USAID 'freight train' creates big localization frustration in Haiti

By **<u>Teresa Welsh</u> // 23 June 2023**

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Farmers at work in an area outside of Port-au-Prince, Haiti. Photo by: Swoan Parker / Reuters

USAID has made localization its mantra. But for one local farming organization in Haiti, it is not working as hoped and the strategy has become an arduous experience with little improvement to food security.

Over the last two years, Organisation Peuple Œcuménique pour le Developpment du Nord-Est, or OPODNE, which responds to development concerns in northern Haiti, claims it has repeatedly reached a dead end with the <u>U.S. Agency for International Development</u> even as the agency seeks to prioritize working with local organizations.

OPODNE had discussed collaboration with USAID, hoping to design programs for agricultural communities, but instead, the Haitian agency watched as tens of millions of dollars went to large international NGOs.

Farmers argue that such international projects — like creating crop export markets even as food for Haitians is scarce — have done nothing to address the nation's development challenges, while USAID continually rebuffs concrete ideas that will lead to successful harvests.

OPODNE's frustration came to a head last month when USAID rejected a proposal submitted at the suggestion of USAID's own staff.

"Can we get this big freight train called USAID to rethink how they do business in Haiti and who they support in Haiti?" said Francois Pierre-Louis, a founding organizer of OPODNE and now serves as the Haiti director for Faith in Action International. "Because the challenge has been it's the usual suspects that they're supporting, but not the poor farmers who really need the support."

While not every local organization faces such difficulties, the OPODNE case illustrates how hard it is for local organizations to work with a massive entity like USAID and the hurdles the U.S. bureaucracy must overcome to implement its localization agenda and overhaul the traditional development system that concentrates power in the hands of a few in wealthy donor capitals.

OPODNE says it was constantly sidelined and shuffled between USAID personnel in Washington and Port-au-Prince as well-meaning staff attempted to coordinate with them but ultimately could not break out of the constraints of a system that is not designed to partner with small organizations.

This account is based on correspondence and documents viewed by Devex, as well as interviews with OPODNE representatives. USAID did not make anyone available for an interview, but a staffer who spoke with Devex anonymously said the agency has a "very, very risk averse, conservative interpretation" of the laws governing foreign assistance, often sparking fear that working with local groups could violate the law.

"That risk is definitely heavily emphasized, and in some instances overblown," the staffer said.

Searching for partners

OPODNE's experience highlights the improbability of USAID Administrator Samantha Power's 2021 pledge to give 25% of its funding to local organizations by 2025. It shows that even with the best intentions, bureaucratic and practical challenges stand in the way.

"The money comes, but then the way it's spent is not right," OPODNE Executive Director Florcie Tyrell told Devex through an interpreter, alluding to the hundreds of millions of dollars in international assistance that failed to improve Haitians' lives. "This is why we'd like to have partners, especially when it comes to funding, so they can collaborate with us."

Haiti is near anarchy following the assassination of its president two years ago and prevalence of gangs in urban areas, disrupting the movement of goods across the country. Vulnerability to natural disasters also makes it difficult for farmers to grow enough food for their families, let alone have surplus to sell or export.

The Caribbean nation of almost 12 million people — half of whom rely on agriculture — has also not fully recovered from the devastating 2010 earthquake that flattened much of its infrastructure, leaving about 250,000 dead and <u>more than 2 million homeless</u>. About <u>5 million people</u> suffer severe acute food insecurity.

OPODNE, which operates in 56 localities, has a simple wish list: Access to water for irrigation and basic farm inputs such as seeds and tools are at the top, but USAID has consistently found these needs to be outside the scope of agriculture projects it funds.

Status quo funding

OPODNE's odyssey with USAID began in August 2021, when it shared a <u>co-produced report</u> on lessons learned from the earthquake. It found that in the decade following the disaster, just 3.7% of the \$2.6 billion in USAID reconstruction and development funding for Haiti was managed by local organizations.

Agency-wide, <u>USAID increased its local funding</u> to 10.2% in 2022 from 7.4% a year earlier — still way off Power's target — while a USAID spokesperson told Devex that from 2021 to 2022, obligations to local partners in Haiti more than doubled to 22% from 10%.

Julie Ciccarone, USAID's Haiti desk officer in Washington, swiftly replied via email to OPODNE's report, saying USAID "really appreciate your insights into how things could be done differently this time to achieve better results." A colleague may contact them to discuss its experience, Ciccarone wrote.

"We are always looking to expand our partner base and your organization clearly brings significant insight," she wrote.

It was a hopeful start for a partnership that has since gone nowhere.

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- Francois Pierre-Louis, Haiti director for Faith in Action International

Ciccarone and her colleagues met with OPODNE and Faith in Action International, which provides support to local organizations, two months later and determined that the next step would be to meet staff at the USAID Haiti Mission.

But OPODNE was disappointed that it was too late to provide input to shape a major \$30 million food security project because the contract had already been signed: <u>DAI</u> won the Feed the Future Haiti Resilience and Agriculture Sector Advancement, or AVANSE, program, which began on Sept. 30, 2021.

DAI, a U.S.-based for-profit development contractor, had been awarded the five-year project to strengthen export markets and increase private sector investment, <u>despite</u> <u>numerous documented failures</u> found by <u>Oxfam</u> of a precursor project run by DAI in Haiti.

The Oxfam assessment of the AVANSE program raised a host of concerns: Local farmers were not consulted; it prioritized export-oriented crops over local staples such as rice and beans; it downplayed the importance of irrigation — despite Haiti's urgent need for access to water; and neglected other key farmer priorities like soil preparation, crop diversification, and access to credit.

"What they did is that they basically supported the established big landowners who already had infrastructure. But they did not go to the local farmers to really support them," Pierre-Louis said. "It's not about feeding people, it's about exporting whatever they can."

Pierre-Louis said he's not against developing the export market, but the first priority must be helping farmers grow diverse crops they can eat, such as yam, sorghum, and beans.

"You talk about localization, having people decide — now you have all these projects and communities coming [saying] 'OK, we'd like yams instead of bananas. We'd like to fish farm instead of chicken.' And they're saying 'no, you cannot," Pierre-Louis said of USAID.

The 30 million project in 2021 was implemented in nine northeastern communities, all of which had OPODNE community organizations up and running — but none were consulted by DAI or USAID to incorporate their priorities, according to Faith in Action International.

"[The DAI project] doesn't provide any direct support to farmers, it does market system reform," Gordon Whitman, Faith in Action's managing director for international organizing, said. "It's a little hard for me to understand how you're spending \$30 million without providing direct support to farmers. It doesn't have water, seeds, tools as part of any of its programming."

Susan Page, who served as U.N. assistant secretary-general to Haiti and in various U.S. government roles, including USAID, said that even when the agency attempts to work with smaller organizations, often the math just doesn't work.

"It costs as much money for a big organization like USAID to manage a \$5 million program ... as it does for them to manage a \$100,000 project — let alone a \$25,000 or a \$50,000 project," said Page, now a professor at the University of Michigan. "That's where I think the model is such that these awards would almost inevitably only go to the big firms that have managed to develop that capacity."

A USAID spokesperson did not address the specific difficulties OPODNE faced with the agency but said that while the agency is committed to meeting the localization targets, it recognizes that "working with organizations that are new to USAID come with a different set of challenges for the Agency and organizations, but they also come with new opportunities for achieving long-lasting results."

The USAID staffer who requested anonymity was more specific, however.

"Everybody's exhausted," the staffer said. "When you're chronically understaffed it's very exhausting and frustrating for the people who got into this work because they want to do a good job and they want to help people, and they're drowning in paperwork all the time."

'We can't help you'

Though disappointed with the scope of the DAI project, OPODNE and Faith in Action met in late 2021 with the USAID Haiti Mission to discuss USAID's local strategy and how OPODNE could be involved with agricultural community development.

Engagement continued for the next three months, including a memo OPODNE sent outlining how collaboration with smallholder farmers aligns with USAID's <u>2020 to 2022 Haiti Strategic Framework</u>.

But the NGO never received a response, and in February 2022, <u>USAID announced a \$50 million</u> project that had been awarded to international implementer <u>Catholic Relief Services</u>.

OPODNE was blindsided by the announcement and expressed dismay that the project planning had been underway during its continued outreach to USAID, yet no one ever mentioned such a large contract would soon be awarded. When the Haitian organization asked USAID how it could be involved, they were told to take it up with CRS.

By then, it was too late: USAID arranged a meeting between OPODNE and CRS in May 2022, but the Haitian organization was told that project beneficiaries were compiled from a government list and the money had already been fully allocated.

"CRS ... said 'we are programmed out. We basically have budgeted our money and set our priorities. So it's nice that you're doing what you're doing, but we can't help you," Faith in Action's Whitman said.

CRS' Haiti Chief of Party Beth Carroll told Devex it is working with two local organizations to implement the project. Per USAID's rules, partners cannot be changed after a contract is finalized, she said.

"We understand OPODNE is in search of funding to carry out the great work they do," Carroll said. "Even though we were unable to provide funding under this particular contract, we remain eager to collaborate to support farmers in the region."

Over the following months, OPODNE continued to be pingponged between USAID staff in Haiti and Washington, as they pursued different avenues to partner with the agency.

This included what OPODNE felt was a promising request from USAID staffer Adam Bushey for a list of tools farmers lacked — vital equipment it had repeatedly suggested to the agency, in addition to tractors. With a price tag of just \$1,363 for the tools, OPODNE felt USAID was taking a concrete step to help smallholders access basic farm equipment.

"[O]n a personal note, I am interested in the idea of [tool] banks but USAID is not able to purchase tractors. That is not in the cards," Bushey wrote.

As promised, in June 2022, Bushey sent the tool request to Carroll, but OPODNE never heard anything further from CRS about it.

"We are very challenging to partner with," the anonymous USAID staffer said. "There's a lot that needs to happen in terms of fixing the pipes, so to speak, so that money can flow toward local organizations, but there's also a lot that needs to change in terms of the way that people are incentivized to spend their time in the agency."

Another dead end

In September 2022, OPODNE reiterated its request to USAID for assistance with tools, as well as seeds so farmers could plant during the crucial fall season.

"It is critical that USAID's response to rising hunger in Haiti begin by redirecting resources to local Haitian farmers," they wrote to the agency. Two weeks later, USAID communicated with OPODNE saying it couldn't help but that the Haitian organization should contact CRS, which "will be able to discuss possible collaboration with OPODNE."

In the letter, USAID said it funds unsolicited proposals "if, and only if, the proposal (1) is highly innovative and unique; (2) directly aligns with USAID/Haiti's development strategy; and (3) resources are available."

Over the next six months, OPODNE sent repeated requests to USAID for meetings and responses to its proposals, including with the agency's New Partner Engagement Unit for Haiti, which did not respond.

Finally, in a March 2023 meeting, USAID staff suggested OPODNE submit a proposal through USAID's Unsolicited Solutions for Locally Led Development. Organizations are eligible if they have received less than \$5 million from the agency over the previous five years, and ideas are accepted on a rolling basis.

The program intends to ensure organizations of "all types and sizes around the world" can submit ideas which "have the opportunity to be considered."

"It's the perennial question: How do you get experience if you've never had the job?" Page, of the University of Michigan, asked, noting the difficulty organizations face getting proposals accepted even under programs ostensibly designed exactly for their purpose. "How do you get there if you've never been there?"

In partnership with another Haitian organization, OPODNE on May 8 submitted its six-page unsolicited proposal for a community seed bank.

The project was designed to meet "immediate needs" for seeds to help 1,500 farmers in 22 communities. It would focus on traditional crops, including drought-resistant beans and maize, rice, peanut, spinach, and millet, among others. After harvesting, farmers would return more seeds than they borrowed to the bank, making it self-sustaining.

Awards are available up to \$2 million, but OPODNE's proposal required just \$511,125.

USAID rejected the proposal later the same month because funding for Haiti under the program had already been fully allocated for the year, raising questions about why agency staff suggested OPODNE submit the proposal in the first place.

According to a letter seen by Devex, the U.S. mission in Haiti then reviewed "the application with interest," with the possibility of funding it outside the original program under which OPODNE applied, but ultimately told the organization "we regret to inform you that USAID/Haiti is unable to respond favorably to your request."

It didn't provide a specific reason, but in a meeting with Haiti mission staff following the rejection, they told OPODNE they didn't want to provide feedback because that would encourage it to resubmit the proposal.

Francis Higdon of USAID told OPODNE that unsolicited proposals don't fit the agency's model; it wants proposals that align with the agency's Haiti country strategy. That strategy, he said, focuses on market system reform and not farmer inputs — despite the expressed need from farming communities for tools, seeds, and irrigation.

Despite having its hopes for collaboration with USAID raised and dashed so many times, OPODNE says it will keep seeking ways to meet the needs of their agricultural communities.

"We're not in a hurry," Tyrell said. "We will continue to do what we can with the resources we have until institutions like USAID come to understand our philosophy."