## CONTENTS

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Casey, Hon. Robert P., Jr.</td>
<td>U.S. Senator from Pennsylvania, opening statement</td>
<td>1</td>
</tr>
<tr>
<td>Corker, Hon. Bob</td>
<td>U.S. Senator from Tennessee, statement</td>
<td>5</td>
</tr>
<tr>
<td>Kaufman, Hon. Edward E.</td>
<td>U.S. Senator from Delaware, statement</td>
<td>6</td>
</tr>
<tr>
<td>Kerry, Hon. John F.</td>
<td>U.S. Senator from Massachusetts, statement</td>
<td>49</td>
</tr>
<tr>
<td>Merten, Hon. Kenneth H.</td>
<td>U.S. Ambassador to Haiti, Department of State, Port-au-Prince, Haiti</td>
<td>11</td>
</tr>
<tr>
<td>Prepared statement</td>
<td></td>
<td>14</td>
</tr>
<tr>
<td>Response to question submitted for the record by Senator Russell D. Feingold</td>
<td></td>
<td>62</td>
</tr>
<tr>
<td>Milligan, T. Christopher</td>
<td>Coordinator for Disaster Response in Haiti, U.S. Agency for International Development, Washington, DC</td>
<td>7</td>
</tr>
<tr>
<td>Prepared statement</td>
<td></td>
<td>8</td>
</tr>
<tr>
<td>Responses to questions submitted for the record by Senator Richard G. Lugar</td>
<td></td>
<td>63</td>
</tr>
<tr>
<td>Responses to question submitted for the record by Senator Russell D. Feingold</td>
<td></td>
<td>65</td>
</tr>
<tr>
<td>Natsios, Hon. Andrew S.</td>
<td>distinguished professor, School of Foreign Service, Georgetown University, Washington, DC</td>
<td>29</td>
</tr>
<tr>
<td>Prepared statement</td>
<td></td>
<td>33</td>
</tr>
<tr>
<td>Penn, Sean</td>
<td>founder, J/P Haitian Relief Organization, San Francisco, CA</td>
<td>38</td>
</tr>
<tr>
<td>Prepared statement</td>
<td></td>
<td>41</td>
</tr>
<tr>
<td>Schneider, Mark</td>
<td>senior vice president, International Crisis Group, Washington, DC</td>
<td>42</td>
</tr>
<tr>
<td>Prepared statement</td>
<td></td>
<td>45</td>
</tr>
</tbody>
</table>

### ADDITIONAL SUBMITTED FOR THE RECORD

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dodd, Hon. Christopher J.</td>
<td>U.S. Senator from Connecticut, prepared statement</td>
<td>61</td>
</tr>
</tbody>
</table>
OPENING STATEMENT OF HON. ROBERT P. CASEY, JR.,
U.S. SENATOR FROM PENNSYLVANIA

Senator CASEY. The hearing will come to order.
I want to thank everyone for being here this morning. This is a
critically important issue that we need to spend a good deal of time
on this morning, and I'm grateful you're all here to do this.

The committee meets to discuss the effectiveness of the inter-
national response efforts 4 months after an earthquake devastat-
ed Haiti, and examine what remains to be done in cooperation with
the Haitian Government and the international community. This
discussion is particularly important as we transition from recovery
efforts to rebuilding.

I'd like to thank all of our witnesses for their personal commit-
ment to helping Haiti in the aftermath of the earthquake. On Mon-
day, we know that Secretary Clinton honored 11 United States offi-
cials who perished in Haiti's earthquake. I also want to recognize
their public service in the demonstration of America's goodwill
abroad.

With us today to discuss United States Government efforts in
Haiti are Christopher Milligan and Kenneth Merten. Mr. Milligan
is coordinating the largest joint relief effort that the United States
has undertaken to date. His success suggests that investments in
disaster situation relief training and preparation at USAID have
paid off. Over the last 20 years, Ambassador Merten has worked
on development issues in Haiti, and has played a critical role in
helping to save lives.

I also look forward to hearing the testimonies of our nongovern-
ment witnesses, each of whom has substantial experience working
on international development issues. Andrew Natsios served as
USAID Administrator during the Bush administration. Sean Penn
cofounded the Jenkins-Penn Haiti Relief Group. And Mark Schnei-
der is a former United States Agency for International Develop-
ment official who coordinated the U.S. response to Hurricane Mitch in 1998. He is now a senior vice president of the International Crisis Group.

Much progress has been made during this post-disaster period in Haiti, which I’ll review in a few moments, but the scale of this tragedy cannot be underestimated, and we must redouble our efforts to better coordinate relief and rebuilding work among the international community and with the Haitian Government. The United States has a special responsibility to play a leading role in rallying the international community to make good on its commitments.

I fear—and I know this is a fear that’s widely shared—that as the number of days since the earthquake grow, the resolve and focus of the international community diminishes. I hope—I hope that the witnesses today can reassure me that that is not the case.

We all have an obligation to make sure that that is not the case. I know that people on the ground are committed, experienced, and dedicated to the task at hand, but it is our responsibility here in Congress to ask how this critically important endeavor can be moved faster, more efficiently and with a greater sense of urgency, which sometimes isn’t the case in Washington, DC. But, we’ve got to have a greater sense of urgency to get the job done and to make sure that Haiti does, indeed, rebuilt better, not just to some other predisaster level, but rebuild, in fact, in a better way for the future of the Haitian people.

In the aftermath of the disaster, the United States deployed 22,000 personnel to provide humanitarian aid to the people of Haiti in support of the Haitian Government and the U.N. stabilization mission in Haiti, known as MINUSTAH. The USAID was first on the ground and led a 544-person disaster assistance response team to assess immediate needs and to provide urgent supplies of food, water, medical care, and other aid to 1.5 million survivors left homeless by the quake. The agency also established an interagency task force to better coordinate relief efforts, partnering with large and small organizations in Haiti to bring shelter, health care, and employment opportunities to Haitians. Twenty-thousand members of the United States military distributed food, water, and medical supplies. Faced with large numbers of displaced children, the Department of State stepped up efforts to help prevent child trafficking.

More than 100 U.N. staff, including senior mission leadership, were among the more than hundreds of thousands of dead in the massive earthquake, representing the biggest single loss of life in the history of U.N. peacekeeping. Despite these losses and displacement from mission headquarters MINUSTAH has continued its mission of maintaining a secure and stable environment throughout Haiti. It continues to support many nongovernmental organizations that operated in Haiti prior to the disaster through security for international—or, for internally, I should say, displaced persons, road clearance, rubble removal, and other vital assistance.

Despite the immediate response from the international community and private citizens around the world, more than a million displaced Haitians are living in squatter communities and remain at risk as hurricane season approaches. That is an understatement, to
say that they’re at risk. It’s difficult to overstate the destruction wrought by this earthquake and the challenges that lie ahead.

Many people who have traveled to Haiti after the June 12th earthquake have said, “No one can come to Haiti and leave unchanged.” The official death toll stands at 230,000 people, including 104 Americans and hundreds of international aid workers. Many experts believe that the death toll will rise to a half a million people.

Even before the earthquake, Haiti had the highest maternal mortality rate in the Western Hemisphere, and approximately 120,000 people were living with HIV/AIDS. Public hospitals, before the tragedy, lacked staff, drugs, and equipment, and numerous factors impeded access to health care services. The earthquake has worsened the situation substantially. Haiti’s Ministry of Health estimated that over 60 percent of the medical structures in the areas most affected by the earthquake were damaged or destroyed and forced large numbers of the population into makeshifts camps, where hygiene and medical care are substandard, at best.

Post-earthquake food and water insecurity is another substantial challenge. There’s a 50-percent increase in the price of food staples over the past year in Haiti and across the country. The media are filled with stories and images of unrest due to soaring food prices and pervasive hunger. Most Haitians earn less than a dollar a day and spend more than half their income—spend more than half their income on food.

There are—these are among the many challenges we confront. On March 31, pledges of more than $15 billion were made at the International Donors Conference in New York, which was attended by more than 100 countries and international organizations. Haitian authorities described the outpouring as, “testimony that Haiti is not alone.”

Now that the Donors Conference is over and officials have returned to Port-au-Prince, the real work begins. We must match dollars to the pledges and ensure that the international efforts result in a Haitian state and society “built back better,” to use the words of former President Clinton, who has done great work over many years in support of Haitian development.

Devising programs that achieve concrete, sustainable results on a nationwide scale will not be easy. As Secretary of State Clinton has said, in her opening remarks at the conference, “This is not only a conference about what we financially pledge to Haiti, we have to pledge to do better ourselves.” And, of course, she’s referring to post-disaster rebuilding.

Among the long-term goals envisioned in the Action Plan for Reconstruction and National Development in Haiti, which was unveiled by President Preval at the Donors Conference, is a decentralized country based on smaller nodes of population in areas less prone to natural disaster than Port-au-Prince. The plan also targets agricultural self-sufficiency and stricter building codes. Also important is the development of an education system that does not have more than one-quarter—one-quarter—of Haitian children outside its doors, which was the case before the earthquake.

Reconstruction efforts must include revamping of the child welfare system and adoption policies. With black markets difficult to
quantify, there is no precise count of the number of orphanages in Haiti, the numbers of children living in them, or the numbers of Haitian children who are victims of trafficking, although UNICEF does estimate the number in the tens of thousands per year. There’s a growing concern that Haiti’s already strained child welfare system is overwhelmed and that inadequate orphanages are taking in more children than they can handle.

International aid will be funneled through a new Interim Haiti Recovery Commission, headed jointly by the U.N. special envoy to Haiti, former President Clinton, and Haitian Prime Minister Bellerive. One of the stated priorities of the Haitian Interim Commission will be to show that commitments made—will be to show the commitments made, I should say, and money disbursed. At the same time, the Commission faces a dual challenge of ensuring accountability for the billions of dollars, while resisting the deceleration or bottlenecks of funds. We’ll be asking about that today.

The Commission will also have a critical role in improving donor coordination. International nongovernmental organizations and donors have saturated Port-au-Prince and overwhelmed Haitian institutions. Experts remind us—and I know we have a number here today—that short-term and long-term objectives are not a zero-sum game. Approaches to short-term needs, like shelter and job creation, must complement a wider state-building strategy. According to former President Clinton, “Until Haitians can live, day to day, and month to month, in healthy conditions and out of danger, it will be useless to expect the country to commit wholeheartedly to a long-term national reconstruction plan. We still have to move 20- to 40,000 people from flood-prone camps before the rains hit, in July, so that they are not at risk of drowning.” So said President Clinton, and we should listen to his words, and act on them.

The U.S. Congress has taken a number of steps to help, here. Senator Dodd introduced a bill, which was signed into law April 26, calling for cancellation of Haiti’s $1 billion outstanding debt. The economic lift program, the so-called HELP Act backed by lawmakers on both sides of the aisle, was passed early this month. The law expands duty-free access to United States markets for Haitian textile and apparel exports, and extends existing trade preferences for Haiti through the year 2020.

Last week, the Senate Appropriations Committee committed $2.8 billion to support relief efforts in Haiti. Currently, this committee is considering legislation, the Haiti Empowerment Assistance and Renewal Act, by Senators Kerry, our chairman, and Senator Corker, who’s with us today—and we’re honored by his presence, and you’ll hear from him in a moment; I’m almost done—to authorize $3 3/4 billion of assistance over 5 years for reconstruction and rebuilding of Haiti.

So, as we move, today, to discuss Haiti’s future, we have an obligation to do our part, that the international efforts are effective, that it’s not just about the dollars we put in, but whether the lives of the Haitian people are changed—changed—as a result of this work.

Haiti has its own obligations. One is to be inclusive of all of its citizens—men, women, and children. There are a lot of wealthy,
privileged people in Haiti, and also many, many poor Haitians, as well. All of them are Haitians. All of them are part of the strategy, going forward.

This process won’t work without Haitian Government—governance, I should say, and leadership, which has an obligation to be transparent. International donors and the Haitian Government understand that a peaceful transition, next February, to a duly elected President is vital to the country’s economic development and stability.

Parliamentary elections also need to be held. Last February’s elections were canceled because of the earthquake, leading to the expiration last week of the Haitian Parliament’s mandate. President Préval is now the sole constitutional authority; thus, we urge Haitian’s leaders to unite in the common interests of organizing free and fair elections in the shortest timeframe possible. Pulling off an election is daunting in a country where voter lists have largely been destroyed and where 40 percent of the citizens do not have identity documents. Despite these challenges, elections are central to Haiti’s vision for a renewed state.

President Obama has said, “America’s commitment to Haiti’s recovery and reconstruction must endure, and will endure.” He also said, “This pledge is one that I make at the beginning of the crisis, that I intend for America to keep our pledge: American will be your partner in the recovery and reconstruction efforts.”

In order to remain true to that pledge, I believe there are several concrete steps that we must focus on in the days and months ahead, and I’ll be, of course, asking our witnesses about this.

No. 1, hurricane season is coming. We can and must do everything in our power to ensure that Haiti is prepared so that reconstruction efforts are not set back.

No. 2, we must rally—and that’s an understatement—the international community to ensure that pledges are fulfilled and money is spent responsibly and strategically.

No. 3, we must push for better coordination on the ground among the various actors who are there.

No. 4, and final, we must encourage the Haitian Government to play a responsible role during this period. The Haitian people should have a role in determining local needs and reconstruction priorities. Voices from outside the government should be heard, and the government should clearly communicate in development activities across the whole of Haiti.

We’re joined today by an esteemed panel of experts who will discuss the many challenges confronting the international donors and the Haitian Government. Our first witness is Christopher Milligan, USAID’s coordinator for disaster response in Haiti. Our second witness is the Honorable Kenneth Merten, U.S. Ambassador to Haiti since August 2009. And I’ll be introducing our second panel very soon.

But, I’d like to turn to our ranking member, Senator Corker, for his remarks.

**STATEMENT OF HON. BOB CORKER, U.S. SENATOR FROM TENNESSEE**

Senator Corker. Thank you, Mr. Chairman.
And I want to thank all of you for coming.

And in a desire to hear from our witnesses, I'm going to be very, very brief. But, as has been stated, one of the biggest natural disasters ever, on January 12, 230,000 people losing their lives, 300,000 injured, 3 million people affected.

It's amazing how many people in this country have a direct relationship with Haiti. I know we have people who are giving of their personal resources to help. I probably would not be here in the Senate today without that same type experience in my twenties. And I know people across our country want to make sure that we deal with this appropriately.

I think there are still folks trying to help there. I know of a lady, named Bertha Dudone, who's a Haitian citizen, who was approved for travel outside of the country to Tennessee, to Vanderbilt Hospital, where surgeons can deal with a life-threatening issue, and yet we cannot, still, get her out of the country. And so, it's those kind of things, I know, that are exasperating many of the efforts that are taking place.

On the other hand, USAID, the United Nations, our State Department, I think have done an outstanding job in trying to deal with this. And I know all of us just want to see this move along as quickly as possible.

So, I thank all of you for coming. I think that Haiti, for years—you know, we've tried to figure out a way to help Haiti get it right. And, you know, we've been through all kinds of episodes. This is an incredible disaster, but possibly there's an opportunity, with so many donors around the world coming together, to help Haiti get it more right than ever this time. And I think that's what all of us want to see happen.

Senator Kerry and myself have introduced legislation that establishes benchmarks to move us along that path. I certainly—I'd look forward to hearing your comments on that.

But, the fact is that we have some immediate needs, we have some midterm needs, and certainly some long-term issues that we need to deal with as a country, as a world community, and we thank you for your testimony today.

Senator Casey. Thank you, Senator Corker. And I appreciate your work on this, and your presence here today.

Senator Kaufman had some opening comments.

STATEMENT OF HON. EDWARD E. KAUFMAN, U.S. SENATOR FROM DELAWARE

Senator Kaufman. Yes, I just wanted to say—I just want to thank you, both Senators, for convening—this is very important.

Do not read into this fact that many Senators are not here as any diminution of the importance to which my colleagues find getting it right in Haiti. I mean, I think that—to go to the remarks that were given, I can associate myself with all those. But, I mean, just the basic things, the basic government, basic water, food, housing—I mean, we’re committed—this country is committed to it, the Senate’s committed to it. I want to thank you very much for what you’re doing. But, we all support this. This is absolutely incredible, that this does not—we get to use this as an example, as Senator
Corker say, as a wake-up call to move forward and get some of these very basic needs straightened out for Haiti.

So, I want thank you, again, Mr. Chairman, for holding this hearing. Thank the ranking member.

Senator CASEY. Thank you, Senator Kaufman.

And, of course, we're able to have this hearing because our chairman made it a priority, and we're grateful for Senator Kerry. And we'll have Senators coming in and out.

So, Mr. Milligan, why don't you start.

STATEMENT OF T. CHRISTOPHER MILLIGAN, COORDINATOR FOR DISASTER RESPONSE IN HAITI, U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT, WASHINGTON, DC

Mr. MILLIGAN. Mr. Chairman, members of the committee, I am honored to join you here today.

Last Wednesday marked the 4-month anniversary of the devastating earthquake in Haiti. The scale of the destruction cannot be overstated. Hundreds of thousands lost their lives, millions were left without shelter, water, food, and electricity.

Traditional first responders—the Government of Haiti, the United Nations, the in-country NGOs—were left, devastated. Dozens of U.S. Government employees, including our dedicated Foreign Service nationals, suffered their own losses.

That said, moments of crises can unite people. We saw how Haitians came together to pull each other out of the rubble, bridging economic and social divides. We have also seen the tremendous generosity of the American people. One out of every two families in this country contributed to the relief, thousands more have volunteered.

The day after the earthquake, President Obama asked USAID Administrator Shah to lead a swift, coordinated, and aggressive response. In the days and weeks that followed, USAID leveraged talents and resources throughout the Federal Government in a synchronized effort.

Together, the international community launched an impressive and unprecedented response that saved lives and alleviated suffering. While significant challenges remain, we have seen some unparalleled successes. U.S. search and rescue teams took part in the most successful international rescue effort to date, saving 132 lives. Through the World Food Programme, we participated in the largest urban food distribution ever, feeding more than 3.5 million people. U.S. medical teams treated more than 30,000 patients and performed hundreds of surgeries.

With the international community, we've supported the delivery of emergency shelter to earthquake victims at an unprecedented rate, providing 1.5 million people with basic shelter, and we've helped to vaccinate close to 900,000 people against common diseases.

Our community development programs, on average, are employing 24,000 Haitians, getting money directly into the pockets of those Haitians who need it most.

These efforts have had real impacts on the ground. For example, people have access to more clean water now than they did prior to
the earthquake. Therefore, we’ve seen a reduction in diarrhea illnesses by 12 percent from preearthquake levels.

But, let me be clear, the challenges before us are formidable. The road ahead will not be easy. And many of the hardships that Haiti faces existed long before the earthquake and present even greater challenges now.

USAID’s relief and development expertise was critical in coordinating the successful initial humanitarian assistance effort, and this expertise will be critical as we move toward longer term reconstruction activities.

We’ve had some very positive consultations with your committee staff on the Haitian Empowerment Assistance and Rebuilding Act, and we appreciate the consultative process to date.

The Government of Haiti has, through its Action Plan for National Recovery and Development, made great strides in identifying its needs and priorities. Supporting this plan will require a long-term commitment on the part of the international community, the spirit of which is reflected in the proposed legislation. We applaud the chairman and Senator Corker for their leadership on this issue.

We agree with the broad objectives laid out in the bill and the statement of need in Haiti. The situation on the ground is changing daily, and, for that reason, maximum flexibility is needed as we address the ongoing crisis.

As the coordinator for disaster response in Haiti, I want to thank Congress for its support, which has saved lives and alleviated suffering. Without a doubt, there will be setbacks on the way, but I am confident that, with the continued work of the international community and the talent of American public servants, we can overcome these short-term obstacles and tackle bigger ones. With your support, we will do everything we can to continue the humanitarian efforts and help the people of Haiti build back better.

Thank you.

[The prepared statement of Mr. Milligan follows:]
9

response of the American people demonstrates to the world our true nature and how we seek to improve the lives and well-being of others.

The day after the earthquake, President Obama asked USAID Administrator Rajiv Shah to lead a "swift, coordinated, and aggressive" response. In the days and weeks that followed, USAID leveraged talents and resources throughout the Federal Government in a synchronized effort—bringing our development experience to bear—to support the efforts of the Government of Haiti, the U.N., and the international community.

Together the international community launched an impressive response that not only saved lives and alleviated suffering, but also helped create renewed international cohesion and momentum upon which to rebuild Haiti. While significant challenges still remain, we have seen some tremendous successes thus far.

- Search and Rescue teams from throughout the United States took part in the most successful international rescue effort in history, with over 40 teams from around the world saving 132 people trapped in the rubble.
- Through the World Food Programme, we participated in the largest urban food distribution operation ever, feeding more than 3.5 million people.
- U.S. Disaster Medical Assistance Teams, deployed internationally for the first time, saw more than 30,000 patients and performed hundreds of surgeries. Medical teams aboard the USNS Comfort provided life-saving treatment for hundreds of the most critically injured trauma victims.
- We've supported the delivery of emergency shelter to earthquake victims at an unprecedented rate, and, together with the international community, achieved the goal of providing 1.5 million people with some form of basic shelter assistance by May 1, 2010, prior to the start of hurricane season.
- We've helped vaccinate close to 900,000 adults and children against common diseases in an effort to prevent major outbreaks of illness. A second round of immunizations among IDP will begin in June.
- Our community development programs are on average employing more than 24,000 workers every day—not only getting money directly into the pockets of those Haitians who need it most, but most importantly jump-starting the economic recovery through rubble removal, initial reconstruction work, and mitigating against potential weather-related disasters.
- Together with the Joint Task Force—Haiti and Navy Seabees who took the lead on ensuring drainage canals were cleared, and life-saving measures were in place before the rains, we’ve helped to protect 40,000 Haitians who were in imminent danger of losing their lives.
- The U.S. private sector, as reported by the Indiana University Center on Philanthropy (as of May 12), raised over $1.3 billion for the U.S. nonprofits surveyed to respond to the earthquake in Haiti. This includes funding that resulted from President Obama’s request to Presidents Clinton and Bush to lead a private-sector fund-raising effort.

These results are impressive, and they reflect the work of thousands of individuals from across the Federal Government and around the globe. In the area of health, for example, our efforts in providing access to water and sanitation, national disease surveillance, post-quake access to health care, prepositioning of essential medicines, vaccination campaigns, and malaria and dengue control efforts contributed to the prevention of significant outbreaks. By providing chlorine tablets to purify drinking water, we have been able to give more people access to clean water than before the earthquake hit. That effort has led to real impacts on the ground—already we’ve seen a 12-percent reduction in diarrheal illness in Port-au-Prince. That’s a 12-percent reduction from preearthquake levels.

That said, let me be clear: the challenges before us are formidable. The road ahead will not be easy, and many of the hardships Haiti faces—endemic poverty, difficulty getting lifesaving medicines when needed, lack of meaningful economic opportunities, gaps in the government’s provision of basic services, maneuvering the cities congested streets—existed long before the January 12th earthquake and, simply, present even greater challenges now.

USAID’s humanitarian assistance expertise—worldwide and in Haiti—was crucial in coordinating one of the largest and one of the most successful U.S. Government humanitarian responses in history. The Agency’s development expertise is increasingly critical as we move toward longer term reconstruction activities that address these hardships and advance the priorities set by the Government of Haiti.

We will remain committed to working with the people and Government of Haiti for the long term. We have closely examined how we can help Haiti build back better and how we can help build internal capacity in Haiti’s Government, civil society,
and private sector to allow it to better serve its citizens and break free of the poverty that has limited its potential for so long.

In doing so, we will continue to work in close partnership with a number of other U.S. Government agencies, especially the Department of State, but also the Department of Defense, Centers for Disease Control, the Department of Agriculture, and others, and we’ll focus on areas and sectors where we can add the greatest value:

- Promoting economic growth by expanding agriculture and infrastructure, including housing;
- Improving security and governance;
- Investing in infrastructure and energy;
- Supporting sustainable health care.

The magnitude of the challenge requires an international response, so we are working to leverage resources and work with the international community to support the strategic decisions made by the Haitian people and their Government. Reconstruction will be a shared effort, and the U.S. Government will work with the Government of Haiti and the international community to ensure that the activities of each donor are a reflection of their comparative advantage.

We are committed to working with the Government of Haiti, the private sector, and civil society to develop accountable and transparent systems that allow us to track funding every step of the way, ensure coordination, and maximize the effectiveness of our investments.

The Interim Haiti Recovery Commission or IHRC, which was recently approved by the Haitian legislature, will play a key role in ensuring transparency and accountability of donor funds. The IHRC will allow for Haitian-led planning, sequencing, and prioritization of projects—for example, it will help ensure that a hospital is not built without a road that can reach it. It will also provide greater efficiency in the reconstruction phase as donors coordinate and harmonize their investments with Haiti’s plan, identifying gaps and limiting duplication of effort. The IHRC will manage a publicly available “aid platform” database, which will serve as a central location for information on the allocation and management of resources and funding. This allows for increased transparency and accountability in the utilization of resources.

USAID and the Department of State are committed to engaging the Haitian diaspora in our reconstruction and development programming. The diaspora is a tremendous resource, not only in the close to $2 billion they provide annually in remittances—amounting to approximately 30 percent of Haiti’s GDP—but also in their language skills, cultural understanding, and diverse technical skills. The reconstruction and development of Haiti must ultimately be led and sustained by the people of Haiti if it is to be successful, and that requires nurturing local capacity. The diaspora can work side by side with the Haitian community to develop the skills needed to truly build back better.

We are integrating the lessons we’ve learned from 30 years of work in Haiti and 50 in development internationally to respond quickly and effectively to the most critical needs, while planning for longer term reconstruction of the country. We are also applying a very critical eye to what’s worked in the past and what hasn’t—and focusing our efforts only on those activities that will have the greatest impact on sustainably improving the lives of Haitians, giving U.S. taxpayers the biggest return on their investments in Haiti.

The overarching principles I’ve laid out before the committee—Haitian-led, inclusive, accountable, transparent and coordinated—are very much in line with the principles set forth in the Haiti Empowerment, Assistance, and Rebuilding Act of 2010. The Government of Haiti has, through its Action Plan for National Recovery and Development of Haiti, made great strides in identifying its needs and priorities. Supporting this plan will require a long-term commitment on the part of the international community, the spirit of which is reflected in the proposed legislation.

We have had several very positive conversations with your committee staff on the recently introduced legislation, S. 3317 Haiti Empowerment, Assistance, and Rebuilding Act of 2010, and appreciate the consultative process your staff has engaged in as you drafted your legislation.

We applaud the chairman and Senator Corker for their leadership on this issue. We agree with the broad objectives laid out in the bill and the statement of need in Haiti. The situation on the ground is changing daily, and for that reason, maximum flexibility is needed as we address the ongoing crisis in Haiti. For instance, in a year, Haiti could have a new government in place. Given the uncertainties that lie ahead, it would be our suggestion to provide the administration and those of us on the ground greater flexibility and to allow us to work closely with you on how to best implement our programs.
As the Coordinator for Disaster Response in Haiti, I want to thank Congress for its support and involvement in efforts to date. Your support, and the support of your constituents, have enabled my colleagues throughout the Federal Government and me—in partnership with the nonprofit and international communities—to save lives and mitigate the suffering of millions in Haiti. Our Agency is committed to honoring the trust that Congress and the American people have placed in us by making investments in Haiti that are sustainable, scalable, and lead to self-sufficiency. The recent congressional passage of the bipartisan Haiti Economic Lift Program (HELP) Act will help promote such sustainable development by expanding duty-free access to the U.S. market for Haitian textile and apparel exports and extending existing trade preference programs for Haiti.

I have worked in development for the last 20 years, including in Iraq, Post-Suharto Indonesia, Zimbabwe, Ecuador, and in Vietnamese refugee camps in the Philippines. I know that the scale and scope of the challenges that confront Haiti are immense. Without a doubt, there will be setbacks along the way. But I am confident that the continued work of the international community and the talent of American public servants participating in this effort, we can overcome these short-term obstacles and substantively tackle bigger ones.

With your support, we will do everything we can to continue this successful humanitarian effort in Haiti while building the foundations for meaningful, measureable, and transformative change for its people. I truly believe that we have a seminal opportunity to help Haiti build back better, and to put it on a path to a much better future.

Senator CASEY. Thank you very much, Mr. Milligan.
Ambassador Merten.

What I failed to do at the beginning, which I should always do, is, if you can—you were pretty good about time? We want try to limit time. All of your statements, by the way, will be made part of the record, so if there's something you miss, it'll be in the record. If you can try to do it in, maybe, 5 minutes, that'll be great.
Ambassador MERTEN. Do my best.
Senator CASEY. Thank you.

STATEMENT OF HON. KENNETH H. MERTEN, U.S. AMBASSADOR TO HAITI, DEPARTMENT OF STATE, PORT-AU-PRINCE, HAITI

Ambassador Merten. Mr. Chairman, members of the committee, I'm honored to join you here today.

As you know, Haiti suffered a massive 7.0 earthquake on January 12, with an epicenter just southwest of Port-au-Prince. An estimated 2 million people lived within the earthquake zone. Those 35 seconds changed the face of a nation that was already the poorest in our hemisphere. The quake left 230,000 dead, and displaced more than 1.2 million, and generated billions of dollars of damages in reconstruction costs.

Assisting Haiti in recovery and rebuilding is a massive undertaking that requires a well-coordinated, well-funded, Government-of-Haiti-led effort. The outpouring of international support has been tremendous. But, it’s not only about the numbers, it’s about the Haitian people and those from around the world who have been united in partnering with them.

On behalf of the Embassy staff, I’d like to convey my gratitude to Congress, and especially this committee, for its continued concern and unflagging support of Haiti, its people, and those of us on tours in the country.

I have been involved with Haiti on and off for more than 20 years. This is my third tour there, and I have served as a counselor officer, later as chief of the economic section, and have worked for
the special advisers on Haiti. I have seen, firsthand, the progress
the nation has made, making it even more devastating to witness
the destruction of the earthquake—physical, social, and economic.

In my 23 years in the Foreign Service, I have never been prouder
of the work that I am doing and the people with whom I serve. In
the face of the tragedy, more than a third of us lost our homes and
all of us have had a family member, friend, or colleague die or suf-
er injury. We came together and worked to do all we could for
those in need.

Many Haitians do not refer to the earthquake by name. They call
it “bagay la,” meaning “the thing.” They ask each other, “Where
were you when ‘bagay la’ happened?”

I want to share a couple of examples from Embassy personnel on
what happened that night.

After the quake, assistant regional security officer Pete Kolshorn,
who lived on a ridgeline, immediately left through the door of his
house and looked for his neighbors, who were also Embassy em-
ployees. From the neighbor's house, he jumped over the ridge and
down about two stories and saw an Embassy officer buried up to
her waist, her face covered with dirt and blood, and calling for
help. He saw her husband, moving with spasms to try and free
himself. Beyond him, Kolshorn saw an arm protruding from the
wreckage. Without a thought for his own safety, he threw a hose
over the cliff, scaled down shear rock to reach the victims, and,
with the assistance of one of the Embassy’s local guard force, began
to rescue those three colleagues. All three were seriously injured,
two with serious head wounds. With the help of other neighbors,
Kolshorn brought all three up the cliff, where there were two
doctors.

That same night, assistant regional security officer Rob Little
covered Port-au-Prince on motorcycle, visiting every employee's res-
idence to check on them, particularly in cases where we had not
been able to contact them via radio. He helped us determine, that
night, the whereabouts of our employees, and as he did so, in total
darkness, with streets thronged with homeless people and blocked
in many cases, by rocks, trees, houses, and bodies.

These are just two stories of the heroic efforts that occurred in
the hours and days following the quake. Our conference room
became an emergency operating room. We evacuated over 16,000
American citizens back to the United States, including my wife and
two daughters. This is one of the largest evacuations since World
War II. We delivered humanitarian aid, food, and water, and sel-
dom slept more than 4 hours. Many of us slept under our desks,
in the hallways, or in tents. I slept on a canvas cot in the Embassy
for 3 weeks, because I could not get back to my house.

Indeed, it was the funds granted to the Haiti mission by Con-
gress that allowed us to build a resilient U.S. Embassy in Port-au-
Prince, which was completed in 2008. This became a safe haven for
so many after the quake, and, frankly, helped us expedite the res-
cue effort, I would guess, by about 5 days. Our efforts would not
have been possible, let alone successful, without the support of col-
leagues across the government and around the world. We had more
volunteers than we had desks for them sleep under.
The State Department and USAID and countless other agencies supported us, as we supported each other, in the most selfless of ways. Today, we remain committed to supporting the government and people of Haiti as they seek to build back better.

In my confirmation hearing last July, I stated that in the aftermath of the tropical storms of 2006 and 2008, Haiti simply did not have the resources to rebound from such setbacks. That observation is even more true today.

We have much to be proud of. The United States Government's responsiveness to date, and the results that we have achieved working with the Government of Haiti and our international partners, has been great. Now, however, is a period of transition from the most critical humanitarian relief efforts to long-term development. The International Donors Conference of March 31 sent a clear message: donors and the Government of Haiti are committed to working together to make the vision that the Government of Haiti presented for its country a reality. The Conference raised billions in pledges for Haiti's reconstruction. On behalf of the United States, Secretary Clinton pledged $1.15 billion over 2 years to help Haiti lay the foundation for long-term, sustainable development. In so doing, the United States, together with the Government of Haiti and other donors, committed to hold itself to the highest levels of transparency, and accountability, and to include all stakeholders, and give voice to the Haitian people in the delivery of that assistance. We will also coordinate efforts to avoid duplicative investments.

I'm glad the legislation that Chairman Kerry and Senator Corker proposed echoes this commitment. It demonstrates that the United States is committed to supporting and partnering with people in the Government of Haiti, as both President Obama and Secretary Clinton have said, not just in the months to come, but in the years to come. It focuses on long-term development goals that align with the needs of the Government of Haiti while not forsaking humanitarian relief efforts.

I'm happy to say that much of what is called for in the proposed legislation is happening both on the ground and in Washington. Going forward, maximum flexibility is what is needed to address the ever-changing and uncertain situation on the ground. Our hope is that we can continue to work with you and your staffs to provide this flexibility as you develop a legislative response to the crisis.

Learning what took place after the tsunami, the Government of Haiti is on its path to create a Haitian development authority. To give the Haitians time to stand up this authority, the Government of Haiti has empowered an interim structure. For 18 months, there will be the Interim Haitian Reconstruction Commission, whose mandate is to ensure that implementation of the Government of Haiti's plan is coordinated, that projects are properly planned and sequenced, that efforts are effective, bottlenecks swiftly addressed, and that all involved adhere to the highest standards of transparency and accountability.

We're pleased that Congress recently passed the Help Act, which extends trade preferences to Haiti that will lead to job-creating investment there. This is key to Haiti's economic development.
There’s much to be done in the coming months. President Preval has announced his intent to hold elections, originally scheduled for February, before the end of the year. The U.N., the OAS, and IFES have completed election assessments, and we’ve begun working with the Government of Haiti and our international partners in support of parliamentary and Presidential elections expected later in this year.

As was the case in 2005, the U.N. and others will work on the logistics and security around the elections, registering citizens and making sure we include those that are displaced.

Shortly after assuming office, Secretary Clinton called on the State Department and USAID to undertake a review of United States policy to Haiti. Through an interagency review process, consultations with the government, and fellow donors, we identified four key sectors for future investment—that will be agriculture, energy, security and rule of law, and health—in which the United States has comparative advantage in providing assistance.

After the earthquake, we revisited that assessment with the Government of Haiti again. The Haitians strongly support deep investment in these key sectors; and in pursuing these investments, we will adhere to the following set of principles: United States assistance to Haiti will be deployed in an integrated plan, focusing on specific sectors. United States assistance will respond to the Government of Haiti’s priorities and build the Haitian Government’s capacity. United States policy and assistance to Haiti will be aligned around common development goals and harness the strengths of the entire United States Government through a coordinated approach. And United States assistance to Haiti will leverage and complement the resources of other donors and the private sector. And, finally, the U.S. assistance will be subject to rigorous monitoring and evaluation. We are confident that these investments will help Haiti realize a better tomorrow.

I will try and wrap this up very quickly.

Much has been said about the resilience of the Haitian people. Indeed, they are incredibly strong people, whose love of life, even over the past 4 months, has inspired so many of us. Together with the Government of Haiti and international partners, we can achieve lasting change and help the Haitian people realize sustained development and stability. Years from now, when people ask me where I was when “bagay la” happened, I will recount the story of those 35 seconds, but, more importantly, I will recount the many heroic efforts and common humanity that followed.

Thank you very much, and I look forward to your questions.

[The prepared statement of Ambassador Merten follows:]

PREPARED STATEMENT OF AMBASSADOR KENNETH MERTEN, U.S. AMBASSADOR TO THE REPUBLIC OF HAITI, DEPARTMENT OF STATE, PORT-AU-PRINCE, HAITI

Mr. Chairman, members of the committee, I am honored to join you here today. Haiti suffered a massive magnitude 7.0 earthquake on January 12, 2010, with an epicenter just southwest of the capital, Port-au-Prince. An estimated 2 million people lived within the zone of heavy to moderate damage. The earthquake was the worst in Haiti in the last 200 years. Thirty-five seconds changed the face of a nation that was already the poorest in our hemisphere. The quake left 230,000 dead, displaced more than 1.2 million, and according to the Post Disaster Needs Assessment led by the World Bank in cooperation with the Government of Haiti generated an estimated $11.5 billion in damages and reconstruction costs. Assisting Haiti in re-
covery and rebuilding is a massive undertaking and requires a well-coordinated, well-funded, Government of Haiti-led effort. The outpouring of international support has been tremendous, but this is not only about numbers, it is about the Haitian people and those from around the world who have been united in partnering with them.

On behalf of the Embassy staff, I would like to convey my gratitude to Congress, and especially this committee, for its continued concern for and unflagging support of Haiti, its people, and those of us on tours in the country. I have been involved with Haiti on and off for more than 20 years. This is my third tour. I have served as a Consular Officer, later as Chief of the Economic Section, and as Assistant to the Special Advisors on Haiti. I have seen first-hand the progress the nation has made, making it even more devastating to witness the destruction of the earthquake—physical, social, and economic. In my 23 years in the Foreign Service, I have never been prouder of the work I am doing and the people with whom I serve. In the face of tragedy—more than a third of us lost our homes, and all of us have had a family member, friend, or colleague die or suffer injury—we came together and worked to do all we could for those in need.

Many Haitians do not refer to the earthquake by name. They call it “bagay la” meaning “the thing.” They ask each other where they were when “bagay-la” happened. I want to share with an example from Embassy personnel.

Deputy Regional Security Officer Pete Kolshorn who lived on a ridgeline, immediately leapt through the door of his house and looked for his neighbors who were also Embassy staffers. Their house was gone. Looking over the ridge, and down about two stories, he saw an Embassy officer buried up to her waist, face covered with dirt and blood, calling for help. He then saw her husband moving in spasms to try to free himself. Beyond him, Kolshorn saw an arm protruding from the wreckage. Without a thought for his safety, he threw a hose over the cliff, scaled down sheer rock to reach the victims and with the assistance of one of the Embassy’s Local Guard Force Locally Employed Staff members, Renald Jean Belfort. All three were seriously injured—two with head wounds. With the help of neighbors, Kolshorn brought all three up the cliff where there were two doctors. One man needed immediate medical care. Carrying two stretchers at a time, then returning for the third, Kolshorn worked to get to the main road. This effort took 7 hours—having to trek through the most horrific of conditions. When he came upon a trapped child, Kolshorn put the stretchers down and with the help of a stranger fed the child. If someone had told me this story 5 months ago, I would have had difficulty believing it. Today it is a reality.

The same night, Assistant Regional Security Officer Rob Little covered Port-au-Prince on motorcycle visiting every American employee’s residence to check on them, particularly in cases in which we had not been able to contact them. He helped us determine that night the whereabouts of our employees and he did so even in total darkness with streets thronged with homeless people and blocked in many cases by rocks, trees, houses, and worst of all bodies.

These are just two stories of the heroic efforts that occurred in the hours and days following the earthquake. Our conference room became an emergency operating room; we evacuated 16,000 Americans back to the United States—including my wife and two daughters—one of the largest such evacuations since World War II; we delivered humanitarian aid, food, and water; and seldom slept more than 4 hours. Many of us slept under our desks, in the hallways or in tents. I slept on a cot in the Embassy for 3 weeks, because I could not get back to my house.

Indeed, it was the funds granted the Haiti Mission by the Congress that allowed us to build the resilient U.S. Embassy in Port-au-Prince. Our Embassy, which was completed in June 2008, became a safe haven for so many in the aftermath of the quake—serving as nerve center, shelter, hospital, kitchen, and perhaps most importantly, a place where we could all come together and support each other.

Our efforts would not have been possible let alone successful without the support of colleagues across the government and around the world. We had more volunteers than desks for them to sleep under; were in contact with the USAID and the Department of State here in Washington every minute of the day; and they and countless other agencies supported us as we supported each other in the most selfless of ways.

Today we remain committed to supporting the Government and people of Haiti as they set out to build back better.

At my confirmation hearing last July, I stated that in the aftermath of the tropical storms and hurricanes that caused extensive damage from 2006 to 2008, Haiti simply did not have the resources to rebound from such set-backs on its own. That observation is even more true today.
We have much to be proud of—the U.S. Government’s responsiveness to date and the results that we have achieved working with the Government of Haiti and international partners have been great as Chris Milligan’s testimony states. Now is a period of transition—from the most critical humanitarian efforts to long-term development.

The International Donors Conference Towards a New Future for Haiti that took place on March 31, 2010, sent a clear message: donors and the Government of Haiti are committed to working together to make the vision the Government presented for its country, reality. The conference raised $9.9 billion in pledges for Haiti’s reconstruction. On behalf of the United States, Secretary Clinton pledged $1.15 billion over 2 years to help Haiti lay the foundation for long-term sustainable development. In so doing, the United States, together with the Government of Haiti and other donors, committed to hold itself to the utmost levels of transparency and accountability; to include all stakeholders; give greater voice to the Haitian people in the delivery of our assistance; and to coordinate efforts and avoid duplicative investments.

I am glad the legislation that Chairman Kerry and Senator Corker proposed echoes this commitment. It demonstrates that the United States is committed to supporting and partnering with the people and Government of Haiti, as both President Obama and Secretary Clinton have said, not just in the months to come, but in the years to come. It focuses on long-term development goals that align with the needs of the Government of Haiti, not just humanitarian relief efforts. I am happy to say that much of what is called for in the proposed legislation is happening both on the ground and in Washington. Going forward, maximum flexibility is what is needed to address the ever-changing and uncertain situation on the ground. Our hope is that we can continue to work with you and your staffs to provide this necessary flexibility as you develop a legislative response to the crisis.

Learning from what took place after the Southeast Asian Tsunami, the Government of Haiti is on the path to create a Haitian Development Authority. To give the Government of Haiti time to stand up the Authority, the Government has empowered an interim structure. For 18 months there will be the Interim Haitian Reconstruction Commission, whose mandate is to ensure that implementation of the Government of Haiti’s plan is coordinated, projects are properly planned and sequenced, efforts are effective, bottlenecks are swiftly addressed, and all involved adhere to the highest standards of transparency and accountability.

We are also pleased that Congress recently passed the Haiti Economic Lift Program (HELP) Act, which extends trade preferences to Haiti that will lead to job-creating investment there.

There is much to be done in the coming months. President Preval has announced his intent to hold elections, originally scheduled for February, before the end of the year. The United Nations, the Organization of American States (OAS), and the International Foundation for Electoral Support (IFES) have completed election assessments. We have begun working with the Government of Haiti and our international partners in support of Parliamentary and Presidential elections expected later in 2010. As was the case in 2005, the U.N. through MINUSTAH, the OAS, and CARICOM will play vital roles in the logistics and security around the elections, registering of citizens—including those who are displaced—and monitoring the balloting.

Shortly after assuming office, Secretary Clinton called on the State Department and USAID to undertake a review of U.S. policy on Haiti—to evaluate our existing programs and policies, assess the alignment of our efforts with the needs of the people and Government of Haiti, and determine how we can be most impactful. Through an interagency review process, consultations with the Government of Haiti, and to draw donor input, we identified four key sectors for future U.S. investment—agriculture, energy, security/rule of law, and health in which the United States has comparative advantage in providing assistance. After the earthquake we revisited our assessment, again discussing with the Government of Haiti what its greatest needs were and what it wanted from the United States, and expanded the scope to accommodate new needs in governance and infrastructure. The Government of Haiti strongly supports deep investment in these key sectors and in pursuing these investments, we will adhere to the following set of principles:

• U.S. assistance to Haiti will be deployed in an integrated plan, focusing on specific sectors and geographic regions of the country.
• U.S. assistance to Haiti will respond to Government of Haiti priorities and build the Haitian Government’s capacity toward sustainable and economic growth.
• U.S. policy and assistance to Haiti will be aligned around common development goals and harness the strengths of the entire U.S. Government through a coordinated approach.
• U.S. assistance to Haiti will leverage and complement the resources of other donors and the private sector.
• U.S. assistance to Haiti will be subject to rigorous monitoring and evaluation.

We are confident that these investments will help Haiti realize a better tomorrow. Over the course of the past 4 months, I have witnessed the worst human suffering and the best in human compassion and support. Tragically the Embassy lost several members who continue to be missed and in memory of whom we remain committed to our efforts on the ground. Among the deceased are: Victoria DeLong, the Cultural Affairs Officer at the Embassy who had worked to build bridges of understanding and respect. The wife and young children of Andrew Wyllie, a decorated State Department officer working with the United Nations. And six locally employed staff: Jean-Daniel LaFontant, Olriche Jean, Jacques Josue Desamours, Laica Casseus, Joseph Fontal, and Racan Demond.

Much has been said about the resilience of the Haitian people. Indeed, they are incredibly strong people whose love of life, even over the past 4 months, has inspired so many of us. Together with the Government of Haiti and international partners we can achieve lasting change and help the Haitian people realize sustained development and stability. Years from now when people ask where I was when “bagay la” happened, I will recount the story of those 35 seconds, but more importantly I will recount the many heroic efforts and common humanity that followed.

Senator CASEY. Mr. Ambassador, thank you for your statement and your work on this, and the personal connection you bring to this. We’re grateful for that, and especially at a hearing; we often don’t have a personal witness in the ways that you’ve described.

And I wanted to start with the—one of the fundamental concerns that we have in the near term—I’ll start with Mr. Milligan, if you don’t mind, with regard to the hurricane. Can you give us a sense of what USAID is doing to prepare for the hurricane season?

Mr. MILLIGAN. Thank you. That’s an excellent question. And it is an activity—it’s a concern that we are continuing to address.

We have made progress in preparing for the hurricane season, but we still are not there yet; we are still preparing. We are consulting with our international partners on their plans, and coordinating with them. For example, we’re aware of the plans of the World Food Programme to preposition supplies in 15 to 20 places around the country, in preparation. We have worked with the Department of Defense, which has completed assessments of hurricane shelters. We’re reviewing those assessments and see what needs to be done. And we’re coordinating with the Government of Haiti on its own hurricane preparation plan so we know how to be most supportive as part of an international community on that.

We are ensuring that other USG assets are prepositioned in response. We’re aware of DOD’s plans to have emergency response capability within a matter of 24 to 48 hours.

So, this is the current status of our preparation, and is a top priority for us.

Senator CASEY. Let me ask you—well, what’s the biggest challenge, in terms of the preparation? One, do you have enough resources? That’s one question. Are there enough resources that you can bring to bear? But, two, what’s your most difficult challenge in preparing? Is it infrastructure or is it the fact that the Haitian Government may not have the capacity to do what they need to do to prepare adequately? What’s your—I know you’re still in the midst of developing it, but what’s the biggest challenge you face? And do you have the resources you need?

Mr. MILLIGAN. One of our major challenges is assessing the impact of the earthquake on the shelters and the prevention that we
had in place already. As you know, there is an annual earthquake—hurricane season in Haiti, and the government prepares, on an annual basis, in coordination with international partners. What we are currently assessing is the impact of the earthquake on the preexisting capabilities. And we're getting that information, and it's coming in, and we're coordinating it with the government. It's difficult for me to judge, at this point, on additional resource requirements, but I'm not aware of any, at this time.

Senator CASEY. And if—and then I'll move to the Ambassador—but, I think it would help the committee to be able to have, maybe in written form, an outline of the hurricane preparation.

Mr. MILLIGAN. Happy to provide that.

Senator CASEY. That would amplify the record. And I want to stay within my time, since I was imposing that on others.

Mr. Ambassador, one of the real concerns that I think a lot of people have is—we know how events like this are covered; there's a lot of coverage at the beginning, that begins to diminish, and I'm not sure the American people have a real sense of what's happened, here, what kind of aid we've provided, what the nature of that is, but also, and right now, I think, more importantly, what's going to happen, going forward. When they hear numbers like $15 billion being committed, and they hear about conferences, that's very positive, but I think what most people out there are concerned about is, Where are we with the deployment of those dollars? And, in particular, if you can highlight, or Mr. Milligan can, What's the current state of affairs as it relates to something as fundamental as just basic health care on the ground? If you can walk through that. I know we only have about 3 minutes, and I'll move to Senator Corker, and I can come back to it. But, as best you can in a short time.

Ambassador MERTEN. OK, very briefly, thank you.

I think one of the things that we look forward to, to working with our Haitian and international partners on, is, as the Haitians stand up the IHRC, this will monitor and provide transparency to the public and to those who are interested in the actual disbursement of moneys, not only that the United States has contributed, but others. In fact, the Web site is already up and running, and we can provide that to you separately, if members of the committee and staff are interested. I think this is a major step forward, which will, in effect, sort of hold people's feet to the fire, to allow it to be public, you know, who has pledged what, and where they are, in terms of those pledges.

You know, I think we will be working very closely on that committee to ensure that things move quickly, that the reconstruction process moves as quickly as, certainly, we want it to do. I think—I know that the Haitians—I know President Preval has told me that he is eager to see things develop as quickly as possible. So, I think this will be a useful tool for us to: a, monitor; but, b, sort of push through the speed with which this happens.

Senator CASEY. In the 2 minutes that I have in my question period, can either of you provide an overview or a quick assessment just on health care delivery on the ground?

Mr. MILLIGAN. Senator, there has been no significant widespread infectious disease outbreak in Haiti, despite the severity of the
earthquake, displacement of people, and the initial disruptions of the health care system. The rapid response within the health sector, which included efforts in water and sanitation, national vaccination campaigns, national surveillance, and vector-borne disease control have likely contributed to this.

We have had two isolated cases of diphtheria, including a young man who passed away after receiving treatment. Despite this tragic outcome, diphtheria is endemic to Haiti, and these two cases are not indicative of an epidemic. There is sufficient antitoxin in-country to treat 25 to 100 cases, and CDC is ready to assist with additional doses, if necessary.

But, Senator, as you know, the status of the health care system in Haiti was challenged before the earthquake, one of our key requests in the supplemental is health care funding, because we need to help rebuild the public health care infrastructure. Traditionally, the funding for health care bypassed the government and is not sustainable. We need to help rebuild the public health care system. We also need to continue to provide health care services for the displaced persons. And through our supplemental, we’re requesting funds for long-term rehabilitations for victims of the earthquake.

Senator CASEY. Thank you. I’m out of time.

Senator Corker.

Senator CORKER. Thank you, Mr. Chairman. And thank you for your testimony.

I think—you look at the many efforts that Americans have been involved in, in Haiti for years—I mean, at the end of the day, just to call it like it is, people, generally speaking, try to figure out a way to work around the government to accomplish things there, because they care about the people. I have generally good feelings, personally, about President Preval, and—I think he’s a nice man. At the end of the day, though, the government has been incredibly ineffective, even in good times, in administering the country in such a way that the Haitian people can flourish.

So, right now, in the middle of this tragedy that’s occurred, who’s in charge down there, and who—you know, like, who is the person that is in charge, ultimately—I know there’s all kinds of organizations involved—the U.N., USAID, State—who’s in charge? You know, if—I know it cannot be the President, so who is in charge of what’s happening in Haiti?

Ambassador MERTEN. I would disagree with you and say that President Preval is in charge. He is the leader of the Haitian Government. He’s democratically elected. He is making decisions. I will say——

Senator CORKER. He’s making reconstruction decisions and he’s——

Ambassador MERTEN. He will become——

Senator CORKER [continuing]. Deciding where the resources go?

Ambassador MERTEN. His Prime Minister, Prime Minister Bellerive, will be chairing the IHRC with former President Bill Clinton. And I think that that the Commission will—our belief is that that will prove effective in expediting the decisionmaking process and moving things forward with speed, that I think we both agree is——
Senator CORKER. Well, today if somebody had a major issue they wanted dealt with, they’d call—we’d pick up the phone and call President Preval, and he would make that decision, on the spot. Interesting.

Ambassador MERTEN. I mean, I—he is still the democratically elected President——

Senator CORKER. I understand that——

Ambassador MERTEN [continuing]. Of the country. He has the authority, and, you know, we have found him to be responsive to our concerns and to our requests. You know, we don’t always find ourselves in agreement with him, obviously, but, in broad terms, he has been responsive to us.

I think it’s worth recalling that his government—and I would completely agree with you—was inefficient, perhaps we should say, at—before the earthquake. I think the Haitians—most Haitians, speaking honestly with you, would agree with that. Our strategy is to work with the Haitian government and build them up so that they, over time, have increased capacity, so don’t have problems, in terms of getting decisions out of them. And so, they do have the experience——

Senator CORKER. OK, so there’s a need to—and I’m not—look, I mean,—and I appreciate so much what you guys are saying, and I appreciate what you do—but we’re going, in the process of all this need, where 3 million people are affected and people don’t have homes, as Senator Casey has mentioned, hurricane season is coming, there’s all kind of health care needs—today, the man that’s on the ground and making things happen, the sheriff, if you will, is President Preval. Is that what you’re telling me?

Ambassador MERTEN. Again, he is the leader of the country, he has got a lot of support from the international community, me, you know, the American Development Bank, Canada, EU, France. We meet with him regularly. You know, we work with the Haitian Government, not just President Preval, the Prime Minister, who is also a decisionmaker in the process. Again, they are doing their job and making their decisions, as needed.

Senator CORKER. And who’s our day-to-day leader down there, as far as coordinating all of the reconstruction efforts and other types of activities?

Ambassador MERTEN. Well, we have our AID mission director. We also have Chris, who’s down there. We participate in the U.N. coordination system, called the “cluster system,” which is broken down into various substantive areas, to coordinate our efforts. I think that works reasonably well. I don’t know if Chris has anything he wants to add to that, or not.

Senator CORKER. Term “cluster” creates a little bit of a concern, I might add.

So, who’s developing——

[Laughter.]

Senator CORKER [continuing]. Who’s developing, if you will, the—I know that Senator Bingaman and I, when I first got here, began looking at some of the things that were being done by various communities to help there be a vision in Haiti, to help move it along. And, you know, it was, some ways, like pushing rope, as you can imagine. And I think when you talk about building up the govern-
ment there, that some degree of that still exists. So, who's developing the—if you will, the—sort of, the vision of what Haiti's going to be over time? That's almost a word bigger than necessary today, with all the immediate needs, but who's doing that?

Ambassador MERTEN. Well, again, our strategy is a country-led strategy. The Haitians have certainly, in the post-earthquake period, through the needs assessment, dictated what they believe is their priorities and what they view is the roadmap ahead. Again, we work with them, and with our international partners, to coordinate our efforts to help them get there. They clearly don't have the ability to do it on their own. And this is, of course, where we come in. I hate to keep going back to the same thing, but our view is that the IHRC will be a very useful tool in coordinating this effort, focusing the Haitians and our partners on the needs as discussed earlier in that document, and keeping us—keeping our eye ahead on that roadmap.

Senator CORKER. So, our role—explain to me and those on the committee—so, if the President there is in charge, and the international community is working together to make things happen on the ground, what is our role in that, exactly? I mean, are we the de facto moral leaders there? Are we just one of a group of people? I mean, be realistic about what our role is there. And I would expect that it's a very strong role, and certainly, I know, individuals like you are very committed, but tell us the reality of what our role is in relation to everyone else.

Ambassador MERTEN. I'd like to—I would agree with you, we have a very strong role in Haiti. We are close, we have deep relationships with Haiti. I think our relationships with—at all levels of the Haitian Government are good. I think we do play a very key role. At the end of the day, we're talking about a sovereign country, however, which has a democratically elected President with whom we deal. You know, our goal is to work with them with a sense of partnership, to support them where they need it. And, you know, they have asked us, on various occasions, for help, and we—as you've seen over the past 4 months, we've been providing it.

I think that partnership respect and responsibility would characterize, in three words, I guess, our relationship with the Government of Haiti.

Senator CORKER. So, my time is up, and I think you get the gist of my concerns. Look, so there's this tension, and millions of people that Americans have identified with and care about. And so, you have this tension of people wanting to ensure that they have those needs that they have, that are huge, that are met. And, at the same time, we have an incredibly ineffective government, and an international community that is working together to get things done. And so, I know that many of us on the committee have said, “You know, should we do something?”—because we care about the people there more than we care about other government, “Should we do something more draconian?” And I know that it is a sovereign country, kinda-sorta. It wouldn't exist without the international community. And I understand we have to have respect for that. But, I just think there's a tension there, and I don't think we've fully addressed that. I think we're, you know, working around that issue. And, in the interim, I think a lot of people are
suffering as we try to pay tribute to a government that has been very ineffective. And I’m not saying any of us could have been any better, with the infrastructure there. But, I hope that we will—I hope we will not play games with that. I think we all care about folks there. And I guess I’ll stop, but I get the sense we kind of are. I get the sense that we’re not addressing the reality of the situation on the ground, because we want to allow a sovereign government to exist, and respect that, as we do—we respect the rule of law, we respect democracies—but, at the same time, as we respect that, it’s my sense a lot of people are suffering. I don’t know what the answer is, but guys like you that are on the ground will, hopefully, help us with that.

Ambassador MERTEN. Senator, I completely understand your concerns, and I share many of them, myself. You know, you have my commitment that we will do our very best to make sure we reach out and do the best we can for those people that are suffering, and that we will press the Government of Haiti to make the decisions that are necessary to make sure that can happen.

Senator CASEY. Thank you, Senator Corker.

Senator Gillibrand.

Senator GILLIBRAND. Thank you, Mr. Chairman, for calling this hearing.

Thank you very much for being here to talk to us about your work in Haiti.

I was able to travel down to Haiti with Senator Landrieu earlier this year, right around Eastertime, and I got to meet with you, Ambassador. And thank you for all your hard work.

Obviously, we have extraordinary challenges in Haiti. And one of the areas of my gravest concern are the children of Haiti. One of the concerns that I have is the education level, that at least half of the children in Haiti are not being educated, and 80 percent of them that are, are paying for school in a community that has so little money available to provide for their families. Haiti has a 52-percent illiteracy rate, and these are some of the grave challenges.

Now, I understand that the United States is not heading up the education pillar, and I understand the need for donor coordination, but I’d like to hear from you what role you think we can play in the development of a quality public education.

Ambassador MERTEN. Senator, thank you for your question. When I talk to Haitians, education is one of their top priorities. And immediately following the earthquake, we contributed $6.2 million for temporary schools, and we are currently refurbishing 600 schools in Haiti.

We will continue to work, through our bilateral USAID program, to improve the quality of education. But, as you know, we are part of a broader international effort, and our programs can’t be a mile wide and an inch deep. So, we are working with other donors who are taking a lead in the education sector. We’re aware, for example, that the IADB is proposing to proceed with a $2 billion program in education, and we’re coordinating with them on that. We also coordinate with the French and the Canadians in this sector, because they can bring resources to bear, as well.

We work well with UNICEF. UNICEF has just completed an assessment of 133 schools that require rubble removal so that
schools will open. And so, we’re coordinating to ensure that UNICEF is getting the resources it needs to the broader international community, and MINUSTAH and others, to have that rubble removed.

Senator GILLIBRAND. Since we are charged with the pillar on infrastructure, can we use that charge to go in and really create—remove the rubble, for example, and create the infrastructure for the school system? Because one of the other concerns—you know, we also are addressing health—we can use these schools as the focal point for community services, so when we get the children into the schools, we can use it as a delivery mechanism for vaccinations, for health care, for aid, for food, anything that families need to receive. If they can go to their local school to receive that support and assistance and health care, it would be a very good way to create a hub system that can be very effective that we could support through our responsibilities on infrastructure and health.

Mr. MILLIGAN. Yes. Rubble removal is one of our top priorities in moving forward. As you know, there is enough rubble to fill five Louisiana Super Domes, and it’s an enormous task. We’re working with the Government of Haiti and the international donors to prioritize which areas of rubble need to be removed first, and prioritize residential areas and schools, moving forward. And, in fact, that was the good work of UNICEF. And we want to support rubble removal in these priority areas, because one of the international community’s goals is to ensure that schools do reopen in September.

Senator GILLIBRAND. I’d also like to address the issue of orphans. You know, we had reports that there were hundreds of thousands of orphans before the earthquake. We documented 50,000 children in orphanages, placed in orphanages. Obviously, that number is greatly expanded, and there are many children who do not have parents or relatives that are able to keep them at home in a family environment. And all statistics and all studies show that it’s far better for children to be raised in a family environment, as opposed to an institutional environment. What is the United States policy with regard to the orphanages in Haiti and what we can do for the children who are orphaned in Haiti today?

Ambassador MERTEN. Just to look back on what we’ve done since the earthquake, first, to respond to that, we—I was personally involved with expediting the release of—and travel of—1,000—just shy of 1,000 orphans from Haiti prior to the earthquake in these last 4 months. That is in comparison to roughly 300 per year, who we typically help come to the United States. It is, as you understand, a sensitive issue, both here and in Haiti. Our concern, obviously, is to protect the adoptive parents, but also protect the children, and to make sure that there are legitimate and, indeed, true orphans that are coming here.

There is legislation in Haiti which is—which has been passed by the lower House of Congress. It still needs Senate approval. Unfortunately, we do not have a seated Senate right now. We probably will early in the next year. And you have our commitment that we will work with the Senate to push for their passage of that bill. Once that bill is passed, it contains certain provisions, at least in
its current form, that would facilitate and expedite the adoption process.

Senator GILLIBRAND. Within—I mean, I want to address the processes and protections within Haiti——

Ambassador MERTEN. Right.

Senator GILLIBRAND [continuing]. For—you know, for adoptions within Haiti. Foster care—is there any discussion of increasing foster care or guardianship programs in Haiti? And then, separately, after we discuss that, I'd like to discuss international adoptions. But, I'd like to——

Mr. MILLIGAN. OK. Yes.

Senator GILLIBRAND [continuing]. At least address separately, What does the Haitian Government intend to do? Is there any movement toward improving the quality of care that we can offer children through families, if possible, in Haiti?

Mr. MILLIGAN. Senator, the status of orphans and vulnerable children is a major concern for us, particularly given the disaster. USAID immediately provided—I'm sorry—the U.S. Government immediately provided about $10 million to support orphans and vulnerable children.

The Agency for International Development, through its Office of Foreign Disaster Assistance, launched programs on emergency child protection, helping to register vulnerable children, and trace them, providing safe spaces for children, support for caregivers, and activities to reduce the potential of trafficking in persons.

We've also supported public education programs and alert systems and emergency phone numbers.

I understand the Department of State, G-TIP, has immediately launched programs to reduce the possibility of trafficking in persons, as well, and the Department of State's Bureau of PRM is considering more support to UNICEF in order to address trafficking in persons.

We do have, as part of our supplemental request, $11.5 million to look at the longer term issues, and they are consistent with your priorities, to look at more community-based relationships, and supporting that capability within Haiti.

Senator GILLIBRAND. Thank you.

Thank you, Mr. Chairman.

Senator CASEY. Thank you, Senator Gillibrand.

Senator Shaheen.

Senator SHAHEEN. Thank you, Mr. Chairman. And thank you for holding the hearing today.

I apologize if you've already covered some of this ground in the time that I was not here, but, in responding to the earthquake, the Department of Defense sent in a number of resources. Are those resources now being transferred to USAID and State, or what's happening with those? And how well is—if they are being transferred, how well is that transfer proceeding?

Mr. MILLIGAN. Perhaps I could begin on this one.

First of all, our military colleagues did an outstanding job in Haiti. And I have worked in—20 years in development and 2 years in Iraq. We had excellent coordination in Iraq, but I have never seen the level of civilian/military cooperation as I have seen——

Senator SHAHEEN. Great.
Mr. MILLIGAN [continuing]. In Haiti. And not only with their U.S. Government counterparts, but with the NGO community and international organizations. They were essential for the initial successes of the humanitarian assistance effort.

We coordinate, with the Department of Defense, any of their excess property. And so, we have facilitated delivery of excess property to the Government of Haiti and also to local NGOs. It's a very smooth process, and it's one that we're happy to do, because it provides more assistance to those who need it most.

We also have been coordinating with the Department of Defense on the location of their ongoing bilateral programs in Gonaives and other parts of the country, so there's a coordination between the development people, ourselves, and the Department of Defense on how best to use these assets, and where to place them. And again, I have to emphasize, it has been exceptional, the level of coordination out there.

Senator SHAHEEN. That's great. And so, you said you're coordinating how best to use the assets. Is DOD still there now with those resources, or has that transfer been accomplished?

Mr. MILLIGAN. DOD has a Joint Task Force Haiti that deployed immediately following the earthquake. It will be transitioning, on June 1, to a very robust DOD program that's focusing on the middle-term priorities, such as reconstruction of some schools, and preparations for the hurricanes, and those activities. So, again, the Joint Task Force now, I believe, is about 800 individuals, standing down on June 1. But, in the meantime, the other DOD activities have been ramping up. I suspect they will have about 500 people on the ground in Haiti in a matter of a few weeks.

Ambassador MERTEN. If I could just add to that.

Senator SHAHEEN. Sure.

Ambassador MERTEN. They will have around 500 members, I believe, of the Louisiana National Guard up in Gonaives, which is the region of the country most susceptible to flooding and damage from hurricanes. They will also be conducting a very robust series of what they call “medical readiness exercises,” not just in the earthquake area, but around the country, which will provide medical care to people not typically touched by the established medical system, particularly in rural areas, which—where people's medical care is, understandably, you know, the worst in the country. So, that will be ongoing for the coming months.

Senator SHAHEEN. Great. At the March 31 International Donors Conference, the Haitian Government came in with a 10-year recovery plan, as I understand, and the plan cost $11 ½ billion, and the Haitian administration sought about $4 billion for first 18 months. And I think everybody should be proud of the response from the international community. The donors pledged nearly $10 billion, and $5.4 billion for the first 18 months. Is this aid coming in? Is there evidence that this is coming in? And how is this being channeled? Is it going through the infrastructure that was developed in response to the earthquake? And who's in charge of executing the funds? And how is the Haitian Government involved?

So, I've given you about four questions there, but——

Mr. MILLIGAN. Well, I applaud the Government of Haiti's efforts to lead a successful Donors Conference, and we're very glad that
the pledges were made. And we will be pressing upon donors to honor their pledges. Some of the ways forward include the development of a Multidonor Trust Fund. These have been very effective in other cases. We have been negotiating—if you were—consulting, if you will—with international partners and the World Bank. The World Bank will chair the Multidonor Trust Fund. We have agreement on one standard agreement that all donors will use so that we have a unity of effort with the trust fund.

Donors will have to make a pledge of a significant amount in order to be voting members on that trust fund. At the same time, we are very supportive of the Interim Haiti Reconstruction Commission that was established by decree recently. This will play a very effective role in, not only laying out strategic vision that is government-led, but also in assuring accountable and transparent use of funding, and providing more information to the people of Haiti about where the funds are going, and why they’re going there.

At the same time, it’ll avoid duplication of effort among donors. So, this is something that, from a development point of view, we strongly support.

Senator Shaheen. So, is the Donors Trust Fund—has everyone agreed to set that up already, or do we—are we still waiting for agreement from certain partners?

Mr. Milligan. The—we have broad agreement on the establishment of a Multidonors Trust Fund. And I understand that the Brazilians have already made a financial commitment to that trust fund. I believe that it’s $55 million, but I could clarify that, for the record.

Senator Shaheen. So, there has been agreement from the donor community to do this, and everybody’s signed on, and it’s going forward?

Mr. Milligan. Yes.

Senator Shaheen. Good.

Thank you, Mr. Chairman.

Senator Casey. Thank you, Senator Shaheen.

I know we’re coming to the end of the panel—we want to be cognizant of the time—but, I wanted to go back, Mr. Milligan, to a question about the hurricane season. What can you tell us about the international community’s efforts to have a storm tracking system put in place, or a better system that’s been in place to date? Is there any information you can provide on that?

Mr. Milligan. Sir, I’d like to provide you with a fuller explanation of that, but I’d like to provide a response for the record, if you will. I don’t have that information available now.

Senator Casey. OK. I think that’s critically important. When we see the devastating effect of the hurricanes—that the hurricane season can have, I think it’s important that we know that. And I’d appreciate a prompt response to that.

I guess, I wanted to come back to the question of health care delivery on the ground, and also food security. And again, on both of these, there may be more information to provide for the record. But, either of—either of you, Mr. Milligan or the Ambassador—
what can you tell us about those two issues? Maybe starting with food security. What’s the current state of affairs?

Mr. MILLIGAN. With respect to food security, there has been no increase in malnutrition rates following the earthquake, largely, in part, due to the enormous emergency food distribution, feeding 3.5 million people. But, we know that there is a link between the emergency food and the sustainability of the agricultural sector. In order to be prepared to address that important transition issue, we mobilized a team of experts from Worldwide USAID to come and examine how best to transition from an emergency response in the food sector, to sustain agricultural programs.

What we have done in the meantime is that we worked hard to provide a lot of inputs to farmers, ahead of the rainy season, to ensure a productive harvest. We didn’t want the Haitian people to lose a harvest because of the earthquake. We—as you know, the domestic production of food is essential to food security. We, as an agency—USAID—have contributed more than $110 million in food assistance following the earthquake. And agriculture is one our four deep investments that we propose to follow in the supplemental. And we propose to do it in three ways. First, one, jump-starting the rural economy by ensuring that farmers have the right inputs, that they have—prepared irrigation canals, and that they can move forward with the planting and harvesting.

Second, we want to link the farmer more into the marketplace to ensure that he or she gets the benefits of their products by looking at the value chain, providing post-harvest facilities that will ensure that their crops do get to market, and also looking holistically—for example, the road system, how it fits in, so that we have a comprehensive approach to agriculture.

And, finally, our approach will emphasize the capacity of the agricultural sector, looking where research would be helpful and how we can build the capacity for research, the capacity for innovation, and the capacity for the Haitians to carry this forward.

Senator CASEY. Mr. Ambassador, a number of us have raised questions about—Senator Corker asked you a number of questions about the Haitian Government and their ability to provide, not just leadership, but results for the people in this terribly difficult period in their history.

I guess—what can you tell us about, or what’s your—what’s your sense of, or—and in addition to, what’s your vision for—this—the ability of this government to improve day-to-day governance in the delivery of services in conjunction with, and simultaneously with, the reconstruction efforts? It’s a—both are difficult, but what’s your sense of the—of both governance and reconstruction, going forward? Being able to happen simultaneously?

Ambassador MERTEN. I think it can happen, and I—but, I certainly don’t want to overpromise. I mean, I think it’s going to be a long-term effort that we need to work at, in a sustained way, in working with the Haitian Government and developing strategies which can bolster their capacity to function as a government, to provide the services, to respond to the needs of the people who elected them. And this is not something that’s going to happen overnight. But, our view is, over the past 20 years of working around the Haitian Government, and viewing them, in many cases,
correctly, as an obstacle, I think we’ve realized that we need to sort of engage with the government to make sure that they have the capacity to provide the services that, in many cases, are being provided by some NGOs or by international donors. And our strategy is to work with our colleagues and with the Haitian Government to allow them to get to a point where they can do that. It’s not going to happen overnight, however.

Senator CASEY. I’ll wrap up my time. I’d just say, by way of summary, we—by my count, the Congress has taken four big actions, at least: debt cancellation, the economic lift program; No. 3, the $2.8 billion in the supplemental; and also, Senator Kerry and Senator Corker’s bill, the Empowerment Assistance and Renewal Act. That’s wonderful. We’re happy about that. But, you need to keep telling us what we’ve got to do to be more effective here. I hope you’re not ever reluctant to do that. Because hearings are great, and focus and attention is great, but it’s going to be, in the end, action and results that we can measure. We can go to the American people and say, “We passed this bill, we took this action, and here’s the result.” We—there’s just not enough of that right now, not only on this terribly difficult problem, but on a lot of things.

I know that—Senator Corker—and I’m going go to Senator Kaufman, as well.

Senator CORKER. Yes, I know we have another panel of witnesses, and we know how to get you guys on the phone. We thank you for your service. And out of respect for the next panel, I’m not going to ask any more questions. But, thank you.

Senator CASEY. Senator Kaufman.

Senator KAUFMAN. Yes, thank you, Mr. Chairman.

And I—and most of the questions I was going to ask have been asked. But, Mr. Milligan, I’d want to kind of zero in for just a few minutes on clean water. What’s the situation in Haiti with clean water?

Mr. MILLIGAN. I’m sorry, sir?

Senator KAUFMAN. Clean water. Providing water for the folks in Haiti.

Mr. MILLIGAN. Oh, sure, yes. During the emergency response, clean water has been a key focus for us, because—not only because it’s necessary to sustain life, but also it’s key to sanitation.

The—during the initial response efforts, we have seen about a 50-percent increase in the production of clean water. We mobilized a chlorination system quickly that enabled increased access to clean water. So, a greater number of Haitians have access to this clean water than before the earthquake.

One of the things that we’re aware of is, as we transition, we have to ensure the sustainability and the viability of the water providers. And so, as of last Sunday, water is no longer subsidized outside of the IDP settlements. Inside the IDP settlements, water is still arriving via tanker truck to bladders, because that’s necessary to maintain sanitation levels in——

Senator KAUFMAN. How—what’s the big problem, do you think, going forward? Is it money or is it technology or——

Mr. MILLIGAN. With water, sir?

Senator KAUFMAN. Yes.
Mr. MILLIGAN. It’s—I think that there are several things. It’s capacity. We have had—there was—prior to the earthquake, there was a reorganization of the water sector. I think the NEPA, which is the provider of water, is doing, actually, an outstanding job, given the challenges, because they’re responsible for the entire water and sanitation sector. They’ve done a very good job. We need—they need continued capacity support and building. There’s the basic question of overall water infrastructure. As you know, prior to the earthquake, there are very few people who were part of that network. And so, continued work on that.

One of the things we want to do is to—through the use of supplemental funds—is to ensure a focus outside of Port-au-Prince, in growth polls, to target the capacity of local government so local government can plan better and how to provide services. And I’m sure that one of the services they’re going to want to plan better on is provision of water.

Senator KAUFMAN. Great. I want to know—anything we can do to help on this as we go forward, please, let us know.

Mr. MILLIGAN. OK. Will do.

Senator KAUFMAN. Thank you, Mr. Chairman.

Senator CASEY. Thank you, Senator Kaufman.

Mr. Milligan, we want to thank you for your testimony. Mr. Ambassador, for your testimony. We’ll thank you in advance for the written testimony you’ll submit. And we’re grateful for your service to the country and the work you’ve done in Haiti already. Thank you very much.

We’ll move to our second panel. It’s—this is, as well, an esteemed panel of nongovernment witnesses.

Our first witness is the Honorable Andrew Natsios, distinguished professor at Georgetown University’s Foreign Service—School of Foreign Service, and a former USAID Administrator. Our second panelist is Sean Penn, the founder of J/P Haiti Relief. That organization located in San Francisco. And then, finally, Mark Schneider, senior vice president, International Crisis Group, Washington, DC.

And I’d like to thank each of our witnesses again for being here, for providing not only your testimony, but, in all cases, your work literally on the ground in Haiti and your commitment to getting the strategy right, in terms of what we do, going forward.

I’d ask the witnesses, because your testimony will be submitted for the record, to try to keep your testimony within that 5-to-7 time range, if that’s at all possible.

We’ll start from the right of the table, going right to left. Mr. Natsios, we’ll begin with your testimony. And the floor is yours.

Thank you very much.
State Department—for an excellent job in a very difficult circumstance. There are two things that led to a very difficult response; first, that Haiti was a failed state prior to the earthquake. Typically, as in Indonesia, for example, during the Aceh earthquake we had a highly functional national government that helped us with what we had to do, that could make decisions and that was competent in getting lots of things done. That was not the case before this earthquake in Haiti. Second, this natural disaster also happened in the capital city, where all the NGOs, the U.N., and all the government ministries were located, and there was a massive loss of life among the people who would normally manage the response. So, Haiti is very atypical. There are 62 disasters a year that USAID responds to through its disaster response mechanism. You hear about one or two, because they make it onto the news. The rest of them, you don't ever hear about, because they're actually handled so well, in terms of the nature and content of our response, through both Democratic and Republican administrations. So, I'm very proud of the agency's work and of its disaster response staff. I ran that office, 20 years ago, under President George H.W. Bush, as my first job in international work.

But, I want to talk a little bit about, not the relief response—if you ask questions, I'd be glad to discuss this topic—but more about the condition of the Haitian Government because I think the worst thing we can do is be nice about this issue and apply a Disney World assessment to what we're dealing with.

We are dealing with one of the worst-governed countries in the world, and clearly one of the worst-governed countries in Latin America. There was an earthquake in Chile that was comparable to that of Haiti; 500 people died in Chile while 230,000 people died in Haiti. What's the difference? The difference is that the Chilean, along with the Costa Rican, Government are the two best-run Latin American governments. And therefore, if you have an earthquake in a country that's highly functional, with a strong government presence, you can help them do their work; you don't do it for them.

For the last 30 or 40 years, we have basically been administering public services in Haiti, through NGOs, through contractors, through the U.N. agencies, because the Haitian state can't do it itself. Eighty-five percent of the children in school in Haiti are in private schools; only 15 percent are in public schools because the Ministry of Education is so dysfunctional.

A World Bank study examining Haitian bureaucracy was conducted about 5 or 10 years ago, and it showed that 30 percent of the people working in the bureaucracy are phantom employees; they don't exist. They get paid, they're on the payroll, but they don't report for work, ever, and most of them don't even exist. In one ministry of 10,000 workers, 50 percent of the staff were phantom employees.

Some advocacy groups have been in favor of using money for budget support to support this system, which I think is a terrible idea. We are basically taking the clientele networks that control the Haitian state and putting more money into them. The reason the aid community has gone around the Haitian state is because it's so dysfunctional.
I collected a few statistics which I thought would be illustrative of the condition of the Haitian state. First, Transparency International, a well-respected international NGO that does work on corruption, gave Haiti the 10th lowest score in the entire world in terms of corruption levels. Its rank falls next to those of Equatorial Guinea, Burundi, and Iran.

Second, there is a very interesting statistic about the nature of doing business in Haiti provided by the World Bank in its Ease-of-Doing-Business Report. Haiti ranks 151st out of 183, having the worst business climate in the world, save 30 other countries. And as a result, legitimate businesses don’t go there because it’s hard to register, you have to pay bribes to get your licenses, and so on.

The reason why the country’s so poor is because the business climate is so bad. There have to be efforts to reform it because, if that is not done, then all other reforms and all other aid that we provide will simply not be effective. Unless there is a growing private sector, a dynamic economy, and an emerging middle class, with a growing private sector economy. Haiti will remain a failed state in 5 years unless major reforms are undertaken now.

There are 2 million Haitian Americans. They are upwardly mobile, they’re hardworking, they’re entrepreneurial, but they live here and in Canada, not in Haiti. Eighty percent of Haitians with college degrees live in Canada and the United States, not in Haiti. That is a very disturbing statistic. There’s a massive drain of skilled people out of the country to the United States. And when they get here, they do very well. So, it’s not the Haitian people; it’s the system that is profoundly dysfunctional.

How do we change this? Well, for one, we’re going to have to try to bring back, in my view, the diaspora to Haiti. We did this, by the way, very quietly in Afghanistan. During the first few months, we brought back 1,000 Afghans from the diaspora living in Europe and the United States—including Ph.D.s and major business figures. And, the five best-run ministries in Kabul were run by the diaspora people we had brought back. We quietly put them on the USAID payroll, not directly, but through our contractors, and those people ran what turned out to be the best-run ministries.

I suggest, on a larger scale, something like that be done with other donors because, if we just funnel money into the existing system, it’s not going to improve governance in the country. Unless you improve governance and the rule of law, you are not going to have a functional Haitian state, and you will continue to have what we just had happen. Instead of what we saw in Chile, we will witness a recurrence of this terrible tragedy at some point in the future with another natural disaster.

I could go through a whole bunch of other indicators, but there’s one other statistic that’s also very relevant and should be mentioned here. Haiti is one of the most densely populated countries in the world. It ranks 30th in terms of land per capita. And the 30 countries that are more densely populated are little, tiny countries like Singapore which is rich, but it’s not a country; it’s a city-state. Haiti is more densely populated than India. It cannot feed itself, even if it had the best agricultural system in the world. We should improve the agricultural sector. USAID and other donors are proposing with the Haitian Government to decentralize the
economy away from its concentration in the capital city: this is a very good idea. I strongly support it. We need to put more of a focus on that. But, unless there's industrialization in Haiti, it will continue to be a very poor country.

Industrialization did take place in Haiti during the 1980s and the mid-1990s. There were 400,000 people working in factories—assembly plants, basically, for manufacturing soccer balls, shoes, clothing and such—and they received a monthly wage. They were paying taxes. And, then, there was political chaos with Aristide and the military coup, and then the United States imposed economic sanctions. These sanctions, along with political turmoil and rampant violence, drove the middle class out of Haiti to the United States and Canada and the manufacturing plants moved to Central America.

So, unless there's order, and unless we open our markets up to Haitian products, they are not going to have a growing economy. We should take a holistic approach. We need to have a free trade agreement with Haiti so there are no restrictions on the importation of Haitian goods to the United States. I don't think it's a big threat to our economy to open our markets up to one of the poorest countries in the world. Congress did a very good thing in 2008 by passing a partial bill. I think we need a full bill. We need a full bill to open markets up because that will attract the business communities of Canada and the United States, possibly using people from the Haitian diaspora to begin industrializing the country, not just in Port-au-Prince, but in other parts of the country as well. And, perhaps, this industrialization can also be attached to agriculture because you can have industrialization where you're bottling canning and there is food processing. We also need rural roads for that.

One of my concerns regarding the aid budget is that there's a lot of money for programs that are visible, quick, and appealing. But, no one wants to fund the programs that aren't politically appealing. And this is not just in Congress; this is the case with the executive branch, too. Thirty-five percent of our total foreign aid budget worldwide is for health projects. Do you know anybody in favor of disease? I don't know any interest group in favor of disease. There are, however, lots of people who don't like agricultural programs. I won't go through them all; you can guess who they are. But, they usually would stop USAID's request for more money from this body for agricultural programs. They don't like fertilizer, they don't like GMO seed, or they think it's competition for the U.S. farmers, which is nonsense. And so, such programs do not get funded—until the recent food crisis occurred caused by rising food prices.

The governance and democracy component of AID constitutes only 4 percent of our aid programming, while 35 percent is dedicated to health. So, the money is not there to do the things we need to do because the budgets are earmarked based on political pressures, which I understand. I was a former State legislator of Massachusetts for 12 years; I understand the pressures that Members of Congress are under. And, I ran AID for 5 years; I know what you all requested of us: the things that help people, personally. If we don't improve governance in Haiti, we're not going to be able to have the Haitian Government running schools that children go
to or providing health clinics that can treat people so we don’t have to keep going in with this huge international apparatus to run the country on their behalf.

So, we need governance reform as a top priority. That is what’s in the AID budget. I urge Congress to approve, without any restrictions, what AID requested in terms of its governance and democracy program because, without it, this reconstruction effort is simply not going to work.

And, the second most important thing is economic growth. People say, “We need to just have free trade.” That is not enough. Haiti needs to have improved policies to make it easier for people to start businesses, to create jobs, to have economic growth. Haiti needs rural roads to stimulate economic growth. If there’s economic growth, citizens pay taxes, which will fund the Haitian Government to operate the way it’s supposed to operate, not as a failed state.

So, those are some ideas. I have written testimony with many other ideas, but time is short, and I know you want to ask questions, Senator.

[The prepared statement of Ambassador Natsios follows:]

PREPARED STATEMENT ANDREW S. NATSIOS, PROFESSOR, GEORGETOWN UNIVERSITY SCHOOL OF FOREIGN SERVICE, WASHINGTON, DC

In the wake of the January 12 quake that killed more than 200,000 people and left over 1 million homeless, an avalanche of humanitarian aid poured into the Haiti to save lives and reduce human suffering.1 Due to its magnitude and proximity to Haiti’s lone urban center and economic hub, Port-au-Prince, this earthquake has demonstrated the extent and scope of vulnerability of the Haitian population, of whom over 80 percent were below the poverty line before the earthquake.2

As the immediate crisis stabilizes, the United States must transition its assistance programs in Haiti in order to promote broad-based, long-term economic growth and gradually phase out short-term humanitarian aid. In March of this year, the Haitian Government unveiled their “Action Plan for National Recovery and Development of Haiti,” which portrayed this tragic event as “an opportunity to unite Haitians of all classes and origins in a shared project to rebuild the country on new foundations.”3 The Government’s desire to “reverse the spiral of vulnerability” created by natural disasters seems to focus on the proper target.

This tragedy was not simply a natural disaster; it was a man-made disaster stemming from a failed Haitian state characterized by widespread patronalism, corruption, and critically ineffective service delivery. Despite $5.3 billion in foreign aid invested by bilateral and multilateral donors from 1990 to 2005 (approximately $1.5 billion of which came from the United States), Haiti persists as one of the poorest and worst governed countries in the hemisphere, if not the world.4 Much of this U.S. Government assistance has been humanitarian rather than nation-building assistance, and has kept people alive through repeated political crisis. The Government of Haiti has been characterized as autocratic and unstable. To ensure loyalty within a society that has been riddled with gang violence and plagued by abject poverty for decades, elites have created patronage networks to employ their supporters, provided selective public services to them, all funded by rent-seeking and limits on the creation of legitimate institutions which might challenge their monopoly control over the society.

In 2009, Transparency International assigned Haiti the 10th lowest score in the world on its Corruption Perception Index, next to Equatorial Guinea, Burundi, and

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1 Reuters: http://www.reuters.com/article/idUSTRE61703220100208.
cpi/2009/cpi
business regulations and their enforcement across 183 economies, Haiti ranked 2010 ''Ease of Doing Business'' Indicators, which provide an objective measure of business climate derived from its failed state status. According to the World Bank’s twin economic challenge of mass unemployment from the earthquake and a terrible the destruction of jobs, businesses, and economic activity. So, Haiti now faces the earthquake, a much less visible, but nevertheless significant devastation was and without such investment, job creation on the scale necessary to change the dy-
sresponse after the earthquake was a function of it being a failed state.
Haiti was already a failed state before the earthquake took place and the poor re-
dures; heavy top down management; and a decided lack of direction.'' In a word,
forcement-based personnel system, no accepted hiring, firing, and promotion proce-
institutions reported they are ''characterized by lack of trained personnel; no per-
about half of whom were ever at work.'' A USAID evaluation of Haitian Government
a new Haiti must have substantial educated middle class as a foundation, or it will fail.
The weakness of the Haitian state is clearly evident when this tragic event is jux-
tapoed with an equivalent earthquake in Chile in February which led to less than 500 casualties and was far less consequential in terms of physical destruction. Un-
like Haiti, Chile is one of the best governed countries in Latin America, has a very impressive business community and a vibrant nonprofit sector. In Chile, it is appar-
ent that building standards were enforced so buildings did not collapse in the earth-
quake, emergency response teams were reasonably well-prepared, and the govern-
ment demonstrated the capacity to help. In Haiti, however, it is very apparent that the situation was the opposite.

In a new book, "Violence and Social Orders," Nobel Prize winning economist Douglass North, John Wallis, and Barry Weingast argue that it is the density of legitimate institutions that distinguishes rich from poor countries. Rich countries have them, and poor countries do not. The United States, for example, is probably more densely packed with institutions per capita than any society in world history which is a determinant of America’s wealth and stability. In fact, there is one nonprofit for every 160 people in United States and over 85,000 units of government serving U.S. citizens. If measurement was possible, Haiti would probably have the lowest number of legitimate institutions of any country in the Western Hemisphere, and perhaps the world.

A World Bank study of Haitian governance reports noted that “30 percent of civil service were phantom employees . . . . One ministry had 10,000 employees, only about half of whom were ever at work.” A USAID evaluation of Haitian Government institutions reported they are “characterized by lack of trained personnel; no performance-based personnel system, no accepted hiring, firing, and promotion procedures; heavy top down management; and a decided lack of direction.” In a word, Haiti was already a failed state before the earthquake took place and the poor response after the earthquake was a function of it being a failed state.

International business and capital markets do not invest money in failed states, and without such investment, job creation on the scale necessary to change the dynamics of Haitian society is impossible. Beyond the terrible loss of human life from the earthquake, a much less visible, but nevertheless significant devastation was the destruction of jobs, businesses, and economic activity. So, Haiti now faces the twin economic challenge of mass unemployment from the earthquake and a terrible business climate derived from its failed state status. According to the World Bank’s 2010 “Ease of Doing Business” Indicators, which provide an objective measure of business regulations and their enforcement across 183 economies, Haiti ranked

151st, making it very difficult to start a legitimate business.\(^7\) The Bank’s report indicates that, while the average cost of starting a business is 4.7 percent of income per capita in OECD countries and 36.6 percent across Latin America, it constitutes 227.9 percent of income per capita in Haiti. And, while registering property in OECD and Latin American countries takes an average of 25.0 and 70.4 days respectively, it takes over a year in Haiti. According to the Bank’s “Protecting Investors—Transparency of Transactions Index,” Haiti has scored 2 out of 10, significantly below the average score of 4.0 across Latin America.

These figures demonstrate that, without formal institutions capable and able of providing the enforcement mechanisms necessary to decrease risk and uncertainty, businesses will not pursue economic opportunities and invest in the economy even though this is essential for recovery. Thus, any effort to build new institutions must incorporate private sector development; it cannot solely target the Haitian state in a vacuum.

Despite the critical importance of these objectives, the challenge ahead is daunting, particularly considering the general consensus among the international donor community that long-term development programs in Haiti have been largely ineffective in the past. A National Academy of Public Administration report of 2006 on why foreign aid has failed in Haiti summarized general donor opinion which has “variously characterized Haiti as a nightmare, predator, collapsed, failed, failing, parasitic, kleptocratic, phantom, virtual or pariah state.”\(^8\) The World Bank is poised to invest another $100 million in Haiti even though the Director of its Operations Evaluation Department claimed in 2002 that “the outcome of World Bank assistance programs (in Haiti from 1986 to 2002 has been) rated unsatisfactory (if not highly so), the institutional development impact, negligible, and the sustainability of the few benefits that have accrued, unlikely.” The Bank also noted that “Haiti has dysfunctional budgetary, financial or procurement systems, making financial and aid management impossible.”\(^9\) Even the Government of Haiti, in 1997, admitted that it had a serious aid management problem.

Historical evidence suggests that countries can make significant reforms following a catastrophic natural disaster of the scale Haiti has just been through. It is important to note that the solidarity and optimism expressed in the GOH’s “Action Plan for National Recovery and Development of Haiti” is nothing new. According to Robert Klitgaard in his study “Addressing Corruption in Haiti,” when Aristide came to office in 1991, he promised to “wash away the old Haiti of Papa Doc and Baby Doc Duvalier, the tonton macoutes, the predatory corruption” when in fact he simply replaced one tyranny with another. As recently as April 2009, “Prime Minister Michele Duvi`evier Pierre-Louis gave an impassioned speech to Haiti’s aid donors: ‘I believe that together we will seize this opportunity to make a real difference and change forever the course of history,’ she said. ‘We strongly believe that Haiti is at a turning point, perhaps even a tipping point.’ But she also acknowledged that Haiti calling for a new beginning can evoke derisive laughter. ‘In Haiti, popular comedians have for the past 50 years parodied the almost theatrical repeated announcement of a ’Great Beginning’ in which they did not really believe themselves. The time has come to break away from such cynicism.”\(^9\) Action Plan itself calls for a “progressive increase in decentralized skills” and an “increase in the role of [local] municipalities in reducing vulnerabilities and protecting inhabitants.” However, such reform will remain superficial unless there is true ownership in the Haitian Government.

The composition of the Action Plan’s proposed Interim Commission for Haitian Reconstruction has been called into question by Transparency International’s Senior Consultant Roslyn Hees: “the majority of the commission would be made up of international agencies and a minority would be made up of Haitian representatives. Even within the Haitian representation, there is no one from civil society, except a representative of Haitian unions, who cover a minuscule proportion of the Haitian workforce since most of the workforce is informal and not unionized.”\(^10\) Although it is essential that the Haitian Government assume ownership in the agenda-building process, it is critical that the United States contributes only to a long-term development plan that is both inclusive and transformational.

As the United States transitions from short-term humanitarian assistance toward the reconstruction of Haiti’s shattered capital and economy, our aid must alter the

\(^7\) World Bank: http://www.doingbusiness.org/ExploreEconomies/?economyid=85.


\(^10\) http://talkradionews.com/2010/03/corruption-watchdog-worried-by-haitian-reconstruction-plan/
power structure within the Haitian Government and economy, the open the society up to genuine democratic principles and to a free market economy. Too many policymakers in Washington too often take reconstruction literally—as bricks and mortar alone—when in fact rebuilding needs to address much more than that. Clearly, port facilities, roads, bridges, schools, health clinics, and water systems (which were already crumbling before the earthquake) must be rebuilt. But, if that is the extent of our reconstruction efforts, then Haiti will simply revert to its failed state status and whatever is reconstructed will begin to crumble over time without institutions to ensure maintenance.

Moreover, U.S. technical assistance to Haiti has proven ineffective because the institutions necessary to take advantage of these knowledge transfers do not exist. Since 1989, USAID/OFDA has offered an “Advanced First Responders Course” throughout Latin America and the Caribbean within its Technical Assistance and Training Program (TATP). From June 1998 to May 2003, there have been more than 12,000 first responders in the TATP which has certified more than 2,100 active instructors. However, no matter how much training is done, functional institutions—which Haiti does not have—are needed to use the trained people properly. Unless the U.S. Government balances physical reconstruction and technical assistance—a much more difficult, time-consuming, less visible, but more essential effort—Haiti will remain a failed state. The political pressure from Washington, as it has been in other state-building exercises, will be for Haiti reconstruction to be fast, visible, and produce measurable results when, in fact, building functional institutions will take 10 to 20 years, its greatest successes will not be dramatic or visible, and many will be difficult to quantify or measure. Aid efforts in Haiti in the past have focused too much on delivering public services through nongovernmental organizations and international organizations instead of trying to reform the Haitian institutions that should be delivering these services.

Thus, first and foremost, Haiti’s transformation into a functional nation requires a strong emphasis on issues of governance and rule of law within our aid programs. The predominant culture and values of a society can either facilitate or impede development. The latter is certainly the case in terms of Haiti’s destructive political culture which has been marred by patrimonialism, clientelism, and patronage networks.

Lawrence E. Harrison points out in his book, “The Central Liberal Truth,” that “Haiti suffers from a complex web of progress-resistant cultural influences which spreads the message that life is capricious and planning futile. There are high levels of social mistrust. Responsibility is often not internalized. Child-rearing practices often involve neglect in the early years and harsh retribution when kids hit 9 or 10.”

In “Violence and Social Orders,” Douglass North describes two types of societies: limited-access order and open-access order societies. Most of human history has been dominated by the former which are “governed by a dominant elite or coalition that stays on top by controlling and distributing patronage and privilege. How you fare, in a limited-access order, depends on who you are and whom you know.” Over the past few hundred years, however, open-access orders have emerged which “allow political participation and economic access on equal terms according to impersonal rules. Broad, government-enforced rights replace selective, government-distributed privileges.”

Using North’s terminology, it is critical that there is a transformation in Haiti from such a limited-access order to an open-access order because they are “more politically stable and economically successful than their precursors; in fact, today they dominate the world. But developing a culture based on rule of law under which dominant elites willingly surrender their monopoly on power can take centuries, if it ever happens at all. Only a mature natural state—one with durable institutions, a military under firm political control, and elites who are acclimated to the rule of law—can make the transition to an open order.”

Any effort to build new Haitian institutions will also require security, without which the exodus of educated professionals will continue. The GOH must develop a trained police force which respects human rights, avoids politics, and ensures the security of the Haitian people. Criminal gangs linked to the drug trade have grown more powerful over the past few years and are behind the growing violence in Haitian society. Unless this trend is arrested, any effort to build new institutions will fail. While crime fighting has been entirely the province of some 9,000 U.N. peacekeepers since 2004, the Haitian Government must develop local police and security...
forces for sustained security with the U.N. providing back up until these institutions are functional.

Of course, institution-building efforts must be coupled with progrowth economic policies. The GOH’s Action Plan aptly recognizes the need to decentralize the country economically and politically away from Port-au-Prince through the development of regional economies and the subsequent diffusion of job creation. Haiti needs to develop a functioning economic system, agricultural export markets, and a rural road network. And although Haiti currently enjoys duty-free access to U.S. markets for certain Haitian-made apparel items through the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2008, a more comprehensive free trade agreement between our countries will tie our economy with Haiti’s and recreate a market for Haitian products which with economic reform can stimulate growth and job creation. The Haitian private sector will be much more likely to accept reform than the public sector, and thus can be an engine for progress.

We must also encourage the participation of the prosperous, educated Haitian-diaspora in the United States and Canadian because they have the potential to be major assets in the reconstruction of the country. As Haiti is only 600 miles from the U.S. mainland, such individuals would be able to come and go with relative ease. But they should be encouraged by a program that enables Haitians to come to the United States to attain education. The most successful institution-building program used by USAID historically was its scholarship programs which brought 18,000 students a year to U.S. colleges and universities to get their graduate degrees. The USAID scholarship programs have been phased out over time because Washington regulators demanded immediate and visible results which scholarships could not produce. But they can produce transformational long-term change because graduates usually return to their home countries from their U.S. experience as reformers. Bringing promising Haitians to the United States to get their graduate degrees with safeguards to ensure they return to Haiti when they graduate can complement the return of the Haitian diaspora to build new institutions.

Such transformational programs would surely affect the economic, social, and political power structures of Haitian society. But without buy-in from elites, the vested interests in Haitian society will undermine any reform efforts. Even though major natural disasters are sometimes a catalyst to reform movements, no outside aid agency, whether it be the U.N., World Bank, the NGOs, or USAID, can substitute for Haitian leadership.

Without such competent and honest Haitian leadership, any institution-building exercise will fail. Lasting change will be achieved when Haitian political leaders show the political will to enact and implement major political and economic reforms. Haitian President Prevel has shown some technical skill in undertaking improved governance over the past 2 years, but he remained virtually invisible in the humanitarian aid effort which damaged him politically. He will need help, and one of the best ways of getting help in a country which has had a chronic leadership deficit, is to bring back Haitians from the diaspora to help him build new Haitian institutions.

It is important to differentiate between the political “ownership” recommended here within and other circumstances in which donor agencies simply provide budgetary support to recipient country governments so that they may pursue their objectives, regardless of what they may be. Paul Collier, in his book “The Bottom Billion,” equates the external provision of budgetary support to countries like Haiti to the large inflows of oil revenue enjoyed by oil-rich developing countries such as Nigeria that have “depressingly little to show for it.” He argues that past evidence demonstrates that “large inflows of money without any restrictions do not seem to be well spent in many of the countries” where the poorest populations reside. Certainly in Haiti, where corruption is rampant and much of the government bureaucracy is a phantom, such budgetary support would attract predatory forces, even if controls were introduced.

Regarding the aid allocated by the United States for the reconstruction of Haiti, a very long-time horizon will be required as it takes considerable time for institutions to form in such a society. Any development plan of less than 10 years will not yield sustainable and transformational results. Given the operational context through which aid programs will operate, the usual quarterly measurements demanded by the federal oversight agencies will not be useful and as contracts and grants will not be implemented within standard timeframes because of Haiti’s weak institutions.

To do this there must be a reduction of the regulatory and compliance burden on USAID. The Haitian Government and the USAID mission in Haiti will be empow-

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ered if funds are provided with as little micromanagement from Washington as possible. And, as predictable funding streams allow for greater dedication to programs, it is important that there is as much funding at the beginning of the plan as at the end. Washington must also avoid earmarking any funding by sectors or programs as the most transformational sectors have the least interest group support in Washington and will not produce short-term measurable outcomes.

If western countries want to end the dysfunctional cycle of crisis and failed band aid development in Haiti, only an institution-based model of reconstruction will succeed. U.S. aid programs must be designed to facilitate better governance by the Haitian Government in addition to economic growth across Haitian society. Priority must be placed on the agricultural sector and the secondary road network to create an integrated national Haitian economy, rather than one dependent exclusively on the capital, Port-au-Prince. The professional expertise of the Haitian diaspora should be utilized, and scholarships must be extended to train professional managers and technical staff in GOH ministries. And, such initiatives should be complemented by security sector reform that produces a functioning criminal justice system and police force to protect the Haitian people. While history may project a pessimistic outlook for Haiti’s transformation, it also provides critical lessons that the GOH and international community must consider in order to move Haiti toward a brighter future.

Senator CASEY. Mr. Natsios, thanks very much.
Mr. Penn.

STATEMENT OF SEAN PENN, FOUNDER, J/P HAITIAN RELIEF ORGANIZATION, SAN FRANCISCO, CA

Mr. PENN. Mr. Chairman, Senator Corker, my name is Sean Penn. I’ve been on the ground in Haiti, since the first week following January’s earthquake, as NGO director and CEO for the J/P Haitian Relief Organization.

Since that time, my team and I have lived in a tent camp in the Bourdon area of Port-au-Prince, adjacent to and administering aid to a 55,000-person IDP camp, one of the largest ad hoc camps in the country. My organization has been designated camp manager of this site, locally called "Terrain de Golfe" by the U.N. International Organization of Migration.

From our first days in Haiti, my team and I witnessed amputations without anesthesia or IV pain medication, things we soon were able to supply to hospitals and clinics throughout the city and country; emergency amputations performed in spontaneously raised tent operating rooms, dusty and mosquito-ridden; limbs severed from children with tools more familiar to the local hardware store than to those we traditionally expect in the hands of surgeons.

It is true that this stage of post-quake trauma and drama has largely subsided. Only 2 weeks ago, however, a less tangible, visible, or fundable emergency raised its head. Our camp clinic diagnosed what became the first confirmed case of diphtheria. I rode in the back of the ambulance while the patient was refused from several hospitals because the 15-year-old boy, Oriole Lynn Peter, was diagnosed with a disease for which those hospitals had no treatment capability.

In this city of ruins, five fully functionally hospitals have been allowed to close, despite the emergent disasters, due to financial undersupport and the inertia of protective overscrutiny. In many cases, the bureaucracy of international aid is “protecting people to death.”

Diphtheria is among the first of five things that an American traveling to Haiti is inoculated against, and yet, in a country devastated with hundreds of millions of American-donated dollars of
dedicated emergency aid, and billions pledged for reconstruction, there were no isolation wards, few ventilators and, despite the all-out last-minute efforts of the administrations of every major hospital in the city, the American Red Cross, the dedicated and beyond-job-description effort of the commander of U.S. military forces in Haiti, the WHO, USAID, and the CDC, along with a fractured Haitian Ministry of Health, it took 14 hours, between all of these organizations, to locate a single patient dose of the immunoglobulin that would have likely saved this 15-year-old boy's life, had it been readily available.

As we rode through the rubble and traffic-blocked streets in search of his care, I held the ankle of an animated and normal 15-year-old boy, who, to his own knowledge, was merely suffering from a sore throat and a bit of fever. He couldn't have known that the grey-hued bacteria in his esophagus would kill him within a day and a half, and it did.

Since that day, a series of diphtheria cases have come to light, including another one in our camp, brought to our hospital 4 days ago.

But, diphtheria is only one of many diseases that threaten, in particular, the 1.8 million displaced today, living in compressed and unsanitary camps, where tent-to-tent construction would take just one match to create an inferno that can incinerate thousands.

In a city where nearly no access—where there is nearly no access to electricity, there is little fuel to run the generators, few lights to generate, and the rapes of women and children may occur at will, it will be the rain of this season that spreads the diarrheal diseases, where, globally, 80 percent of the fatal cases are among children under 5. There are hundreds of thousands of them in Port-au-Prince alone.

It should be said that, while there are claims to grand programs of immunization, it is the simple truth that Haitians, for the most part, remain unprotected, and that there is little evidence that those that have been immunized have records or access to established boosters and followup necessary with the—as with all immunizations.

It should also be said that, in a city the size of Port-au-Prince, as with the densely populated—all densely populated areas of Haiti, the idea that, as in the case of the diphtheria immunoglobulin, a single warehouse maintains what little supply may exist, is an unacceptable acceptance.

Prevention is difficult to get people excited about, but cold chains for the transport and preservation of these necessary immunizations and treatments must be established throughout Port-au-Prince and Haiti, as much stockpiles for the necessary remedies for the dehydration that comes with diarrheal diseases.

It must also be said that the quality and training of prequake health care in Haiti was already at a minimum, and that with the death and flight of so many among the most capable in Haitian medical community, that it will be some time before the international medical staff will be relieved of the humanitarian and training demand.

I come here today as a witness, not only to the state of current emergency, but also to the heroic efforts of the United States and
international doctors, soldiers, and relief workers, of the NGOs in partnership and service with the great Haitian people and their government.

I come here today and hope that we’ll address with bold clarity the razor’s edge upon which Haiti lies, so that all in our own country, all that our country has given in sacrifice and service, will not be washed away with this rainy season and leave bright and dancing Haitian eyes to go still in death from disease and flood and, God forbid, the man-made disaster of violent unrest.

From President Obama, Secretary of State Clinton, and Secretary of Defense Gates, and throughout the policies and generosity offered this situation to date, the United States can hold its head very high. The compassionate and no-nonsense posture of our military has been moving and inspiring. But, with the official emergency phase declared over, as most of them redeploy into other struggles, we owe it to all of them, and to ourselves, in reestablishing the character of American foreign policy, to stay the course in Haiti. Make no mistake, this is a war against our ally and neighbor, and we have only this chance to show the world that we are willing to fight that war and save its victims, and are not dependent on hating and killing their assailant.

It is a war against the diseases and preventable disasters caused by nature and poverty. And the United States military has played, and must continue to play, a central role in Haiti, as the surge of the enemy is imminent. Countrywide, we have dropped American troop levels from about 22,000 to somewhere in the area of 500.

We must also not underestimate the likelihood, known to all of us on the ground in Haiti, of some level of violent social unrest. As Americans, we could call on the Government of Haiti and our own Government to acknowledge that a state of emergency still exists, to demand full transparency in the way that aid is distributed, and accountability for how aid organizations advertise themselves in the solicitation of funds. Full and total transparency.

Now is the time for all concerned parties to acknowledge that an emergency phase is simply an economic determination and that prevention of foreseeable human tolls on massive levels—in particular, young children—cannot be summarily dismissed by the aspiration of a monumental reconstruction, offering empowerment, demanding independence in governance, or claiming it is a distraction from the rebuilding of a country that, in many ways, was never built in the first place.

The Haitian people are as strong and resilient as any I’ve ever seen. There are great lessons of character for our country to learn from the Haitians. President Preval and his administration have proven, in their prequake efforts, the will of Haiti to overcome its devastating legacies. But, to demand of them, or encourage their demand of, a fractured society’s independence prematurely will be murder by another name. Issues of equity and distribution of aid are a fine aspiration, but, when the emergency room has got a line out the door, and the hospital pharmaceutical stockpile has not been inventoried, we have to find a way to treat patients while the counting is done, and not leave them at the door to die on the street.
I am, and I believe I speak for all responsible aid workers, in full support of parallel planning and reconstruction and the nurturing of an independent people’s self-reliance. But, as we punish those who are lazy, punish those who are corrupt, so shall we kill the innocent and the willful.

In an emergency, donors offer money and expect it to be spent helping people. I hope we are here today to encourage just that.

Thank you.

[The prepared statement of Mr. Penn follows:]

PREPARED STATEMENT OF SEAN PENN, FOUNDER, J/P HAITI RELIEF ORGANIZATION, SAN FRANCISCO, CA

Mr. Chairman, members of the committee, my name is Sean Penn. I have been in Haiti as Director and CEO of my NGO J/P Haitian Relief Organization, and have been on the ground in Haiti since the first week following January's earthquake. Since that time, my team and I have lived in a tent camp in the Bourdon area of Port-au-Prince, adjacent to and administering aid to a 55,000 person IDP camp, one of the largest ad-hock camps in the country. My organization has been designated by the U.N. International Office of Migration as camp management for this IDP camp.

From our first days in Haiti, my team and I witnessed amputations without anesthesia or IV pain medication, things we soon were able to supply to hospitals and clinics throughout the city and the country. Limbs severed in spontaneously raised tent operating rooms, dusty and mosquito ridden. Limbs severed from children with tools more familiar to our local hardware store than to those we traditionally expect in the hands of surgeons. It is true that this stage of post-quake trauma and drama has largely subsided.

Only 2 weeks ago however, a less tangible, visible or fundable emergency raised its head. Our camp clinic diagnosed what became the first confirmed case of diphtheria. I rode in the back of the ambulance while the patient was refused from several hospitals because the 15-year-old boy, Oriole Lynn Peter, was diagnosed with a disease for which those hospitals had no treatment capability. In this city of ruins 5 fully functional hospitals have been allowed to close despite these emergent disasters, facing financial undersupport and overscrutiny. In many cases, the bureaucracy of international aid is protecting people to death. Diphtheria is among the first five things that an American traveling to Haiti is inoculated against, and yet, in this devastated country with hundreds of millions of American donated dollars of dedicated emergency aid and billions pledged for reconstruction, there were no isolation wards, and despite the all out last minute efforts of the American Red Cross, the administrations of every major hospital in the city, the dedicated and beyond job description effort of the commander of the U.S. military forces in Haiti (Major General Trombitas), the WHO, USAID, and the CDC, along with a fractured Haitian Ministry of health, it took 14 hours between all of these organizations to locate a single patient dose of the immunoglobulin that would likely have saved this 15-year-old boy’s life had it been readily available. As we rode through the rubble and traffic-blocked streets in search of his care I held the ankle of an animated and normal 15-year-old boy who to his own knowledge was merely suffering from a sore throat and a bit of a fever. He couldn’t have known that the grey-hued bacteria would kill him within a day and half and it did.

Since that day, a series of diphtheria cases have come to light, including another one in our camp brought to our hospital 4 days ago. But diphtheria is only one of many diseases that threaten, in particular, the 1.8 million displaced today, living in compressed and unsanitary camps, where tent-to-tent construction would take one match to create the inferno that could incinerate thousands. In a city with nearly no access to electricity there is little fuel to run generators, few lights to generate, and the rapes of women and children occur at will. It will be the rain of this season that spreads the diarrheal diseases that globally find their victims—80 percent among children under 5. There are hundreds of thousands of them in Port-au-Prince alone. It should be said that while there are claims to grand programs of immunization it is the simple truth that most Haitians remain unprotected and that there is little evidence that those that have been immunized have records or access to establish boosters and followup necessary with all immunizations. It should also be said that in a city the size of Port-au-Prince, as with all the densely populated areas in Haiti, the idea that, as in the case with the diphtheria immunoglobulin, a single warehouse maintains what little supply may exist is an unacceptable ac-
ceptance. Prevention is difficult to get people excited about. But cold chains for the transport and preservation of these necessary immunizations and treatments must be established throughout Port-au-Prince and Haiti, as must stockpiles of the necessary remedies for the dehydration that comes with diarrheal diseases. It must also be said that the quality and training of prequake health care in Haiti was already at a minimum and that with the death and flight of so many among the most capable in the Haitian medical community, that it will be some time before international medical staff will be relieved of the humanitarian and training demand.

I come here today as a witness not only to a state of current emergency but also to the heroic efforts of United States and international doctors, soldiers, and relief workers, of the NGOs in partnership and service with the great Haitian people and their government. I come here today in the hope that we will address with bold clarity the razors edge upon which Haiti lies so that all that our own country has given in sacrifice and service will not be washed away with this rainy season and leave bright and dancing Haitian eyes to go still in death from disease and flood, and God forbid the manmade disaster of violent unrest. From President Obama, Secretary of State Clinton, and Secretary of Defense Gates and throughout the policies and generosities offered this situation to date, the United States can hold its head very high. The compassionate and no nonsense posture of our military has been moving and inspiring. But, with the official "emergency phase" declared over, as most of them redeploy into other struggles, we owe it to all of them and to ourselves in reestablishing the character of American foreign policy to stay the course in Haiti. Make no mistake, this is a war against our ally and neighbor, and we have only this chance to show the world that we are willing to fight that war to save its victims and are not dependent on hating and killing their assailant. It is a war against the diseases and preventable disasters caused by nature and poverty.

We must also not underestimate the likelihood, known to all of us on the ground in Haiti, of violent social unrest. As Americans, we should call on the Government of Haiti and on our own government, to acknowledge that a state of emergency still exists. To demand FULL TRANSPARENCY in the way that aid is distributed and accountability for how aid organizations advertise themselves in the solicitation of funds. Full and total transparency. Now is the time for all concerned parties to acknowledge that an "emergency phase" is simply an economic determination, and that the prevention of foreseeable human tolls on massive levels, in particular young children, cannot be summarily dismissed by the aspiration of a monumental reconstruction, offering empowerment, demanding independence and governance, or claiming it as a distraction from the rebuilding of a country that in many ways was never built in the first place.

The Haitian people are as strong and resilient as any I have ever seen. There are great lessons of character for our country to learn from Haitians. President Preval and his administration have proven in their prequake efforts the will of Haiti to overcome its devastating legacy. But to demand of them, or encourage their demand of a fractured society's independence prematurely, will be murder by another name. Issues of equity in distribution of aid are a fine aspiration, but when the emergency room has got a line out the door and the hospital pharmaceutical stockpile has not been inventoried, we have to find a way to treat patients while the counting is done and not leave them at the door to die on the street.

I am, and I believe I speak for all responsible aid workers, in full support of parallel planning in reconstruction and the nurturing of an independent peoples self reliance. But as we punish those who are lazy, punish those who are corrupt, so shall we kill the innocent and the willful. In an emergency, donors offer money and expect it to be spent helping people. I hope we are here today to encourage just that.

Senator CASEY. Thank you, Mr. Penn.

Mr. Schneider.

STATEMENT OF MARK SCHNEIDER, SENIOR VICE PRESIDENT, INTERNATIONAL CRISIS GROUP, WASHINGTON, DC

Mr. SCHNEIDER. Thank you very much, Mr. Chairman, Senator Corker.

Let me express my appreciation, as others, for the bipartisan support for Haiti reflected in this hearing and in the Kerry-Corker legislation that many of you have supported. Both reflect what is absolutely essential, as we've heard today; that is, a long-term
commitment to Haiti’s recovery, sustainable rebuilding, and re-founding.

And I use that—the term “refounding”—yesterday, in fact, was Haiti’s Independence Day, the Flag Day in Haiti. President Preval went to Arcahaie and spoke, and called for unity among all the political forces in the country; and, in fact, Haiti’s future depends on that kind of political consensus if it’s going to move forward.

In the aftermath of the worst natural disaster in the history of the hemisphere, the lives and futures of more than a million men, women, and children, that are still displaced in spontaneous and collective shelters, remain uncertain and extremely fragile. Tropical storms are anticipated almost every day, and an approaching hurricane season, the physical threats of mudslides and flooding, and the fear of another quake are frightening realities for all Haitians.

And the reality is that, while some 7,200 of the most vulnerable have been moved to sturdier sites, others have not, and many, many more should be classified as most vulnerable.

There are also several hundred thousand in what are called high-risk camps, where serious health risks currently exist. There’s an urgent need, in terms of what needs to be done immediately. There’s an urgent need for a final decision on the resettlement strategy, jointly, of the Government of Haiti, with OCHA—that is, with the Coordination for Humanitarian Affairs of the United Nations—the United States, and others, and the funds identified to begin, rapidly, to execute that strategy.

I returned from Haiti last Thursday, after 4 days in Port-au-Prince; it’s my second visit there since January. As many of you know, I’ve made many visits to Haiti over the course of the last past several decades.

Crisis Group always emphasizes security, governance, and political stability. And that was the focus of my visit, so that’s what I want to speak to you about today. Security starts with the U.N. peacekeeping forces of MINUSTAH. It needs to be bolstered with more U.N. police and more authority. Without it there is, in fact, going to be chaos.

MINUSTAH has to be strengthened, particularly with respect to the police forces among it, and it needs to have the authority to reach out and to essentially help the Haitian National Police assure protection in the camps, particularly for vulnerable women and children.

At the same time—and this goes to the questions that you heard—there’s an emergency and there’s also a longer term effort to rebuild some kind of state structure. The United States and the U.N. need to renew the priority for strengthening the Haitian National Police—the HNP—complete the vetting of its force, and restart training. Until last Monday, that was not possible, because the Haitian parliamentarians were in the police academy after the Parliament building had collapsed. They’re now leaving. And now’s the time to begin retraining the police force.

As you know, some 4,000 prisoners escaped under unclear circumstances from the national penitentiary on the day of the quake, including hundreds of gang members and serious criminals. According to the HNP, they’ve recaptured some 567, a few others were killed, and the prison population is back to 800. But, there’s no
question, none at all, that gang members are trying to sink their roots into their old or new communities in Martissant, Bel-Air, as well as Cite Soleil. And that’s why we see kidnappings going up. The rising number of kidnappings and sexual assaults, particularly in the camps, require remedial action.

I walked, at night with U.N. police, through one of those camps at the Ancien airport, the old military airport runway. There are now 17,000 families on that runway, more than 80,000 people. They live in tent slums transplanted from nearby Cite Soleil and elsewhere. There’s 138 of these kinds of encampments in Haiti. Close to 60 percent function without a camp management agency. In too many, I saw male and female latrines and showers side by side, and that virtually invites sexual assault. There have been too many reports already of rapes. And while there were rapes and sexual violence previously, before the quake, that does not excuse the current violence, especially since several of the camps are under international management. Due diligence is required to make it less likely for those unacceptable assaults to take place.

On governance, let me just mention two critical issues you’ve been discussing this morning.

The reconstruction program approved by Haiti’s Government—and this, to some degree, I think Senator Corker responds to your question about the vision—this is the plan that was prepared and presented by the Haitian Government to the Donors Conference. It was put together by the Haitian Government, in interaction with international experts, including the diaspora. And that essentially sets out a series of principles and goals, and their priorities, including for financing. And some of them are education, particularly expanding public education, agriculture, environment, governance, etc.

Right now, the reality is that things have not been moving as fast as they need to. Pledges were made of $5.2 billion over the next 18 months, $10 billion over the next decade, and it’s essential that these begin to be implemented so that there’s both more visible and real physical and spiritual renewal in Haiti.

The Interim Reconstruction Commission that was part of that proposal has yet to reach agreement on who will be the executive director, who will staff it, and how it will build new capacity in Haiti’s ministries, because it has to do two things. It has to move projects that deal with the problems of reconstruction, and it also has to begin to help build a Haitian state that can function.

And here, let me just mention one thing with respect to what Andrew said. He’s right about the history of Haiti the past couple of decades, in terms of dysfunctional state. But, over the last couple of years, Haiti had begun to move forward. That really needs to be recognized—it fell back horrendously with the earthquake, but now we have to ensure that the program of reconstruction deals both with immediate helping the people of Haiti, but also building a functioning government.

Second, governance is crucial. You have to have a government for reconstruction to succeed. You don’t have a legislature right now. One-third of the Senate and the entire lower House terms ended last Monday. Between now and next year, you have got to go
through general elections and move as quickly as possible in that direction.

President Preval, when I was there, announced that he was committed to the November 28th constitutional date for elections. The U.N., the OAS, have now issued a technical report that says it's possible. But, things have to happen now. And that means, essentially, that the money needs to be made available to permit individuals after the quake to obtain new identify cards, voter registration, identifying the places where people will vote, training the workers. You know the requirements. That has to begin. And to lessen tensions, the government has to reach out to the opposition and begin to form some kind of consensus about how to move forward.

Finally, on stability. It's based really on whether or not the rule of law begins to be seen in Haiti, whether you're going to see actions by the police to deal with crime, whether the U.N., together with Haiti, can move that forward, and whether reconstruction can begin to move forward more quickly.

Most worrying is the possibility for serious social unrest. Political movements are already beginning to take advantage of the very real hardships, frustrations, and anxieties endured by more than a million Haitians. We've seen many demonstrations now, and they are becoming more regular.

Now, what can be done? You mentioned things that have already—in process here in the Congress——

Senator CASEY. Mr. Schneider, will you—we need you to wrap up.

Mr. SCHNEIDER. OK. I just—one, Congress has to pass the emergency supplemental. Every day it's delayed means you can't do things in Haiti. Two, there needs to be a comprehensive strategy against sexual violence, put together by MINUSTAH, in Haiti. Three, the technical financial support for elections has to move forward. And, finally, in terms of long-term U.S. support, it has to focus on the area of governance and the rule of law: police, justice, prisons. Other donors don't like to get into this area. Without it, there's not going to be security. Without security, there's not going to be investment. Without investment, there's not going to be jobs and growth in Haiti.

Thank you.

[The prepared statement of Mr. Schneider follows:]

PREPARED STATEMENT OF MARK L. SCHNEIDER, SENIOR VICE PRESIDENT, INTERNATIONAL CRISIS GROUP, WASHINGTON, DC

Mr. Chairman, I want to thank you and the ranking member and the committee as a whole for continuing its bipartisan support for a long-term commitment by the United States to Haiti's recovery, sustainable rebuilding and "refounding."

There are more than 1 million Haitians in shelters—men, women, and children. In the aftermath of the worst natural disaster in the history of the hemisphere, their lives and futures remain extremely fragile. With tropical storms anticipated and an approaching hurricane season, the physical threats facing the people in 1,282 spontaneous camps and collective centers in 13 municipalities including the capital, Port-au-Prince, are real. While the most vulnerable are being moved, not all have been and others who have not been classified as "most vulnerable" probably should be.

There is an urgent need for decisions on resettlement strategy by the Government of Haiti with OCHA, MINUSTAH, the United States and others and the funds identified to begin rapidly to execute that strategy.
I returned from Haiti last Thursday night after 4 days on the ground in Port-au-Prince. It was my second visit there since January 12. As you know the Crisis Group has been analyzing the factors driving conflict in Haiti since 2004. Our focus always emphasized security, governance, and the underlying political stability of the country. Our last report on March 31, the same day as the U.N. Donor Conference, underscored that stability depended on a reconstruction program based on broad political and social consensus and Haitian ownership, a transparent and accountable mechanism and an efficient Haitian Government-led implementing structure that could move rapidly enough to instill confidence in Haitians and domestic and foreign investors and that answered the questions of democratic governance and the rule of law, as a matter of urgency. Some of those questions have been partially answered, others still require both decisions and action.

We pointed out in our March 31 report, “Haiti: Stabilisation and Reconstruction after the Quake,” that most of Haiti’s parliamentarians’ terms were about to expire, which they did, on May 10. President Preval is in his final year in office as are the country’s mayors and the obstacles standing in the way of credible elections have to be overcome. We said then that the continuing presence of the U.N. peacekeeping force was essential both to support the Haitian National Police (HNP) in making Haiti safer and to protect civilians, particularly women and children within IDP camps, where a now even weaker HNP is unable to do so. After my visit there this past week, it is clear that all of those recommendations remain valid. There has been some progress in many arenas—just not enough and not fast enough.

The Congress has to move in one key area. The emergency supplemental proposal for $2.5 billion for Haiti reconstruction was submitted by the Obama administration on 24 March. We urged that it be submitted even earlier but compared to past time-frames it was among the speediest after natural disasters, as was the March 31 Donor Conference. The supplemental has not yet reached the floor in either House. In general I know there is strong congressional support for this measure and it must be passed soon. Failure to have the authority to spend those resources will increasingly bind the hands of project and program managers in USAID, the State Department and Treasury—and send the wrong message to other donors.

In assessing the current situation, we can look first the progress: The Donor Conference—which took place far more quickly than the response to the 2008 hurricanes—was a success and $5.2 billion was pledged for the first 18 months to carry out the Action Plan for National Recovery and Development of Haiti (PARDN), proposed by the Haitian Government with the aid of international experts, as part of its $10 billion decade-long recovery plan. It included a multidonor trust fund, and a hybrid Haiti/international Interim Haiti Reconstruction Commission (IHRC) with parallel auditing, decentralization, regional development hubs and a call for vast investment in human and physical infrastructure as well as encouraging state institution-building.

President Preval and PM Bellerive—despite the political risk involved—won parliamentary approval for the IHRC. Last Monday Preval also cochaired a meeting on elections with the U.N. SRSG and specifically supported holding parliamentary and Presidential elections according to the Constitution on November 28. Parliament also took action to avoid any jerry-rigged transitional government next year if there is unavoidable delay of a few days in the election calendar. Preval recently endorsed in writing the findings of U.N. and OAS assessment teams and announced on the radio that the election would be scheduled for 28 November, tasking the provincial electoral council and the donors to meet that deadline.

Also positive is the news that former Prime Minister Marc Bazin has gathered another five former Prime Ministers representing different ideologies in a Forum of Former Prime Ministers. They have stated their willingness to serve as “senior statesmen” offering independent advice and counsel to the government. Preval has indicated a willingness to engage with them for that purpose.

During my previous visit to Haiti in March there was no agreement on where to move the most vulnerable people in the shelters and some victims were still waiting for tarps or tents. It now appears that most Haitians in need have received a tent or tarps—covering more than 1.5 million people. There are two functioning official government campsites, at Corail Cesselese and Tabarre Issa, where with international support, tents, basic access to water and sanitation, food, security, and lights have been provided to some 7,200 individuals. There are the beginnings of a more robust HNP and U.N. Police presence around the camps. Haitian agriculture production is up, and the U.S. approval of new legislation that increases the window for Haitian textile imports also should boost jobs in that industry and Haitian agriculture production is up. And about 100,000 or more Haitians are receiving cash for work on a 2-week revolving basis.
This progress would be seen as quite significant if the magnitude of the challenges were not so immense.

Second, the challenges: Everything needs to move faster. Plans exist on paper but the decisions about alternatives remain unclear. Few of the implementing mechanisms are in place. Fifteen of the countries' seventeen ministry buildings collapsed in the quake. Now the trailer, Quonset hut and open air tents that house a small portion of ministry employees also serve as physical reminders of the devastation suffered by state institutions.

- Security has been negatively affected by the escape of more than 4,000 prisoners from the national penitentiary, including some hundreds of gang members and serious criminals. According to the HNP, a total of 567 have been recaptured, and a few others killed and the prison population is now back up to 800. However, there is little question that the gangs are trying to sink their roots into their old or new impoverished communities in Martissant and Belair as well as Cite Soleil. There was also serious damage to the Haitian National Police infrastructure. Some 77 police officers were killed, another 253 suffered severe injuries, another several hundred have not returned for unknown reasons. The National Police headquarters and some 45 stations and substations collapsed or suffered major damage along with numerous police vehicles. The rise in numbers of kidnappings and sexual assaults, particularly in the camps, requires urgent remedial action. Perhaps most worrying is the possibility for serious social unrest as political movements take advantage of the very real hardships, frustrations, and anxieties being endured by more than a million Haitians. Already demonstrations—some with a threat of violence—are taking place regularly in the capital and in a few other cities. All of these conditions could become aggravated in the event of floods and mudslides before emergency precautions can be taken.

It is clear that within the MINUSTAH structure, additional HNP are needed to support security needs. It also is clear that the HNP has to be supported to restart its fledgling reform program, including enabling the 22nd police recruiting class to begin its training at the police school. It also should be supported in completing the vetting process and in carrying out post-quake investigations.

- The 99 Members of the Haitian Chamber of Deputies and a third of their Senate ended their terms last Monday. The government consists of President Preval, his ministers and 19 Members of the Haitian Senate along with 140 mayoral councils and other local officials. The planned February 28 parliamentary election was postponed. Nearly 40 percent of voting sites in the key departments had been destroyed in the quake and hundreds of thousands had lost their voting IDs, while others had fled to the country side. The Office of National Identification (ONI) had not updated the basic civil registry since 2005. Since then, an unknown number of people turned 18—500,000 have died, including 230,000 deaths in the quake, which also prompted 600,000 to flee the country. The CEP, even though it has yet to actually manage an election since it was only named after the 2009 polls, had already been criticized by political opponents. A hard and fast path has to be blazed to get from here to Presidential and legislative elections in November so that a new government can take office on 7 February 2011. For the least contentious process, the government needs to pursue more consensus with the opposing political party elites and other opponents, including some renewal of the CEP and its mandate. Those steps would underscore President Preval's commitment for November elections, a credible government in place next year, and political stability. It also will require immediate technical and financial support from the international community to every aspect of the process, moving quickly on the civil and voting registration process, political party support, widespread civic education, electoral observation and helping the CEP meet the major logistical challenges in the aftermath of the quake.

- Further, the IHRC, for which the enabling decree was not another was not until May, is not in place. The position for IHRC executive director was just posted and will not be closed until June 30 and there have not been final decisions on who will staff that agency or how it will work with the Haitian ministries. Over its proposed 18-month operation, the IHRC needs not only to be flexible, lean, and move projects faster than ever before, transparently and efficiently. It also has to be structured and managed so that it serves as a temporary building block to long-term strengthening of Haiti's Government capacity—both in Port-au-Prince and around the island. Ideally ministry planning and policy units and perhaps the key initial implementers would be seconded to the IHRC to work side by side with international experts all of whom would return to their min-
isterial homes when this critical 18-month initial phase is complete. The IHRC also must reach out into the departments at least for reporting purposes if the decentralization process is going to be real.

The government is still quite far away from filling the budget gap by 30 September 2010. Initial evaluations in March by the government, IMF, and other partners showed a budget gap of $350 million. Revenue collection has been better than expected and the economy has been gradually rebounding, particularly in areas such as telecommunications, and there have been some reductions in spending plans, which have helped to reduce the gap to $270 million. Budget support commitments currently total some $95 million to date, which leaves a gap of some $175 million. There is further promised funding of $30 million in July from the World Bank. The United States could make a very strong statement of support for rebuilding Haiti’s Government and meeting critical needs if it were to contribute a significant amount to fill that budget gap—with appropriate safeguards. One way would be to agree with the Haitian Government that the support would cover the costs of paying police salaries, including those of the incoming 22nd police recruitment class, and perhaps teachers and health professionals as well.

The middle class—from teachers to small business owners to government employees—who have lost their homes may have been lost in the cracks until now. However, there is not yet a clear sense of how the recovery process will help these men and women jump-start new enterprises and cover their expenses.

Meanwhile, the transitional camps are not fully in place. Some 7,300 designated “most vulnerable” have been moved to Tabarre Issa and Conrail but that definition probably is too narrow. If the rains arrived in force this week, there would likely be others who would not only be inundated but at risk of being washed away. The numbers of the displaced change so frequently that it is impossible to substantiate a full registry of the displaced. The numbers have grown from 1.3 to 1.5 and most recently 1.7 million.

Let me briefly describe some of the conditions in the camps we drove by and the several we walked through, including on night patrol with U.N. police. There is a glaring distinction between the extremely well-organized transitional shelter area where some of the most vulnerable have been moved and most of the other camps. In the new government/U.N. transitional space at Tabarre Issa, there is space between the rows of tents, a police presence and NGOs working to make life seem more normal. There was even including a group that films a soap opera in the camps during the day and screens it at night to the camp dwellers. On the other hand, there are also hundreds of disorganized, massive camps in Port-au-Prince where make-shift canvas and tarp tent-like shelters virtually sit on top of one another, such as the “Ancien Aéroport Militaire,” which I visited last week, and which hosts as many as 16,732 households, according to the shelter cluster campsite registry. On a 5-per-household basis, this translates into 83,660 persons, over 80 percent of the population of some of Haiti’s Caribbean neighbors, in transplanted tent slums from nearby Cite Soleil and elsewhere. Another example is the Champs de Mars campsite, just outside the National Palace, where some 50,000 individuals of 10,312 households now live. A total of 138 of these camps are found in the capital, Port-au-Prince, and of these close to 60 percent (79) function without a camp management agency.

In too many, male and female latrines and showers set up side by side virtually invite sexual violence. There have been too many reports of rapes in camps since January. Yes, there were rapes and sexual violence in the nearby urban slums of Cite Soleil and other areas before the quake, but this does not excuse the current violence, especially since several of these camps are under international management. Due diligence is required to make it less likely for those unacceptable assaults to take place.

In our last report, Crisis Group urged in our last report, following my trip to Haiti in March, that the U.N. Police and the HNP agree on a standard set of joint walking patrols through the camps and that a fixed joint police presence be established in the larger camps. The United States has obtained 38 tents and other facilities for that purpose. It is now 4 months after the quake and the tents have not yet been installed. And only now are the joint walking patrols beginning, but not everywhere and not on a schedule that permits checking and gives the residents a sense of security. HNP and U.N. Police say they agree it needs to be done but full implementation remains to be seen. This month’s scheduled arrival of a contingent of 110 female police officers from Bangladesh can significantly boost MINUSTAH efforts to support the Haitian National Police and the relief agencies managing the camps in that regard.
Finally, I would urge the committee to encourage the administration to seek several measures to strengthen the MINUSTAH peacekeeping effort in an upcoming Security Council resolution:

1. Strengthen MINUSTAH’s mandate by giving it primary responsibility for setting priorities with respect to integration of other U.N. agencies in the U.N. country team in order to better carry out its peacekeeping mandate. An early example would be to establish an integrated country team approach to the problem of sexual violence in the camps, coordinating available resources of UNDP, UNFPA, UNIFEM, UNHCR, UNICEF and OCHA.

2. Ensure that the MINUSTAH mandate enables UNPOL on behalf and in close consultation with the HNP to guarantee security in the camps, particularly with respect to vulnerable women and children, and to support the resettlement of those at risk.

3. Extend the mission’s mandate for 2 years.

4. Direct that MINUSTAH have available all necessary expert personnel to fulfill the election support role request by the Government of Haiti.

5. Support the Secretary General’s call for an increase in the size of UNPOL during this critical period and seek additional Haitian diaspora with police experience to bolster its capacity.

Helping Haiti achieve its goal of recovery, reconstruction, and refounding will place enormous demands on the United States, the United Nation, the OAS and other members of the international community. Fulfilling those demands will enable Haiti to move past this disaster. Nothing less is acceptable.

Senator CASEY. Thank you very much.

We’re honored to be joined by our chairman, Chairman Kerry, and we’re grateful that he organized this hearing.

Chairman Kerry.

STATEMENT OF HON. JOHN F. KERRY, U.S. SENATOR FROM MASSACHUSETTS

The CHAIRMAN. Well, Senator Casey, thank you for chairing the hearing. Senator Corker, thanks for being part of this effort.

And I apologize that I wasn’t able to be here, but I was chairing a classified briefing in another part of the Capitol.

Let me thank both panels for coming here today. I understand there was a productive discussion with Ambassador Ken Merten and the Haiti response coordinator, Chris Milligan, of USAID. And we’re grateful for their efforts since January 12.

Also, I am delighted to be here with my constituent and former USAID Director, Andrew Natsios, who brings a lot of experience to these kinds of efforts. And he’s been on the front lines of these things for a long time.

Mark Schneider, thank you for your stewardship of the Peace Corps, and we appreciate your comments just now, and your help and observations here.

And, Sean Penn, whose stewardship of the Jenkins/Penn Haitian Relief Organization has seen him now spend 4 months on the ground, managing a camp for 50,000 displaced Haitians in Petionville. And we thank you very much for that commitment and for the knowledge that you’re sharing with us and bringing to us about this challenge.

All of us understand that—I think we all understand—that Haiti—the world has certainly witnessed Haiti suffer perhaps the worst disaster that our hemisphere has ever seen. And while we don’t see the CNN reports on the daily basis that we did previously, and there isn’t the media crisis of urgency the public is witnessing on a daily basis, the truth is that 4 months later the
tragedy is still unfolding. And the challenge for people on the ground remains enormous.

Many Haitians today are living in desperate and dangerous conditions, and, in many ways, our work in Haiti is just beginning, which is the purpose of this hearing and the importance of the legislation that we've just introduced.

It's a reality that, even before the earthquake, Haiti's challenges were profound. But, now 1.3 million Haitians have lost their homes, and, even as we hold this hearing today, in the days ahead, the rains are pouring down, dripping through temporary nylon tarps, and turning the ground to mud. Still, Haiti's largest port, many of its roads, and its water and electricity infrastructure are essentially destroyed. And the serious health and environmental challenges include mudslides, untreated sewage, a medical system that, on its best days, struggles to care with the basics of care.

Shockingly—and this is one of the things that I'm most concerned about; we've had some internal discussions about it here—4,000 schools were flattened. That risks presenting all of us with a lost generation of young Haitians. For many of them, their education ended with the earthquake, and there are efforts, obviously, to try to restore that; some going back to the schools that they have, some, as Sean Penn shared with me earlier—there are about 300 kids in his camp, for instance, who are getting schooling in their school.

But, I think one of the greatest tasks ahead of us is to make certain that every kid in Haiti is in some kind of school, now, every day. And I can't think of any task more important, beyond, obviously, the basics of day-to-day subsistence, that could help to build the longer term future of Haiti.

I would comment, Mr. Chairman, that I think that the— the world has responded to Haiti, at least in the initial days, with a relatively impressive set of promises and of immediate engagement. Our challenge now is to maintain that sense of urgency. In the hours to sort of translate—what were hours and days of rescue efforts have to now translate into months and years, even, of a sustained reconstruction.

Senator Corker has joined with Senator Durbin and Senator Cardin and I to introduce legislation which will make a $3.5 billion commitment to rebuild Haiti over the next 5 years. And during the funding of those 5 years, we want to ensure that our efforts are sustained, and we want to empower our aid agencies to engage in effective planning. And that's one of the most important things, I think, here.

We try to establish a framework within which we can have democratic and competent governance, with adequate security, economic growth, and environmentally sustainable programs, particularly engaging women and children. And it tasks—our legislation tasks USAID with developing a comprehensive rebuilding and development strategy, and establishes a senior Haiti policy coordinator who will be responsible for advising and coordinating the United States policy in Haiti.

Clearly, the people of Haiti need to be empowered and engaged in this effort as we go forward. Mark referred to the security challenge, and that is real, but also we've got to ensure that democracy
does not become another casualty of the earthquake. And so, I endorse the notion that Haiti can, and it should, hold elections in November, as planned, and that we must do everything possible to guarantee that that can happen seamlessly.

So, finally, I would just say that I think the world is ready to help, but I'm not sure the world has been presented with the kind of concentrated leadership and focus that is going to be necessary to coordinate the massive rebuilding, the massive clearing and then rebuilding, that is going to be imperative here.

Over 100 countries have pledged $15 billion, at the Donors Conference that was held in April, but we have yet to make certain that there is going to be the delivery system for those funds, and the mechanism which is going to maximize the coordinated development necessary so that Haiti can absorb the aid that is standing at the ready. And so, we look forward to listening further to the witnesses here today as to how that coordinated effort can take place, and what is missing today, so that we don't fall flat on our own words. There have been a lot of speeches given about how this event, given all the past challenges Haiti has faced, has to become sort of the principal organizing moment, if you will, for Haiti not to be always in crisis, but to build that sustainable future.

So, I think the word "sustainable" is a critical one as we think about the testimony of our witnesses.

Thank you very much, Senator Casey.

Senator CASEY. Thank you, Mr. Chairman. And we're grateful for your leadership on these and so many other issues.

I wanted to start our questioning with a focus on the IDP—the camps, and the internally displaced persons across Haiti.

I guess, Mr. Penn and Mr. Schneider, together, and Mr. Natsios, as well, but just in terms of the reality on the ground in those camps, if you had—and you did, in your testimony—just some of it by way of repetition—but, if you had to list the urgent, or most urgent, needs in those camps, in terms of the approach of the international community and the Haitian Government, and, by extension, what we can do, in the United States.

Mr. PENN. If I can make just the one correction, for the record, the what was formerly Jenkins/Penn Haitian Relief Organization is simply J/P Haitian Relief Organization. And to save everyone time today, what we do is on our www.jphro.org site.

Senator CASEY. OK.

Mr. PENN. So, serving in camp management at the Petionville camp, we originally were designated as the No. 1, topographically, dangerous camp in the city. And that was for flood and mudslide mitigations. So, the designations to date have been that. That's the high risk that we have relocated on the basis of. So, once the mitigations were complete—we originally had 32,000 people at high risk; there was an assessment done by the Army Corps of Engineers and the Navy Seabees—at that time, 750,000 persons, roughly, would have to be moved out of the camp to allow for the mitigations that would put those people out of risk, the 32 among the 60,000 in camp. Later, there was a advancement of the mitigation program that led to what was a minimized number, of approximately 1,200 families, or 5,000 people. We initiated what then was the first relocation program, on that basis.
In terms of equity, and understanding that other camps were in the same sort of risk in—these zones of other camps throughout the city and the country—we had to stand down on relocation. And that brings us back to the state of things in a camp.

The state of things in the camp, as has been said, is, these are not tents, they’re tarp shelters. They have ground, with no cover on them, in most cases. And by this time, in virtually every one of these camps, the soil is contaminated with fecal matter that is going to create these diseases, particularly raising when the rain comes.

In many camps, depending upon which area of town you’re looking at, you have gang infiltration. That is on the rise. Guns are coming up from out of rubble and other places. People are coming out of a state of shock. And the unified spirit is breaking up a little bit into a more desperate spirit, and people are becoming much more increasingly vulnerable.

Most of the camps that we’re talking about, in a city that has almost no light, fall into absolute darkness, so you can imagine your children walking around in compressed tent-to-tent construction, with alleys about this wide, and a culture of tens of thousands of them roaming around at night, totally vulnerable to predatory behavior, as well as disease, as well as fire, as well as problems of a totally acceptable level—by “acceptable,” I’m talking about what seems to be the case in Haiti—acceptable level of massive malnutrition, as opposed to starvation. And so, this is a situation we’re in now.

And these—it should be understood, these tent camps did not exist in Haiti prequake. So, when people look at these things on the news, understand that these hundreds of thousands of people throughout this city—and 1.8 million, I believe it is, displaced throughout—are in a brand new setting of spontaneous camps, where we have then come, as NGOs and the other international agencies, and tried to put some kind of services into the middle of this. In most cases, lighting is not part of that. In most cases, generators are not there for lights that are not there to illuminate the areas near, for example, latrines and so on.

So, when we talk about camp management—and I’ll summarize this now—we’re talking about a situation where IOM has been largely depended upon to recruit those people who would be camp managers. There are charitable agencies, there are NGOs that are on the ground, with enormous funds, and they have to be counted on to recruit those camp managers, who will advocate, camp by camp, and not just ghost-advocate by supplying a simple service, as water, and then coming back every few days to fill a bladder, but to actually take accountability for the actions of all NGO actors necessary to the services on a humanitarian-standard basis while there is an aggressive effort to relocate people to either planned sites, which is going to be continued as a—continue to be necessary for this—at this time, as well as temporary—and, ultimately, permanent—shelters, and in the greenhouse system.

Senator CASEY. I only have a little—about a minute and a half left for this round, but——

Mr. SCHNEIDER. Just very quickly.

Senator CASEY [continuing]. Mr. Schneider. Sure.
Mr. SCHNEIDER. It seems to me, the most important thing to do immediately, which can be done immediately, is to direct that there be joint walking patrols by the United Nations police and the Haitian National Police in the major camps, day and night, on a regular basis, and hold them accountable to do it. That's No. 1.

No. 2, of the 128 or so camps, there are about 19 of them that are way over 10,000. In one of the camps I visited, there were 80,000 people. The Champs de Mars camp holds somewhere around 47,000. And the Petionville golf club is in the same neighborhood. And the issue is, it seems to me, that in those camps, you need to have fixed sites where police are available. The United States finally, now, has double tents, where they're going to give them to the U.N. and IOM to place in these camps. That has to be done. You have to have fixed places where people can go to complain and where they know that there are police there, which will reduce, some degree, the level of risk.

And the second is that you have to make a decision on resettlement strategy, about what you're going to do with these people over time. It's not going to happen overnight. It's not going to happen for—unfortunately, for a long period of time. But, you need to make the decision about—this is what you're going to do for each category of displaced persons.

You've now got three government-run secondary camps where you're going to take the ones most at risk. You have to ensure that that begins to be expanded on a much more rapid basis. Only 7,200 people have been moved. Before the rains and the hurricanes come, you need to move all of those who are most at risk, perhaps 20,000 or so.

At the same time, you have to provide the people with the vouchers and the assistance, if they do have houses marked with green paint as safe or able to be repaired, to return there. You need to provide them with those vouchers and actually have them go back and start the repair process.

But, the decision has to be made about the resettlement strategy now.

Senator CASEY. Senator Corker.

Senator CORKER. I want to thank all of you for your testimony—I think it's been outstanding—and certainly the personal commitment to the people of Haiti.

Mr. Schneider just gave a list of those immediate things that he believes ought to happen. I wonder, Mr. Penn, if you want to add to that or give a different perspective as to if you, yourself, were the person dealing, ultimately, with the immediate needs of people in Haiti. What are those things that you think are possible to occur today, that are not happening, and could, with just a change of emphasis?

Mr. PENN. Well, I would second what Mr. Schneider said, in terms of patrol. The body that does that patrol—I can tell that you that, at the current time, in terms of embedded MINUSTAH troops in areas of certain campsites, and so on, there's not something so simple as the demand that they have a translator with them. In one case, a 13-year-old girl was raped in a camp not 50 yards from the MINUSTAH site, and they did not pursue any kind of investigation of it for the 8 hours it took before the morning came and
they hired a translator for $5 a day. So, those kinds of things, I think, can—are pretty simple to solve, but there has to be the motivation to do it.

In terms of the general presence of MINUSTAH, I think a softer posture, one more represented by the—in the way that the United States military was, with the slung rifles and without a sort of storm trooper feel would be helpful, because there are very experienced and skilled troops within the Blue Helmet Corps, as well, but I think that there's got to be a kind of reassessment of the way in which they posture themselves within Haiti now, especially now, as tensions are beginning to rise. And I think that it’s a moment to be very aggressive, in terms of policy, in terms of getting in there and saying, “We’ve got to capture this moment of general civility before it goes,” and offer something to it. So, I would say, more important than a kind of a storm trooper mentality would be the offering of translators so that you could take care of people as the smaller issues and as the tragedies on a more individual basis occur.

Lighting, expansion of camps. When we talk about lands available—and I think we’ve all seen this—you’re talking about big, flat areas, which have been determined to be out of flood zones, that just take a few more bulldozers and a bit more gravel to expand these sites to take in thousands more families.

And another thing is that, when a lot of fingers were pointed at the Government of Haiti for not giving the lands in time, as the organization managing the camp from which these people were being relocated to receivership at Corail, the services were not available once that land was processed. So, when we were able to—for example, to put eight serials a day into the buses and cargo trucks to move these people to a safe place from a dangerous place, which was all that the intention was, we were told, each day, “Hold off, send less. We don’t have the tents. We don’t have enough bladders. We don’t have enough latrines. We don’t have enough security. We don’t have enough lights.” Well, those were the things that both the government, the international aid communities, and the private sector had given us all a sense that were present. And still today, whatever’s in warehouses, the coordinated effort is still largely dysfunctional.

And so, it should not be such a—if there—if it is decisive and bold, as has been the—those tragedies that took place on—when Lieutenant General Keane was present with a larger amount of U.S. troops, that clear and decisive strategy is what led to the beginning of what we have. Now it has to continue. And when it continues into the neighborhoods—for example, those inspected houses, by UNOPS and the Minister of Public Works and Transportation, that have been inspected and are safe from the—with no damage from this earthquake, you still, again, are going to have the issue of, “Do we have the capability, the capacity of services as NGOs and others come in, to serve those areas for relocation?”

Senator Corker. So, you’re no shrinking violet.

Mr. Penn. I'm sorry?

Senator Corker. So, you’re no shrinking violet. So, what is it that you would make happen, as far as the ability to get the things out of the warehouses, on the ground? I mean, what is the one
thing that you, as a person who's witnessed this, who's been on the ground—I mean, what are—what is it we can do to change the dynamic of these things not occurring in a timely basis when the resources, it sounds like, possibly exist in various area of Haiti today?

Mr. PENN. Well, I think one of the things is to leave it to those agencies that are able—those agencies and organizations that are immediately able to act with those things, and also to start changing the conversation related to equity and distribution of aid.

What happens here is, you'll have an incomplete package of aid, something that will not ultimately be sustainable for the families that are given it, and that then, once that is distributed, you don't—you—when you try to enhance it to bring it up to something that will actually allow them a life forward, then people will tell you, in the agencies and in the government, “Well, as long as we can't get that to everybody, that’s too much,” and you bring it down to an incomplete. So, what you're doing is, you're leaving one incomplete project as you move on to the next incomplete project.

This is certainly true in the health care area, where we don't have—when there's, you know, advertisements of great immunization campaigns. Well, it's just simply not true. There is no great immunization campaign. So, what it comes down to is that I think that all agencies, all charitable organizations can declare, on a single Web site, what's available, in terms of tents, tarps, temporary structures, heavy equipment, all of those things, and then those organizations that are able to, with the cooperation of the Government of Haiti, establish some legal means by which they can relocate people, whether that's on a sunset basis or on a permanent basis, with an assistance package that's definable and sustainable, as well, so that those organizations can be, in effect, deputized to go forward and make that happen.

Senator CORKER. I notice my time is up. And, Mr. Natsios, there's a lot of things, longer term—obviously, the immediate, with the season coming up, these obviously were more pertinent questions today. I do look forward to talking to you about the tension that you relayed regarding the governance issues and our desire to actually move beyond the way things have been in Haiti for years. So, I look forward to talking to you later.

I thank you all for your testimony.

And, Mr. Chairman and Mr. Chairman, for having this committee hearing.

Senator CASEY. Thank you, Senator Corker.

Chairman Kerry.

The CHAIRMAN [presiding]. Thank you.

Mr. Natsios, I was reading your testimony, which I was not able to be here for. Obviously, you're telling it pretty bluntly, and you ought to. But, I was struck by a number of things.

One, you say, “The international business and capital markets do not invest money in failed states. And without such investment, job creation on the scale necessary to change the dynamics of Haitian society is impossible.”

One question would be, How are we going to begin to create the transition necessary to get that kind of investment here?
But, you go on to point out that the historical evidence suggests that countries can make significant reforms following a catastrophic natural disaster on the scale Haiti has been through. But, you also point out that, historically, Haiti’s had a series of governments that have promised those, and nothing has happened, noting “Baby Doc” Duvalier, “Papa Doc,” the Tonton Macoutes, the predatory corruption, et cetera.

So, where do you begin, here? I’d like to get a sense of how we take advantage of this moment to create the order out of chaos that has been the sort of political structure and some of the humanitarian situation in Haiti.

Ambassador Natziós. Well, the first thing I’d say, Senator, is that in any major disaster, including in the United States, a great opportunity exists to undertake reforms. I might add, from my “Big Dig” experience, that I had a few weeks where I could do almost anything, within the law, of course—fire people and so on. But, once those few weeks was over, the old political alliances suddenly took hold, and I started having constraints on what I could do. I learned my lesson the hard way as I should have fired more people. I fired a whole bunch of people the first week, but I waited too long to fire others. That’s true, to an exponential degree, in Haiti. It’s true in any country with a crisis. Because a huge number of civil servants, many of whom were phantom or had never reported for work even though they got salaries. The very structure of the Haitian Government itself have been destroyed. When the ministries are flattened, people have been killed in the ministries, and you could legitimately go back and say, “We are going to review all of the ministries to see who’s a real employee.”

The CHAIRMAN. Who’s going to do that?

Ambassador Natziós. Frankly—U.N.—

The CHAIRMAN. Where does the sovereignty issue——

Ambassador Natziós. Well, I think we need to say——

The CHAIRMAN [continuing]. Fit into that?

Ambassador Natziós.—The donors who are putting money into budget support, as the Brazilians just pledged, need to say to the Haitian Government, “This money is not being released until you do a census, in each ministry, of who is real and who is not; and then, if they’re real, are they part of their boss’s patronage network, or do they have some qualification for their job?”

The second thing I would do, which is very important, is to create an incentive within the United States capital markets to invest, which would be a free trade agreement. Congress, in 2008, passed a law which established a partial free trade agreement for certain apparel items. It should be complete. And then, I think there would be a huge message to the business community, “This is where we want to start investing.” Because they did it before in the 1980s and 1990s, and then they all shifted their investments to Central America because of the political chaos and the sanctions regime. So, I think a free trade agreement would send a message that investment is wise.

The third thing I would do can be taken from a mutual friend of ours, Michael Porter at the Harvard Business School, who is one of the leading experts in the world on microeconomic reform and competitiveness reform. We in USAID used his theories all over the
world to guide reforms, to improve the business climate, and to make it easier to start new businesses.

My old staff at AID said, “Some of the things you tried, Andrew”—you know, experiments that weren’t successful—“this experiment with microeconomics was the biggest success you had on the economics side.”

We already proved it worked in a number of countries. There’s no reason the same sort of thing can’t be done in Haiti; you go through all the regulations and laws and see whether they encourage business creation and job creation or they do the opposite. If they do the opposite, you issue executive orders, through the President, to change them.

King Abdullah of Jordan, in 28 days, passed more reforms than any other head of state in the world so Jordan could join the World Trade Organization. He has an 8-percent growth rate now in Jordan; or the last time I saw, it was 8 percent. His country has also enjoyed the fastest accession to the WTO and massive levels of investment. The whole country is being industrialized now. AID drafted a lot of the rule changes that he signed. In fact, he ordered us to do it. He told us, “I want it done now.”

If Preval is really interested in doing this, then he’s going to offend interests because there are monopolies in the economy that don’t want new businesses which might break their control of the economy. This is not just because someone wasn’t paying attention; there are monopolistic business interests in the country that do not want competition from new businesses coming into the country.

And so, I think there are three things that could be done, soon, that would have a positive effect on the business climate, and it would begin to change the dynamics of the economy.

The CHAIRMAN. Very helpful. Has anybody consulted with you in this process?

Ambassador NATSIOS. AID staff often consult with me.

The CHAIRMAN. Current staff.

Ambassador NATSIOS. Yes. Current staff. I don’t think anybody in AID would disagree with anything I just said. Career staff. Dr. Shah wouldn’t either, I don’t think. He’s focused on economic reform, himself.

The CHAIRMAN. I understand.

But, do you believe that the structure is in place to accomplish what you just talked about?

Ambassador NATSIOS. UNDP is capable because I believe they’re the ones managing the Multi-donor Trust Fund. I sit on their advisory board here in Washington.

We must say to the U.N. or World Bank, “we will politically get behind you”—because they can’t do this alone. There’s going to be huge resistance from the political bosses in Haiti to purge the lists. Because, if you purge the lists, you’re going to cause explosions. So, you have to get the Bank or U.N. agencies behind the reform, and all the donors and embassies to say, “if anybody starts causing trouble, we will be with you.” If you just tell them to do it, and you don’t get behind them, they’re going to have trouble doing it, politically, because of the resistance.

The CHAIRMAN. Well, I think it’s a—let me just say—I’ve said this a couple of times, previously—it’s a prerequisite to getting this
done. Nobody's in a mood to throw money into a hole, here. That's not going to let anybody dig out of anything. We've been down this road, several times. And I think this is a unique moment for a reform, with respect to the entire structure.

Also, I think, if you're going to attract the investment and get the diaspora to be investing and doing the things necessary, it's going to be critical for them to see that there is that transformation.

Do either of you, the other witnesses, want to add to that?

Yes, Mark.

Mr. SCHNEIDER. Yes, just a couple of things.

One is, with respect to, essentially, opening U.S. markets. That actually is something that Brazil's Foreign Minister urged at the Donor Conference in New York, for the entire global community, that all restrictions on Haiti's exports should be removed. I think that that makes a lot of sense at this point.

Second, it's not a totally negative situation with respect to investment. The Royal Caribbean Cruise Company has a $50 million investment program in the north. That's continuing. They have announced that it's going to move forward. Telecommunications investment, as well, are being made.

The issues are whether you're going to be able to ensure there's security and a sense of the government dealing with some of the policy issues that then sustains investment. The legislation just passed by the Congress, in terms of opening up U.S. markets with respect to textiles, assumes that's going to permit something on the order of 40 or 50,000 additional jobs in that apparel industry, which is quite positive.

The one area where I say—that Andrew just mentioned—that I think is probably an area that has not had a sufficient focus, is on small business—not micro-enterprise. There's movement there. There's a lot of investment there. But, on small business, particularly those who lost their stores, their small operations, in the quake. There isn't any credit operation there that's available for them to restart. And a lot of them lost their homes, too. And that, I think, is an issue that needs more attention.

The multilateral trust fund is going to be run by the World Bank, but UNDP is going to be a critical advisor in that.

And I guess the only other thing that I would say is that budget support—yes, is needed, with the right kinds of conditions to provide assurance of transparency. The reason that Haiti has a deficit of about $270 million, is because of the quake. The last 2 years, they ran their macroeconomic policy framework fairly well. They got kudos from the World Bank, the IMF, the United States, et cetera. And they were able to get to the HIPC threshold point. Right now, though, they've got to pay their teachers, they've got to pay their police, and they don't have the resources.

So, I think that the fact that the supplemental includes provision for budget support is important. The United States can target that, and monitor it to, let's say, pay for the salaries of the police and teachers that are working.

The CHAIRMAN. Mr. Natsios, let me pick up on two things, quickly. One, you said there has to be—to accomplish what we
The CHAIRMAN. That obviously pertains to us, among others. Speak to that, would you, just for a minute?

Ambassador Natsios. I will. I've written an essay on this matter, which is actually three chapters of a book I'm writing on foreign aid, that'll be published by the Center for Global Development. I will send it to your staff next week.

But, Nancy Birdsall is publishing the essay. It's going to upset some people. I didn't understand this, to the extent that I was able to after I left office, I studied the General Accounting Office, the Inspector General's Office, the Office of Management and the Budget, the Federal Acquisition Regulations, which are now 1,973 pages long, and the oversight committees of Congress—principally, not foreign oversight but foreign policy oversight. The Federal Acquisition Regulations, you have no control over as that's done by another committee in Congress. The Embassy Security Act, also not done by your committee. It's draconian. They call the AID missions in many countries "prisons" because the AID officers can't get out; neither can the Embassy diplomats because no other country in the world has these kinds of restrictions on it.

The worst thing that can be done in these emergencies, which I urge you to avoid in this bill, is that OMB judges how AID is doing by how fast it disburse money, not by whether the policy's the right one, the program is the right one. If you're dealing with a failed state, everything moves in slow motion. If you have local input, it slows down even more.

The CHAIRMAN. Yes. Yes.

Ambassador Natsios. And so, I would urge you to avoid using disbursement rates as the principal mechanism for judging whether AID is doing a good job. That's done all over the world. It's a stupid standard, in my opinion.

The CHAIRMAN. Well said. We've got to spend some time together.

I'm not going to ask you the next question now, because I want to—I'll take it up—but, I want to talk to you about the institutional—institution-based model that you talk about. Because we have to get this right, and it deserves more time. And we'll do it.

Mr. Penn, last question before I have to run, here, in a moment. What do you need to get the—you need a decision, right, about moving people? There has to be some clarity with respect to where you're going to go, in terms of getting people into the greenhouses and moving them appropriately. What's it going to take to do that? What's the restraint on that happening right now? Is that a decision that has to be made by President Preval? Does this involve the U.N.? Who has to make that decision? And how do we get that?

Mr. Penn. It's President Preval, and it's an acceptance of the reality and the enforcement of it by the U.N., in the sense that most of the people in the IDP—in our camp are renters. They could be going back to a situation either where there is an exploitation of the landowners by people who had not resided there, or an exploitation by landlords of those who come back, and rent-gouging. There's got to be some kind of a forgiveness of the last 4 months...
of rent—people do not have the money to pay that—and assistance package that allows them to get by with some reasonable sense of a future-building and getting their legs, without the overbearing outsiders’ notion of what their job is to empower and create independence. Right now, to build the house, they’re going to have to have nails and a hammer.

So—and we need that definition of what the proof of ownership is, some protection from rent-gouging, and then, from the international community, the clear resources to make communities, many, in which case, don’t have any access to water, many that will need security provisions, and so on, especially as it relates to putting in T-shelters on rubble-clearance sites, and, while those happen, not to have people who had not lived there before.

So, it’s those clear definitions that allow us, as merely supplemental or supportive agencies of the Haitian people, to be able to go in and do what we have to do.

The CHAIRMAN. Well, I’m getting a sense from each of you, in the course of this, the way these challenges are sort of sitting out there, that there is, in this crisis, an absence of a kind of focus point of decisionmaking, a kind of leadership structure and/or that we’re sort of trapped in a lot of bureaucratic tug and pull. And we have to break out of that. Is that a fair statement for each of you?

I see you nodding.

Mr. Penn, yes?

Mr. PENN. Yes. Yes.

The CHAIRMAN. Mr. Natsios.

Ambassador NATSIOS. Absolutely.

The CHAIRMAN. Mr. Schneider.

Mr. SCHNEIDER. In part. I think that there’s a need in Haiti for that central coordination and also in the United States.

The CHAIRMAN. Right. But, as of now——

Mr. SCHNEIDER. It doesn’t exist.

The CHAIRMAN [continuing]. It isn’t there. And so, we’re going to watch this thing, potentially, unravel, rather than move in the direction that we want it to.

Senator Corker, do you have anything additional?

Senator CORKER. No, I think—before you had arrived, I mean, I—you know, we’re in—we have——

The CHAIRMAN. That says it all.

Senator CORKER [continuing]. We have this tension that exists, because this country is a sovereign country. And we should respect that. We have people on the ground, though, that are not being dealt with appropriately. And I know, even months ago, when this first began, in this committee, you know, we talked about that tension and how this was an opportunity, on one hand, to maybe break out of it. But, we’re still not doing that. And I think the frustrations that Mr. Penn is having on the ground, that Mr. Schneider has observed, they still exist. I don’t sense there’s a will—and I don’t even know what the right answer is. OK? I don’t know how you work around a “sovereign government,” with an “international community,” in—as our previous panel said, it’s a “cluster system,” which I think is well-defined—I don’t know how we do that.

And, Mr. Chairman, I’m very frustrated, but I thank the witnesses for all that they’ve contributed, but I think that we still
have not, as a country, made some of the tough decisions that need to be made.

I will say that Mr. Penn’s testimony pointed to the great work our military was doing. They’re now not there in the form they were before or in the presence they were before. But, I hope that those of us who care about this have some ability to make things happen in a different way than they are right now, and I don’t know what the——

The CHAIRMAN. I agree with you.

Senator CORKER [continuing]. Answer is.

The CHAIRMAN. Well, I think you—as I mentioned earlier, the sovereignty issue is an important one. But, I’ll tell you this, if countries are going to be putting $15 billion in there, and they’re going to be investing in the future, they have a right to expect that the sovereignty is going to be cooperative and there is a way to move forward.

Mr. PENN. If I may, Mr. Chairman?

The CHAIRMAN. Yes.

Mr. PENN. If there’s one thing that combines all the issues both of rebuilding and disaster relief, that really needs the immediate attention, without any bias towards any disagreements that may exist between the Government of Haiti and anyone else, the hospitals that do exist in the biggest city of the biggest natural disaster, with such a death toll, and with all of the emergencies that are coming our way, likely, with these rains, these hospitals have got to be staffed, have got to be supplied, and have got to be administered to.

The CHAIRMAN. I couldn’t agree more. As you know, my daughter spent a week down there as a doctor, working in the hospital, and came back with lots of those observations and notions. And it’s something we have to do.

So, we have our work cut out for us. We’re enormously appreciative of you—each of you coming, sharing your thoughts today. It’s very, very helpful. There’s a lot on the table for us to digest, and I promise you, we’ll get back to you and follow up on these things. Look forward to doing that.

Thanks so much.

We stand adjourned.

[Whereupon, at 12:30 p.m., the hearing was adjourned.]

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

PREPARED STATEMENT OF HON. CHRISTOPHER J. DODD, U.S. SENATOR FROM CONNECTICUT

Mr. Chairman, thank you for holding this hearing. I want to thank all of our witnesses for coming before this committee today, especially Ambassador Merten who has done a tremendous job leading his Embassy team in Port-au-Prince during what was, and still is, a catastrophe. Our many thanks to you and your entire staff for your remarkable public service. I also look forward to hearing from the rest of our witnesses who bring a wealth of knowledge, experience, and passion to this matter.

The United States Government has provided more than $1 billion in humanitarian funding for Haiti and the private sector has likewise contributed an additional $1 billion. We as a nation can, and should be, proud of that contribution and all the people that have been helped as a result.

I am also proud to have authored the Haiti Recovery, along with Senator Dick Lugar, and thank the chairman of this committee and others for their support. That
legislation was recently signed into law by President Obama, and as a result, important steps have been taken to relieve Haiti of its outstanding international debt, and to set up international trust funds for Haiti to support investment in infrastructure including the development of electric grids, roads, water and sanitation facilities, and reforestation initiatives.

However, despite these important first steps, I have a series of fundamental questions that I believe need to be answered before we can hope to see tangible and real progress in rebuilding Haiti. In my view, the challenge of rebuilding Haiti is not that we don’t know how to do it, or what needs to be done.

In fact, it seems as though the Haitian Government has signed off on a comprehensive rebuilding plan that includes essential elements including temporary shelter (and moving people out of sprawling tent camps as quickly as possible), urban development, security, health, water, energy, infrastructure, and education. I understand that it includes capacity-building within the Haitian Government and focuses on distributing the population away from already overcrowded urban centers.

So in many senses the roadmap is clear. But my question is, Who is driving? Who is truly leading this effort and is the Haitian Government actually capable of leading its own recovery effort? Empowering Haiti to rebuild assumes that Haiti has the capacity to rebuild itself, and I’m frankly not sure that is the case. What does the international footprint in Haiti look like and what should it look like given the magnitude of the devastation and the extraordinary cost involved in rebuilding the country?

Will most of the burden fall on the United States or do we have truly willing and capable international and Haitian partners?

I do not believe, of course, that we should occupy Haiti. We should not take lightly the importance of sovereignty, not discount the Haitian people’s long history of enduring difficult times. But we cannot pretend that Haiti can lead its own reconstruction. The goal is simple: Provide Haitians with a legitimate, functional state—one capable of managing the day-to-day tasks of government and providing security, economic stability, and social services. But I worry that how we achieve it is far less clear.

RESPONSE OF AMBASSADOR KENNETH MERTEN TO QUESTION SUBMITTED BY SENATOR RUSSELL D. FEINGOLD

Question. I understand that decentralization has been an intentional effort of the post-earthquake phase with a particular focus on agriculture. Can you describe in more detail the agriculture strategy being developed? What kinds of efforts are being made to provide opportunities for people who have settled outside the city and may wish to remain there instead of returning to the city to do so?

Answer. As we work with the people of Haiti to “build back better,” the United States Government (USG) supports the Government of Haiti (GOH) plan to strengthen its agricultural sector and cope with the displaced persons in the peri-urban centers and rural areas. Agriculture is central to the Haitian economy, generating nearly 25 percent of GDP and employing over 60 percent of the population. The USG, along with other donors such as France, Canada, Spain, Brazil, the Inter-American Development and World Banks, the Food and Agriculture Organization (FAO) and the Inter-American Institute for Cooperation on Agriculture (IICA), along with Haitian and USG civil society members, endorsed the Haiti Country Investment Plan for agriculture June 2. This Country Investment Plan for agriculture includes specific goals to boost economic opportunities and food security for the displaced persons and the rural sector. Consistent with the administration’s Global Hunger and Food Security Initiative (GHFSI) and GOH plans, USG agriculture investments will be made across the supply chain from research to the farm to the market to the table. These investments will help modernize infrastructure, jump-start rural economic growth and development, empower small farmers, expand farmer access to markets and value chains, reestablish agricultural services and rebuild institutional capacity, and improve natural resource management.

To ensure sustainability of the private sector investments, the USG will also work to build capacity at the Ministry of Agriculture. We will train and deploy Haitian technical trainers and extension agents. We will also help provide basic services such as access to inputs and supplies, and of critical importance will focus on small-scale farmers, and areas with the greatest potential to increase employment. USG resources will target and integrate investments across three geographic corridors identified by the GOH as priority growth poles for new development: (1) The Saint Marc Corridor which will be anchored by the St. Marc growth pole; (2) the Northern
Corridor which will be anchored by the Cap Haitien growth pole; and (3) the Cul-de-Sac Corridor which will be anchored by Port-au-Prince.

Closely linked to Haiti’s ability to develop a functioning agriculture sector, and more urgently, to its ability to withstand future hurricanes and storms, is the need for radically improved natural resource management in Haiti. The USG strategy for Haiti will focus on watershed management and on growing the market for alternative cooking fuels, including Liquefied Petroleum Gas (LPG), particularly in Port-au-Prince and the new urban growth poles.

RESPONSES OF T. CHRISTOPHER MILLIGAN TO QUESTIONS SUBMITTED BY SENATOR RICHARD G. LUGAR

Question. S. 3317 would authorize funds for assistance to Haiti in fiscal years 2010 through 2014.

- Does the administration have a view on the appropriate funding levels for assistance to Haiti in fiscal years 2012 through 2014?
- Does the administration consider it important that the Congress authorize assistance for those years now, rather than doing so in connection with future year budget requests?

Answer. We are pleased that Congress supports long-term efforts to help Haiti recover from the worst recorded natural disaster in the Western Hemisphere. Demonstrating through this legislation that the American people are committed for the next 4 years will both send a message to the Haitian people and to other donors about our commitment to Haiti, but it will also allow the administration to plan a robust reconstruction effort. At this time we do not have a completed budget request for fiscal years 2012 and beyond; however, we look forward to working closely with Congress to determine appropriate funding levels and timelines.

Question. In your testimony, you state in connection with S. 3317 that “Given the uncertainties that lie ahead, it would be our suggestion to provide the administration and those of us on the ground greater flexibility and to allow us to work closely with you on how to best implement our programs.” Do you believe S. 3317 as drafted provides the flexibility you refer to here? If not, please indicate what changes in the legislation you would recommend to provide such flexibility.

Answer. USAID appreciates changes to the bill that increase flexibility and minimize administrative burdens, particularly the change in reporting requirements to harmonize with the agency’s existing reporting schedule. We support the spirit of the legislation and look forward to working with the committee as it moves forward.

Question. What is the administration’s assessment of the capacity of Haitian institutions to implement programs consistent with the objectives of S. 3317? To what extent does the administration envision the need to rely on non-Haitian implementing partners in order to implement assistance programs effectively?

Answer. Haiti’s profound development and political challenges have been in part the result of weak public institutions, poor public financial management, political instability (10 Presidents and several coups since 1990) and vulnerability to corruption. In the absence of a strong government, international NGOs, which are vital implementing partners for the USG, are often relied upon for basic services.

Our implementation strategy includes capacity-building of the government at all levels to provide essential services currently needed, and to plan, manage, and budget for operations in the long term. We will partner with the GOH to mutually invest in the technical capacity of the Finance Ministry and other key institutions. This partnership will improve the GOH’s ability to create and manage budgets in a transparent fashion, collect taxes, and effectively use limited resources in support of ongoing development. In addition, we will support and grow local civil society institutions so they can hold their government accountable during reconstruction and into the future.

We are actively encouraging the utilization of Haitian-American and local firms and NGOs in reconstruction activities. Through outreach efforts, we are engaging directly with the U.S. Haitian-American community, helping them understand the U.S. foreign assistance strategy and how to best do business with USAID. Other encouragement may include conducting assessments of local NGOs and providing technical assistance to build their organizational capacity to receive direct awards. In the future, such cooperation with these firms and NGOs may include public-private partnerships.
Question. What steps does the administration intend to take to monitor and evaluate assistance programs for Haiti to ensure that such programs effectively produce the desired outcomes?

Answer. The Department of State and USAID recognize that monitoring and evaluation are essential to measure the impact and effectiveness of our sustained investment of hundreds of millions of dollars. Under the USG post-earthquake strategy for Haiti, the U.S. Mission in Haiti will establish an independent monitoring and evaluation (M&E) team of specialists who will collect and analyze data on program performance, and issue summary evaluation reports.

Monitoring and evaluation systems will be integrated into the design of every USG-funded program. To ensure cost-effective data collection, the USG will invest in a cross-sector, strategy-wide data collection platform so that each program shares a common system. Through this system the M&E team will track inputs, activities, outputs, outcomes and impacts of development activities at the project, program, sector and national levels. The M&E team will then use this information to evaluate the design, relevance, effectiveness, and impact of the development program. Attention will also be paid to the efficient use of resources, and the sustainability of the results beyond donor funding.

Thorough assessment at every level will help create an overarching impact evaluation of the national development strategy. Over time, the USG will learn from the successes and failures of its strategy and will make course corrections as necessary. Future programming will benefit from evidence-based designs that take the lessons of past evaluations into account.

To help make the USG Haiti strategy sustainable, these M&E systems will be integrated, shared, and transferred to public sector entities as appropriate. The USG will also partner with the GOH to train officials in data collection, evaluation techniques, and evidence-based best practices.

Question. S. 3317 provides authority for assistance funds to be contributed to a multidonor trust fund for reconstruction and recovery expenses related to Haiti.

• Does the administration envision providing assistance through one or more such multidonor trust funds? If so, please give examples of particular multidonor funds the administration might consider utilizing for such purposes.

• Of the amounts the administration has requested for assistance to Haiti for fiscal years 2010 and 2011, what portion of such funds does the administration envision using for contributions to such multidonor funds?

Answer. It is clear that the destruction of the earthquake substantially reduced GOH revenue, creating an urgent need for budget support. We anticipate that the Multi-Donor Trust Fund established by the World Bank will provide an appropriate vehicle for channeling budget support, while a United Nations Development Programme trust fund will be an essential support upcoming elections.

The overall strategy recognizes that successful reconstruction efforts will require both strengthened Haitian institutions and cooperation with non-Haitian implementing partners. USAID has set the enhancement of Haitian public institutions' capacity as a vital element.

Prior to the Haiti Donors' Meeting in New York on March 31, USAID and the Department of State worked closely with key donors, including the European Commission, Canada, Spain, France, Brazil, U.N. and World Bank to support the creation of both the Interim Haiti Recovery Commission (IHRC) and the Haiti Reconstruction Fund (also known as the Multi-Donor Trust Fund). As these two mechanisms are established they will create a mutually beneficial relationship that will be integral to aligning donors around the GOH strategy. The IHRC will also provide oversight, transparency, and monitoring of the funds spent through the Multi-Donor Trust Fund.

The President's supplemental budget request for Haiti references a U.S. contribution of up to $120 million to the Multi-Donor Trust Fund. Any decision for the USG to contribute to this fund will depend on our confidence that it is being administered effectively and transparently and that it would be the best use of taxpayer funds.

USAID also anticipates granting approximately $5 million to the United Nations Development Programme (UNDP) to support upcoming elections in Haiti. UNDP will administer and manage donor contributions to the electoral budget through a trust fund (separate from the World Bank-run multidonor trust fund). The UNDP trust fund will be an important vehicle to facilitate and coordinate donor resources for impending elections. It will fund technical and logistical support to the elections commission, and supervision of the electoral process to ensure that international standards are met. The USG contribution will help fund election commodities such as ballots and ballot boxes, voter education material, and training material.
RESPONSES OF T. CHRISTOPHER MILLIGAN TO QUESTIONS SUBMITTED BY SENATOR RUSSELL D. FEINGOLD

Question. How is USAID seeking to gain systematic, regular participation by a broad range of Haitian civil society groups into the planning, implementation, and evaluation of its programs?

Answer. USAID recognizes civil society groups as important partners, both in the immediate reconstruction process, and in the long term as we work with the people of Haiti to build a sustainable, democratic, and economically vibrant future. Civil society participation is a cross-cutting theme throughout all USAID programs in Haiti, and the President’s Supplemental Request for Haiti contains $62 million for public institution and civil society strengthening. We will support local civil society institutions so that they can play a key role in reconstruction and hold government accountable in the future.

Community participation is a principle that serves as a cornerstone of our agency. USAID’s Office of Transition Initiatives (OTI) currently implements a program to enhance citizen participation in relief and recovery. It establishes venues such as focus groups, media programming, and press conferences, through which citizens and government officials discuss Haiti’s reconstruction and ways in which citizens can participate. It also builds Government of Haiti (GOH) capacity to use electronic media, Internet-based platforms, and direct interaction with community members to seek information regarding local and national development priorities. This improved information-sharing will increase government transparency and cultivate a culture of government accountability to citizens. In addition, OTI implements a community driven temporary employment program, reclaiming neighborhoods by clearing rubble from public spaces, thoroughfares, schools and hospitals. This program links local governments with their constituents. Members of the community join the Mayor in a participatory process of selecting residents for cash for work teams. Those people selected then have the opportunity to earn wages while contributing to the cleanup and rebuilding of their neighborhoods.

We support the GOH’s decision to include a civil society representative on the board of the Interim Haiti Recovery Commission (IHRC). We also anticipate that the IHRC, in its role as a coordinating body, will facilitate dialogue between civil society, government, and other actors in the reconstruction efforts. The IHRC is committed to ensuring mechanisms are in place to guarantee transparency and accountability, investigate complaints and measure impact. Through these mechanisms, the people of Haiti will play a crucial part in ensuring reconstruction efforts progress transparently and fairly. (More information about the IHRC can be found at www.ihrc.ht.)

Additional oversight and evaluation will come from the USAID Office of the Inspector General. Funding requested in the proposed supplemental bill will help the Office of the Inspector General to ensure that USAID resources in Haiti are used for the greatest good and that additional oversight is provided on the ground in Haiti. This will support an array of oversight activities, including outreach and education, financial audits, performance audits, investigative activities, and coordination and staffing.

Monitoring and evaluation (M&E) systems will be integrated into the design of every USG-funded program. These systems will track inputs, activities, outputs, outcomes and impacts of development activities at the project, program, sector and national levels. The M&E teams will then use this information to evaluate the design, relevance, effectiveness and impact of the development program. To help make the strategy sustainable, these M&E systems will be integrated, shared, and transferred to public sector entities as appropriate. The USG will also partner with the GOH to train officials in data collection, evaluation techniques, and evidence-based best practices.

We will also encourage greater use of Haitian-American and local firms and non-governmental organizations (NGOs) as we implement reconstruction activities, including those executed through public-private partnerships. This may include assessing local NGOs and providing technical assistance to build their organizational capacity to receive direct awards. We are also engaging directly with the U.S. Haitian-American community, helping them understand the U.S. foreign assistance strategy and how to do business with USAID.

Question. While international coordinating bodies and the Red Cross are reporting that over 90 percent of earthquake survivors in need have received adequate shelter and aid, reports from many camps in and around Port-au-Prince vary widely and many paint a far less promising picture of the continuing emergency. The President of one camp, the Automeca camp, a “priority” camp located in Port-au-Prince, re-
ported on May 3 that no food aid has reached the camp since February and only three food deliveries were carried out in total. Apparently, 80 percent of officially sanctioned camps still have no camp managers and thus no real conduit to the international aid coordinating bodies. What is being done to address this ongoing emergency situation and how can USAID encourage the international coordinating bodies and the cluster system to work more closely with Haitian civil society and the leadership structures set up by IDP camp residents to improve the coordination and regularity of aid delivery and assistance?

Answer. USAID continues to play an active role in the coordination of humanitarian aid to populations affected by the January 12 earthquake in Haiti. USAID staff remain actively involved with the Government of Haiti and United Nations to improve the situation of displaced people by responding to ongoing and emerging needs, and contributing to the reconstruction process. USAID partners continue to implement programs and deliver services.

USAID strongly encourages its partners to coordinate both with the international humanitarian coordination system and with members of local Haitian leadership. Recognizing the importance of such collaboration to the effective program implementation and prevention of overlap and duplication in programs, USAID implementing partners regularly conduct beneficiary identification and program design activities in consultation with local authorities and communities.

The International Organization for Migration (IOM), as head of the Camp Coordination and Camp Management (CCCM) Cluster, has developed a system for communicating and coordinating with the local camp leadership. According to the latest data from CCCM Cluster, 63 percent of the IDP population who reside in camps do not have a formal camp management agency. However, at least 97 percent of all IDP camps have informal camp management committees, and the international community recognizes the vital role that this local leadership plays. IOM has provided mobile phones to the leaders of camp committees to facilitate communication with assigned IOM Camp Management Officers and provide access to the international humanitarian coordination mechanisms such as the cluster groups. IOM has trained approximately 400 formal and informal camp managers and continues to conduct trainings in English, French, and Creole.

USAID is also beginning a project in which we will train community mobilizers to facilitate two-way information exchange regarding camp management, relocation processes and resettlement options. This project, implemented through IOM, aims to ensure that messages between the government, the humanitarian community and the affected population are coordinated and effective. The community mobilizers will maintain open communication channels to help the affected population stay abreast of developments and enhance their ability to make informed decisions. Concurrently, the mobilizers will collect and analyze information provided by the IDPs for use by the humanitarian community to better meet their needs and formulate effective policy.

Regarding food distribution, from January to mid-April, the U.N. World Food Programme (WFP) and partner NGOs, with substantial USAID support, met the urgent food aid needs of approximately 3 million people or roughly a third of Haiti’s population, in the immediate aftermath. Currently, WFP and partnering NGOs are providing additional targeted food aid assistance to identified vulnerable populations (predominantly women and children).

USAID and its partnering NGOs continue to provide services in many camps including free, safe, drinking water distribution and health care. USAID also supports cash-for-work and food-for-work programs nationwide. USAID regularly meets with WFP and implementing partners to monitor the effectiveness of these programs and follow up on reported programming gaps.