 countries in the Human Development Index in 2021. Haiti's infant mortality rate of 51 deaths per 1,000 births¹ is well above the Latin American regional average. With a Gini coefficient of 0.61, income inequality is the highest in the region, ranking Haiti among the most unequal countries in the world.

2. **Historically, fragility in Haiti has been driven by political violence and instability.** Over the past decades, Haiti has demonstrated a very high degree of vulnerability to a significant number of economic and social crises, as well as to numerous exogenous shocks, such as adverse natural events and commodity prices, both of which have contributed to increasing inequalities and territorial disparities. Nearly 75 percent of the rural population in Haiti are asset poor² and face unequal access to basic services, including access to basic water and sanitation service.³ Limited institutional capacity and lack of trust in public institutions at different levels have over time contributed to hindering citizens' access to basic services and fueled social unrest. The persistent legacy of political and economic elite capture, compounded by deficient institutional mechanisms

¹ 2020 estimates developed by the United Nations (UN) Inter-agency Group for Child Mortality Estimation (United Nations Children's Fund [UNICEF], World Health Organization [WHO], World Bank, UN Department of Economic and Social Affairs Population Division)

² In 2018, about half the households in urban areas belonged to the richest asset quintile against only one-tenth of households in rural areas (*Enquête Nationale d'Urgence de la Sécurité Alimentaire et Nutritionnelle* 2019). Nonmonetary poverty is also much higher in rural areas. In 2016, the global Multidimensional Poverty Index rates were 58 percent in rural areas against 16 percent in urban areas.

³ In 2016, the fraction of live births taking place in a health facility was less than 25 percent in the lowest two asset quintiles against 79 percent in the highest asset quintile, while the population living in a household with electricity is less than 5 percent in the lowest two asset quintiles against 94 percent in the highest quintile.



and policy fundamentals essential to inclusive development, has resulted in extreme welfare inequality and socioeconomic exclusion of most Haitian people, which is fueling grievances and cyclical unrest and violence.

3. Poverty reduction and economic growth have been severely hampered by a major sociopolitical crisis. The most recent crisis started in July 2018 with massive and violent demonstrations against the shortage and increased cost of fuel, high cost of living, corruption allegations, and political instability. The assassination of President Moïse, on July 7, 2021, plunged the country into greater uncertainty. The crisis further escalated in September 2022 with mass protests and road blockages over several weeks following the hikes in gas prices due to reductions in public subsidies. In January 2023, the last 10 remaining senators in Haiti's parliament officially left office, leaving the country without a single democratically elected government official. Security incidents have also escalated, including kidnappings, looting, and property destruction. These have contributed to the acute humanitarian, food insecurity, and forced displacement crisis. The growing influence of armed gangs is the main security concern for the country. As a result of the sociopolitical crisis, aggravated by the effects of the COVID-19 pandemic, Haiti's economy contracted by 3 percent in 2020, 1.8 percent in 2021 and by another 1.7 percent in 2022.

4. Climate change impacts are catastrophic in Haiti due to the combined effects of high natural hazard risks, institutional fragility, and inadequate resources invested in resilience. Almost 96 percent of the Haitian population live in areas considered at risk, and even within this category, disasters tend to affect disproportionately the poor and marginal populations settling in flood zones and coastal areas and living in vulnerable self-built dwellings. The vulnerabilities are amplified by environmental degradation; uncontrolled and unregulated urbanization; weak regulatory enforcement capacity; and high physical vulnerability of infrastructure, housing, and livelihood activities. According to the German Watch Global Climate Risk Index 2021, Haiti was globally the third most affected country by climate events between 2000 and 2019.⁴

Sectoral and Institutional Context

5. Access to basic drinking water service in rural areas and small towns is low and declining. In 2020, only 43 percent of the rural population in Haiti had access to at least basic drinking water service, compared to 48 percent in 2015 and 50 percent in 1990.⁵ Only 28 percent of people in the poorest quintile have access to basic water service compared to 95 percent in the richest quintile. Haiti's low rural access, compared to a regional average of 90 percent in Latin America and the Caribbean region in 2022, is worrisome. Out of the 13,626 improved water sources counted in the country, including hand dug wells, springs catchments, boreholes with hand pumps, standposts from gravity-fed systems, only 7,057 (51 percent) are functioning in 2022. Out of 1,041 piped water supply systems serving the population in dense rural areas and small towns, only 433 of them (41%) are functional⁶. This dire situation is the result of historic underfinancing of the sector, collapse of the infrastructure due to poor operation and maintenance, deficient post construction support and a lack of resilience of the infrastructure to natural hazards and the effects of climate change.

⁴ German Watch Global Climate Risk Index 2021. NatCatSERVICE de Munich Re.

⁵ WHO/UNICEF Joint Monitoring Program.

⁶ According to DINEPA's Integrated Water and Sanitation Information System (*Système Intégré pour l'Eau Potable et l'Assainissement, SIEPA*)



6. **Access to sanitation and hygiene is lagging even further and unequal.** Only 10 percent of the poorest have access to basic sanitation against 68 percent for the richest quintile.⁷ In 2020, only 25 percent of the rural population used improved sanitation facilities that were not shared with other households, compared to 73 percent for the Latin America and the Caribbean region. The remaining population used shared sanitation facilities or on-site unimproved sanitation systems such as pit latrines without a slab or platform or practiced open defecation. About 31 percent of the rural population practice open defecation. Public toilet facilities and water points are mostly not accessible to persons with disabilities.⁸

7. **In rural areas, women disproportionately bear the costs of inadequate WASH provision⁹,** including time, health, and earning losses while bearing most of the responsibility for sourcing clean water. In 2018, the DINEPA conducted a baseline study confirming that water collection was primarily being done by women (56%) and children under the age of 18 (16%). Collecting water is not only time consuming and laborious but also can be dangerous, given GBV risks while searching for water. A major gap exists in voice and representation – with few women in decision making and in service provision roles who could understand women's WASH needs and practices and tailor services accordingly. Currently only 4% of water and sanitation community based organizations are headed by women¹⁰. This situation is the results of lack of awareness and resources.

C. Proposed Development Objective(s)

Development Objective(s) (From PAD)

8. The Project Development Objective (PDO) is to increase access to inclusive, resilient and sustainable rural basic water and sanitation services.

9. Achievement of the PDO will be measured with the following four PDO indicators: (i) Number of community-driven, inclusive, and climate-informed WASH Service Improvement Plans developed under the project (number)¹¹; (ii) People provided with access to basic drinking water services¹² in drought-prone¹³ areas under the project, disaggregated by sex (number); (iii) People provided with access to basic sanitation services¹⁴ in areas under the project, disaggregated by sex (number) and (iv) Increase in the number of resilient and sustainably managed rural piped water supply systems with improved resilience to droughts, floods, and

⁷ WHO/UNICEF Joint Monitoring Program for Water, Sanitation and Hygiene-2020.

⁸ World Bank, 2017, WASH Poverty Diagnostic Haiti - <https://openknowledge.worldbank.org/handle/10986/28997>.

⁹ World Bank. 2018. Looking Beyond Government-Led Delivery of Water Supply and Sanitation Services: The Market Choices and Practices of Haiti's Most Vulnerable People. WASH Poverty Diagnostic. World Bank, Washington, DC.

¹⁰ ibid

¹¹ The detailed measurement protocol to assess that the WASH Service Improvement Plans are community-driven, inclusive, and climate-informed will be included in the Project Operational Manual.

¹² Basic drinking water service refers to drinking water from an improved source, provided collection time is not more than 30 minutes for a round trip including queuing.

¹³ A drought-prone area is defined as one in which the probability of a drought year is greater than 20%.

¹⁴ Basic sanitation service refers to improved sanitation facilities that are not shared with other households.



cyclones country wide.



D. Project Description

10. **The project will support the Government of Haiti to achieve universal and equitable access to safe drinking water for all (SDG 6.1) and adequate and equitable sanitation and hygiene for all** and ending open defecation, paying special attention to the needs of women and girls and those in vulnerable situations (SDG 6.2). The project will also support the Government's Strategy for Cholera Eradication (2022).

11. **The project aims to support key policy and institutional reforms that are already spelled out in the 2009 sector reform but have yet to become operational in practice.** These include (a) strengthening emergency preparedness and response, (b) transferring the WSS project cycle at the local level, (c) shifting the focus from infrastructure development to resilient and sustainable service delivery at scale through the professionalization of the service provision, and (d) redeploying DINEPA from planning and execution of WASH infrastructure to facilitating sector development and regulating WASH services. This will be achieved through four components with different focuses and implementation modalities described in the following paragraphs.

Component 1: WASH Response to Cholera and Emergency Preparedness (US\$8 million)

12. This component will support (a) immediate cholera response measures, (b) strengthening of sanitation and hygiene in 10 priority cholera-affected communes of the country, and (c) building of WASH sector capacity for emergency response to floods, droughts, cyclones, and outbreaks of vector-borne and waterborne diseases.

Component 2: WASH Service Development (US\$60 million)

Subcomponent 2.1: Priority Water Supply Infrastructure (US\$50 million)

13. This subcomponent will support the development of inclusive, resilient, and sustainable WASH services through the construction/rehabilitation/expansion of priority drinking water supply systems in an estimated 20-30 communes in the Centre, North, and South regions of the country. A first batch of subprojects will be undertaken in about 20 communes in which community mobilization activities have already taken place satisfactorily and detailed technical as well as environmental and social (E&S) studies have been completed, allowing a rapid implementation of these subprojects. Unfinished works from the EPARD project (including Lascahobas) will be financed under this subcomponent through retroactive financing. A second batch of subprojects will be identified based on available resources in Year 2 of project implementation.

Subcomponent 2.2: WASH Services at Scale (US\$10 million)

14. This sub-component will support the development of inclusive, resilient sustainable WASH services through small scale investments in 15 communes to a) restore and/or improve the level of service of existing WASH systems thereby reducing water stress and bettering public health outcomes in flooded and contaminated communes; (b) protect and conserve water resources; and (c) enhance of communities' water and food security by increasing water availability for food production and processing in water stressed communes. This subcomponent will finance the technical assistance and the grants for the preparation and implementation of community-driven, inclusive, and climate-informed commune WASH service improvement plans (WASH-SIPs) in participating communes in the region covered by OREPA South.

Component 3: Sector Wide Results-based Strengthening (US\$12 million)



15. This component will support (a) project management; (b) sector institutions strengthening to consolidate the programmatic sector-wide results-based approach to improve sector planning, budgeting, financial management, reporting, monitoring and evaluation, accountability, regulation and (c) DINEPA structure to accelerate sustainable service delivery at scale.

Component 4: Contingent Emergency Response (US\$ 0 million)

16. This component will provide, upon request from the Government of Haiti, a rapid response in the event of an eligible emergency. This component does not have any initial funding allocation, but in the event of an eligible emergency, uncommitted funds could be reallocated from other components in accordance with an Emergency Action Plan prepared by the GoH and the Contingent Emergency Response Manual.

Project Beneficiaries

17. The primary beneficiaries of the project are the population living in rural areas and small towns in project areas. It is estimated that 250,000 people will benefit from increased access to basic water services and 125,000 from increased access to basic sanitation services, as well as improved resilience to climate change-exacerbated droughts, flooding, and tropical cyclones. Potential benefits include reduction of time spent on water collection, reduction in waterborne diseases, and overall health and environmental benefits for all direct beneficiaries, of which at least 50 percent will be women.

Legal Operational Policies

Triggered?	
Projects on International Waterways OP 7.50	Yes
Projects in Disputed Areas OP 7.60	No

Summary of Assessment of Environmental and Social Risks and Impacts

18. **Environmental risks.** The environmental risk is assessed as Substantial. The activities financed under the project are predominantly expected to be moderate in nature with small- to medium-scale civil works for construction and rehabilitation of WSS systems. Risks and impacts arising from these activities are likely to be readily identifiable, temporary, reversible, and easily mitigated with known management techniques through careful and close supervision during project implementation. However, although associated risks are mostly moderate, there is contextual risk (noted above under Borrower's Institutional Capacity) that could result in planned works not receiving the appropriate screening and supervision during preparation and/or implementation. Given this context, and the resulting limited capacity and ability of PIU staff to manage and monitor environmental risks and impacts in a manner consistent with the Environmental and Social Standards



(ESS), environmental risk is currently assessed as Substantial. The classification may be revised during project implementation.

19. **Social risks.** Social risk is classified as Substantial. While the overall social benefits are expected to be positive, identified social risks and potential impacts include (a) contextual social risks - political fragility, deteriorating security situation, and travel restrictions constitute a significant risk in terms of limiting the borrower's capacity to deliver and supervise project activities and exposing project workers to security risks; (b) potential negative impacts due to land acquisition and physical and economic resettlement, as part of the construction, extension, and rehabilitation of water supply networks; (c) social exclusion risks especially for vulnerable stakeholders, including the risk that women, persons with disabilities, sanitation workers, or the elderly may not fully access the project benefits or that community/day/rotating workers, which is a common practice in Haiti, may not have full access to proper working conditions, occupational health, and safety measures in work areas, if targeted measures are not in place, or may not receive formal work contracts; and (d) project workers' exposure to cholera. Sexual exploitation and abuse and sexual harassment risks are assessed as Moderate.

20. **E&S risk management.** To manage these risks, in accordance with the ESS, an Environmental and Social Management Framework (ESMF), Labor Management Procedures (LMP), a Resettlement Policy Framework (RPF), and a Stakeholder Engagement Plan (SEP) have been developed. The PIU of the project will comprise a dedicated social risk management specialist and an environmental risk management specialist throughout project implementation. A draft ESMF (which includes the LMP), draft SEP, draft RPF, and draft Environmental and Social Commitment Plan (ESCP) have been prepared and were disclosed on February 13th, 2023. The ESMF (including LMP), SEP, and RPF will be consulted, finalized, and redislosed at the latest 90 days after project effectiveness, as is set forth in the ESCP, which will be finalized during project negotiations. For the unfinished works of EPARD to be completed under this operation the E&S instruments will be updated to align with the requirements of the Environmental and Social Framework and the project's E&S instruments.

E. Implementation

Institutional and Implementation Arrangements

21. **DINEPA will be the implementing agency responsible for overall implementation of the project as it has for all past World Bank projects in the sector.** A project implementation unit (PIU) will be established under DINEPA to take charge of the project implementation. The PIU will be responsible for planning, technical review, procurement, contract administration, financial management, E&S risk management, quality control and assurance, monitoring, and evaluation.

CONTACT POINT

World Bank

Christophe Prevost
Senior Water Supply and Sanitation Specialist



Bruce MacPhail
Senior Social Development Specialist

Borrower/Client/Recipient

Ministre de l'Economie et des Finances
Michel Patrick Boisvert
Ministre de l' Economie et des Finances
boisvertmp@yahoo.com

Implementing Agencies

DINEPA
EDOUARD GUITO
Directeur General
guito.edouard@dinepa.gouv.ht

FOR MORE INFORMATION CONTACT

The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 473-1000
Web: <http://www.worldbank.org/projects>

APPROVAL

Task Team Leader(s):	Christophe Prevost Bruce MacPhail
----------------------	--------------------------------------

Approved By

Practice Manager/Manager:		
Country Director:	Omar Lyasse	24-Feb-2023