

TC ABSTRACT

I. Basic project data

- Country/Region: **Haiti**
- TC Name: **Pilot Case in Productive Housing**
- TC Number:
- Team Members: **Felipe Gómez-Acebo**, Team Leader (ICF/CMF); **Joaquin Dominguez** (ICF/CMF); **Manuel Pacheco** (ICF/CMF); **Marc Brugulat** (ICF/CMF); **Agustín Filippo** (VPC/HRC); **José Irigoyen** (VPC/HRC); **Cristina Pombo** (VPC/HRC); and **Goro Muutsura** (VPC/GCM)
- Indicate if: **Client Support**
- Reference to Request¹:



IDBDOCS-36498033.
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- Date of TC Abstract: **September 2011**
- Beneficiary (countries or entities which are the recipient of the technical assistance): **Haiti**
- Executing Agency and contact: **IDB – Felipe Gómez-Acebo** felipeg@iadb.org
- IDB Funding Requested: **JSF**
- Funding Requested: **\$1,350,000**
- Local counterpart funding, if any: **\$360,000, from NGO counterparts**
- Disbursement period (which includes execution period): **December 2011-December 2013**
- Required start date: **December 2011**
- Types of consultants (firm or individual consultants): **Individuals and firms**
- Prepared by Unit: **ICF/CMF, in coordination with VPC/HRC**
- Unit of Disbursement Responsibility : **CHA**
- Included in Country Strategy: **Y**; TC included in CPD: **N**
- GCI-9 Sector Priority: **“Lending to Small and Vulnerable Countries” and “Poverty Reduction and Social Equity”**.

II. Objective and Justification

Objectives

The general objective of this Technical Cooperation is to support the design and implementation of an integrated and sustainable livelihood solution (Housing + Jobs + Entrepreneurship + Training) “Productive Housing”. The specific objective is to support four pilot cases for a Productive Housing complex. The communities preliminarily identified are Caracol, Limonade, Fort Liberte, and Zoranjé (see Section VII Target Areas).

Justification

Several donors including the IDB have approved or earmarked funds for housing interventions in Haiti. The total dollar amount of the housing program in Haiti exceeds \$1 billion. A first issue to be solved by those programs is how to allocate the housing units among a certain target population, and to decide whether establishing payback rules as means for providing for adequate incentives and increased efficiency and development impact. Furthermore, while providing housing solutions have an immediate impact on improving the living standards of the communities, medium-long term

¹ A copy of the Letter of Request, Programming/Portfolio Review Mission Aide Memoire or Report requesting the TC should be submitted with the Abstract.

The TC will have three components, the first two components will be executed in each of the four pilot communities, and the third component will be transversal:

Component 1: Design of Productive Housing complex. A manager (NGO or Social Business) will be selected for each Productive Housing complex. The selection will be done through a special committee with members from the Japanese fund, and IDB specialists. This manager will be responsible of designing and organizing the complex. Activities include: (i) identification and negotiation of buyer's commitment, (ii) design of an organizational structure for production, (iii) design of a management structure –bylaws, administration personnel, operation of facilities, within the framework of Bank's policies; (iv) identification of needed common facilities and providers/operators, (v) production of a detailed business model sustainable that allows for partial payback of the housing units in the complex. Whenever possible, the team will incorporate the best Japanese business model suitable for industrial production at a micro-level.

Component 2: Implementation of productive activities. Activities include: (i) management of productive activities, (ii) selection of beneficiaries, which will be the producers, (iii) training of these beneficiaries, (iv) allocating small amounts of start-up capital, needed to begin production and thus generation of revenues, (v) mobilize business development resources available from other government or donor programs.

Component 3: Monitoring, Evaluation, and Dissemination. This component will be transversal to all four community pilots. Activities include:

(i) **M&E Platform.** A platform for monitoring and evaluation (M&E) will be set up and implemented. The result expected will be measured by the pilot M&E, and will be measured by the following indicator: "XX% increase in the average income of the beneficiaries from the productive housing with respect to the baseline". The baseline figure and percentage increased will be defined for each pilot community during project preparation.

(ii) **Evaluations.** A mid-term and a final evaluation will be carried out, based on the results from the M&E system.

(iii) **Dissemination.** The project team will work in close collaboration with Japanese aid agencies and representatives in Haiti to disseminate the outcomes of the project, including during the early stages of project proposal development, utilizing the media to promote visibility, and assessing the replicability of this model in other countries of the region with similar challenges.

Activity	IDB (JSF TC)	NGO Counterpart	Total
Community 3 Pilot	300,000	90,000	390,000
Component 1. Design of Productive Housing complex	100,000		100,000
Component 2. Implementation of productive activities	200,000	90,000	290,000
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Component 1. Design of Productive Housing complex	100,000		100,000
Component 2. Implementation of productive activities	200,000	90,000	290,000
Component 3 (transversal to all 4 pilots)	150,000		150,000
3.1 Design of M&E platform	40,000		40,000
3.2 Midterm and Final Evaluation	60,000		60,000
3.3 Dissemination	50,000		50,000
TOTAL TC	1,350,000	360,000	1,710,000

V. Executing Agency and Execution Structure

The TC will be executed by the Bank through its CMF division which will be in charge of overseeing the different pilots and supervising the M&E component. The Bank will select sound NGOs for each pilot on a first come first served basis, according to quality criteria to be defined by the project team regarding their proposal and organization for the implementation of each pilot. Important NGOs such as Grameen, and Oxfam GB have shown interest for this program.⁴ There could be different types of productive housing complexes (a description of them can be found in the note) which will be assessed through the project life. The pilots are self sustainable and may also be escalated if the selected NGO is able to provide/leverage the counterpart resources.

VI. Project Risks and issues

The TC proposes financing a Pilot Program in Productive Housing. The country provides a certain degree of uncertainty due to political and nature causes, from which little mitigation per se is available. To reduce the exposure to this, the pilot will be located in a safe area, and dependence of government and producer services will be centrally managed. Relevant risks arise from market and productivity issues, and those are mitigated by a long term purchase agreement by international buyers that will be put in place by the NGO, and through specialized management and quality control. This, in turn, provides adequate incentives for entrepreneurs and workers to invest in human and physical capital.

VII. Environmental and Social Classification

According to the Bank's Environmental and Safeguard Policies, the team anticipates that this TC has will be classified as "C". The TC will support the setting up and design of unit that will manage the "Productive Housing" pilot case, and as designed it will not have any adverse environmental and social impacts. Also, in the process of the implementation of the management unit it will be ask to offer opportunities to promote gender equality. Therefore, this TC does not require an environmental assessment study or any specific safeguard or monitoring requirements.

⁴ Detail information of this potential demand can be provided upon request.