To: The Board of Executive Directors  
From: The Secretary  

Inquiries to: Director Alex Foxley (extension 1015)  
Remarks: The Spanish Translation of this document will be distributed shortly.  

Reference: GN-2465(7/10)
1. The Programming Committee met on 15 July 2010 to review a proposed update of the current Country Strategy with Haiti, approved in 2007. It was recalled that the major earthquake that devastated Haiti in January 2010 had made it necessary to revise the Bank’s original strategic approach in the light of pressing new priorities – in terms of emergency response as well as longer-term reconstruction efforts – and the need to coordinate efficiently with the multiple donors also working actively in the country.

2. It was noted that a Country Strategy Update does not pretend to rewrite the existing Strategy but to present new sector priorities related to drastic changes in the overall situation of a Country. Once a Country Strategy cycle is over, the approval for such a reprioritization is done by means of a new strategy paper, supported by a thorough analysis of country capacity and the sectors targeted for intervention. In fact, Management is in the process of preparing such a paper, to be submitted during the first quarter of 2011. At this point, several operations urgently needed in Haiti will be ready for Board consideration before the end of 2010, and in some cases before the Board’s August recess. The purpose of the update is thus to make Directors aware of the new strategy’s basic elements prior to Board consideration of these projects—with the understanding that supporting analysis and justification will be provided early next year.

3. Directors were broadly supportive of Management’s suggested approach but also raised concerns and sought assurances with respect to several issues:

- Country capacity to absorb the major inflow of resources planned and to administer them effectively and transparently.
- Efficient coordination among the multiple donors active in Haiti.
- The criteria applied in selecting sectors for Bank intervention.
- Attention to disaster risk management throughout the portfolio.
- Attention to environmental issues, and especially watershed management – including the threat posed to infrastructure investments by potential landslides in some areas.
- Ways to convert development needs into opportunities for Haiti’s business sector, and for small and medium-sized enterprises in particular.

4. Welcoming the verbal assurances provided during discussion on these points, the Committee asked Management to prepare a supplemental paper incorporating the details outlined, for the Board’s further information.

5. Accordingly, as Vice Chairman of the Programming Committee, in anticipation of a comprehensive strategy proposal by the first quarter of 2011, I recommend that the Board approve the Country Strategy Update for Haiti as presented in document GN-2465-2.