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November 16, 2016

**Statement by Mr. Alogeel and Mr. Rouai on Haiti
(Preliminary)
Executive Board Meeting
November 18, 2016**

1. At the outset, we would like to convey to the authorities and people of Haiti our sincere condolences and profound sympathy for the loss of lives and severe damages caused by Hurricane Matthew. We support the authorities' request for emergency financial assistance under the Rapid Credit Facility (RCF) and we hope that Fund financing will catalyze additional donors' support.
2. We regret that Haiti could not avail itself of the available financing under the 2015 ECF since the arrangement went off track shortly after its approval by the Board. We are also concerned by a number of developments detailed in the staff report, including the political uncertainty, the deterioration in Haiti's debt dynamics and the revision of risk of debt distress from medium to high, and the limited progress in addressing the priority recommendation of the safeguard assessments. *In this regard, we would appreciate staff clarifications on the reasons behind the delay in approving the FY2016/17 budget by Parliament.*
3. While the authorities should rightly focus on addressing the urgent humanitarian and reconstruction needs caused by the hurricane, we encourage them to pay careful attention to staff recommendations to maintain fiscal discipline and avoid recourse to non-concessional external borrowing in order to restore debt sustainability.
4. *Finally, we would appreciate staff clarification why the authorities are not drawing on their reserve tranche position, amounting to SDR 20.5 million, particularly in this emergency situation.*

With these comments, we wish the authorities all the success.