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November 16, 2016

**Statement by Mrs. Erbenova and Mr. Gokcen on Haiti  
(Preliminary)  
Executive Board Meeting  
November 18, 2016**

Haiti is prone to natural disasters and Hurricane Matthew, which struck this fragile state in October, has taken an additional heavy toll on the infrastructure, agricultural production and private property, aggravating the already dire conditions and leaving millions of people in need of urgent assistance. We convey to the authorities and people of Haiti our deep condolences for the loss of lives and destruction caused by the hurricane. Continued international support will be vital for Haiti to fund the restructuring efforts and we call on the international community to act promptly. Taking into account the urgent balance of payments (BOP) needs and the catalytic role of the Fund's engagement for stimulating donor assistance, **we support the Haitian authorities' request for emergency financial assistance under the Rapid Credit Facility (RCF).**

In their Buff statement, Mr. Tombini and Ms. Florestal suggest the Fund considers the possibility of a second RCF operation in the first quarter of 2017. *We wonder whether such a request can be accommodated in light of the elevated BOP needs and risk of debt distress.* Irrespective of whether such a request is forthcoming, we encourage the authorities to establish a policy track record through a Staff Monitored Program which would enable Haiti to engage in an Upper Credit Tranche (UCT) program. More importantly, once an UCT arrangement is initiated, the authorities should secure strong ownership of the program's conditionality and policies.

The Haitian authorities' commitment to refrain from an accumulation of arrears, contracting of non-concessional debt as well as monetary financing of the fiscal deficit is encouraging. We also welcome the intention to provide frequent updates on the post-hurricane expenditures—an essential element of transparency and capital budget monitoring. We would like to call on the authorities to address the gaps identified in the safeguards assessment and implement the priority recommendations, making appropriate use of Fund technical assistance, to reinforce the confidence of their development partners.