

# HAITI

## AND THE INTER-AMERICAN DEVELOPMENT BANK GROUP

JANUARY 2011  
FACT SHEET

- The Inter-American Development Bank disbursed a record \$177 million in grants to Haiti in 2010, including outlays for school reconstruction, budget support and other basic services. The IDB's disbursements were the most of any multilateral source of assistance to Haiti since the tragic earthquake on Jan. 12, 2010. Disbursements in 2009 totaled \$132 million.
- The IDB provided additional non-reimbursable technical cooperation grants for \$6.5 million, including \$1.5 million for improving child survival and for social safety net programs. Haiti obtained a further \$17 million in disbursements from the Canadian government, the EU and OPEC through IDB-run projects. All together, IDB grants, technical cooperation grants and third-party disbursements add up to \$ 199.5 million for Haiti in 2010.
- The IDB disbursements breakdown for 2010 is as follows:

Sector	2010 Disbursements
Agriculture	8,651,280
Basic Infrastructure	8,054,651
Budget Support	50,000,000
Education	19,566,281
Energy	2,633,129
Health	1,126,732
Institutional Capacity	1,308,892
Natural Disasters	1,936,937
Transport	63,469,721
Urban Rehabilitation	6,512,908
Water & Sanitation	13,601,853
<b>Total</b>	<b>176,856,384</b>
- The IDB in the coming weeks will disburse a \$15 million emergency grant to help Haiti fight cholera. The Bank's anti-cholera operation is coupled with a \$5 million donation from Spain for a total grant of \$20 million.
- The IDB approved an unprecedented \$251 million in grants for Haiti in 2010 (this should not be confused with the total disbursements cited above), compared with approvals of \$122 million in 2009.
- In addition to its unprecedented disbursement of grants, in 2010 the IDB agreed to cancel Haiti's pending debt of \$484 million to the IDB, and converted undisbursed loan balances of \$144 million into grants. Since 2007, Haiti has received only grants from the IDB, the largest multilateral donor to Haiti.
- Going forward, the IDB has pledged to provide \$200 million in grants annually to Haiti through 2020, plus an additional one-time allotment from the Fund for Special Operations of \$137 million. This brings the total support for Haiti's reconstruction and development through 2020 to over \$2.3 billion
- The IDB has been working with the Interim Haitian Reconstruction Commission (IHRC) co-chaired by President Bill Clinton and Prime Minister Jean-Max Bellerive. In coordination with the international community, the IDB is focusing on six of the 14 priorities identified in the Haitian national development plan: education, agriculture, water and sanitation, transportation, energy and private sector development.
- The IDB has almost 50 persons working full-time on Haiti, both in country and in IDB headquarters in Washington, DC.
- The IDB has also provided resources to help rebuild Haiti's institutions to help the country embark on a self-sustained growth path in the future. For instance, the IDB is strengthening DINEPA, the national water authority. This institution plays an important role in the anti-cholera program through the water chlorination programs as well as the purchase and distribution of water purification tablets and soap. This work will continue in the future with resources from the Bank's anti-cholera grant.
- The IDB has also redirected funds for reconstruction work. For example, a \$17 million grant for school construction has been used to replace schools that were destroyed by the earthquake.
- In November the Bank made its first \$50 million grant to support the implementation of Haiti's education reform plan. The Bank's commitment is to provide \$250 million for education over five years.
- A \$286,860 grant from the Republic of Korea, channeled through the Korean Fund for Poverty Reduction administered by the IDB, will finance the construction of 150 temporary houses for families left homeless by the earthquake.

## Private sector support

- The IDB is looking at several private sector deals in Haiti, including several hotel projects.
- A \$20 million grant from the IDB will help Haiti establish a partial credit guarantee fund to facilitate the restructuring of loans to businesses affected by the earthquake. The program, which will be run by the Banque de la République d'Haïti's Industrial Development Fund, will enable banks and credit unions to restructure loans and provide additional financing to viable companies that suffered damages or losses due to the earthquake and face difficulties in servicing their current loans.
- In August of 2010, a diverse group of stakeholders announced the signing of a Memorandum of Understanding (MOU) to cooperate and collaborate on activities intended to create thousands of formal jobs through the development of a globally competitive industrial park and major manufacturing operations in Northern Haiti. The Ministry of Economy and Finance of Haiti, Hansoll Textile Ltd (Korea), the IDB, and the United States Department of State participated in the MOU.
- The Haiti Hope project seeks to boost the incomes of at least 25,000 rural families by focusing on the mango value chain, establishing a model for improving agricultural productivity in Haiti. The IDB, through its Multilateral Investment Fund (MIF), is providing a \$3 million grant for the project. In addition, USAID is contributing \$1 million, the Coca Cola Company \$3.5 million and the Clinton-Bush Haiti Fund \$500,000. Haiti has strong potential to become a significant exporter of tropical produce.
- The Carifresh fruit packing plant in Haiti is receiving financial support from the Inter-American Investment Corporation (IIC) and the MIF, two member of the IDB Group. Using its revolving line for small businesses, the IIC gave the company a \$300,000 loan in 2009 to upgrade its facilities and expand its working capital. Through its Social Entrepreneurship Program, the MIF approved a \$450,000 loan to finance Carifresh's plan to develop its own mango grove and a \$250,000 grant to start a program that will provide technical assistance to the small growers who supply most of the fruit it exports.
- The IDB, in partnership with Microsoft Corporation and Infusion, is helping the Haitian government launch a technology platform to provide secure communications, host critical information systems and recover key databases lost in the earthquake.
- The IDB's MIF launched a program to relieve microfinance institutions of their earthquake-impaired loans. The Clinton-Bush Haiti Fund and other foundations are contributing to this program, which will benefit a system with 130,000 borrowers.
- The IIC of the IDB group will manage a Social Investment Fund to expand credit for SMEs. At present, most corporate lending is concentrated in a few large clients. The fund will act as a second-tier lender for banks willing to finance SMEs. The Government of Spain has contributed €40 million and the IDB will approve in early 2011 a complimentary Business Development Services grant operation for \$11 million.
- The IDB is working with the NGO Un Techo Para Mi País (Spanish for A Roof Over My Country), which builds temporary homes, to build thousands of shelters. Since they started operations in Haiti, Un Techo has built more than 830 shelters. In the process they began construction in an area known as Canaan, in the northern outskirts of Port-au-Prince, where tens of thousands of displaced people have settled.
- The MIF worked with Fonkoze, Haiti's third largest remittance operator, and the U.S. government to ensure remittances continued to flow immediately following the earthquake to 34 remote villages.