

# Congress of the United States

Washington, DC 20515

February 3, 2010

The Honorable Timothy F. Geithner  
Secretary of the Treasury  
Department of the Treasury  
1500 Pennsylvania Ave., NW  
Washington, DC 20220

Dear Secretary Geithner:

We are certain that you share our concern for the people of Haiti in the aftermath of the devastating earthquake that occurred on January 12, 2010.

We are writing today to urge you to support three specific actions that should be a part of the international community's response to this terrible tragedy: (1) the complete cancellation of all remaining debts owed by Haiti to multilateral financial institutions, (2) the suspension of Haiti's debt service payments to these institutions until such time as the debts are canceled, and (3) the provision of additional assistance to Haiti in the form of grants so that the country does not accumulate additional debts.

As you know, in June of 2009, Haiti secured \$1.2 billion in debt cancellation from its major creditors when it reached the completion point in the Heavily Indebted Poor Countries (HIPC) Initiative. This was a critical step forward. But even after this relief, Haiti still owes a total of \$709 million in debts to multilateral financial institutions, including \$447 million to the Inter-American Development Bank (IDB), \$165 million to the International Monetary Fund (IMF), \$39 million to the World Bank, and \$58 million to the International Fund for Agricultural Development (IFAD).

We welcome recent statements from officials at the multilateral financial institutions of their intentions to consider cancellation of Haiti's remaining debts. We urge you to use the voice and vote of the United States on the Executive Boards of these institutions to secure cancellation of all of Haiti's remaining multilateral debts. While arrangements are worked out for cancellation, we urge you to support a moratorium on debt service payments from Haiti to these institutions, without the accrual of interest.

We also welcome the pledges of additional financial assistance from international governments and multilateral financial institutions, as it is critical that all available resources be delivered to Haiti as quickly as possible. However, we urge that all assistance be in the form of grants instead of new loans.

Specifically, we strongly urge you to work to ensure that the \$100 million loan offered to Haiti by the IMF be provided on terms comparable to a grant and without onerous conditions. We are encouraged by IMF Managing Director Dominique Strauss-Kahn's recent statement that the IMF intends to work to cancel all of Haiti's debts including this new loan. We urge you to work with the IMF and the other multilateral financial institutions to make this happen.

Debt cancellation will allow the Government of Haiti to use its meager resources for essential humanitarian relief, reconstruction and development efforts. We thank you for your consideration of our views on this critical issue.

Sincerely,

Stephen W. Weber

Charles R. Peterson

Donald M. Payne

Bill Oke

Barbara Lee

Barry Cuck

Gregory W. Marks

Elvin L. Engel

Nydia M. Velazquez

Ed Pastor

Ruben Hernandez

Tammy Baldwin

Amforold. B. Binkoff

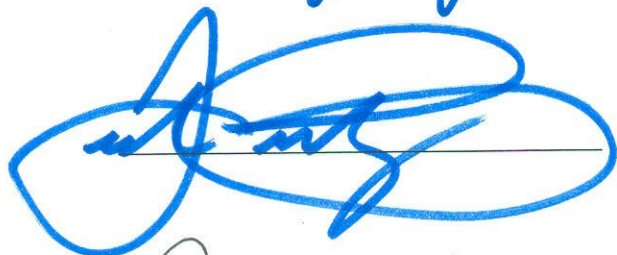
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Salomon Wang

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