



The World Bank

Latin America and the Caribbean Region

World Bank Group Support for Haiti's Recovery

How has the World Bank Group supported Haiti in the aftermath of the January 12 earthquake?

Since the earthquake, the World Bank Group has helped assess the socioeconomic impact of the tragedy, prepared emergency infrastructure, education and community-based projects to assist the people of Haiti, and provided emergency funding to the private sector. The Bank also cancelled in May 2010 all of Haiti's remaining debt.

What role did the World Bank play in the Post-Disaster Needs Assessment?

The World Bank played a leading role in coordinating the Post-Disaster Needs Assessment (PDNA), along with the United Nations, the European Union and the Inter-American Development Bank. The PDNA is the only comprehensive post earthquake damage and loss assessment and is the foundation for designing the reconstruction strategy.

Does the World Bank provide loans to Haiti?

All World Bank funding to Haiti has been in grant form since mid-2005.

Does Haiti owe any debt to the World Bank?

In May 2010, the Bank cancelled all of Haiti's outstanding debt to the International Development Association (IDA), a total of US\$39 million. Haiti now has no further amounts payable to the World Bank.

How much money has the World Bank Group allocated to Haiti since the earthquake?

To help Haiti recover from the January 12 earthquake, the World Bank Group has pledged US\$479 million through June 2011. Of this amount, more than half has already been made available:

- US\$106 million in new resources from the International Development Agency (IDA) and trust funds have been approved to support reconstruction and development projects;
- US\$55.5 million from IDA have been spent in support of social and emergency reconstruction needs since January 2010; and US\$42.5 million provided in budget support;
- US\$39 million, Haiti's full debt to the World Bank, have been cancelled; and
- US\$49 million have been made available by the Bank Group's private sector arm, the International Finance Corporation (IFC), to support Haiti's private sector, which has also disbursed US\$7.6 million since the earthquake.

What are some concrete results of the World Bank's post-disaster support to Haiti?

- Offices were acquired and equipped for the Ministry of Economy and Finance and Tax Office (over 500 staff), enabling the Ministry to function and revenues to be collected.
- More than 200,000 buildings have been assessed for structural damage.

- Around 90,000 cubic meters of trash and debris were removed from key drainage canals in Port-au-Prince, reducing flood risk for temporary camps in the capital.
- 50,000 solar lanterns were purchased and distributed, increasing safety and reducing fire hazard and benefiting more than 200,000 people.
- A transfer of US\$3 million to the World Food Program has helped provide supplementary food to 200,000 children aged 6-23 months, while US\$1 million to the Pan-American Health Organization has supported basic health care services to pregnant and lactating women and children from 0-24 months.
- 140,000 children are being funded to attend school, and 50,000 children in more than 1,200 schools are receiving a hot meal every day.
- Six water supply systems were completed, benefiting 37,000 people in rural communities in the South, which are struggling to absorb the exodus from the capital.

What support has the International Finance Corporation (IFC), the private sector arm of the World Bank Group, provided to Haiti?

Since the earthquake, IFC approved 7 projects for US\$49.6 million, US\$7.6 million of which have been disbursed since the earthquake. Three of these projects for US\$14.3 million in the garments, hotels, and mining industries, are already under implementation, in addition to a trade finance guarantee facility and a 30 MW energy project approved prior to the quake. These investments are expected to support 5,000 existing jobs, create close to 5,000 new employment opportunities, and create strong demonstration effect.

IFC also completed the structuring of the international bidding process for TELECO, which is bringing the country's largest foreign direct investment since the earthquake—a US\$100 million investment by Vietnam's biggest mobile telephone operator, Viettel—to expand telecommunications services in Haiti. Other advisory activities are ongoing in the infrastructure, investment generation, capacity building to small businesses, and access to finance areas.

What is the relationship between the World Bank and the Haiti Reconstruction Fund?

At the request of the Government of Haiti, the World Bank established the Haiti Reconstruction Fund (HRF) in March 2010, in partnership with the Inter-American Development Bank and the United Nations. The World Bank is also the Fund's trustee.

Donors pledged about US\$500 million to the HRF in March in New York. To date, five donors have confirmed their pledges for a total of US\$99 million, of which US\$67 million have been received.

The HRF is one of several sources of post-earthquake reconstruction financing. The bulk of the resources pledged to Haiti at the March 31, 2010 donor conference (US\$5.3 billion) will likely flow through bilateral donors and NGOs, and not through the HRF.

The Government, through the Interim Haiti Recovery Commission, sets the HRF's priorities and approves all requests for HRF financing, while the Haitian Minister of Finance Ronald Baudin chairs the HRF's Steering Committee.

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