



USAID | **HAITI**
FROM THE AMERICAN PEOPLE



Ben Edwards, USAID/Haiti via Flickr

EVALUATION

LOKAL Program Evaluation

Final Report

March 2012

This publication was produced for review by the United States Agency for International Development. It was prepared by Democracy International, Inc.



USAID | **HAITI**
FROM THE AMERICAN PEOPLE

LOKAL PROGRAM EVALUATION

FINAL REPORT

APRIL 2012

This publication was produced for review by the United States Agency for International Development. It was prepared by Democracy International, Inc.

DISCLAIMER

This is an external evaluation. The views expressed in this document are the authors' and do not necessarily reflect the views of the United States Agency for International Development or the United States Government

This publication was produced for review by the United States Agency for International Development by Democracy International, Inc., through Task Order No. AID- TO-12-00001 under the Analytical Services II Indefinite Quantity Contract (USAID Contract No. AID-OAA-I-10-00004).

Submitted to:

USAID/Haiti

Prepared by:

Bertrand Laurent, M.A.
Yves-François Pierre, Ph.D.

Contractor:

Democracy International, Inc.
4802 Montgomery Lane
Bethesda, MD 20814
Tel: 301-961-1660
www.democracyinternational.com

LOKAL
PROGRAM EVALUATION
FINAL REPORT

APRIL 2012

TABLE OF CONTENTS

ACRONYMS AND ABBREVIATIONS.....	ii
EXECUTIVE SUMMARY	1
INTRODUCTION, OBJECTIVES, AND METHODOLOGY.....	4
INTRODUCTION	4
OBJECTIVES.....	4
METHODOLOGY	4
PROGRAM BACKGROUND	6
ROOTS AND MEANING OF URBAN CENTRALIZATION IN HAITI	6
A TRADITION OF AUTHORITARIAN REGIMES	6
THE NEW DEMOCRATIC GOVERNANCE: THE 1987 CONSTITUTION	7
ILLUSTRATIVE REACTIONS OF THE EXECUTIVE: 1987-1996.....	7
USAID SUPPORT FOR DECENTRALIZATION	7
FINDINGS.....	9
LEGAL FRAMEWORK	9
STRENGTHENING LOCAL CAPACITY	10
IMPROVING MUNICIPAL SERVICES	13
MANAGING INFORMATION	14
CONCLUSIONS.....	16
RECOMMENDATIONS TOWARD A NEW DESIGN.....	18
ANNEX A: HAITI LOCAL GOVERNMENT LEVELS, GOVERNING BODIES, AND ATTRIBUTES	A-1
ANNEX B: PERSONS INTERVIEWED.....	B-1

ACRONYMS AND ABBREVIATIONS

ASEC	Communal Section Assembly
ASOSYE	Pwojet d’Appui à la Sosyété Sivil
CASEC	Administrative Council of Communal Sections
CFPB	Contribution Foncière de la Propriété Bâtie
DCT	Direction des Collectivités Territoriales
DGI	Direction Générale des Impots
DI	Democracy International, Inc.
FENAMH	Fédération Nationale des Associations des Maires d’Haiti
FGDCT	Fonds de Gestion et de Développement des Collectivités Territoriales
GOH	Government of Haiti
HIGHER	Haiti Integrated Growth through Hurricane Emergency Recovery
LOKAL	Limyè ak Organizasyon pu Kolekyivite yo Ale Lwen
MICT	Ministry of the Interior and Local Collectivities
MRP	Municipal Recovery Program
NGO	Nongovernmental Organization
PACTE	Projet d’Appui aux Collectivités Territoriales
PDC	Communal Development Plans (Plans de Developpement Communal)
PIM	Municipal Investment Plan
PNH	Police Nationale d’Haiti
SOW	Statement of Work
UNDP	United Nations Development Program
USAID	United States Agency for International Development

EXECUTIVE SUMMARY

This report is an evaluation of the *Limyè ak Organizasyon pu Kolekyivite yo Ale Lwen* (LOKAL) program implemented by Tetra Tech ARD. The LOKAL program was a four-year project funded by the United States Agency for International Development (USAID) designed to improve local governance and support the decentralization process in Haiti by strengthening the capacity and transparency of local governments and improving their ability to provide goods and services to their communities. Designed as an element of USAID/Haiti's 2005–2010 strategy under the Governing More Effectively and Democratically Strategic Objective, the LOKAL program had four main components: (1) completing and implementing a legal framework for decentralization; (2) building local capacity; (3) managing a small grants program; and (4) managing information and disseminating lessons learned. Field operations began in December 2007 through a task order under the Decentralization and Democratic Local Governance Indefinite Quantity Contract (IQC) mechanism. A separate six-month extension contract was awarded June 30, 2011, extending the period of performance to December 31, 2011. As stated in the Statement of Work (SOW), for the purposes of this evaluation, the “LOKAL program” refers to work performed by Tetra Tech ARD under both contracts.

At the program's outset, several institutional and policy developments offered the LOKAL program a favorable implementing environment. For instance, the new government of Prime Minister Michèle Duvivier Pierre-Louis emphasized decentralization reform as a major public policy priority. Basic decentralization framework legislation had also been drafted and was included in the parliament's 2009 legislative agenda. In addition, the Ministry of Interior and Local Government (MICT) began assuming a larger role in coordinating decentralization reforms and building the capacity of local governments, and increased dialogue and coordination among international donors promised greater synergy between decentralization and local development efforts.

Nevertheless, several constraints limited LOKAL's success.

- Several unfortunate events, particularly during the last two years of the program, diverted the attention of national and local officials and the international community from decentralization. In response to a series of hurricanes that Haiti experienced in 2008, USAID expanded LOKAL's in August 2009, toward the end of its second year, and allocated an additional \$1 million for work under the Haiti Integrated Growth through Hurricane Emergency Recovery (HIGHER) program, which focused on local government disaster preparedness and mitigation. Further, on January 12, 2010, Haiti experienced a devastating earthquake. In response, LOKAL redesigned its work plan to include a Municipal Recovery Program (MRP). Funds previously allocated to the HIGHER program were redirected to the MRP, which provided technical and material resources to local governments of earthquake-affected areas. The Evaluation Team was struck by the ability of the LOKAL team and USAID to respond to the major changes that this required without halting the project's work outside the earthquake zone. In our view, this was strongly indicative of the project team's competence and dedication. Several additional disasters during the LOKAL program affected its work and that of its partners, including hurricane Tomas in 2010, political instability following the 2010–2011 elections, and an ongoing cholera epidemic.
- Another key constraint has been a general lack of municipal capacity, particularly in enforcing municipal ordinances, collecting fees, and addressing local safety and security needs. Local governments must be able to enforce decisions in order to ensure and

maintain compliance. Strengthening the capacity of municipal governments and the police would build citizen trust and confidence in local government, strengthen popular support for decentralization, and reduce current tensions between the national and local governments. In addition, local associations of mayors and the national mayoral umbrella association, Fédération Nationale des Associations des Maires d’Haiti (FENAMH), need to reinforce their autonomy, capacity, and cohesion (i.e., buy-in and trust of the membership) in order to play an active and supportive role in decentralization.

- Civil society advocacy for decentralization is virtually nonexistent and political will for decentralization is consequently limited. This is a major hurdle for municipal authorities as they seek to strengthen their resource base and build local capacity. Civil society advocacy for decentralization is necessary not only to inform and mobilize public opinion but also to support mayors’ efforts to lobby the central government for increased local authority and resources.
- Several internal obstacles also limited LOKAL’s success and hindered progress toward decentralization. As previously mentioned, program activities were adjusted in response to the hurricanes of 2008 and the earthquake of 2010. To a significant degree, these amendments in LOKAL’s SOW redefined the program’s initial decentralization objective into a service-delivery model. These amendments also fragmented LOKAL’s focus and resulted in continuity gaps that likely reduced the programs overall effectiveness.
- In addition, USAID had originally selected LOKAL’s target communes according to pre-earthquake hotspot criteria that were unrelated to their propensity for decentralization. Target communes differed significantly in their administrative capacity, level of organization, and citizen participation. This led to uneven results and limited opportunities for synergy and collaboration across communes.
- While citizen participation in the early phases of communal planning was significant, continued community involvement throughout the implementation of the communal plans was limited. This is a serious issue that needs to be understood and addressed.

Democracy International’s evaluation team examined the full period of performance of the LOKAL program through December 2011. In January 2012, the team examined progress toward decentralization and municipal effectiveness in Acul-du-Nord, Bas-Limbé, Cabaret, Carrefour, Limbé, and Saint-Marc. The team has determined that LOKAL was indeed a success and, despite the disruptions and constraints mentioned above, the program met and in some cases exceeded its objectives. Overall, the LOKAL program was highly effective at strengthening key local government functions and processes.

LOKAL worked closely with the Ministry of Interior to finalize the legal framework on decentralization, which is required to translate the constitution’s provisions for decentralization into law. To the program’s credit, the framework was accepted by the Government of Haiti (GOH) and submitted to parliament. The Evaluation Team considers this to be a significant achievement even though the law has yet to be passed by the legislature, a political process outside of LOKAL’s purview. While LOKAL made a major effort to disseminate information about decentralization via television spots and radio interviews, public opinion was ultimately necessary but not sufficient to ensure the law’s passage, given the limited advocacy capacity of civil society organizations.

LOKAL facilitated municipal decision-making through the production and dissemination of legal reference documents and forms such as a standardized budget format, which has been mainstreamed countrywide. The program also increased the capacity of elected municipal

authorities through training and technical assistance. In addition, LOKAL increased municipal revenue bases through property surveys to enlarge and monitor their Contribution Foncière de la Propriété Bâtie (CFPB), a local tax on built property.

Moreover, LOKAL designed and implemented a communal development plan (*Plan de Développement Communal*, or PDC) and process model that can be extended to other communes. The program also introduced an information management system that has greatly increased the administrative capacity of the municipalities.

The evaluation team has crafted a set of recommendations for future USAID programming in decentralization and local governance. These recommendations are designed to achieve progress in four key areas: (1) strengthening the legal framework; (2) building sustainable support mechanisms; (3) strengthening political will and public support; and (4) supporting anticorruption laws, practices, and campaigns.

INTRODUCTION, OBJECTIVES, AND METHODOLOGY

INTRODUCTION

Democracy International (DI)'s Evaluation Team of experts in local governance and decentralization evaluated the *Limyè ak Organizasyon pu Kolekyivite yo Ale Lwen* (LOKAL) program in Haiti implemented by Tetra Tech ARD. The Evaluation Team was composed of Bertrand H. Laurent, a senior development professional with expertise in local governance, decentralization, and institutional capacity building, who served as Team Leader, and Dr. Yves-François Pierre, a senior local governance expert with more than 30 years of experience working in Haiti, who served as Local Governance Expert. The team was in the field from January 3 to 23, 2012, and presented their findings to the United States Agency for International Development (USAID) in an outbrief on January 23, 2012.

The team evaluated Tetra Tech ARD's full period of performance for the LOKAL program through December 2011. In January 2012, the team examined progress toward decentralization and municipal effectiveness in Acul-du-Nord, Bas-Limbé, Cabaret, Cap-Haitien, Carrefour, Limbé, and Saint-Marc. The team's analysis aims to help USAID/Haiti gain a clearer and more comprehensive understanding of the effectiveness and achievements of the LOKAL program and to help guide future local governance programming in Haiti.

OBJECTIVES

The objectives of the evaluation were two-fold: (1) to assess LOKAL's effectiveness in providing technical assistance to municipalities to establish legal frameworks for decentralization, strengthen local government capacity, improve municipal services, and manage information; and (2) to make recommendations for possible follow-on interventions in support of local governance and decentralization.

The team was charged with identifying lessons learned from the LOKAL program in order to enhance USAID's understanding of program performance and inform decisions about future USAID programming in the area of decentralization and local governance. The team analyzed the overall impact of the program and individual activities, the major constraints the program encountered, and the relationship of the program to the broader political environment in Haiti. This team examined where the program was successful and where it was not, identified remaining gaps for future decentralization efforts, and crafted a set of actionable recommendations for follow-on programs.

METHODOLOGY

Consistent with the terms in the SOW of the Task Order, DI submitted a proposed detailed evaluation and logistics plan to USAID before the team's arrival in Haiti. This plan included the overall evaluation design, sampling methodology, planned evaluation activities, data collection instruments, and a draft timeline and was subsequently approved by USAID/Haiti.

The team conducted its evaluation through an extensive document review, in-depth interviews with key program stakeholders, and on-site observation. Before arrival in Haiti, the evaluation team conducted a detailed desk review of key documents relevant to local governance and decentralization in Haiti, including U.S. Government (USG), USAID, and Government of Haiti

(GOH) publications, and all relevant program documents. This initial review helped the team gather comparative data and gain a preliminary understanding of the program goals, implementation plans, and performance monitoring efforts.

The team used a variety of interview methods including structured and unstructured discussions with key program stakeholders and authorities within the municipalities, such as representatives of the Ministry of Interior and Territorial Collectivities (MICT), civil society members, and the local citizens. A list of organizations and individuals interviewed is included in Annex B. The team's interviews allowed for in-depth discussions and took anywhere from three to eight hours. In one instance, the mayor of Acul-du-Nord spent an entire day with the evaluation team and gave them a tour of several projects within his municipality. Through collaboration with USAID, the team developed a list of common questions to guide discussions with each interviewee. While these questions were designed to elicit information on each of LOKAL's core components, they also provided flexibility that allowed officials to raise other areas of concern. Examples of these questions include:

- How successful was the LOKAL design?
- To what extent were strengths and weaknesses due to design or implementation?
- What is the significance of the project in the context of decentralization?
- How did the methodology used for municipal budgeting evolve?
- How much revenue can be (or was) raised?
- What constraints did the program face?
- What was the impact of external events, such as earthquake and hurricanes?
- To what extent is the MICT willing and able to replicate and broadly disseminate the LOKAL model?

The evaluation team conducted on-site observations of municipal interventions following the Communal Development Plans (*Plans de Développement Communal*, or PDCs). Based on guidance from USAID and LOKAL staff members, the team selected the following communities for field visits: Acul-du-Nord, Bas-Limbé, Cabaret, Carrefour, Limbé, and Saint-Marc. In these communities the team met with civil society activists, ordinary citizens, and government officials, including the mayor of Cap-Haitien and representatives from the Mayor's Federation (*Fédération Nationale des Associations des Maires d'Haiti* or FENAMH), the Administrative Council of Communal Sections (CASECs) representing local government on the Interim Haiti Reconstruction Commission, and the MICT. In order to obtain support from municipal interviewees, the evaluation team established at the outset that the evaluation findings and recommendations would be used to design possible follow-on initiatives. The interviewees understood that their participation in the evaluation was an opportunity to contribute to the design of future initiatives.

.

PROGRAM BACKGROUND

ROOTS AND MEANING OF URBAN CENTRALIZATION IN HAITI

The current urban centralization of goods and services in Haiti is a product of the country's political and social history. Following independence in 1804, the new Haitian state redistributed arable land vacated by the French according to seniority in the indigenous army. The irrigated and most fertile lands went to the generals, who were predominantly Creole and born in Haiti, while the mountainous and less fertile plots went to soldiers of lower rank, who were predominantly *bossales*, or former slaves who had been born in Africa.

Both black and mulatto generals implemented a large, coercive plantation system to extract labor from the newly freed *bossales*. The *bossales* served as *cultivateurs portionnaires*, or sharecroppers, and received one-quarter of total crop yields. Fleeing this exploitative labor scheme, many of the *bossales* developed small agricultural domains in rural areas. These small-scale farmers utilized local markets and informal rules to manage various forms of land tenure, such as share cropping, tenancy, and labor exchanges. Those who fled the plantations no longer had access to the meager healthcare and education services offered by the plantation owners. The state, comprising dominant Creole groups, felt no obligation to deliver these services to the peasantry.

Cities were therefore conceived and established as the locus of “civilized” black freemen and mulattoes (i.e., Creoles) who had been leaders of the revolutionary army. Privileges and state services were, and still remain, concentrated in the cities. In fact, symbolic gates in main cities indicated that noncity residents were outsiders and did not have the right to state services. The *bossales*, largely residing outside the cities, were therefore excluded from participation in government and denied access to goods and services available to urbanites. The persistent failure of the central state to respond to the needs of its citizens led these marginalized classes to lose confidence in the national government and to lower their expectations of the state's capacity for effective public administration.

Thus, from the country's independence in 1804 to the fall of the Duvalier dynasty in 1986, a long tradition of centralized government and administration has created and reinforced a class-based, regionally-stratified system.¹

A TRADITION OF AUTHORITARIAN REGIMES

Throughout Haiti's history, the state has dominated the public sphere by appointing civil, military, and paramilitary officials to funnel local resources to the central government. Despite numerous attempts to establish communal power in the nineteenth century, successive central governments ensured that communes were accorded minimal autonomous power until the end of the Duvalier regime in 1986.²

¹ See Hérard Jadotte and Yves-François Pierre, “Local Governance and Sustainable Peace: The Haitian Case,” in *The Paradoxes of Peacebuilding post -9/11*, ed. Stephen Baranyi, 85-93. Vancouver, British Columbia: UBC Press, 2008.

² Ibid.

THE NEW DEMOCRATIC GOVERNANCE: THE 1987 CONSTITUTION

The 1987 constitution represents an effort to reconcile the central state and the public. For the first time in Haiti's history, the constitution provided the public with the legal basis to participate in political decision-making and demand the provision of goods and services from various levels of governments. This new struggle between the state and its people revolves, therefore, around the very issue of sovereignty.

The constitution supported the concept of decentralization and mandated the administrative and financial autonomy of communal government. To limit the historic preemptory power of the state, the new constitution created participatory assemblies at all levels of government. In defining various territorial collectivities, such as communal sections, communes, and departments, the constitution makes provisions for local executives and assemblies, including the CASEC and the Communal Section Assembly (ASEC) at the section communal level;³ the Municipal Council and the Municipal Assembly at the communal level; the Departmental Council and the Departmental Assembly at the departmental level; and the Interdepartmental Council with no corresponding assembly at this level.

ILLUSTRATIVE REACTIONS OF THE EXECUTIVE: 1987–1996

Despite these constitutional safeguards, several presidential decrees have affected local levels of government and run counter to decentralization.⁴ These decrees vested more power in the central government, compromising local authority and negating constitutional protections. A presidential decree on March 13, 1987 gave the Ministry of Finance financial control over local government units, which contradicts article 217 of the constitution on financial decentralization. Moreover, the creation of the Direction des Collectivités Territoriales (DCT) in the Ministry of Interior by decree on May 17, 1990, gave the central government authority over municipal, sectional, and departmental governments, thereby limiting the administrative and financial autonomy of communal governments. Further, on January 11, 1999, a presidential decree put the Fonds de Gestion et de Développement des Collectivités Territoriales (FGDCT) under the control of the Ministry of Interior. This decree reversed a previous decree dated May 28, 1996 that made the FGDT a departmental responsibility. Lastly, municipal governments have no authority over the functions of the central revenue service, the Direction Générale des Impôts (DGI), critically impacting their ability to ensure resources are fully and accurately disbursed.

USAID SUPPORT FOR DECENTRALIZATION

During the 1990s, two projects under USAID's Enhancing Democracy Program, *Projet d'Appui aux Collectivités Territoriales (PACTE)* and *Pwojet d'Appui à la Sosyété Sivil (ASOSYE)*, aimed to strengthen the capacity of several Haitian institutions, including the National Assembly, political parties, the Electoral Council, civil society, and local governments. However, political

³ There are 570 communal sections; 140 communes and 10 departments. The smallest administrative unit is the communal section and the largest the department, the commune falls in between the two. Rural populations can make their voice heard at higher level of government through the CASECs and ASECs. For more elaborated details, see Annex A: 'Haiti Local Government. Levels, Governing Bodies, Attributes. Port-au-Prince, Haiti: USAID/LOKAL Project, 2007.

⁴ See Glenn Smucker et al., "Political Will for Decentralization in Haiti" (Project Report for Development Alternatives Incorporated (DAI), Port-au-Prince, Haiti, May 2000).

events, such as the 1991 coup d'état and the 1999 conflict that resulted in the dissolution of parliament, limited their effectiveness.⁵

To better understand Haiti's progress toward decentralized governance, the Evaluation Team used USAID's local governance decentralization assessment, conducted in 2006, as a baseline for the evaluation. The team also used the assessment's four critical facets of effective decentralization as indicators: (1) establishing a legal framework for decentralization; (2) defining and implementing the constitutional bodies for decentralization; (3) training and building the capacity of elected authorities; and (4) enabling local authorities to generate needed financial resources to provide basic services.

⁵ More further details: Sigifredo Ramirez, André Lafontant, and Michael Enders, "Local Governance Decentralization Assessment in Haiti" (Assessment for Abt. Associates Inc., Port-au-Prince, Haiti, July 2008).

FINDINGS

This section examines LOKAL's objectives and analyzes program activities and their respective effect on furthering the legal framework for decentralization, increasing the capacity of local governments, strengthening municipal services, and highlighting the importance of information management in target municipalities. This section further assesses the extent of success or failure, and attempts to isolate the programmatic stage where problems originated.

LEGAL FRAMEWORK

Though it has been 25 years since the enactment of the 1987 constitution, very little of the constitution's framework for decentralization has been codified in law. The constitution serves as a guideline for state and local actors in their efforts to strengthen decentralization and democratic consolidation.

As noted above, Haiti has a long history of authoritarianism. Since the fall of the Duvalier dynasty in 1986, efforts at establishing a democratic state have oscillated between anarchistic populism (1990–1991) and military dictatorship (1991–1994). As a result, Haiti does not have a strong legacy of democratic practices and institutions. In order to move towards democratic consolidation, state actors, representatives, and citizens need to adopt new set of political norms and behaviors. This is only possible if parties share in the consensus and agency of the new legal framework.

The first objective of the LOKAL program was to complete and implement a legal framework for decentralization. LOKAL carried out important activities that strengthened and reinforced this objective. For instance, LOKAL provided technical assistance to the MICT, including department-level public forums with civil society, community organizations, and local authorities to convert decrees on decentralization into law. The GOH introduced the law on decentralization to parliament, which sent the law to the executive after comments. The next steps are a legislative process that is beyond LOKAL's purview.

LOKAL also provided technical assistance on the preparation, publication, and implementation of municipal ordinances and other legal documents in target communes, including Cabaret, Limbé, and Saint-Marc.⁶ In Bas-Limbé, following the PDC, the mayor published ordinances that forbade local populations from cutting down food trees and required them to obtain permission to cut down other types of trees. However, program assistance did not always produce favorable results. LOKAL's assistance to Saint-Marc established the legal foundation for regulation of motorcycle taxis. There seemed to be tension between the Saint-Marc police station and the mayor's office over enforcement. In their attempt to avoid paying license fees, taxi drivers present patrol officers with their *fiche d'enregistrement* (vehicle registration) obtained from the mayor's office, in lieu of licenses issued by the police. Conflicts between the mayor's office and the police may be exacerbated by limited coordination and communication and questions surrounding the legal competency of the police to enforce administrative (not criminal) ordinances. The relationship between mayors' offices and the police, as well as the issue of enforcement, will be major factors in strengthening local government.

The Evaluation Team found that LOKAL's positive working relationship with MICT partners was a critical factor for its success. However, the program would have likely been more successful if had it established strategies for enforcement of ordinances with its target

⁶ Ibid, 11.

municipalities before writing municipal ordinances. While the lack of a legal framework clearly weakens municipalities' ability to enforce their ordinances, a strategy for ordinance enforcement would increase public confidence and public participation in municipal resource mobilization. As enforcement is required for ordinances to be successful, proceeding with municipal ordinance assistance without a clear agreement on how enforcement would be handled was both a design and an implementation flaw.

STRENGTHENING LOCAL CAPACITY

The second component of LOKAL's decentralization support was to increase and strengthen the capacity of local governments. After successful application of budgeting techniques in target communes, LOKAL trained and partially financed MICT staff to train municipal authorities in all communes in budgeting. LOKAL also helped the MICT to standardize municipal budgets and to develop the *Guide Pratique du Maire* (Mayor's Handbook), supported the creation of constitutions for several local governance bodies, and helped mayors to establish mayoral associations at the intercommunal and departmental levels.

At the municipal level, LOKAL helped to increase administrative efficiency by establishing archival and inventory management systems. Officials from these municipalities appreciated the importance of local government archives and were unanimous in their appreciation of LOKAL's help in establishing efficient filing systems. LOKAL provided document management systems support to local governments through two participatory initiatives: the PDC and the Municipal Investment Plan (PIM).

Communal Development Plans

At the municipal government level, LOKAL helped broaden the Communal Development Plans utilizing a participatory process. This was a step toward institutionalizing the constitutional mandate entitling citizens to participate in political decision-making. The PDCs have had a positive impact in LOKAL's target municipalities by modeling a consultative planning process. Municipal stakeholders used the PDC to establish a set of unified priorities and obtain central government funding and assistance.

The evaluation team conducted on-site observations of municipal interventions following the PDCs, particularly in Acul-du-Nord and Bas-Limbé. The team noted that mayors were proud of the work achieved and were satisfied with the support they received from LOKAL to develop and implement their PDCs. The PDC process has helped direct funding towards communal priorities. For instance, Acul-du-Nord has used the PDC to acquire funding for a water catchment and distribution project that benefits more than 50 carreaux⁷ of land in the locality of Calvaire l'Acul. The team visited the project and, according to local cultivators, the project has increased rice production from 50 to 240 marmites per quarter hectare. The mayor of Acul-du-Nord has also used its PDC to help construct a new market. In Limbé, the PDC has been used to construct new marketplaces and cap three springs. Furthermore, through its PDC, the municipality of Bas-Limbé obtained financial support from the central government to build a secondary school, the Luc Stephen Lycée, and to rehabilitate the Centreville School. Plans to build a local market in Bas-Limbé, which were part of the pre-earthquake PDC process, were still in progress during fieldwork.

Municipal governments were also able to leverage resources from other donors to implement local projects and improve local services. For example, in Acul-du-Nord, the mayor

⁷ Roughly equivalent to 160 acres; one carreaux is equivalent to 3.18 acres.

utilized the PDC to obtain funding from the Inter-American Development Bank to finance the rehabilitation of the National School of Barrière Blanche. The mayor also obtained funds from the Fund for Economic and Social Assistance (FAES) to build a new secondary school, the Lycée Jean-Louis Pierrôt.

While the PDCs can be strategically used to further decentralization and governance, for the most part they were used as a tool for municipal administration. The team noted that although citizens were involved in formulating the PDCs, civil society did not play an ongoing role in ensuring or monitoring their execution, missing important opportunities to build public involvement in and support for decentralization. Mayors also did not require local and international NGOs operating in the area to adhere to the PDCs. Municipal authorities can use the PDCs not only for budgeting and fundraising purposes but also to build citizen participation and local support. Moreover, civil society organizations can use the PDCs as a basis for advocacy and civic action.

Although PDCs allowed communes to effectively draw resources from the central government, their full potential as instruments for democratic governance has not yet been realized. Specifically, by more direct engagement with civil society, municipal governments could better integrate and elevate community interests.

Municipal Investment Plans and Revenue Mobilization

After the January 2010 earthquake, LOKAL broadened its emphasis on municipal development to include revenue mobilization and service provision. The Evaluation Team found that the LOKAL program significantly enhanced local revenue mobilization capacity. According to one mayor, “Before LOKAL, we had no means at all of being functional.” Increasing revenues focused on reinforcing the fiscal capacity of various municipalities by helping them organize a survey of properties and improving data collection and processing to increase municipal revenues in three pilot communes: Cabaret, Carrefour, and Saint-Marc. In contrast, municipal offices that did not receive LOKAL assistance frequently lack the electronic data management systems and networks necessary to effectively coordinate with other government offices.

The tool that LOKAL developed for municipal revenue mobilization, the PIM, is a planning document, similar to the PDC but more limited in scope. Unlike the PDC, the PIM focuses on utilizing the commune’s own revenues rather than on designing broader strategies for communal development. Although the PIM process emphasizes the importance of local fundraising and leveraging community resources, the Evaluation Team found that international or central government funding sources financed the vast majority of LOKAL projects. Moreover, when asked what they could achieve without external funding (i.e., central government or otherwise), mayors from target communes often could not answer. This was not necessarily a result of the PIM process but more likely a general attitude about self-reliance, especially when donor resources—which require little community oversight and bring a degree of political capital to the leadership—are easily accessible. In all fairness, municipalities are only recently seeing the first income from local revenue mobilization, and thus would not have yet had a chance to fund projects with internal resources. Nevertheless, sole reliance on external resources will have serious negative consequences for local governance and citizen participation must be addressed in any long-range strategy for local governance development.

Greater citizen and private sector participation is needed to strengthen local autonomy and development. In the absence of significant civil and private sector participation, municipalities will remain oriented toward external (i.e., central state agencies and international NGOs) rather than internal sources of funding, a sentiment that runs counter to decentralization and political

autonomy.⁸ LOKAL's focus on strengthening local government administrative structures and practices without commensurate, or at least tandem, investment in building citizens' participatory, oversight, and advocacy roles was a limiting factor both in the program's design as well as its implementation.

One of LOKAL's most widely acknowledged initiatives was the improvement of the local property tax system. Besides being a tool for resource mobilization, local property taxes generally prompt residents to participate more actively in communal affairs, thereby strengthening local governance. Based on initial survey data, the LOKAL program is expected to produce significant results, including increased revenue for the municipality. In addition, participating municipalities now have a numbering system for the houses in their jurisdiction, a standardized instrument to collect necessary fiscal information about homeowners and their properties, and a system of electronic files backed up by archives of paper files that enables taxpayers to monitor local tax collection. In addition, taxpayers now know how much in property taxes they are required to pay every year, and thus do not feel they are at the mercy of a capricious assessor. For these reasons, the property tax initiative has generated significant enthusiasm among municipal authorities and seems to be viewed by citizens as a fair process.⁹

There have been several problems in survey execution, which are due to shortcomings in the program's implementation, rather than its design. In some instances, flawed survey instruments led to data collection errors, potential fraud, and inconsistent responses. For example, establishing legal property ownership remains a challenge, as the number of properties exceeds the number of registered property owners. Several municipal fiscal directors attributed this problem to faulty census data collection that does not distinguish between owners and renters or omits information about owners or landlords who are not present. In one commune, some enumerators did not use indelible paint to number the houses surveyed and rainfall washed away these markers. In several cases, respondents' tax identification number (NIF) was not recorded, making cross-verification with other services' records impossible. Better survey instruments and methods can help improve data accuracy and transparency.

Municipal fiscal directors consistently claimed that revenue mobilization survey data was expected to increase property tax revenues at least threefold. However, the Evaluation Team found it difficult to obtain fiscal data from the municipalities during interviews. After the interviews, the Evaluation Team continued to communicate with the municipalities in an effort to obtain more complete fiscal data. The mayor of Cabaret could provide no fiscal data post LOKAL training but was able to provide data about listed properties. The commune's property tax rolls had originally listed 1,500 buildings before LOKAL training and after the training the commune's property tax rolls had increased to 3,854 buildings.

These interviews led the Evaluation Team to believe that the Directors of Fiscal Services for Saint-Marc and Carrefour could provide the most information. After a number of follow-up telephone conversations, the Team submitted questions to the directors in writing. Specifically, the team asked for: (1) the number of properties listed (and the years of those listings) before and after LOKAL training; and (2) the property tax revenues collected (and the years) before and after LOKAL training.

⁸ Whereas political autonomy refers to the "latitude of social actors to take political initiatives unconstrained by the claims to others," political capacity "is their ability to implement political decisions...once they have the means against opposition." See for more details, Michael Bratton, "Peasant-state relations in postcolonial Africa: patterns of engagement and disengagement" in *State Power and Social Forces*, ed. Joel S. Migdal et al. (UK: Cambridge University Press, 1997) 231-254.

⁹ This is an informal impression that is not based on a survey but rather on random conversations with citizens in the municipalities concerned.

Carrefour's Director of Fiscal Services reported that before LOKAL the commune collected annual revenues of 13 million gourdes or 1,083,333 gourdes per month. After LOKAL, the commune collected an average of 3,200,000 gourdes per month, an increase of 2,116,667 gourdes per month, or an estimated 38,400,000 gourdes annually. This is consistent with the projections given to the Evaluation Team during the field interviews; however, the Team cannot be certain that this level of increase will be found across the board and in the future.

Saint-Marc's Director of Fiscal Services reported that, with technical and financial assistance from the UNDP in 1992, the commune created a database using information collected on some 5,000 built properties and collected over 3,000,000 gourdes from 1,800 payers that year. In 2001, the computerized system and supporting information were destroyed and the commune returned to its previous system. In August 2007, Saint-Marc conducted a census on 17,543 built properties and collected 7,000,000 gourdes. Revenues fell during the 2009–2010 fiscal year, prompting the commune to request help from LOKAL. LOKAL's assistance included a preparatory phase comprising public awareness and training for data collectors; a survey that identified 20,646 taxable properties; a tax grace period for late payers, and computerization of the system. In the year after receiving LOKAL assistance, the commune collected 12,949,006 gourdes, a significant improvement, albeit short of the projected threefold increase.

LOKAL's assistance clearly resulted in significant increases in municipal revenue. However, the lack of public access to tax information, transparency about revenues, and controls in establishing tax levels threaten the integrity of local revenue mobilization and can undermine nascent public confidence. At this point, the Evaluation Team feels that the question of *how much*, though important, is secondary to more fundamental questions about the integrity, auditability, security, and viability of the revenue mobilization system. Focusing on the amount raised rather than first investing in proper controls and corruption safeguards will comprise additional resources and jeopardize public confidence and support for local government.

Although the PIM was a well-received initiative that strengthened local capacity and increased revenue extraction, structural constraints notably compromised its general efficacy. Specifically, a traditional lack of transparency in fiscal administration continues to threaten public confidence in municipal government. For example, posted budgets are frequently not updated with information about real revenues or their sources. At least one mayor reported that residents had assumed that certain activities funded by donors had actually been funded by the municipality. To ensure decentralization efforts are successful, communes will need to accord civil society and NGOs greater access to public records. These organizations can use public records to demand greater accountability from local governments and responsiveness from public officials.

IMPROVING MUNICIPAL SERVICES

As mentioned previously, after the devastating earthquake on January 12, 2010, USAID asked LOKAL to change its focus from building the capacity of local governments to implementing a municipal recovery program. LOKAL's strategy, therefore, moved from a development-oriented focus (i.e., the PDC) to a service-oriented focus (i.e., the PIM). The LOKAL program improved municipal services by assisting with civil protection activities. For example, in Cabaret and Carrefour, LOKAL provided personnel to local civil protection committees and, in at least two instances (Acul-du-Nord and Bas-Limbé), the program helped to build or rehabilitate municipal buildings. LOKAL also provided target municipalities with funding to establish or improve public goods and services, such as marketplaces, school buildings, and irrigation structures. In addition to improving local economic development, these services encouraged the citizens to pay property taxes to support municipal government initiatives.

Through various municipal support projects, LOKAL provided practical experience in the design and provision of public services. The program identified projects through a participatory planning process (i.e., PDC or PIM) that involved both municipal officials and community representatives. The availability of significant external funding, through LOKAL and other programs, encouraged municipalities with limited resources to “go big.” As a result, smaller needs, which could have been easily handled with local resources and consequently build a local sense of responsibility (such as maintenance of sewers, cleaning public spaces, traffic management, maintenance of public buildings) were ignored. The tendency to emphasize large-scale projects may result from a desire to create highly visible projects instead of smaller interventions that result in a less visible, though necessary, attitude shift. This does not mean to suggest that two are mutually exclusive, but rather that both large- and small-scale initiatives are needed. This omission was both a design and an implementation shortcoming that could have been mitigated by an implementation strategy that was more sensitive to the importance of grassroots ownership of local development and the relationships of governance.

Nonetheless, LOKAL’s municipal support projects catalyzed civic participation and directed resources, in part, toward community interests. Moreover, these projects strengthened local institutions and local infrastructure, providing communes with valuable social and economic capital.

MANAGING INFORMATION

The LOKAL program has made a significant effort to mainstream its best practices, disseminate technical information, and share lessons learned. For instance, LOKAL prepared and published a newsletter with articles on best practices in local governance. Tetra Tech ARD also actively participated in the multidonor Decentralization Sector Working Group created by the European Commission in 2008 as well as in several ad hoc public events organized by the GOH and the international community on decentralization, local governance, and local development issues. These efforts helped to mainstream models of responsive governance, thereby giving the program national impact.

The LOKAL program also developed and disseminated useful publications to municipal governments. Tetra Tech ARD partnered with the MICT to ensure GOH buy-in and the widest possible distribution. The LOKAL program worked with the MICT to research, produce, and disseminate thousands of copies of important documents, including standards and guides for municipal budget formulation and an orientation manual for new mayors. LOKAL helped the MICT prepare and produce an annotated compendium of legal texts on decentralization. During a workshop held in May 2011, approximately 1,000 copies of the compendium were distributed to representatives from governmental ministries, the police, the Ministry of Justice, the Interim Commission for the Reconstruction of Haiti, and mayors.¹⁰

During the project’s last month, Tetra Tech ARD articulated program successes in a lessons-learned workshop for mayors and municipal staff from target communes. Workshop participants identified program achievements, primarily improvements in municipal administration, including budgeting, revenue mobilization, improved document management, planning, and employee management. Participants also demonstrated a growing understanding of the basic elements of good governance, such as improved communication, transparency, and citizen involvement in decision-making. Several mayors described improved collaboration among their offices, the CASECs, and other state services, including the creation of joint committees that bring together

¹⁰ LOKAL: Quarterly Performance Report (Port-au-Prince, Haiti, April 1 – June 30, 2011), 9-10.

key stakeholders to engage in policy issues, including security issues and motorcycle taxi regulation.

Through this component, LOKAL has had an impact beyond its immediate target municipalities. Several of these documents, such as the orientation manual and budget guidelines, have been adopted on a national basis. These activities were successful due to both program design and implementation. By identifying and sharing best practices, LOKAL promoted responsible and effective governance and preserved institutional knowledge of decentralization efforts.

CONCLUSIONS

As previously stated, the Evaluation Team used the findings of the Local Governance Decentralizations Assessment in Haiti conducted in 2006 as a baseline for the evaluation of the LOKAL program. The assessment recommended four crucial steps to support decentralization: (1) establishing the legal framework for decentralization; (2) defining and implementing the constitutional bodies the decentralization process requires; (3) training elected authorities and building their capacity to assume their functions including playing a pivotal role in their communities' development process; and (4) strengthening the financial capacity of local authorities through tax collection, tariffs, and government transfers so they can provide basic services to their constituents.

Despite deviations from LOKAL's original plan due to national emergencies, the Evaluation Team concludes that the program has succeeded in furthering the decentralization process and strengthening the capacity of local governments to provide services. Specific achievements of the LOKAL program include:

- Since the GOH accepted the framework and submitted it to parliament, LOKAL achieved its objective of finalizing the legal framework on decentralization.
- LOKAL played a key role in producing and disseminating legal documents that play a critical role in municipal decision-making and management.
- There was a consensus among the municipal authorities interviewed by the Evaluation Team that LOKAL reinforced local administrative capacity through various trainings, technical assistance, and the creation of dialogue between municipal managers.
- LOKAL enabled municipalities to raise their tax base by designing and leading property surveys to enlarge the CFPB.
- LOKAL helped the Ministry of Interior to design a standardized budget format and budgeting process that has subsequently been adopted by all municipalities.
- The PDC and PIM have key multiple uses, are well received, are models for other communes, and have the potential to increase citizen participation.
- LOKAL introduced a file management system that is universally appreciated by its users as an important tool that greatly improves their administrative capacity.
- By training and helping local governments to produce and publish municipal ordinances, LOKAL has helped to reestablish recognition of state authority at local level.

Nevertheless, numerous issues hindered the success of LOKAL initiatives and continue to limit the capacity of local governments. These include:

- **A lack of harmony between central and local governments over the extent of decentralization.** This is caused by unclear administrative processes, conflicting mandates, and limited political will. This discordance is exacerbated by the lack of organized civil society advocacy for local services and decentralization.
- **Difficulty redefining the relationship between local authorities and the public.** Although the PDC elucidates the role of communal leadership, there is still a gap between how citizens perceive the role of local authorities and how local authorities

perceive their own role. Communication between mayors and the public exemplifies this problem. Some mayors hold frequent public meetings on municipal issues, but these meetings typically serve to deliver information or make announcements, and fail to elicit dialogue or maintain public interest vis-à-vis the development and decentralization plans.

- **Challenges collecting revenues at the municipality level.** The amount of revenue that can be raised by a given municipality is determined not only by the municipality's ability to generate tax bills, but also by the degree to which citizens agree to pay their taxes and fees. Citizens' willingness to pay taxes and fees is in turn a function of their satisfaction with municipal government, their understanding of their civic role, their perception of corruption, and the degree to which sanctions for nonpayment can be applied. People pay taxes when they feel they are receiving services, but without tax revenue, local governments do not have the funds to provide these services.
- **Lack of municipal-level law enforcement mechanisms.** Currently, there are no municipal police and the Police Nationale d'Haiti (PNH) is understaffed and cannot effectively provide police services in communal sections. As such, municipal governments lack the ability to sanction noncompliance with communal ordinances.

RECOMMENDATIONS TOWARD A NEW DESIGN

Overall, LOKAL's achievements have improved the efficiency and effectiveness of local participation in governance. The program has begun to generate a newfound sense of optimism about decentralization in target communities. As discussed above, some of LOKAL's achievements have been mainstreamed nationwide, giving the program national impact. However, LOKAL's achievements need to be consolidated, reinforced, built upon, and linked to other interventions.

The evaluation team has identified five interlinked pillars required for strengthening decentralization and local governance in Haiti: (1) strengthen the legal framework; (2) build sustainable support mechanisms; (3) strengthen political will and public support; (4) support anticorruption laws, practices, and campaigns; and (5) strengthen key local government functions and processes. While the LOKAL program was highly effective at strengthening key local government functions and processes, future programming must address all five pillars in order to ensure local interests are adequately represented and bolster citizen confidence and trust in government.

Below, the team presents a set of recommendations for each of the other four pillars.

- 1. Strengthen legal framework:** Several laws and central government administrative practices regarding local governance and decentralization need to be assessed, prioritized, and strategically addressed. The Evaluation Team recommends that follow-on programs hold workshops with stakeholder NGOs to bring together the parliament and the executive to arrive at a final version of the decentralization law that can be voted on. Follow-on activities should also help build the capacity of law enforcement agencies to enforce municipal ordinances and oversee their equitable execution. To this end, a discussion between the mayors, the MICT, and the Direction Generale of the PNH on the enforcement of local administrative issues and ordinances would be helpful.
- 2. Build sustainable support mechanisms:** Follow-on programming must feature sustainable support mechanisms. Citizen engagement in the decision-making process will not only empower citizens and promote responsiveness but also help ensure that these programs are locally owned and facilitate local buy-in. Future USAID local governance support should prioritize citizen participation in PDCs and ensure that these initiatives are mainstreamed nationally.

In addition, follow-on programming should provide technical and financial support to an organization to enable it to become a truly autonomous structure capable of providing effective advocacy support for local government. While FENAMH has distinguished itself as a nascent champion for decentralization, a strategy for its long-term financial sustainability is crucial. The organization lacks capacity because it does not have the necessary resources to implement its objectives and must rely on central government support for its core funding—a clear conflict of interest given FENAMH's mandate and constituency. Since FENAMH relies on the Ministry of the Interior for its core funding, its ability to advocate for decentralization and champion the concerns of local governments is compromised. In order to become sustainable, FENAMH will have to establish local (domestic) sources of revenue, rather than rely on donor or

central government funding. Coupled with strong citizen support, FENAMH could become a critical catalyst for progressive change in Haiti. Citizen participation will be crucial not only for building political support for FENAMH but also for ensuring its economic sustainability.

Future support could also strengthen the advocacy and capacity building role of a national-level mayors' association, such as FENAMH. If its mandate is formally broadened beyond advocacy for decentralization, FENAMH could also provide ongoing technical support to mayors. Consensus on this organization's mandate is crucial. The Evaluation Team noted a range of opinions about FENAMH's potential role in promoting decentralization (i.e., advocacy alone, or advocacy and capacity building). The actual and potential roles of FENAMH and its relationship with the MICT have yet to be fully discussed between mayors and the MICT. This would have implications for the nature and level of future support to FENAMH and its long-term funding strategy, as providing long-term donor funding to FENAMH would merely supplant MICT support and make FENAMH more of a top-down institution which, in the view of the Evaluation Team, would be counterproductive.

3. **Continued and expanded use of LOKAL documents:** The technical documents and training materials produced by LOKAL can be of great use in ongoing efforts to strengthen local government capacity. For instance, FENAMH could use these documents in future programs.
4. **Strengthen political will and public support:** A robust public education effort should be established as part of the communal planning process. Dialogue and discussion about the municipalities' development plans should be held on an ongoing basis, not only at the beginning of the communal planning process. In most communes, the mayor holds public meetings only when he or she needs to inform the public about a specific issue. Occasions for the Haitian public to engage local authorities in dialogues about areas of concern are extremely rare and regular town hall-style meetings are virtually nonexistent. Leaders tend to perpetuate governance models in which social barriers are maintained between the leader and citizen. The Haitian public needs to have better access to its leaders and become better informed about decentralization: what it is, its benefits, and citizens' roles and responsibilities.

In addition, future programs should support municipal governments, as decentralization efforts will undoubtedly reform and expand their administrative authority. Fortunately, most municipal officials the evaluation team met with are honest, young, and dynamic leaders who are proud of and enthusiastic about their work and expressed an interest in pursuing careers in public service at the municipal level. These officials might be considered "champions of decentralization" in follow-on programs.

Lastly, since decentralization efforts are wholly dependent upon active citizen participation, future programming in this area should strengthen the capacity of civil society organizations. As civil society in Haiti remains underdeveloped and as local resources remain constrained, public pressure on the central government to legislate change is marginal at best. Legislative and executive buy-in and cooperation will be necessary to pass a law on decentralization and civil society organizations must develop the capacity aggregate and vocalize demands. Public education and civil society capacity-building initiatives are, therefore, key inputs for successful decentralization. Civil society and FENAMH should also utilize the communal plans to monitor the appropriateness of local government actions and resource use.

- 5. Support anticorruption laws, practices, and campaigns:** Corruption erodes public trust, dampens citizen participation, slows local economic growth, and limits citizens' compliance with local tax collection and other forms of revenue generation. Follow-on programs should feature a vigorous anticorruption program administered by the central government. These programs should also shed light on the relationship between the collection of revenue and its use and support an Inspector General's audit office in the MICT as well as an ongoing audit preparatory program in FENAMH. Follow-on projects should also strengthen the capacity of the Direction des Collectivités of the MICT to conduct regular financial and system audits to improve efficiency, eliminate waste, and address corruption in municipal governments.

This is an area where civil society can play a vital “watchdog” role. The program should target municipal governments and reward honest local officials with increased local political support. This program could work with existing civil society organizations, such as the Heritage Foundation, municipal and national NGOs, FENAMH, and local citizens' boards, to complement the central government's anticorruption efforts by advocating for greater transparency and raising citizen awareness.

- 6. Strengthen key local government functions and processes:** Support for local government functions and processes, especially resource mobilization, capacity building, information management, and improved service delivery, should be intensified. The PIM and the PDC should be merged into a more effective planning document that incorporates the strengths of both documents and facilitates a broad participative planning process that defines communal strategies for development, targets specific community priorities, and distinguishes between municipal services and infrastructure investments. It is equally important that support to this process requires partial municipal funding so that citizens can take ownership of local development initiatives. (For example, a section where the Mairie declares what services it will be responsible for strictly through own-source revenue would be a significant improvement.) Also, the document should seek to create long-term plans for the provision of services rather than being weighted towards short-term “projects.”

ANNEX A:

HAITI LOCAL GOVERNMENT LEVELS, GOVERNING BODIES, AND ATTRIBUTES¹¹

Level	Decentralized Government Entity	Attributes
Section Communal 570	Communal Section Council (CASEC – <i>Conseil d’administration de la Section Communal</i>)	• Three Councilors make up each CASEC. • Councilors are responsible for the administration of the Communal Section and are directly elected by its citizens for a term of four years.
	Communal Section Assembly (ASEC – <i>Assemblée de la Section Communal</i>)	• The number of ASEC members varies from 6 to 11, according to the population of the Communal Section. • They are responsible for “assisting the CASEC in its work.” Members are directly elected to four-year terms, which run concurrently with the CASEC’s.¹²
		• In general, the CASECs and ASECs serve a representational role, giving voice to non-urban populations. The Constitution describes them as the smallest administrative unit of decentralized government, but does not confer financial autonomy. • The most recent applicable law is the 1996 Law on the Organization of the Communal Section. Unfortunately, several provisions of this law are effectively ignored since they appear to be at odds with the Constitution or are internally inconsistent.
Commune 140	Municipal Council (<i>Conseil municipal</i>)	• Three Councilors make up each Municipal Council. The President of the Council has the title of Mayor, and is assisted by two Deputy Mayors (<i>Maires adjoints</i>). • They are responsible for the administration of the entire Commune and are directly elected by Commune citizens (not just those from the Commune’s capital city) for a term of four years. • At its request, each Municipal Council received assistance from on Technical Council (<i>Conseil technique</i>) furnished by the Central Government.¹³
	Municipal Assembly (<i>Assemblée municipale</i>)	• The Constitution¹⁴ specifies that the Municipal Assemblies are composed of one representative of each Communal Section in the Commune, but does not specify the modalities for their selection. - o The Constitution is silent on the matter of representation from the capital city of each commune. In practice, as defined by the 2005 Electoral Decree, Assembly members from the Commune’s capital city (<i>Delegue de Ville</i>) are elected directly

¹¹ Bernard, Belinda. Internal Briefing. USAID. 2007.

¹² Constitution of the Republic of Haiti, Art. 63, 1987.

¹³ Constitution of the Republic of Haiti, Art. 71, 1987.

¹⁴ Constitution of the Republic of Haiti, Art. 67, 1987.

Level	Decentralized Government Entity	Attributes
		by the citizens of the city. - o Each Section Communal has one representative in the Municipal Assembly, elected indirectly by the ASECs from among their members. The national Electoral Council (CEP) does not have a defined role in these indirect elections, either in the Constitution or in the most recent Electoral Decrees. • The Municipal Assembly is responsible for “assisting the Municipal Council in its work.”¹⁵ The Assembly’s four-year term runs concurrently with the Municipal Councils. • Municipal Assemblies submit lists of candidates for Justice of the Peace Courts (<i>Juges de paix</i>).
		• The Constitution grants both administrative and financial autonomy to the Communes. • Communes are jointly responsible with the Central Government for agricultural, professional and technical education. Municipal Councils are subject to oversight by the Municipal Assemblies, which are, in turn, responsible to the Departmental Councils. • Municipal Councils are charged with management of state-owned lands within the Commune, although any transactions are subject to prior notice to the Municipal Assembly. • The governing legal document is the 1982 Decree on Communal Organization. Pre-dating the 1987 Constitution, it contains many provisions that are incompatible with the Constitution and, in general, reflects the fact that it was adopted in a political context that was decidedly opposed to decentralization.
Département	Departmental Council	• Each Departmental Council has three members, who are elected by the Departmental Assembly. The Council members may or may not be drawn from the ranks of the Assembly. • Departmental Councils are subject to oversight by the Departmental Assemblies, which are, in turn, responsible to the central government. (The modalities of these oversight functions are not detailed in the Constitution.) • Departmental Councils work with the central government to draw up departmental development plans.
10	(<i>Conseil départemental</i>)	
	Departmental Assembly	• Each Communal Assembly appoints one representative to the Departmental Assembly. • Meetings of Departmental Assemblies are open to Senators and Deputies from the department, the central government’s Departmental Delegate and the Directors of public service entities. • Assemblies submit lists of candidates for 10-year terms to the Appeals Courts (<i>Cour d’Appel</i>) and for seven-year terms on the Tribunals of First Instance (<i>Tribunaux de Première Instance</i>). The President of Haiti chooses the judges from these lists¹⁶. • Each Departmental Assembly is to submit three candidates for nine-year terms on the Permanent Electoral Council (CEP). The nine-member CEP is then chosen by three branches of national government – three each by the Executive, the Parliament (acting in National Assembly) and the high court (<i>Cour de Cassation</i>).
	(<i>Assemblée départementale</i>)	

¹⁵ Constitution of the Republic of Haiti, Art. 67, 1987.

¹⁶ Constitution of the Republic of Haiti, Art. 174 and Art. 175, 1987.

Level	Decentralized Government Entity	Attributes
		• The Departmental Assemblies or Departmental Councils <i>have never functioned</i>. • There is no specific law or decree in force that governs the operations of the Departmental bodies.
Nation	Inter-departmental Council (CID – <i>Conseil inter-départementale</i>)	• The Constitution stipulates that each Departmental Assembly should appoint one member to the ten-member Inter-Departmental Council (CID). • In the absence of functioning Departmental Assemblies, the CID <i>has never yet been formed</i>. • The CID has been assigned a potentially important role, serving as the liaison between the central government, executive, and local governments. CID members participate, with voting rights, in Cabinet meetings that touch on decentralization or development (social, economic, commercial, agricultural or industrial). It works with the executive to study and plan development projects.¹⁷ • The CID is to work together with the executive to draft the portions of Haiti's annual budget that determine the portion and nature of public revenues allocated to local government entities. • There is no corresponding Assembly at the inter-departmental level.

¹⁷ Constitution of the Republic of Haiti, Art. 87-2 and Art. 87-3, 1987.

Finances

Background

The Constitution¹⁸ provides a rough framework for fiscal decentralization, but the existing legal framework and past practices do not provide strong support.

Communes have the legal right to diverse types of taxes and fees, including property tax, commercial tax (Patente) and market fees. Reported collections for FY2004-2005 totaled 150 million gourdes, with 86% coming from property taxes and 10% from commercial taxes. This amount may be understated; although the Haitian equivalent of a central revenue service, the Direction Générale des Impôts (DGI), is responsible for collecting local taxes in most communes, in practice many municipalities collect taxes directly, without necessarily recording them in central accounts. Local tax collection by the DGI, however, is probably not the best long-term solution to the problem of under-collection or under-reporting of local tax revenues. Rather, communal governments should be empowered and given necessary skills to update tax rolls and gain control of the collection process, subject to oversight and transparency rules. In this way, the responsibility to increase local tax revenues would rest with those who benefit most directly.

In FY 2004-2005, a total of 550 million gourdes was collected by the central government Fund for the Management and Development of Local Governments (FGDCT–Fonds de Gestion et de Développement des Collectivités Territoriales), established in 1996 as the sole source of central government transfers. FGDCT resources come from a variety of sources, including a percentage of the taxes on cigarettes, airplane tickets, mobile phone calls, insurance policies and net income. Distribution of the FGDCT funds is, by law, administered by an eleven-member commission made up of nine representatives from the CID as well as one each from the Ministry of Interior and the Ministry of Finance. The formula for distribution, established in 1998, is as follows:

1. 10% stays with the Ministry of Interior to cover administrative costs of the fund
2. 40% for capital investments
3. 50% for local governments –
 - o 25% Municipal Councils (Commune level)
 - o 2% Municipal Assemblies (Commune level)
 - o 15% Communal Section Councils (CASECs)
 - o 1.5% Communal Section Assemblies (ASECs)
 - o 3.5% Departmental Councils
 - o 1.5% Departmental Assemblies
 - o 1.5% The Interdepartmental Council (CID)

In practice, since the dissolution of elected local government bodies in 1999 the Funds have been administered by the Ministry of Interior. The Ministry has never distributed the total amount of allocated resources and allocations that are made are tied to the Ministry's pet projects or to relations with the Mayor.

Costs for Newly-Elected Local Governments

Copied below is the estimate by MINUSTAH Civil Affairs:¹⁹

SALARIES AND STPENDS OF LOCAL ELECTED OFFICIALS

19. Definition of the salaries and stipends of local officials is difficult to compute due to the lack of insight into the actual Haitian management and accountability processes. In light of this challenge, MINUSTAH's Civil Affairs Section has

¹⁸ Constitution of the Republic of Haiti, Art. 217, 1987.

¹⁹ Karen Gallegos, email message to Nadereh Lee et al, June 2006.

Finances

produced the following numbers as their estimate of costs deemed to be in addition to present costs identified in the Haitian budget:

a. Salaries and stipends of elected officials are estimated at \$ 5.7 Million per year as follows;

1) Section Communal requires \$3.7 million (3 x per CASEC and stipends for ASEC),

2) Municipal Level requires \$1.7 million (the mayors and two deputies are already being paid by the state; therefore only funding for assembly members is lacking),

3) Departmental level requires \$288,000 (3 x councilors and 140 x Departmental Assembly Members), and

4) Conseil Interdepartmental requires \$66,000.

b. Wage costs for the existing 3,400 municipal employees is estimated to be \$4 million; however, it is not known if all of these people are presently coming to work, or if they are being paid. What is known is that the Municipalities are entitled to 18,000 employees, once fully established. It is Civil Affairs assessment that these additional employees should be gradually hired as the tax base develops to a sustainable level.

Goods and Services and Capital Investments are estimated to be \$11.4 million. This value is based on a ratio of one dollar for each dollar spent in wages as follows;

1) Goods and services require \$5.7 million, and,

2) Capital investments require \$5.7 million.

Legal Framework

Finances

Decentralization and its related financial aspects are governed by a motley collection of laws and decrees, most of which contain provisions that are either at odds with provisions of the Constitution or are internally inconsistent. In 2000 the National Commission on Administrative Reform (CNRA – Commission Nationale à la Réforme Administrative) made several suggestions for reform of the legal framework, but none have been adopted. In 2005 the Interim Government of Haiti drafted five decrees in an attempt to remedy this problem by addressing the following: an overall decentralization framework, formation of a decentralized civil service, and the roles and responsibilities of decentralized government bodies in the departments, communes and communal sections. These decrees were not published by the IGOH, but were left for the incoming GOH to review and revise for submission to Parliament. Although the current Minister of Interior indicated to USAID staff that this process is nearing completion, recent reports indicate that the Ministry has stopped working on the decrees. The Prime Minister has publicly mentioned the formation of an inter-ministerial group to work on the decentralization framework, but no concrete measures have been taken.

ANNEX B:

PERSONS INTERVIEWED

Name	Position	Institution
Jean Michelet Mondestin	Directeur	DCT (MICT)
Jude Saint-Natus	Ex-DCT; now Coordinator attached to Secretariat d'Etat, MICTDN	MICTDN
Yvon Jérôme	Maire principal	Mairie de Carrefour
Morose Vandeleuse	Directeur Service Fiscal, p.i.	Mairie de Carrefour
Thomas Wills	Maire principal	Mairie de Cabaret
Charles Baunars	Maire principal	Mairie de Saint-Marc
Barnel Archedoux	Administrateur	Mairie de Saint-Marc
Milcent Madéus	Communications coordinator	Mairie de Saint-Marc
Madens Milsent	Responsable Culturel	Mairie de Saint-Marc
Bellony James	Directeur	Centre des Impôts de Saint-Marc (DGI)
Jean Elie Constant	Directeur	Fiscalité, Mairie de Saint-Marc
Beon Wilbrode	Maire principal	Cap-Haitien
Bardy Osias	Comité de Gestion,	Marché Acul
Philippe Jn Baptiste	Directeur Comité de Gestion	Marché Acul
Gary Delmour	Maire principal	Mairie de Bas-Limbé
Patrice Gespalien	Maire principal	Mairie de l'Acul
Celicourt Mompremier	Maire principal	Mairie de Limbé
Luc Wans Duvalsaint	Consultant, Ancien Maire, Membre d'une association d'appui à la décentralisation	ANAPDEL, GADE
Raoul Pierre-Louis	Consultant for LOKAL, CASEC Turgeau, CASEC delegate to HIRC	CASEC Turgeau
Abel Andre	Former Technical liaison agent for LOKAL in North Department	Former LOKAL
Karla Victor	COTR, USAID/Haiti	USAID/Haiti
Noel Bauer	Alternate COTR, USAID/Haiti	USAID/Haiti
Steve Reid	COP, LOKAL	Tetra Tech ARD
Louis Seigel	Former COP, LOKAL	Tetra Tech ARD
Andre Lafontant Joseph	Deputy COP, LOKAL	Tetra Tech ARD
Farah Mallebranche	M&E Specialist, LOKAL	Tetra Tech ARD
Myrtha Eustache	Participatory Research Consultant, LOKAL	Tetra Tech ARD
Dominique Rosario	Legal Expert, LOKAL	Tetra Tech ARD
Merchants and street vendors	Market places Acul, Limbé, Bas-Limbé	Private
Motorcycle taxi drivers	Saint-Marc	Private