

Data Sheet

USAID Mission:	Haiti
Program Title:	Economic Growth
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	521-001
Proposed FY 2004 Obligation:	\$1,719,000 DA
Prior Year Unobligated:	\$0
Proposed FY 2005 Obligation:	\$3,500,000 DA
Year of Initial Obligation:	FY 1997
Year of Final Obligation:	FY 2005

Summary: USAID's program to increase sustainable income to the poor includes technical assistance: to increase agricultural productivity through improved crop quality and yield; to improve market access for farmers and artisans through the development of new export and local marketing channels; and combined with training, to expand access to credit and financial services for micro-entrepreneurs and microfinance institutions (MFIs).

Inputs, Outputs, Activities:

FY 2004 Program:

Agriculture/ Environment (\$1,000,000 DA). The program will increase the income of hillside farmers by improving production, post-harvest processing and market access for target crops. USAID will restrict activities to the production and marketing of targeted crops (mangos, cacao, coffee, peppers, pumpkins and yams). USAID's support for the development of commercial relationships between grassroots producer organizations and large-volume buyers (including U.S. importers), will continue, albeit on a smaller scale. Natural Resource Management activities will be more closely aligned with the production of target crops. The scope and geographic coverage of all activities will be streamlined. Principal contractors: Development Alternatives, Inc. and the Pan American Development Foundation.

Trade and Investment (\$750,000 DA). USAID's program will continue to develop strong financial institutions to channel lending capital to Haitian micro-entrepreneurs. Partners, including commercial banks, credit cooperatives, private companies and local and international NGOs, will benefit from USAID-sponsored training in the application of internationally accepted best practices for microfinance lending, technical assistance in the development of new product lines (e.g. savings, production loans, and health insurance); and operation of branches in under-served, especially rural, areas. Innovative approaches will be explored for continuing loan portfolio guarantees to participating commercial banks which provide direct financial support to micro-small-and medium-sized enterprises. A microfinance capitalization fund that has been highly successful in leveraging commercial bank loans for key microfinance institutions, may be continued on a limited scale. Technical assistance to promising MFIs will be targeted for operational sustainability of fewer MFIs. In FY 2004, five to six commercial banks are expected to be actively lending to small and micro-entrepreneurs, of whom more than 80% traditionally are women. Principal contractors include: Foundation for International Community Assistance, Development Alternatives, Inc., Haitian Development Finance Corporation, Aid to Artisans, and Florida Association of Voluntary Agencies for Caribbean Action, Inc (FAVACA).

Through assistance from community-based agricultural field agents, food-for-work, and support to local financial institutions that provide training and small loans especially to rural women, the P. L. 480 Title II program will increase the overall availability and access of food by increasing the incomes of targeted poor families. The program will also rehabilitate rural roads through food-for-work activities to enhance market access. Program activities are managed by CARE International, Catholic Relief Services, Save the Children and World Vision.

FY 2005 Program:

Programs will build on ongoing activities to increase the productivity and incomes of small agricultural producers and broaden the availability of credit and other financial services to heretofore-excluded small and micro-entrepreneurs. Implementers will be the same as those listed for FY 2004.

Agriculture/Environment (\$1,900,000 DA). At the proposed FY 2005 funding level USAID intends to support small hillside farmers with a continuation of a market-led approach and a focus on higher-value crops. The increased food crop productivity and market access will raise farmers' incomes and enhance food security. Principal Grantee: The Pan American Development Foundation.

Trade and Investment (\$1,600,000 DA). The program will continue its successful efforts to develop strong and sustainable MFIs to service Haitian micro-entrepreneurs. Technical assistance and training will assist these MFIs to apply internationally-accepted best practices in microfinance lending. USAID intends to reactivate its loan portfolio guarantee program to participating commercial banks to enable them to provide direct financial support to micro-small and medium-sized enterprises. USAID also anticipates reactivating its microfinance capitalization fund in order to successfully leverage commercial bank loans for key microfinance institutions. Finally, credit for new rural micro-entrepreneurs will be continued on a limited scale. Principal contractors may include: Foundation for International Community Assistance, Development Alternatives, Inc., Haitian Development Finance Corporation, Aid to Artisans, and Florida Association of Voluntary Agencies for Caribbean Action, Inc (FAVACA).

The P. L. 480 Title II program will continue to increase food access for vulnerable small-holder farm families in targeted food insecure areas through training, credit, and extension services. Rehabilitation of rural roads through food-for-work activities will continue to enhance market access. Program activities will be managed by CARE International, Catholic Relief Services, Save the Children and World Vision.

Performance and Results: Economic Growth is USAID/Haiti's most successful area of impact. Important results include a 20.4% revenue increase among target small farmers (FY2002/2003), and the surpassing of annual export sales targets (\$984,000) by \$100,000 (FY2003). Long-term USAID investment in the coffee sector has resulted in a high-quality premium coffee brand, owned directly and exclusively by small hillside farmers who receive almost U.S.\$3.00 per pound (considerably more than world commodity prices of \$0.47 per pound). USAID/Haiti micro-finance institutions (MFIs) and small-medium enterprises (SMEs) continue to exceed expectations. Outstanding MFI loans increased by 26% last year, four of the eight principal Mission-supported MFIs fully met cost recovery, and two other MFIs approach 80% cost recovery. P. L. 480 Title II (FY 2003): over 3,000 small scale-farmers adopted improved agricultural techniques during this period and over 2 million tree seedlings were produced and distributed to farmers. In FY 2003, USAID/Haiti sponsored artisans ("Aid to Artisans" or ATA) signed export contracts with several major international firms including: Pier I Imports, and TJ MAXX. ATA supported sales increased more than 75% last year and sales are projected to increase another 25% in FY 2004. Through June 30, 2003, the cumulative number of artisan associations or enterprises involved in SHAPE program activities is 197, involving more than 3,023 Haitian artisans.

US Financing in Thousands of Dollars

Haiti

521-001 Economic Growth	DA	ESF	PL 480
Through September 30, 2002			
Obligations	2,986	91,162	0
Expenditures	2,986	76,247	0
Unliquidated	0	14,915	0
Fiscal Year 2003			
Obligations	7,690	-47	0
Expenditures	1,030	12,383	0
Through September 30, 2003			
Obligations	10,676	91,115	0
Expenditures	4,016	88,630	0
Unliquidated	6,660	2,485	0
Prior Year Unobligated Funds			
Obligations	0	0	0
Planned Fiscal Year 2004 NOA			
Obligations	1,719	0	24,693
Total Planned Fiscal Year 2004			
Obligations	1,719	0	24,693
Proposed Fiscal Year 2005 NOA			
Obligations	2,879	0	27,000
Future Obligations	0	0	0
Est. Total Cost	15,274	91,115	51,693