

12 June 2008

Hon. Minister Christine Lagarde

Hon. Minister Giulio Tremonti,

Hon. Alistair Darling, UK Chancellor of the Exchequer

Hon. Minister Peer Steinbrück

Hon. Minister Jim Flaherty

Hon. Henry Paulson Jr., Secretary of the Treasury

Hon. Minister Fukushiro Nukaga

Hon. Minister Alexei Kudrin

Re: Open letter to G8 Finance Ministers calling for immediate debt cancellation for Haiti

The undersigned civil society organisations from the Group of 8 nations and other European organisations urge all G8 Governments **to support immediate multilateral and bilateral debt cancellation for Haiti** or a moratorium on all debt service payments until such a time as the debt is cancelled.

With food prices on the rise in Haiti and social unrest in the impoverished nation increasing, Haiti can ill afford to make debt service payments of US\$ 58.2 million in 2008.

This amounts to over US\$ 1 million per week and represents scarce funds which could be better spent addressing the current food crisis and helping Haiti recover from years of economic, political and environmental turmoil.

In 2009, Haiti is projected to pay-out US\$ 50.9 million in debt service payments to its creditors. If it does not reach completion point under the Heavily Indebted Poor Countries (HIPC) Initiative, this sum will rise to US\$ 59.6 million. Given current political and social turmoil in the country it is highly likely that completion point under the international debt relief scheme will be delayed. This means that debt cancellation will happen too late for a country that currently cannot afford to feed its own people.

Moreover, much of Haiti's debt was incurred during the dictatorships of the Duvaliers and Haitian citizens benefited little, if at all, from these loans.

In 2006 Haiti owed a total of US\$ 1.3 billion to external creditors. US\$ 1 billion of this is owed to multilateral lenders such as the World Bank and Inter-American Development Bank. In addition Haiti owes bilateral creditors important sums. In 2006, Haiti owed Italy approximately US\$ 70 million; France US\$ 65 million; the United States US\$ 15 million and Canada US\$ 2.6 million. These sums represent

relatively little to some of the world's wealthiest nations but could mean critical investments in the development of Haiti's agricultural, health and education systems could take place.

The G8 are extremely influential within the Board's of the major multilateral financial institutions and should use this influence to call for immediate debt cancellation for Haiti.

In the context of current discussions over the global food crisis, we request your urgent support for immediate debt cancellation for Haiti or a moratorium on all debt service payments until such a time as the debt is cancelled at the forthcoming G8 Finance Ministers meeting on 13-14 June.

Yours Sincerely,

- Alessandra Spalletta, Coordination Europe-Haïti (CoE-H), Belgique
- Anne McConnell, Haïti Advocacy Platform Irlande-RU (HAPI-UK), UK
- Annie Girard, Réseau Foi & Justice Afrique-Europe, France
- Antoine Malafosse, Délégué général, CCFD, France
- Bernard Leray, Trésorier, Collectif Haïti de France
- Charles Arthur, Director, Haïti Support Group, UK
- Chris Bain, Director, Catholic Fund for Overseas Development (CAFOD), UK
- Claire-Lise Zaugg, Plate-Forme Haïti de Suisse, Suisse
- Colette Lespinasse, directrice du Groupe d'Appui aux Réfugiés et Rapatriés (GARR), Haïti
- Daleep Mukarji, Director, Christian Aid, UK
- Delanoue Muriel, chargée de projets Haïti de « Développer Former Informer (DEFI), France
- Eddy Genese, Promoteurs Objectif Zerosida (POZ), Haiti
- Franck BARRAU, Secrétaire Général de « Droits de l'homme et gouvernements locaux », France
- Fraser Reilly-King, Halifax Initiative, Canada
- Gail Hurley, Policy Officer, European Network on Debt and Development (EURODAD)
- Greet Schaumas, chargée de programme Haiti à Broederlijk Delen, Belgique
- Gudule Boland, desk officer for Haïti at Solidaridad, Nederland
- Janine Bardonnnet et Serge Petit, Solidarité Laïque, France
- Jean Merckaert, Coordinateur de la plate-forme Dette & Développement, France
- Jeremy Hobbs, Directeur, Oxfam International
- Joseph Maxime RONY, Secrétaire Exécutif du Programme pour une Alternative de Justice, PAJ, Haïti
- Lizzette Robleto Gonzalez, Regional Advocacy Coordinator (LAC), Progressio, UK
- Mathilde Bossard, chargée de projets de « Les Anneaux de la Mémoire », France
- Michèle Demerliat, Solidarité Laïque pour la Haute-Vienne, France
- Neil Watkins, Coordinator, Jubilee USA Network, USA
- Paul Chitnis, Chief Executive, Scottish Catholic International Aid Fund (SCIAF), UK
- Raphael Yves-Pierre, Director Action Aid Haïti
- Sarah Williams, Policy Officer, Jubilee Debt Campaign, UK
- Serge Petit, Solidarité Laïque, France
- Stéphane Compère, Chargé de mission Amérique latine au CNCD-11.11.11, Belgique
- Suzanne Loisselle, directrice de L'Entraide missionnaire, Montréal, Québec
- Xavier Jadoul, chargé de projets Haïti à Entraide et Fraternité, Belgique