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MULTILATERAL INVESTMENT FUND**

HAITI

**SUSTAINABLE FINANCIAL MECHANISM TO INCREASE ACCESS TO HIGHER
EDUCATION IN HAITI**

(HA-M1030)

DONORS MEMORANDUM

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ABBREVIATIONS

COF	Country Office
EA	Executing Agency
ESR	Environmental and Social Review
HELPR	Haitian Education and Leadership Program
IDB	Inter-American Development Bank
LAC	Latin American and the Caribbean
MFI	Microfinance Institutions
MIF	Multilateral Investment Fund

SUSTAINABLE FINANCIAL MECHANISM TO INCREASE ACCESS TO HIGHER EDUCATION IN HAITI

(HA-M1030)

I. EXECUTIVE SUMMARY

Country: Haiti

Executing agency: Haitian Education and Leadership Program (HELPR)

Beneficiaries: 150 high performing, low-income students have access to financing, which enables them to pursue higher education, and high salary jobs. After project completion, approximately 50 additional students per year shall benefit from the reimbursable financial mechanism created by the project. The project will also yield positive externalities within the student's families by increasing family income; the communities where the students live by creating positive role models; and the Haitian corporations by having access to a qualified pool of trained professionals.

Financing plan:	MIF (62%):	US\$	828,000
	Local Counterpart (38%):	US\$	497,000
	Total:	US\$	1,325,000

Objectives: The *goal* of the project is to facilitate access to higher education and to the professional job market to low-income students in Haiti. The *purpose* of the project is to create a replicable and scalable model based in a sustainable financial mechanism that provides access to higher education.

The project will include the following components: (i) design and implementation of a sustainable financial mechanism; (ii) strengthen student services, alumni network and job placement system; (iii) marketing and targeting key stakeholders; and (iv) knowledge and dissemination of the initiative.

Execution calendar: Execution Period: 36 months
Disbursement Period: 42 months

Special conditions: As a condition to first disbursement, HELPR will hire the project coordinator.
Special condition: HELPR is committed to continue administrating the fund created by the project, for at least 10 years after the ending of the project execution phase, and to verify that student's repayments from scholarships financed by MIF contribution would continue to be utilized to provide sustainable scholarships, increasing the access to higher education of low income students in Haiti.

Coordination with other development institutions: No coordination has initially been defined.

Social and environmental revision: According to the Environmental and Social Review (ESR), this project was classified as "C" (Clearance 25-10).

II. BACKGROUND

A. Haitian Education and Leadership Program (HELPR)

- 2.1 HELPR's mission is to create, through merit and needs based scholarships, a community of young professionals and leaders who will promote a more just society in Haiti. In 1997, Isemonde Joseph, a girl at the top of her high school class, asked her former teacher, Conor Bohan (HELPR founder), for US\$30 to register for secretarial school. Conor encouraged Isemonde to pursue her dream of studying medicine and paid for the first year's tuition and books. Realizing that many top students never reached their potential due to extreme poverty, Conor Bohan began matching sponsors with deserving students. Isemonde received her MD degree in 2005 and began work as a staff physician at the Gheskio Center in Port-au-Prince with a starting annual salary of US\$14,500.
- 2.2 HELPR has grown steadily since 1997 from a single student to 181 students in September 2010, including 54 in the freshman class of 2010-11, the largest in HELPR's history, and 32 alumni. While initially HELPR scholarships covered only tuition and books, the scholarship package has grown to include a comprehensive set of goods and services including housing, monthly stipends for food and transportation, student advising, computer access, classes in English, computer literacy and leadership, an internship program and career services. The funding comes principally from United States individuals and institutional donors. The beneficiaries are selected among the best performing high school within the country. The most selected fields of study are: medicine (40 students) and engineering (39 students); agronomy, agro-environment, and agro-economics (35 students); accounting (20 students); computer science (15 students); economics (10 students); and finance and management (8 students).
- 2.3 HELPR alumni have a 100% employment rate. Of the 32 current alumni, 13% are pursuing a Master's degree outside of Haiti; 72% are working in Haiti in companies such as Voila, Digicel, Solutions SA; at national and international NGO's including the Red Cross, Oxfam and Partners in Health and Viva Rio; and at both Haitian and international hospitals and clinics. Alumni earn an average annual salary of over \$10,000 (USD) vs a GDP per capita of US\$800 per year.
- 2.4 In summary, HELPR is a highly successful, merit and needs-based, university scholarship program for top high school graduates from disadvantaged backgrounds. HELPR provides holistic support to its students (counseling, career services, leadership training, languages, computer training), which produces extremely high rates of retention, graduation and local employment, reduces brain drain and creates groups of likeminded young professionals who are eager to contribute to Haitian society.

B. The earthquake

- 2.5 While the earthquake was a terrible tragedy, it also demonstrated the importance of an educated population, both in disaster prevention and relief. HELPR placed over 80 of its students in the relief and recovery efforts, working in the displaced persons camps, field hospitals and clinics and assisting foreign aid workers and non-profits. HELPR scholarships turned students from helpless victims to agents of change, allowing them to use their skills to assist their fellow citizens. The American Red Cross reported that "the work of HELPR students and alumni was instrumental in providing relief to hundreds of thousands" of earthquake victims. Moreover, students conducted human rights investigations in the camps with the Lamp for Haiti Foundation. Other students

worked as translators, teachers, accountants, and administrators at multiple locations. Today, all HELPR students are back in school for the 2010/2011 school year.

C. Problem Statement, Justification and Additionality

- 2.6 The access to higher education in Haiti is restricted to less than 1% of the population. Additionally, the demographic data shows a 2.4% annual population growth rate (expected to be near 2% for the next 15 years¹), which adds new challenges to the education system. Poverty is the single greatest cause of low university enrollment in Haiti. A greater number of secondary school graduates come from deeply disadvantaged backgrounds, and are unable to afford the costs of attending university. In this respect, attrition levels for Haitian university students are high due to the precarious economic situation of the students and the pull of low-wage jobs
- 2.7 Haiti's State University (UEH) has less than 1,000 places per year in its eleven faculties and the university is under-resourced and plagued by instability, strikes and closures. Although tuition at UEH is free, there are no subsidies for books, meals or housing, making attendance difficult even for many who do gain entrance. Tuition at Haiti's private universities averages over US\$1,000 annually, making it unaffordable for a population with a GDP per capita of US\$800. Due to the inherent funding limitations, a grants-based scholarship system cannot effectively respond to the increasing need for accessing higher education in Haiti.
- 2.8 Since its founding, the number of scholarships awarded by HELPR each year has grown, but remains dependent on funds available at the beginning of a school year and prudent and conservative projections for the amount of funds that can be raised from private sources during the school year. The implementation of the Alumni Contribution Model (the sustainable financial mechanism to be designed and implemented by the project) will allow thousands of students, from socioeconomic groups traditionally denied access to higher education, the opportunity to earn university degrees, access to high salary as a result of the education received, and make significant contributions to Haiti's recovery. Paired with specialized mentoring to the students during their studies and newly developed tools to increase private fundraising, HELPR will have the essential expertise and capacity to significantly increase the number of students receiving scholarships over the following years.
- 2.9 By combining HELPR's expertise in tackling family and social problems of these students, with a sustainable financing mechanism developed by the project, the model promotes an integral approach to the complexity of low-income students' situation. The creation of an alumni network will promote high recovery rates and maintain high employment rates. At the same time, it will promote the integration of all the students to promote the social and economic recovery of the country.
- 2.10 FOMIN is developing a wide expertise in the field of financing human capital. Previous projects in this area, such as the Lumni model², have proven to be successful in facilitating access to higher education for low-income students. This project is an opportunity to combine the MIF's regional expertise with HELPR's successful scholarship experience to create a new sustainable model, in alliance with local financial institutions, for extremely low-income populations.

¹ UNDP report 2009.

² Nonreimbursable technical-cooperation funding for a new meritbased private financing program for higher education in Chile, Colombia, and México (MIF AT-853).

III. OBJECTIVES AND PROJECT DESCRIPTION

A. Objectives

- 3.1 The *goal* of the project is to facilitate access to higher education and to the professional job market to low-income students in Haiti. The *purpose* of the project is to create a replicable and scalable model based in a sustainable financial mechanism that provides access to higher education.

B. Components

- 3.2 The three year program will have the following components: (i) Design and implement the Alumni Contribution Model; (ii) Strengthen the student services, the alumni network and job placement system; (iii) Marketing and targeting key stakeholders; and (iv) Knowledge management and communication strategy of the initiative.
- 3.3 The project aims to implement the Alumni Contribution Model (ACM) that will facilitate continuous funding for university students over the long term. Two central ideas underpin the ACM: (i) the financial burden is mitigated by making contributions income-contingent, a percentage of graduates' earnings for a fixed period of time, and (ii) the ACM allows HELPR to recover the scholarship cost and cover the administrative cost of the fund, thereby providing the basis for scaling up and long-term sustainability.
- 3.4 One key element of the sustainability of the project shall be the creation of a specific fund, through the incorporation of an investing vehicle, allowing potential investors/donors to scale up the ACM.
- 3.5 **Component I. Design and implement the Alumni Contribution Model (FOMIN: US\$370,000; Local Counterpart: US\$342,000).**
- 3.6 This component will generate the basis needed to launch the Alumni Contribution Model (ACM), a reimbursable financing mechanism, which will increase HELPR's capacity to finance new students while balancing the needs and reality of low-income students. The component will include the following activities: (i) structuring of financial model and investment vehicle; (ii) development of student contracts; (iii) accounting supervision and reporting; (iv) creation and implementation of a credit scoring system; and (v) creation of the human capital development fund.
- 3.7 The students will receive scholarships to cover the university tuition, books, housing and monthly stipends for food and transportation, which is estimated at US\$5,000 per student. This scholarship represents about 50% of the total cost HELPR cost per student. The remaining costs include: mentoring (student advising); English, Spanish and computer classes; common facilities (library, computer lab, etc.); leadership training; career services; student and alumni coordination; and other administrative costs. This half of the costs will continue to be financed by donations that HELPR receives, especially from United States individual and institutional donors. However, a large part of these costs are fixed, so by increasing the total amount of students, the cost per student will decrease.
- 3.8 In order to make the scholarship system sustainable, the students will repay the scholarship received once they have completed their education and secured employment. The payments will be proportional to their salaries for a given number of months or years. Students with zero income, won't pay as long as they continue with

no income, and no past-due interest is charged. Hence, the product that will be offered by HELPR is not a debt with fixed payments and terms, but a type of income-contingent repayment whereby the students share in the benefits of the “venture,” which in this case is the salary to be earned. This financial mechanism is inspired by the LUMNI model (developed by Lumni Inc. and currently supported by the MIF in Chile, Colombia and Mexico). As well as the Lumni Model, the financial model proposed for this project established that students would receive capital (scholarship) to finance their education in exchange for a fixed percentage of their income for a given period of their future working lives (sustainability of the program).

- 3.9 The ACM model is basically a human capital development fund. The specific design and detailed operation of the fund will be defined by the first activity of this component. The fund will be oriented towards developing an effective tool to attract additional investors. In this respect, specific activities to target potential investors and donors are included in the project. However, the fund will be initially funded by contributions from HELPR and the FOMIN, and its main source of sustainability will come from the student’s repayments after graduation. It is important to point out that in the process of designing the fund, the experience and expertise of Lumni Inc. will be an important asset to have a better understanding of the costs and operating issues of the fund.
- 3.10 In order to assure that the mechanism effectively continues benefiting low income students, the design of the mechanism will incorporate a specific provision assuring the reinvestment of the future collections into the fund. HELPR is committed to continue administrating the fund created by the project, for at least 10 years after the ending of the project execution phase, and to verify that student’s repayments from scholarships financed by MIF contribution would continue to be utilized to provide sustainable scholarships, increasing the access to higher education of low income students in Haiti.
- 3.11 HELPR will tap into the expertise of Capital Bank, a local financial institution, on the following: (i) assisting with the development of the financial and legal aspects; (ii) helping with the development of a collection model; and (iii) assist with marketing efforts to raise awareness and visibility of HELPR within the Haitian business community.
- 3.12 Expected results of this component are: (i) a tested and improved financial mechanism and ACM contracts developed and available for replication; and (ii) 150 students financed by the fund.
- 3.13 **Component II: Strengthen the current student services, create an alumni network and develop a job placement system (FOMIN: US\$82,800; Local Counterpart: US\$26,500).**
- 3.14 This component will provide the students with specific services aimed to increasing their skills in order to have a better chance to enter the job market. The component will include the following groups of activities: (i) Strengthen the students services currently available for the students and includes: evaluation of the current services, revise training manual, implement advising metrics, and refining the leadership program; (ii) development of the alumni network -improving alumni relations and strengthening alumni cohesion will promote high recovery rates and increase employment rates and

- alumni salaries. Opportunities include partnering with a strong university alumni program in the United States³; and (iii) creation of a job placement system.
- 3.15 Expected results of this component are: (i) annual average salary of alumni after 2 years of completion of studies is US\$11,000; (ii) over 90% of the graduated students have a formal job; (iii) over 50% of alumni are actively participating in alumni activities.
 - 3.16 **Component III: Reinforce fundraising capabilities (FOMIN: US\$153,162; Local Counterpart: US\$58,162).**
 - 3.17 This component is two-fold: first it aims to facilitate HELPR's fund raising activities which are essential for complementing the financial model, and second it aims to collect solid evidence to promote and advertise the ACM. The component will include the following activities: (i) development and implementation of a communication strategy within United States in order to increase fundraising; (ii) develop closer relations with potential leveraging partners for the ACM model; (iii) develop an impact assessment of HELPR initiative among alumni and an ongoing monitoring system of the impact among the new students financed by the ACM model; and (iv) creation of publicity material.
 - 3.18 HELPR will work with Fonkoze, the Haiti's largest and most innovative micro-finance institution, to develop the impact evaluation of HELPR alumni and to assist in developing a more rigorous and systematic monitoring system of participants' families in order to track the changes that occur in poverty level, food security, and other key socio-economic indicators as students advance through the program and into their careers (activity iii). The partnership would be piloted over a three year period.
 - 3.19 At the same time, Capital Bank, besides its contribution to component I, will also assist with marketing efforts to raise awareness and visibility of HELPR within the Haitian business community.
 - 3.20 Expected results of this component are: (i) HELPR develops a solid evidence of the initiative impact and a permanent method of monitoring and evaluation (ii) visits to HELPR website increase by 50%; and (iii) financial and in-kind support increases at least 20% over the time of the project execution.
 - 3.21 **Component IV: Knowledge management and communication strategy of the initiative. (FOMIN: US\$39,000; Local Counterpart: US\$15,000).**
 - 3.22 This component aims to capture the knowledge generated by the project for its dissemination, as main evidence to present the model in other countries and promote its scalability and replication. The component will include the following activities: (i) development of a case study of the model; (ii) develop a national dissemination strategy; and (iii) develop an international dissemination strategy.
 - 3.23 Expected results of this component are: (i) a case study of the model is developed and disseminated; (ii) HELPR financial mechanism has been presented in at least 2 national seminars or conferences; (iii) HELPR financial mechanism has been presented in at least 4 international seminars or conferences.

³ In this respect preliminary talks with Dartmouth University and Brown University have been made.

IV. PROJECT COST, FINANCING AND EXECUTION PERIOD

- 4.1 The total cost of this project is expected to be US\$1.325.000. FOMIN will contribute US\$828.000 (62%) on a non-reimbursable basis, and US\$497.000 (38%) will come from the local counterpart resources, of which at least half of it has to be in cash.

BUDGET CATEGORY	FOMIN	HELPR	TOTAL	%
Component I	370,000	342,000	712,000	53.90%
Component II	82,800	26,500	109,300	8.27%
Component III	153,162	58,162	211,324	16.00%
Component IV	39,000	15,000	54,000	4.09%
Project Coordinator and Project Assistant	118,800	39,600	158,400	11.99%
Audits and expost reviews	10,000		10,000	0.76%
Mid-term and Final Evaluations	40,000		40,000	3.03%
Contingencies	10,098	738	10,836	0.82%
Office Supplies		15,000	15,000	1.14%
SUBTOTAL	823,860	497,000	1,320,860	
<i>Percentage</i>	<i>62%</i>	<i>38%</i>	<i>100%</i>	
Impact Evaluation Fund	4,140	-	4,140	
TOTAL	828,000	497,000	1,325,000	

V. EXECUTING AGENCIES AND EXECUTION MECHANISM

A. Executing Agency

- 5.1 The Haitian Education and Leadership Program (HELPR) is a non-governmental organization that offers holistic university scholarships to disadvantaged Haitian students with an outstanding academic track record. HELPR's goal is to contribute to a more equitable society by offering top high school graduates the opportunity to fulfill their potential and become engines of social and economic progress.
- 5.2 HELPR has a highly successful record of providing merit-based, need-based access to university education in Haiti, and has shown its ability to successfully handle the difficult social condition of the students, and has an excellent reputation among clients and actual funders. In 2008, over 40% of HELPR students made the Dean's List, including seven who were #1 in their university class. HELPR's graduation rate is over 90%. HELPR graduates have a 100% employment rate and an average annual salary of over \$10,000.
- 5.3 According to the Policies for the Selection and Contracting of Consultants financed by the Inter-American Development Bank (GN-2350-7), it is requested to use the single source selection for the consultancy number (iii) of component III - Impact assessment and dissemination of the model. In this respect, paragraph 3.10 of the mentioned policies establishes: "*Single-source selection may be appropriate only if it presents a clear advantage over competition: (...) (d) when only one firm is qualified or has experience of exceptional worth for the assignment*". After reviewing different options, the project team in conjunction with the local specialist of FOMIN, identified that Fondasyon Kole Zépol (Fonkoze) has both: (i) a unique local expertise in socio-economic assessments (with tools like the Poverty Scorecard and the Food Security Survey), and (ii) an extensive network of agencies and specialists that allows the organization to perform periodic impact assessments in remote areas of the country.

Fonkoze is also an industry leader in social performance monitoring. In this respect, Fonkoze's Social Performance Monitoring and Market Research (Social Impact) department is a 16-member team dedicated to the routine and systematic monitoring of Fonkoze's clients and programs⁴. The total amount included in the budget for this consultancy is US\$ 126,324 (US\$ 68,162 FOMIN).

- 5.4 A Project Coordinator will be located at HELPR in order to carry out the activities. The Coordinator will: (i) manage project activities according to the operational manual and work plan, (ii) prepare the consultants' terms of reference and supervise their activities, (iii) prepare and manage budgets, (iv) process disbursements, and (v) submit administrative and technical reports to the Bank. Additionally, with local counterpart resources, a Project Assistant will be hired to help the Coordinator with the administration of the Project.

B. Execution and disbursement periods

- 5.5 The program execution period will be 36 months with a disbursement period of 42 months. The EA will submit semi-annual financial reports on the status of the revolving fund to the COF. Disbursements of grant funds will be done in accordance with the Bank and MIF policies and procedures.
- 5.6 **Disbursement by results.** Disbursements will be contingent upon attainment of the milestones, which will be agreed between the executing agency and the MIF along with their means of verification. Achievement of milestones does not exempt the executing agency from the responsibility to reach the project's objectives established in the logical framework. Under the Performance and Risk-based Project Management modality, disbursements will be made according to the financial needs of the program for the first six months of the project, directly linked to programmed activities and costs included in the annual work plan. The MIF contribution to the Fund will be disbursed directly through a "pari passu" mechanism based on the capital contributed by HELPR (see Annex II).
- 5.7 **Procurement of goods and services.** The execution of procurement and contracting activities will be in accordance with the Policies for the Procurement of Goods and Works Financed by the Inter-American Development Bank (GN-2349-7) and the Policies for the Selection and Contracting of Consultants Financed by the Inter-American Development Bank (GN-2350-7). Prior to beginning project contracting and procurement, the executing agency will submit a procurement plan to the Bank, which will be reviewed and updated semiannually or whenever a change occurs in procurement methods or in a good or service to be procured.
- 5.8 The Risk Analysis Tool applied to HELPR has determined that procurement and financial management risk is medium. However, taking into account that HELPR has not had prior experience managing funds from donors such as the MIF, the project team decided that the project will be supervised on an ex-ante basis, during the first year of execution and this approach will be revised after this period.

⁴ Fonkoze has two main tools that could be adapted for the purposes of monitoring the progress of HELPR participants' families over time: (i) the Kat Evalyasyon (Poverty Scorecard), which is a 25 question survey that collects data points on key socio-economic indicators of poverty, and (ii) the Food Security Survey, a 9 question survey adapted from Freedom from Hunger's Food Security Index.

VI. MONITORING AND EVALUATION

- 6.1 **Monitoring.** The FOMIN personnel in the IDB COF in Haiti will be responsible for supervising and monitoring the project, and will be assisted by the project team. HELPR will be responsible for presenting Project Status Reports (PSRs) to the MIF within thirty (30) days after the end of each semester and will contain information on project execution, achievement of milestones, and completion of project objectives as stated in the logical framework and other operative planning instruments. The PSR will also describe project issues encountered during execution and outline possible solutions. The PSR will also describe project issues encountered during execution and outline possible solutions. Within ninety (90) days after the end of the execution term, the Executing Agency will submit a final Project Status Report to the MIF, which will highlight results achieved, project sustainability and lessons learned.
- 6.2 **Financial Supervision.** The executing agency will establish and maintain adequate accounts of its finances, internal controls, and project files systems, according to the financial management policy of the IDB/MIF. There will be two audits of financial statements. The first will be conducted once 50% of the funds are disbursed and the second will be conducted at the end of execution. The reviews of the supporting documentation for disbursements will be conducted *ex-ante*.
- 6.3 **Evaluations.** Intermediate and final evaluations will be undertaken by external consultants. The mid-term evaluation will be prepared 24 months after the project begins implementation, or when 40% of the resources have been disbursed. A final evaluation will be done 3 months before the end of project execution. For intermediate evaluations, consultants will consider, among other items: (i) financial statements of the fund; (ii) number of students and perception about the ACM; and (iii) student services progress. Reports and surveys from external monitoring and evaluation consultants will go directly to the IDB COF in Haiti.
- 6.4 In the final evaluation external consultants will evaluate: (i) the number of effective students that have benefitted from the ACM; (ii) financial statements of the fund; (iii) number of students that have a job and conditions of the employment; (iv) design of a baseline for the evaluation; and (v) the overall performance and sustainability of the model. The EA will host a final event to discuss the evaluations and key lessons learned.
- 6.5 During the execution period the EA will prepare supervision and project evaluation indicators. These are in the Logical Framework (see Annex I) and will be used by the COF, the MIF and the EA to assess the overall project impact.

VII. BENEFITS AND RISKS

- 7.1 The Project will support HELPR's efforts to recover from the earthquake and build its capacity to migrate from a scholarship model to a more sustainable, scalable, contribution-based model. At the same time, the project will encourage the active role of HELPR's students in the country's reconstruction process, promoting them as new leaders of their generation. In the mid and long run, the implementation of the income contingent contribution model in Haiti will allow thousands of students from socioeconomic poor groups traditionally denied access to higher education, the opportunity to earn university degrees and make significant contributions to Haiti and its economy.

- 7.2 The beneficiaries of this program are 150 high performing, low-income students that have a financial alternative in order to access to higher education, and high salary jobs as a result of the education received. After project completion, an estimated 50 additional students per year shall benefit from the reimbursable financial mechanism created by the project. The project will also have positive externalities within the student's families by an increase in the family income; the communities where the students live by the creation of positive role models; and the Haitian corporations by having a growing trained human capital capacity available in the country.
- 7.3 **Potential risks.** The first risk detected by the project team is that the economic situation in Haiti will prevent HELPR from reaching the goal of 90% of its students having a job 6 months after graduation from college, which would affect the sustainability of the fund, as many students will not pay back the scholarship. As a mitigation measure for this risk, a job placement program will be implemented in order to maximize the job opportunities for HELPR students.
- 7.4 A second risk arises from potential poor management of the fund that is the core of the ACM. As a mitigation measure for this risk, an alliance with Capital Bank has been negotiated. Under such alliance, Capital Bank would be HELPR's pro-bono financial advisor monitoring the portfolio and providing financial expertise.

VIII. ENVIRONMENTAL AND SOCIAL IMPACTS

- 8.1 This program is expected to exert a positive social impact by helping low income youth to access higher education and obtain qualified jobs. The executing unit will be responsible for verifying the absence of negative environmental or social impacts in this project. According to the Environmental and Social Review, this project was classified as "C" (Clearance 25-10).

ANNEX I – LOGICAL FRAMEWORK

SUSTAINABLE FINANCIAL MECHANISM TO INCREASE ACCESS TO HIGHER EDUCATION IN HAITI (HA-M1030)

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
GOAL			
Facilitate access to higher education and to the professional job market to low-income students in Haiti.	<p>Three years after the end of the project:</p> <p>At least 100 new additional low income students per year have access to higher education</p> <p>90% of the low-income graduates have formal employment.</p> <p>100% of HELPR's alumni, on average, earn at least five times their parents' income.</p>	<p>Annual HELPR enrollment data</p> <p>Impact evaluation.</p> <p>Annual employment verification documentation and salary documentation.</p>	The political and macroeconomic situation in Haiti is not altered.
PURPOSE			
Create a replicable and scalable model based on a sustainable financial mechanism that provides access to higher education.	<p>At the end of the project:</p> <p>A pioneer sustainable mechanism for financing higher education for low-income students (ACM model) has been created in Haiti that paired to HELPR experience formed a replicable and scalable model and has provided access to higher education to 150 low-income students.</p> <p>The attrition rate of the program is below 10%</p> <p>1 country or region has shown interest in replicating the model.</p> <p>24 months after the beginning of the project:</p> <p>HELPR will double the current number of low income students per</p>	<p>Annual HELPR enrollment data</p> <p>Impact evaluation.</p> <p>Reports of the system.</p>	Favorable labor market conditions facilitate continued high employment rates for higher education graduates.

	<p>year are provided with financing for higher education. (Baseline 50 in 2010)</p> <p>100% of the graduates students have access to specialize services (job placement, training and leadership)</p>		
COMPONENTS			
I. Design and implement the Alumni Contribution Model	<p>12 months after the beginning of the project:</p> <p>The financial mechanism is designed and implemented.</p> <p>45 students financed under the ACM model.</p> <p>24 months after the beginning of the project:</p> <p>The financial mechanism and contracts are redefined based on the first year experience.</p> <p>90 students financed under the ACM model</p> <p>At the end of the project:</p> <p>1 fully tested financing mechanism is completely operational.</p> <p>150 students financed under the ACM model.</p>	<p>ACM collection policy & procedure documentation</p> <p>Consultancies reports</p> <p>Annual HELPR enrollment data</p> <p>Consultancies reports</p> <p>Fund's financial statements</p> <p>Inspection visits (IDB/FOMIN field visits)</p>	<p>Legal and regulatory environment remains stable.</p> <p>Social investors are interested in the HELPR financing model developed.</p>
II. Strengthen the current student services, create an alumni network and develop a job placement system	<p>12 months after the beginning of the project:</p> <p>70% of the graduate students¹ become members of the alumni network.</p> <p>A job placement system is created within HELPR.</p> <p>24 months after the beginning of the project:</p> <p>40% of alumni are actively participating in alumni activities.</p>	<p>Annual retention, graduation and employment data</p> <p>Alumni Leadership group meeting schedule, minutes and activity calendar.</p> <p>Advising Services manual</p> <p>Leadership curriculum</p>	<p>HELPR maintains high student retention rate.</p>

¹ Students who have received financing and have completed their studies before the MIF financing.

	<p>At the end of the project:</p> <p>95% of the new graduate students become members of the alumni network.</p> <p>At least 20 employers join the job placement system of HELPR.</p>	<p>documentation</p> <p>Partnership agreement w/local job placement entity</p> <p>Annual retention, graduation and employment data</p> <p>Press and media publications</p> <p>Consultancies reports</p> <p>Inspection visits</p>	
III. Reinforce fundraising capabilities	<p>24 months after the beginning of the project:</p> <p>HELPR support within USA increases by at least 10%</p> <p>Visits to HELPR website increase by 25%</p> <p>10 impact evaluation on 10 HELPR alumni students are conducted</p> <p>At the end of the project:</p> <p>HELPR supporters within USA increase in at least 20%</p> <p>Visits to HELPR website increase by 50%</p> <p>At least 2 social investors invest in the financial mechanism.</p>	<p>Web page statistics</p> <p>Consultant reports</p> <p>Web page statistics</p> <p>Inspection visits</p>	
IV. Knowledge management and communication strategy of the initiative	<p>At the end of the project:</p> <p>An case study of the model is developed and disseminated</p> <p>The HELPR financial mechanism has been presented in at least 4 national or international seminars or conferences.</p>	<p>Promotional videos</p> <p>Case study document</p> <p>Agenda of the seminars where the HELPR model is presented</p>	

ACTIVITIES

COMPONENT I. Design and implementation of a sustainable financial mechanism.

I.1. Structuring of financial model and investment vehicle (ACM Model)	<p>12 months after the beginning of the project:</p> <p>The investment vehicle has been developed and established</p> <p>There is a signed agreement with a local financial institution as advisor</p> <p>At the end of the project:</p> <p>The investment vehicle has been adjusted as needed and it has a documented track record.</p>	<p>Investment legal registration documents</p> <p>Consultants final report</p> <p>Contracts signed</p> <p>Inspection visits</p>	
I.2. Development of the Student Financing Contract	<p>12 months after the beginning of the project:</p> <p>The legal contract for students has been developed</p> <p>At the end of the project:</p> <p>The legal contract for students has been adjusted as needed.</p>	<p>Legal contract document</p> <p>Consultant final report</p> <p>Inspection visits</p>	
I.3. Accounting Supervision and Reporting	<p>12 months after the beginning of the project:</p> <p>Supervision and reporting system for the investment vehicle has been implemented.</p> <p>At the end of the project:</p> <p>Periodical reports had been sent to all the investors, and there is a satisfaction among them in terms of the quality of the information received.</p>	<p>Report documents</p> <p>Consultant final report</p> <p>Inspection visits</p>	
I.4. Creation and implementation of a credit scoring system	<p>24 months after the beginning of the project:</p> <p>A credit scoring system has been developed and it's integrated to the selection process.</p>	<p>Credit scoring system documents</p> <p>Consultant final report</p>	
I.5. Creation of a Human Capital Development fund for low income students	<p>12 months after the beginning of the project:</p> <p>The Human Capital Development Fund is established and funded.</p>	<p>Annual HELPRR enrollment data</p>	

	The fund has begun to finance students.	Fund financial statements Consultant final report	
COMPONENT II. Strengthen Student Services, Alumni Network, and Job Placement System.			
II.1. Strengthening of the Student Services Department	12 months after the beginning of the project: Advising services evaluation complete. Advising manual developed. Leadership curriculum evaluation complete it is being implemented.	Consultant final report Inspection visits Communications plan documents Advising manual	
II.2. Development of Alumni Network	18 months after the beginning of the project: Leadership curriculum evaluation complete. Leadership curriculum is implemented. At the end of the project: Alumni council formed and activity planning in progress.	Consultant final report Inspection visits Project evaluations Leadership curriculum documents	
II.3. Creation of a Job Placement System	18 months after the beginning of the project: Job placement system methodology developed At least 2 events engaging HR officers completed. At the end of the project: At least 8 events engaging HR officers completed.	Inspection visits List of participants to the events.	
COMPONENT III. Marketing and Targeting Key Stakeholders			
III.1. Development and implementation of US Communications Strategy	18 months after the beginning of the project: 1 Communications/PR plan developed and under implementation	Communications plan	

	phase.	Inspection visits	
III.2. Audiences and relations with leveraging partners	24 months after the beginning of the project: 1 Leveraging partners strategy designed and being implemented	Strategy documents Inspection visits	
III.3. Impact assessment and dissemination of the model	12 months after the beginning of the project: 1 Impact assessment methodology for the alumni (ex-post evaluation) and for new students (ongoing) designed. 18 months after the beginning of the project: Impact evaluation system is designed for all the students financed by the new financing mechanism. At the end of the project: 1 Paper with the experience developed and published.	Impact assessment methodology Data collected Paper published with the results of the Alumni impact assessment Consultant final report Inspection visits	
III.4. Creation of publicity material	18 months after the beginning of the project: One digital animation created 1 Dissemination strategy in place (one for the students and other for investors) 24 months after the beginning of the project: 1 Web page developed	Digital animations Web page PSR Inspection visits Project evaluations	
COMPONENT IV. Knowledge and dissemination of the initiative			
IV.1 Development of a study case of the model	At the end of the project: 1 Study case of the initiative developed, edited and published.	Paper published PSR Project evaluations	
IV.2 National dissemination strategy	24 months after the beginning of the project:	Dissemination strategy	

	1 Dissemination strategy designed At the end of the project: 1 Dissemination strategy successfully implemented	document PSR Inspection visits Project evaluations	
IV.3 International dissemination strategy	24 months after the beginning of the project: 1 Dissemination strategy designed At the end of the project: Presentation in at least 4 international events	Dissemination strategy document PSR Project evaluations Events agendas	

ANNEX II - BUDGET

BUILDING A SUSTAINABLE HUMAN CAPITAL MODEL TO FACILITATE ACCESS TO HIGHER EDUCATION IN HAITI
(HA-M1030)

COMPONENTS / ACTIVITIES	FOMIN	LOCAL CONTRIBUTION			TOTAL
		Cash	In Kind	Total	
I. Design and implement a sustainable financial mechanism	\$370,000	\$342,000	\$0	\$342,000	\$712,000
I.1. Structuring of financial model and investment vehicle (ACM Model)	\$ 60,000				\$ 60,000
Development of investment vehicle	\$ 25,000				\$ 25,000
Legal establishment of the investment vehicle	\$ 25,000				\$ 25,000
Partnership with local financial institutions	\$ 10,000				\$ 10,000
I.2. Development of the Student Financing Contract	\$ 25,000				\$ 25,000
Legal advice for the development of the contract	\$ 15,000				\$ 15,000
Legal advice to adjust the contracts and legal contingencies	\$ 10,000				\$ 10,000
I.3. Accounting Supervision and Reporting	\$ 20,000				\$ 20,000
Accounting consultant for financial supervision and reporting	\$ 20,000				\$ 20,000
I.4. Creation and implementation of a credit scoring system	\$ 15,000				\$ 15,000
Consultant to develop the credit scoring system	\$ 15,000				\$ 15,000
I.5. Creation of a Human Capital Development fund for low income students	\$ 250,000	\$ 342,000		\$ 342,000	\$ 592,000
First cohort	\$ 125,000	\$ 57,000		\$ 57,000	\$ 182,000
Second cohort	\$ 83,333	\$ 114,000		\$ 114,000	\$ 197,333
Third cohort	\$ 41,667	\$ 171,000		\$ 171,000	\$ 212,667
II. Strengthen the current student services, create an alumni network and develop a job placement system	\$82,800	\$12,500	\$14,000	\$26,500	\$109,300
II.1. Strengthening of the Student Services	\$ 43,000	\$ 10,000	\$ 10,000	\$ 20,000	\$ 63,000
Consultant for student advising & peer mentoring (evaluation)	\$ 13,000				\$ 13,000
Consultant for leadership program evaluation and development of new strategy	\$ 20,000				\$ 20,000
Leadership program implementation	\$ 10,000		\$ 10,000	\$ 10,000	\$ 20,000
Basic hardware & software needs of HELP study center for student services.		\$ 10,000		\$ 10,000	\$ 10,000
II.2. Development of Alumni Network	\$ 34,800		\$ 4,000	\$ 4,000	\$ 38,800
Alumni Affairs Coordinator	\$ 19,800				\$ 19,800
Travel/materials to identify & engage strong US alumni affairs program as partner for guidance	\$ 5,000				\$ 5,000
Seminars, training and other engagement activities for HELP alumni	\$ 6,000				\$ 6,000
Develop alumni network communications & calendar led by alumni relations group	\$ 4,000		\$ 4,000	\$ 4,000	\$ 8,000
II.3. Creation of a Job Placement System	\$ 5,000	\$ 2,500		\$ 2,500	\$ 7,500
Events engaging HR officers presenting the program and HELP students potential	\$ 5,000	\$ 2,500		\$ 2,500	\$ 7,500
III. Reinforce fundraising capabilities	\$153,162	\$58,162	\$0	\$58,162	\$211,324
III.1. Development and implementation of US Communications Strategy	\$ 35,000				\$ 35,000
Consultant elaboration of communications/PR plan	\$ 10,000				\$ 10,000
Consultant PR/Communications services (implementation)	\$ 25,000				\$ 25,000
III.2. Audiences and relations with leveraging partners	\$ 20,000				\$ 20,000
Designing Strategy, Identify & engage international/social investors	\$ 20,000				\$ 20,000
III.3. Impact assessment and dissemination of the model	\$ 68,162	\$ 58,162		\$ 58,162	\$ 126,324
In-depth impact assesment of HELP alumni	\$ 10,486	\$ 10,486		\$ 10,486	\$ 20,972
Year 1	\$ 3,871	\$ 3,871		\$ 3,871	\$ 7,741
Year 2	\$ 3,241	\$ 3,241		\$ 3,241	\$ 6,482
Year 3	\$ 3,375	\$ 3,375		\$ 3,375	\$ 6,749
Ongoing system for impact assesment of the program witin new students and their families (social and economic)	\$ 47,676	\$ 47,676		\$ 47,676	\$ 95,352
Year 1	\$ 11,288	\$ 11,288		\$ 11,288	\$ 22,575
Year 2	\$ 15,787	\$ 15,787		\$ 15,787	\$ 31,574
Year 3	\$ 20,602	\$ 20,602		\$ 20,602	\$ 41,203
Consultant drafting and editing ACM document for publication and dissemination (including edition and publication)	\$ 10,000				\$ 10,000
III.4. Creation of publicity material	\$ 30,000				\$ 30,000
Creation of digital animations about the program and it benefits (one for students and other for investors)	\$ 15,000				\$ 15,000
Web page development	\$ 15,000				\$ 15,000
IV. Knowledge management and communcation strategy of the initiative.	\$ 39,000	\$ -	\$ 15,000	\$ 15,000	\$ 54,000
IV.1 Development of a study case of the model	\$ 14,000				\$ 14,000
Consultant	\$ 10,000				\$ 10,000
Edition and publication	\$ 4,000				\$ 4,000
IV.2 National dissemination strategy	\$ 5,000		\$ 5,000	\$ 5,000	\$ 10,000
Design and implementation of the strategy	\$ 5,000		\$ 5,000	\$ 5,000	\$ 10,000
IV.3 International dissemination strategy	\$ 20,000		\$ 10,000	\$ 10,000	\$ 30,000
Design and implementation of the strategy (seminars, events, travel, etc)	\$ 20,000		\$ 10,000	\$ 10,000	\$ 30,000
Administration, Evaluation, Auditing and Contingencies	\$ 178,898	\$ 40,338	\$ 15,000	\$ 55,338	\$ 234,236
Project Manager	\$ 118,800				\$ 118,800
Project Assistant		\$ 39,600		\$ 39,600	\$ 39,600
Office: supplies, telephone, postage			\$ 15,000	\$ 15,000	\$ 15,000
Audit	\$ 10,000				\$ 10,000
Contingency expenses	\$ 10,098	\$ 738		\$ 738	\$ 10,836
Evaluations	\$ 40,000				\$ 40,000
SUB TOTAL	\$ 823,860	\$ 453,000	\$ 44,000	\$ 497,000	\$ 1,320,860
Impact Evaluation Fund	\$ 4,140				\$ 4,140
TOTAL	\$ 828,000	\$ 453,000	\$ 44,000	\$ 497,000	\$ 1,325,000