

Congress of the United States

Washington, DC 20515

February 4, 2009

Support Debt Cancellation for Haiti

Dear Colleague:


We ask you to join us in sending a letter to Robert B. Zoellick, the President of the World Bank, to urge him to suspend immediately all further debt service payments from Haiti and grant complete debt cancellation to this impoverished nation.

Haiti is faced with urgent humanitarian needs and cannot afford to spend its limited resources on debt service payments. Last year, Haiti was struck by four devastating hurricanes, which caused tremendous loss of life and widespread destruction of infrastructure. Sharp increases in food and energy prices have also led to an escalation of hunger among the poorest sectors of the population. Moreover, Haiti can expect to be severely and negatively affected by the recent downturn in the economy of the United States. Not only are exports to the United States a significant percentage of Haiti's Gross Domestic Product (GDP), Haiti is also heavily dependent on remittances from Haitians living in the United States.


Given these circumstances, we hope you will agree that the people of Haiti would be better served if the government was freed to use its limited resources to address the environmental crisis, improve healthcare, expand access to education, and reform the justice system. Haiti's government has already agreed to use the savings from debt relief for these purposes.


Please join us in urging President Zoellick to suspend immediately Haiti's debt service payments and allow the Haitian government to focus its attention on the needs of its people. The letter is on the reverse. If you have any questions or would like to sign on to the letter, please contact Kathleen Sengstock of Congresswoman Waters' staff at 52201.


Sincerely,


Maxine Waters


Barney Frank


Spencer Bachus


Alcee L. Hastings


Barbara Lee

February __, 2009

Mr. Robert B. Zoellick
President
The World Bank
1818 H Street, NW
Washington, DC 20433

Dear President Zoellick:

We are deeply concerned about the urgent humanitarian needs of the people of Haiti and the difficulties Haiti has faced in qualifying for the cancellation of its debts. We urge you to suspend immediately all further debt service payments from Haiti and grant complete debt cancellation to this impoverished nation.

We were disappointed to learn that Haiti's progress through the HIPC Initiative has been delayed as a result of recent natural disasters, economic shocks, and political developments – together with a number of conditions from the IMF. As of this time last year, Haiti was expected to reach the “completion point” for the HIPC program and receive complete debt cancellation in September of 2008. Now, however, Haiti's expected “completion point” date has been pushed back to as late as July of 2009. We understand that Haiti is scheduled to send approximately \$20 million to the World Bank in 2009. Clearly, this money would be better spent on basic infrastructure and poverty reduction for the Haitian people.

As you recognized when you traveled to Haiti last October, the loss of life and the destruction of infrastructure in Haiti after last year's four hurricanes has been devastating. Sharp increases in food and energy prices have also led to an escalation of hunger among the poorest sectors of the population. Moreover, Haiti can expect to be severely and negatively affected by the recent downturn in the economy of the United States. Not only are exports to the United States a significant percentage of Haiti's Gross Domestic Product (GDP), Haiti is also heavily dependent on remittances from Haitians living in the United States.

Given these circumstances, we feel that the people of Haiti would be better served if the government was freed to use its limited resources to address the environmental crisis, improve healthcare, expand access to education, and reform the justice system. Haiti's government has already agreed to use the savings from debt relief for these purposes.

We therefore urge you to grant Haiti complete debt cancellation as soon as possible. In the interim, before such cancellation takes place, we urge you to suspend immediately Haiti's debt service payments and allow the Haitian government to focus its attention on the needs of its people. We appreciate your continuing support for debt cancellation and we look forward to your response.

Sincerely,

cc: The Honorable Timothy F. Geithner, Secretary of the Treasury