**UPDATE ON HAITI SHELTER RECONSTRUCTION**

IHC continues to provide policy support.

In order to appreciate the challenge facing Haiti as it tries to rebuild after the devastating 2010 earthquake, it is necessary to place it in the context of the country's history. Haiti is the poorest country in the Western Hemisphere. In 2007, it was estimated that 72 percent of the population was living on less than $2 per day, and that 80 percent lacked a job in the formal sector of the economy. Fully 86 percent of the population lived in slums, and half of urban residents lacked access to sanitation.

Poor governance is central to the problems that plague Haiti. The state has, historically, been unable to deliver basic services and effective security. Even prior to the earthquake, most donor agencies had done little to address the lack of state capacity in Haiti. Rather, donors and the government alike often acted in ways that perpetuated institutional weaknesses. For a generation donors have tended to provide assistance through the United Nations and through domestic and international non-governmental organizations (NGOs). This may have made some sense in the short-run, as donor agencies have an obligation to their own citizenry that funds be well spent, and not squandered through corruption and mismanagement. But the longer-term consequence was contributing to the erosion of state capacity, a condition that becomes strikingly evident in times of natural disaster.

The slow and difficult reconstruction process has spurred
reflection and analysis in Haiti and among its supporters. A consensus has emerged that the state must play a central role in redevelopment if funds are to be used in a coordinated way that is consistent with a broad plan of recovery. While NGOs will invariably play an important role, ultimately they are no substitute for a capable state carrying out the critical and inherently state functions of planning, directing public investment, providing security, and ensuring the soundness of legal and regulatory systems necessary for growth and development. While this recognition might be a silver lining of the tragedy, the disaster itself had a disproportionate effect on the governance system, claiming the lives of a large number of civil servants while destroying many public buildings and public records.

USAID has begun implementation of a major shelter reconstruction program in Haiti. The program, funded at a level of approximately $150 million, will provide assistance for: rubble removal; assisting households to return to their neighborhoods in Port au Prince; and housing solutions in the Port au Prince area and Cape Haitian in support of economic development investments.

With a grant from USAID/Haiti the IHC has been providing strategic and policy advice to USAID in support of shelter reconstruction. The IHC has provided comments on a wide range of issues that impact the shelter reconstruction process. The IHC grant runs through April, 2011.

IHC SUPPORTS COMPETITION FOR GRADUATE STUDENTS

IHC WITH USAID SPONSORS HOUSING/URBAN DEVELOPMENT RESEARCH COMPETITION

Building on the success of last year's competition, the IHC, in cooperation with USAID's Urban Program Team, the World Bank, the Woodrow Wilson Center's Comparative Urban Studies Project and the Cities Alliance, is once again sponsoring a research paper competition and a policy workshop on urban poverty in the developing world. The winning papers will be published by the Woodrow Wilson Center, and the authors will be invited to Washington to present their papers at an interactive workshop of housing and urban development experts in the fall of 2011.
This year's topics are:

- Land Markets and Security of Tenure.
- Urban health.
- Urban livelihoods.

Submitted papers will be policy-based and solutions-oriented. They will critically examine existing projects and/or propose new strategies for tackling issues related to urban poverty, especially in the developing world. The competition is designed for enrolled PhD and advanced Masters Students.

Funding for the IHC's participation in the competition is being provided by the Reaume Foundation.

FOREIGN AID REFORM AT USAID

USAID ADMINISTRATOR ANNOUNCES IMPORTANT CHANGES

Rajiv Shah, the Administrator of USAID, recently began a speech on the future of foreign aid with the comment that the "Agency is no longer satisfied with writing big checks to big contractors and calling it development." He pointed out that, unlike a private business with a vested interest in self-perpetuation, a development agency must seek to see its work replaced over time by efficient local governments, thriving civil society groups and the private sector.

Noting that USAID once set the world standard for evaluating their own programs, he criticized the, now more common, practice of superficial (yet costly) evaluations. Most go unread due to their lack of insight and depth. In his speech, Mr. Shah announced a new evaluation policy that relies on independent third parties who will use "study designs that explain what would have happened without our intervention, so we can know for sure the impact of our programs."

As an example of true development, he went on to defend the Agency's program in Haiti. Instead of adopting a housing reconstruction approach that could have built needed housing quickly through U.S. contractors, Shah sent procurement reform teams to Haiti to work with local construction companies so that they could better participate in the reconstruction effort. While
he admitted that this approach slowed the process, helping local
collection companies learn how to use local materials,
including rubble, meant rebuilding damaged housing to a higher
earthquake-resistance standard, while nurturing the construction
sector of the economy.

GLOBAL CLIMATE CHANGE IN AN INCREASINGLY URBAN
WORLD

IMPACTS OF CLIMATE CHANGE ON URBAN RESIDENTS

Many characteristics of human settlement and economic activity
will ultimately be affected by global climate change in many
parts of the world. Given the certainty of sea level rise in the
coming century, settlement in low-lying areas is subject to the
most direct and predictable effects. These areas have received
increased attention, and in developed countries are the subject of
intense analysis and long-term infrastructure planning.

It is estimated that 23 percent of the world's population lives both
within 60 miles of the coast and at less than 350 feet of
elevation. Overall population densities in coastal regions are
approximately three times higher than the global population
density. Some 60 percent of the world's 39 metropolitan areas
with over five million people are located within 60 miles of the
coast, including 12 of the world's 16 largest cities.

Approximately one out of every ten people lives in the so-called
Low Elevation Coastal Zone (LECZ), defined as less than 10
meters (33 feet) elevation. Thirteen percent of the world's urban
population, or 360 million people, live in the LECZ. In Asia and
Africa these percentages are even higher, at 18 percent and 15
percent respectively.

The poor are most likely to live in threatened, low-lying urban
areas. Many of these areas are unsuitable for settlement.
Nonetheless, poverty, weak regulatory systems, and lack of
effective planning often result in massive informal settlements.
Now many of those whose shelter is most threatened by sea level
rise and the increased occurrence of storm events are those with
the least resources to cope. Global climate change will make the
urgency of action to address horrific urban shelter conditions that
much more pressing for many cities around the world.
The IHC is preparing a monograph that discusses how climate change is likely to affect the poor living in cities in the developing world.

**BECOME A MEMBER OF THE IHC IN 2011**

**SUPPORT THE EDUCATIONAL AND ADVOCACY EFFORTS OF THE IHC**

The IHC was created in 2005 with support from Habitat for Humanity International, the National Association of Realtors and the Canadian Real Estate Association. The organization quickly built an institutional membership of 35 organizations that shared a commitment to addressing the housing conditions of the urban poor in developing countries. Members include private companies, non-profit advocacy and professional membership organizations and academic/research institutions.

Become part of the IHC coalition. Dues are $200 a year. Membership applications and instructions for supporting the IHC can be found on our web site - [www.Intlhc.org](http://www.Intlhc.org)

**NEW STAFF PERSON AT THE IHC**

**ANJALI BEAN JOINS THE STAFF OF THE IHC**

Anjali Bean began work at the IHC as a Research and Policy Associate this February. She recently graduated summa cum laude from American University in Washington DC, where she studied Environmental Studies and International Relations, with particular interest in sustainable development. Prior to coming to IHC, Anjali worked for Habitat for Humanity International, in its office of Government Relations and Advocacy. Her experience abroad includes 5 months spent in Kenya studying and working at Shelter Forum, a Kenyan membership organization focused on land tenure and shelter rights in informal settlements.

**IHC’s FY 2010 ANNUAL REPORT IS NOW AVAILABLE**

Copies are available on line or in a hard copy.
The IHC recently published its FY 2010 annual report. The report summarizes the activities and accomplishments of the IHC over the period October 2009-September 2010. The report can be downloaded from the IHC’s web site or is available in a hardcopy format. To get a copy of the report write: Bean@inthc.org or call 202-408-8507.