

expenditures could not be postponed. In the specific case of the bonus, the expenditure had been budgeted, engaged and made public since the beginning of September.

We think it important also to note that the data now before us confirm that September revenues, adjusted as is done with each month's preliminary figures to include late-reported revenues collected in cities and towns outside Port-au-Prince and at provincial ports, were significantly higher than the preliminary data on which yesterday's decision seems to have been based. These additional revenues include:

- G25 million in customs receipts at Malpasse (on the Haiti-Dominican Republic border)
- G52 million in partial payment of overdue petroleum duties and taxes
- G59 million in domestic tax receipts collected in the provinces
- G29 million in miscellaneous receipts.

You will find attached to this letter the central bank's revised "Tableau estimatif du Financement de la BRH de l'Administration Centrale," and the staffs of both my ministry and of the BRH will be at the disposal of the Fund's Resident Representative and of your headquarters for any further information or clarifications.

We fervently hope that, in the light of the tables referred to above and of the facts and clarifications provided in this letter, it may still be possible for Management to request Board consideration of Haiti's program before next week's Haiti follow-up meeting of donors in Brussels, a meeting obviously of critical importance to the political, social and economic future of Haiti.

Once again, it bears reiterating that the Transitional Government has respected its commitments to the Fund over the past two years, and that as spelled out so clearly in the Letter of Intent addressed to you on October 5, 2005: "(We have always stood ready to) take any further measures that may become necessary" to achieve the objectives of this latest program upon which we had expected to embark with the Fund as of today.

Sincerely,

Henri BAZIN

Attachment: Tableau estimatif du Financement de la BRH de l'Administration Centrale,  
10/14/2005

cc.: Mr. Edouardo LOYO, Executive Director for Haiti  
Mr. Anoop SINGH, Director, Western Hemisphere Department



Press Release No. 05/234  
FOR IMMEDIATE RELEASE  
October 19, 2005

International Monetary Fund  
Washington, D.C. 20431 USA

## **IMF Executive Board Approves US\$14.7 Million in Additional Emergency Post-Conflict Assistance to Haiti**

The Executive Board of the International Monetary Fund (IMF) today approved SDR 10.23 million (about US\$14.7 million) in Emergency Post-Conflict Assistance to Haiti, adding to the SDR 10.24 million (about US\$14.7 million) in IMF Emergency Post-Conflict Assistance provided to Haiti in January 2005 (see [Press Release No. 05/4](#)).

Emergency Post-Conflict Assistance (EPCA) is designed to help IMF member countries with urgent balance of payments financing needs in the wake of armed conflicts.<sup>1</sup> EPCA financing, which can play an important role in catalyzing donor support, is designed to be fast-disbursing but is coupled with IMF policy advice, covering the full range of macroeconomic policies and supporting structural measures, as well as technical assistance.

Following the Executive Board's discussion of Haiti, Mr. Agustín Carstens, Deputy Managing Director and Acting Chair, stated:

“The Haitian authorities have made progress toward restoring macroeconomic stability and implementing structural reforms under the program supported by the IMF’s Emergency Post-Conflict Assistance (EPCA), approved in January 2005. They implemented the 2004/05 budget without net recourse to central bank financing, and tightened monetary policy in the face of the difficult macroeconomic and security situation as well as delays in donor disbursements. Important structural measures implemented include the completion of a census of employment in key ministries and public sector entities, progress toward completing a survey of domestic arrears, and stricter control over discretionary ministerial accounts.

“The government’s program for 2005/06 adequately maintains the focus on preserving macroeconomic stability, enhancing governance and transparency, and increasing spending on infrastructure and social services. At the same time, continued international donor support will be critical for supporting the improvement in security necessary for safe and fair elections and economic recovery.

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<sup>1</sup> <http://www.imf.org/external/np/exr/facts/conflict.htm>.