

Report Critical of USAID in Haiti: No “Detailed Information on Funding and Sector Activities”

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In 2010, just months after Haiti was struck by a devastating earthquake, the United States passed legislation allocating \$651 million to USAID to support relief and reconstruction efforts. Three years later, just 31 percent of these funds have been spent as delays mount and goals are scaled back, according to [a new Government Accountability Office \(GAO\) report](#) [PDF] released yesterday. The report also criticizes USAID for a lack of transparency, especially in its reporting to Congress.

“This report shows a significant and sobering disconnect between what was originally promised for the Haitian people, and what it appears USAID is now prepared to deliver. The Haitian people, as well as the US taxpayer, deserve better answers about our assistance than we have received to date,” [according to Rep. Eliot Engel \(D-NY\)](#), the ranking Democrat on the House Foreign Affairs Committee.

The GAO found that inaccurate cost estimates and delays led to an increase in the amount dedicated to providing shelter from \$59 million to \$97 million while at the same time “decreased the projected number of houses to be built by over 80 percent, from 15,000 to 2,649.” Originally estimated to cost less than \$10,000 for a completed house, actual costs have been greater than \$33,000. USAID has awarded over \$46 million to contractors for housing. Meanwhile, some 300,000 people remain in camps over three years after the earthquake. Overall, the humanitarian community has constructed just 7,000 new homes, about 40 percent of what is currently planned.

Further, the GAO report is critical of U.S. investments supporting the Caracol Industrial Park. Randal C. Archibold of the [New York Times](#) reports:

A big portion of Agency for International Development money, \$170.3 million, went toward a power plant and port for an industrial park in northern Haiti that was the centerpiece of United States reconstruction efforts and had been heavily promoted by the State Department and former President Bill Clinton.

But the project had mixed results. Although the aid agency completed the power plant under budget, the port, crucial to the industrial park’s long-term success, is two years behind schedule “due in part to a lack of U.S.A.I.D. expertise in port planning in Haiti,” the report said, and is now vulnerable to cost overruns.

The GAO also found that a lack of oversight of USAID operations in Haiti and that congressionally mandated reports “did not include” “detailed information on funding and

sector activities” as required and that despite a significant amount of funds left to be disbursed, the reporting requirement has now ended. “Congress lacks information on the amounts of funds obligated and disbursed and program by program progress of U.S. reconstruction activities,” concludes the report.

The findings echo those made by CEPR in a report released in April, “[Breaking Open the Black Box: Increasing Aid Transparency and Accountability in Haiti](#)” and should lead to increased support for the [Assessing Progress in Haiti](#) Act that is currently making its way through the House Foreign Affairs Committee. The bill (H. R. 1749), which requires detailed reporting on amounts obligated and spent by USAID, including use of contractors and subcontractors, was [introduced by Rep. Barbara Lee](#) (D-CA) and has 29 cosponsors in the House. While all the cosponsors are currently Democrats, the GAO report was requested by former Chairman of the House Foreign Affairs Committee Ileana Ros-Lehtinen (R-FL) and the former ranking Democrat on the Committee, Howard Berman,. Yesterday, Ros Lehtinen, along with the current chairman of the Committee, Rep. Ed Royce (R-CA), and the current ranking Democrat, Eliot Engel (D-NY) released a joint statement registering concern about the GAO’s findings and calling for hearings on the issue, suggesting bipartisan support for greater transparency around U.S. assistance programs in Haiti.

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