AN OVERVIEW OF PUBLIC FINANCE REFORM IN HAITI

Charles L. CADET
PSPF/GE Coordinator
Main issues addressed

1) A milestone for the Interim Cooperation Framework (ICF)
2) The implementation stage of a formal framework for PF reform
3) Recent dynamics of the reform process
4) Conclusion
5) Next financial perspectives
6) Discussions
A) Traditional characteristics of PF reforms in Haiti

* They are often linked to situations of crisis or economic turbulence: 1986/87; 1994/95; 2004/05; January 2010

* Before 2005, they were characterized by a targeted approach

A milestone for the ICF
B) ICF’s holistic approach

* Policy of good economic governance: with a wide variety of reforms in sight

* But, uneven development of results with two key periods: 2005/07 and 2010/13

A crucial stage of the ICF
A) Regulatory instruments

* The PFR strategy adopted in May 2014
* Three-year Action Plan 2014/16 and that of 2016/18

The implementation stage of a formal framework for PF reform
B) Three-tier governance framework

* Strategic Steering Committee
* Public Finance Reform Commission
* Sector-wide Reform Committee
C) Contribution of international cooperation

a) Multilateral cooperation:
   * World Bank (TA and Budget Support)
   * European Union (TA and Budget Support through the SBC)
   * IDB (TA and Budget Support)
   * IMF (TA and Economic and Financial Program)

b) Bilateral cooperation:
   * USAID (TA)
   * Canadian Cooperation (TA)
   * Chilean Cooperation (TA)
   * French Cooperation (TA)
   * Spanish Cooperation

c) Partnership Framework with TFPs

The implementation stage of a formal framework for PF reform
A) Overall pace

* Overall structuring measures: training, communication.
* Observation of an uneven development process: some sectors are progressing more than others. To date, the most dynamic are: Treasury and Accounting; Information system.
* But there are some promising projects everywhere.
Recent dynamics of the reform process

B) Some examples of major or developmental projects

* LEEF implementation project
* The FPBME (Forecasting, Planning, Budgeting, Monitoring and Evaluation) Chain implementation project
* NPCC (National Public Contracts Commission) Strategic Plan
* CUT and deployment of accounting items
* Deployment of ISPFM/ISHRM
* Creation of an information management systems facility at MEF
* Creation of a new Fiscal Management System (RMS)
Main outcome: Efforts deployed by both the Haitian government and TFPs begin to produce results. But many problems persist such as:

1) Huge gap in the management of Public Administration System
2) Substantial lack of skills
3) Problem of insufficient public financial resources available for reform
4) Conservationism and resistance to change
5) Inter-administrative conflicts for the extension and control of intervention areas;
1) 2016/18 ATP Update

2) Strict monitoring of major projects in all areas

3) Work on the rapid implementation of training and communication plans
Discussions