

**World Bank Pledges Half Billion US Dollars for Haiti Over 14 Months
Bank Will Also Fiscally Manage Multi-Donor Haitian Reconstruction Fund**

WASHINGTON, March 31, 2010: The World Bank Group announced today that US\$479 million will be available to support Haiti's recovery and development through June 2011, including the total cancellation of the remaining World Bank debt. The Bank also confirmed that it will be responsible for the fiscal management of the multi-donor Haitian Reconstruction Fund.

Of the total US\$479 million, US\$250 million is new funding. It includes US\$151 million in grants, a US\$39 million write-off from cancelling Haiti's remaining debt to the Bank and US\$60 million in investments from the Bank's private sector arm, the International Finance Corporation (IFC).

"This is a chance to do things differently. We can create a better future for Haiti but we need long-term commitment and a new partnership. It's not just about how much money is raised, it's about delivering real results on the ground for the Haitian people through good governance and effective cooperation by donors," said World Bank Group President Robert B. Zoellick.

On the strength of its global experience, the World Bank has been called upon to serve as fiscal agent for the Haiti Reconstruction Fund set up by the Government of Haiti and donors.

The Fund will enable all partners, including bilateral donors, the Inter-American Development Bank and the United Nations to work in a coordinated, transparent and efficient manner taking into account the Government's priorities.

"The Bank's experience in Aceh, Indonesia, after the tsunami will help us manage the Haiti Reconstruction Fund on behalf of the Haitian people and donors. Our controls and procedures will help ensure that funds are tracked. And by pooling their resources in a single fund, donors will greatly reduce the burden on the Government of Haiti," added Zoellick.

Fourteen donor countries" Belgium, Canada, Germany, Finland, France, Ireland, Italy, Japan, The Netherlands, Norway, Spain, Sweden, Switzerland and the

United States” have pledged to provide an additional US\$39 million to cancel Haiti's remaining debt to the Bank.

“The quick and generous efforts of these 14 donors have freed us to focus fully on supporting Haiti’s reconstruction needs,” Zoellick said.

Background

The World Bank Group’s focus is on reconstruction, rather than disaster relief. Since the earthquake, the World Bank has redeployed existing projects on behalf of the Haitian people, providing 70,000 school meals a day, as well as small-scale projects through which communities are clearing rubble and starting to rebuild for themselves.

The Bank Group’s private sector arm, the International Finance Corporation (IFC), expects to invest approximately \$150 - 200 million over the next five years in priority sectors for growth, such as the financial sector, infrastructure, logistics and manufacturing and services.

The new funding, through June 2011, is aligned with the Government’s priorities in a post-quake scenario which includes rebuilding infrastructure, reducing vulnerability to future disasters, creating economic opportunity outside of Port-au-Prince and strengthening the Haitian state. Haiti’s new plan will be presented at the International Donors Conference Towards a New Future for Haiti in New York today March 31, 2010.

Funding beyond June 2011 is largely dependent on donor decisions in financing the next replenishment of the International Development Association (IDA16). IDA provides grants and long-term loans without interest to the 79 poorest countries. Zoellick urged donors to make a special allocation to Haiti as part of IDA16.

Earlier this month the World Bank Board of Directors approved a US\$65 million IDA grant, prepared under accelerated emergency procedures, to finance the reconstruction of transport infrastructure and help re-establish core government functions. Meanwhile, the IFC Board of Directors authorized a US\$35 million program of emergency investments in six companies to help them resume

operations, rebuild infrastructure, re-establish critical supplies and services, and support access to credit for micro, small and medium-sized enterprises. The U.S. \$65 million is the first installment of the Bank's emergency assistance of U.S. \$100 million pledged right after the earthquake struck.