

BUFF/20/4

January 17, 2020

**Statement by the Staff Representative on Haiti
Executive Board Meeting
January 24, 2020**

This statement provides information that has become available since the staff report was finalized. This information does not alter the thrust of the staff appraisal.

- 1. Dissolution of parliament.** It was not possible to hold parliamentary elections by end-October 2019 as programmed due to failure to approve a new electoral law, the absence of a budget, and no agreement on the composition of the Provisional Electoral Council. As a result, President Moïse declared that the mandates of all deputies in the legislature and two-thirds of the senate had formally expired on January 13th, leaving the country without a legislative body and creating what he called an "institutional void". However, there is disagreement regarding the number of departing senators and the term of their mandate as determined by the constitution. Pending acceptance by these departing senators that their mandate has ended, and based on precedent, it is understood that the president would rule by decree. The next presidential election is due in early- 2022.
- 2. Anti-government protests.** Public demonstrations waned towards the end of 2019 and schools and businesses have re-opened. Employees of the Haitian Institute of Statistics (IHSI) have been on strike since October 2019 to protest the dismissal of the head of the institution, halting its activities and the publication of economic indicators.
- 3. Fiscal policy.** Staff have received no indication that the authorities have prepared or published a notional budget for FY2020, as recommended by staff (to guide fiscal policy and assist with programming expenditures and cash management). President Moïse announced on January 13th that he would allocate the 2020 salaries of the departed senators and deputies, which he valued at 1.16 billion gourdes (US\$11.7 million), to build 10 schools.
- 4. Food insecurity.** The WFP reports that 3.7 million people in Haiti (one in three) need food assistance, while the UN Humanitarian Affairs Office (OCHA) warned that this number could reach 4.2 million by March, with some 1.2 million likely to experience "emergency levels". The deterioration in food security has been driven by supply disruptions related to social unrest during 2019, high inflation and depreciation of the gourd against the U.S. dollar, and a drought in 2018 that lasted until mid-2019 and led to a decline in agriculture production by about 12 percent in many parts of the country.