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WORLD BANK GROUP

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INTERNATIONAL FINANCE CORPORATION
INTERNATIONAL DEVELOPMENT ASSOCIATION
INTERNATIONAL CENTRE FOR SETTLEMENT OF INVESTMENT DISPUTES
MULTILATERAL INVESTMENT GUARANTEE AGENCY

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Statement by the Hon. **DANIEL DORSAINVIL**,
Governor of the Bank for **HAITI**,
at the Joint Annual Discussion

**Statement by Mr. Daniel Dorsainvil,
Governor of the Bank for Haiti,
at the Plenary Session**

Mr. Chairman,
Governors,
Mr. President of the World Bank,
Mr. Managing Director of the International Monetary Fund,
Ladies and Gentlemen:

It is a pleasure for me to echo the sentiments of my colleagues who preceded me at the podium in congratulating, on behalf of the Haitian delegation, the Secretariats of the Bank and the Fund, for the unequivocal work done to ensure the success of this year's Annual Meetings of Governors, as they have done in previous years.

One year ago, we were able to view the future, at least the near future, with a certain degree of optimism. Of course, we could not, and did not, anticipate the various shocks with which we have been hit during the past fiscal year, namely, price hikes, a food crisis, five months of political uncertainty, a succession of natural disasters that have had a devastating effect on several regions in our country and, at the moment, the financial crisis. Faced with these shocks, like many other countries, we have had to revise downward our growth objective for the year 2007–2008, from 4 percent to 1.5 percent.

Last year, while we could not have seen all that lay ahead, in congratulating Mr. Dominique Strauss-Kahn on his new position, we did emphasize the importance of reforms in the context of the role of the Fund in low-income countries. Furthermore,

while commending the decision of the World Bank Group to allocate US\$3.5 billion to the poorest countries, we stressed the need to review the criteria for granting resources to post-conflict countries, given that access to resources based on past performance is punitive.

Last year, we expressed regret over the fact that the damage sustained by Jamaica as a result of Hurricane Dean had brought to the fore the existence of conditions and criteria that are impeding disbursement of resources under the Caribbean Catastrophic Risk Insurance Facility. The partial assessment of the catastrophes in Haiti points to close to 800 deaths, 310 missing persons, approximately 200,000 families affected by the disaster, and damage to 110,000 homes. This year, we are expressing the same reservations, in even stronger terms, with regard to our situation. That said, we wish to express our gratitude to the Bank and Fund, as well as to all partners here present, for the support shown to my country when it was put to the test.

While we view reform of the IMF's Exogenous Shocks Facility as a step in the right direction, we deem it inadequate. We reiterate our call to strengthen the reforms pertaining to the Fund's role in low-income countries. More specifically, we call on the IMF to take the steps necessary to ensure that low-income countries continue to benefit from the full amount of technical assistance they require. This concern is justified by the new contribution policy of member countries to financing assistance in this area.

We are cognizant of the Bank's efforts to boost available resources for Haiti. However, given the challenges that we have to tackle, we must point out that an IDA allocation of US\$70 million over a three-year period remains small in relation to our

work in the areas of development and poverty reduction. At this juncture, we reiterate our call for additional resources.

Mr. Chairman,

Governors,

Dear Friends,

The tremendous loss of human life and physical capital heavily undermines growth and poverty reduction and leads to greater financing needs. We must provide urgently needed assistance to victims, rebuild our infrastructure, safeguard our environment, rebuild our capital, and restore our productive capacity to pre-disaster levels. National recovery and reconstruction efforts are being curtailed by the paucity of domestic resources. The Government recently managed to mobilize resources on the order of US\$200 million to begin the recovery process. However, the reconstruction effort requires much more resources. With the assistance of the World Bank, the European Union, UNDP, IDB, and other partners, we have undertaken a needs assessment process, which should soon allow us, in light of recent events, to adjust the sectoral action plans of our Growth and Poverty Reduction Strategy (GPRS). Haiti maintains a committed and steadfast position with respect to medium- and long-term objectives in the areas of development and governance.

Governors,

Notwithstanding these many shocks, Haiti continues to implement the reforms undertaken in the context of its financial program supported by the Poverty Reduction and Growth Facility (PRGF), and is making strides toward achievement of the

completion point under the Heavily Indebted Poor Countries (HIPC) Initiative. Fiscal Year 2008–2009, which started this month, marks the third year of the PRGF, and we expect to reach the completion point in 2009. However, the challenges are daunting.

The Government nevertheless intends to forge ahead with the reconstruction of the country and is calling for the support of its partners to successfully carry out this undertaking.

Thank you for your attention.