

## **Haiti Emergency Response Press Call**

January 13, 2010

**OPERATOR:** Thank you for standing by. At this time, all participants are on a listen-only mode. To ask a question during the question and answer session, you may press star one on your touchtone phone.

Today's conference is being recorded. If you have any objections, you may disconnect at this time.

Now, I will turn the call over to Ms. Amy Stillwell.

Amy, you may begin.

**MS. STILLWELL:** Hi, everybody, this is Amy Stillwell from the World Bank. Thanks for joining us. I'm sorry for the delay.

Yvonne Tsikata, World Bank Country Director for the Caribbean, will brief you on the World Bank's response to yesterday's earthquake in Haiti.

Yvonne's first name is spelled Y-V-O-N-N-E. Her surname is spelled T-S-I-K-A-T-A.

After her statement, Ms. Tsikata will take a few questions. This is a moderated call. Your questions will be answered in turn.

And if you could, please identify yourself and your organization before asking your question.

This call will be on the record unless otherwise noted.

Ms. Tsikata, please go ahead.

**MS. TSIKATA:** Thank you, Amy. Thank you, all.

As you know, given the earthquake yesterday and the aftershocks which themselves were quite significant, the World Bank is today announcing increased financial assistance and emergency grant support to Haiti to the tune of \$100 million. This is just one aspect of the support we expect to provide to the country.

In addition to the \$100 million in financial assistance, we also expect to work with other development partners to help the Government of Haiti assess the nature, the scope of the damages. We will work in particular with the UN to do what we call post-disaster needs assessments, an established methodology, and this will help us prioritize areas with the government where the need is greatest, and the Global Facility for Disaster Reduction and Recovery has allocated \$250,000 for this assessment.

In terms of the timing of this assessment, obviously, at this point, we are very much still in the recovery--search and recovery mode, and we will have to let that run its course and then, in discussions with the government, find out when is the most appropriate time. We would like to go as quickly as possible.

And then, thirdly, we also want to use our existing projects. We have a number of projects that are quite nimble where we are very close to the population such as some of the community-driven development

projects, our education projects where we have school feeding, school reconstruction. These are all areas that we feel we can leverage our existing work quite quickly.

The key criteria we'll be looking at is speed, responsiveness, and effectiveness in terms of using existing projects.

Our private sector wing, the International Finance Corporation, has in the past two years been working quite closely with the Haitian private sector to identify opportunities to investment. They've already started talking to Haitian clients to find out how they can be helpful in this response. We expect that the private sector will be quite critical in this recovery effort.

Finally, looking forward to the medium term, we are using an idea of special trust funds for Haiti, a Haiti reconstruction fund, and this is something that we have done before. We did it after Hurricane Mitch in Central America. It is a way to bring together several development partners in a coordinated fashion to respond to what are really quite exceptional needs that we anticipate.

**MS. STILLWELL:** Okay. We're ready for questions.

**OPERATOR:** Thank you. If you'd like to ask a question, please press star one. To withdraw your request, please press star two. Once again, to ask a question, please press star one.

One moment, please.

Our first question comes from Harry Dumphies [ph.].

Your line is open.

**QUESTION:** --a release says an additional \$100 million in emergency grant funding. Additional to what? I mean, what is the effective sum that they're getting now?

**MS. TSIKATA:** Right now, since 2005, we've provided about \$308 million and also \$55 million in trust funds. So, this would be additional to all of that, what had been already programmed.

**QUESTION:** Okay.

**OPERATOR:** Our next question comes from Caesar Minows [ph.].

Your line is open.

**QUESTION:** Yeah, thank you.

I wondered if you can tell us about how will the money be disbursed. I mean, will this money be available immediately and what kind of projects or how will it be spent?

Thank you.

**MS. TSIKATA:** The focus of the allocation of the funds will of course very much depend on the government's priorities. Typically, in these sorts of emergencies, to give you an example, we've done rapid response budget support, for example. It's a quick way to get funds to the government for them to be able to purchase things that they need. So, that's one way of doing it.

The other way is working through existing projects that are using money effectively. Again, that's a quick way of getting the money out because you don't have to start from scratch and design something.

The actual nature of the project will be very much in consultation with the Government of Haiti.

**OPERATOR:** Once again, to ask a question, please press star one.

Our next question comes from Sadrine Othello [ph.].

Your line is open.

**QUESTION:** Yes. Hi, I'm Sadrine from Bloomberg.

I know it's very early. I just wanted to know if you have any estimate of the economic damage on the country and how severe a setback it is on the efforts to reduce poverty there.

And the second question is, I don't exactly how you're going to send any help. Are the roads with the Dominican Republic open or is it by air and--concretely, how it's going to happen. Thanks.

**MS. TSIKATA:** Thank you.

On your first question, you are right, it is early days. I think the only point of reference we can refer to is the 2008 period when we had the four hurricanes and tropical storms. At that time, the cost to the Haitian economy was 15 percent of GDP. That was a much more localized disaster. This affected a larger geographic section of the country. So, at least 15 percent of GDP, gross domestic product, is what we're looking at, but it is too early to get the full picture of what the true economic damage is.

In terms of how we get our support to them, our support is same-site budget support; it's not physical things, right? It's actually financial resources. I don't have a good sense of what the roads are closer to the Dominican Republic border. We have some staff from our Dominican Republic office that are heading out to the border in conjunction with the UN family. So, we should have some reports, accurate reports, of what the situation is like inside the DR near, towards the border.

**OPERATOR:** Our next question comes from Lesley Wroughton.

Your line is open.

**QUESTION:** Hi, Yvonne. I was wondering if you could just spell out how you're working--currently, how you're working with other donors on getting aid to Haiti. Do you know if there's a special team or a group that's informed already to coordinate that aid?

**MS. TSIKATA:** Well, we have a number of groups that already work closely together. In Port-au-Prince we had a G10 group that was 10 key donors and that translates outside Port-au-Prince as well.

We have been talking with the IDB, the IMF, and there are a number of meetings. In fact, this afternoon, right now, I'm missing the meeting at the Organization of American States, but someone from my staff is there. So, there are a number of opportunities that are already in the works for donors to get together and discuss how we respond cohesively.

**OPERATOR:** Once again, to ask a question, please press star one.

Our next question comes from Caesar Minows.

Your line is open.

**QUESTION:** Yeah, hi. Thank you, again.

I just wanted to clarify something that you mentioned before. I don't think I understood it correctly.

On the sort of economic hit of the disaster, you said that it was at least 15 percent of GDP, right, one-five; correct?

**MS. TSIKATA:** Right. And this is not scientific.

**QUESTION:** Yeah.

**MS. TSIKATA:** What I'm saying is, look at the disasters in 2008, where you had four tropical storms and hurricanes which affected largely the town of Goave, and then look at this hurricane--[inaudible at 00:09:31] affecting a larger section of the country and also, unfortunately, this economic center.

So, my expectation is that the economic cost is going to be higher than the 15 percent that was experienced in 2008.

**OPERATOR:** Our next question comes from Emma Ashburn [ph.].

**QUESTION:** Hi. I just wanted to check, you said that total \$1 million has been allocated or set aside and then 250 is for the--\$250,000 is for the assessment. So, there's an additional \$750,000 that's waiting to go out; is that correct?

**MS. TSIKATA:** No, the additional financing is \$100 million, with an "M" as in Michael.

**QUESTION:** Oh, right. Okay. Sorry. But, so, then, of that, there's 750 that has yet to have been--yet to be disbursed, and that's what you were referring to earlier, the 250.

**MS. TSIKATA:** The \$250,000 grant is additional to the \$100 million.

**QUESTION:** Okay. Thank you.

**MS. TSIKATA:** And I should just clarify one thing. When I talk about the Haiti reconstruction fund, I suspect I may have omitted to mention that the World Bank would be looking to provide seed money to that reconstruction fund.

**MS. STILLWELL:** We have time for one last question.

**OPERATOR:** Our last question comes from Lesley Wroughton.

**QUESTION:** Yeah, a follow-up. I wondered if what--if from what you've seen from reports and heard from people that you talked to, I mean, how expensive do you think the damage is? What would you--I mean, what would you liken it to any other major earthquake that you've seen. And also, how quickly do you

see is there a need to get this assessment done. I mean, one would think that the government is going to take quite a while before they are back in place to make the decisions. I mean, how quickly can you see this assessment happening and the need for it?

**MS. TSIKATA:** In terms of the extent of the damage, Lesley, I'm seeing the same reports you are. Our staff have been restricted to the area close to where our office was. As you may know, many of the roads are impassable. So, it's hard to get a coherent picture. And even on the news, much of the focus has been on Port-au-Prince proper, and so we don't have a good sense of what's happening outside Port-au-Prince.

In terms of how quickly and how necessary is it to get the assessment done, just to say that we have done this assessment in all kinds of situations, pretty bad situations, tsunami situations, et cetera, and the government may not be fully up and running, but there's usually enough there for us to get out there.

And part of the reason it's important for us to get out there in a reasonable amount of time is that, working together with the government, we can start helping to frame where the priorities are so that, as development partners, we can decide where we want to focus our resources. And so, I think this is an important exercise, but the most important thing right now is really for Haitians to do what they're doing, which is doing their utmost to find their loved ones who might still be buried in the rubble and alive. Our hearts go out very much to the Haitian people; this is really a tragedy.

I also want to mention that this was a very exciting year, last year, for us working on Haiti. There was a lot of excitement about private sector development, respect to the Hope Act. The World Bank, particularly the IFC, had facilitated visits by Korean businessmen, Brazilian businessmen. There was a lot of interests in investments, new investments. And so, it is very sad that this has hopefully temporarily been halted, but there was a lot of excitement about how Haiti could really regenerate growth.

**MS. STILLWELL:** Thanks for your time, everybody.

The primary contact for the World Bank on this is my colleague Alejandro Sidenio [ph.], and his number is (202) 473-3477.

Thanks a million. We'll talk to you soon.