

Why GAO Did This Study

On January 12, 2010, a powerful earthquake struck Haiti, resulting in an estimated 230,000 deaths, including more than 16,000 Haitian government personnel, and the destruction of many ministry buildings. In addition to immediate relief efforts, in July 2010, Congress appropriated \$1.14 billion in supplemental funds for reconstruction, most of which was provided to the U.S. Agency for International Development (USAID) and the Department of State (State). USAID and State are administering about \$412 million in supplemental and regular fiscal year appropriations for infrastructure construction activities. In May 2011, in response to a congressional mandate, GAO reported on overall U.S. plans for assistance to Haiti. This report addresses infrastructure construction activities, including (1) USAID and State obligations and expenditures; (2) USAID staffing; (3) USAID planning; and (4) potential sustainability challenges USAID faces. GAO reviewed documents and interviewed U.S. officials in Washington, D.C., and Haiti, and visited ongoing and planned construction sites in Haiti.

What GAO Recommends

To facilitate USAID's progress in planning and implementing its many post-earthquake infrastructure construction activities in Haiti over the next several years, particularly those requiring key technical staff, GAO recommends that the USAID Administrator ensure that U.S. direct-hire staff are placed at the mission within time frames that avoid future staffing gaps or delays. USAID described certain actions it is currently taking that, if continued, could address the recommendation.

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HAITI RECONSTRUCTION

Factors Contributing to Delays in USAID Infrastructure Construction

What GAO Found

USAID and State have obligated and expended a small amount of funds for infrastructure construction activities in six sectors: energy, ports, shelter, health, food security, and governance and rule of law. As of September 30, 2011, USAID and State had allocated almost \$412 million for infrastructure construction activities, obligated approximately \$48.4 million (11.8 percent), and expended approximately \$3.1 million (0.8 percent). Of the almost \$412 million, about 87 percent was allocated from the 2010 Supplemental Appropriations Act and 13 percent from regular fiscal year appropriations. USAID accounts for about 89 percent of the \$412 million, including funds for construction in the energy, ports, shelter, health, and food security sectors. State activities in the governance and rule of law sector account for the remaining 11 percent.

USAID had difficulty staffing the Haiti mission after the earthquake, a factor that has contributed to delays in infrastructure construction activities. Soon after the earthquake, 10 of the 17 U.S. citizen Foreign Service Officers, known as U.S. direct-hire staff, in Haiti left. USAID, lacking a process for expediting the movement of staff to post-disaster situations, had difficulty replacing them and recruiting additional staff. These staff included key technical personnel such as engineers and contracting officers needed to plan and implement infrastructure activities in sectors such as energy and ports, where the mission had not previously worked. With limited U.S. direct-hire staff on board, the mission relied heavily on temporary staff, and remaining staff assumed duties outside their normal areas of expertise. The mission plans to have all U.S. direct-hire staff on board by February 2012. Since infrastructure activities will continue until at least 2015, the mission will need to maintain sufficient staff for several years to manage the activities supported by the increase in Haiti reconstruction funds.

USAID and State are planning activities in Haiti, but various challenges have contributed to some of USAID's delays. As of October 2011, USAID had drafted eight Activity Approval Documents (AADs) that include planned activities, costs, risks, and assumptions. AADs for the education, energy, food security, governance and rule of law, health, and shelter sectors have been approved. The AAD process has been more comprehensive and involved than is typical for such efforts, according to USAID officials. Although USAID made progress in planning, construction of some activities was delayed for various reasons, and some activities do not yet have planned start dates. For example, the mission was delayed in awarding contracts in the shelter sector due to issues such as identifying sites for shelter and obtaining land title.

The sustainability of USAID-funded infrastructure depends, in part, on improvements to the Haitian government's long-standing economic and institutional weaknesses. USAID has considered various sustainability issues and is planning institutional strengthening activities, such as management reform of the power utility, but USAID planning documents acknowledge that these reforms will be challenging and that infrastructure activities face risks. These challenges are consistent with prior GAO reports that address sustainability of U.S. infrastructure projects in other countries.