

RELEASE IN  
PART B5,B6

**From:** Mills, Cheryl D <MillsCD@state.gov>  
**Sent:** Monday, July 23, 2012 9:50 AM  
**To:** H  
**Subject:** FW: URGENT Re: AP article - Merten's op-ed is out

**From:** Hammer, Michael A  
**Sent:** Monday, July 23, 2012 9:25 AM  
**To:** Mills, Cheryl D; Smith, Eileen W; Ramsey, Wanda C (PACE); Williams, Stacy D; 'caitlin.klevorick'  
**Cc:** Shah, Preeti V; Haiti Office Collective; Helmer, Kendra (LAC/HTT); Arbesu, Arnaldo; Warnholz, Jean-Louis; Clark, Janice E (PACE)  
**Subject:** Re: URGENT Re: AP article - Merten's op-ed is out

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Ken's op-ed was published in Miami Herald today:

Miami Herald

Posted on Mon, Jul. 23, 2012

A new day in Haiti

BY AMBASSADOR KENNETH MERTEN

<http://www.state.gov/p/wha/ci/ha/index.htm>

I've had the pleasure of spending three tours in Haiti. My first was in 1988, when the State Department assigned me here as a junior officer. I have since returned to the embassy in 1998 focusing on the economic and commercial sectors and in 2009 to serve as ambassador. Over the course of my 25 years working on Haiti, I accompanied the Haitian people through an earthquake, a major humanitarian relief mission, three coups d'état, two hurricanes, one embargo and at least four elections.

When I returned as ambassador, I spoke with Haitians about the importance of respect, partnership and responsibility — all central to the United States' relationship with Haiti. I shared how Secretary of State Hillary Clinton made Haiti a foreign-policy priority at the outset of her term and about our commitment to help the Haitian people and government realize their vision of a more prosperous country. I also spoke of the U.S. commitment to a new, and fundamentally different, approach that we would be taking.

In the past, our assistance did not always yield sustainable results, but moving forward we would shift from aid to investment — from what America can do to what the Haitian people want their partners, like America, to do, which is critical for Haiti to thrive.

For months we worked closely with the government to devise a strategy for the bulk of our developmental assistance to go to four priority sectors: agriculture, governance and the rule of law, infrastructure, and health.

We have leveraged the unique capabilities of U.S. government agencies and are working as one team to dramatically improve results. We are training Haitian police officers, helping increase agricultural productivity, building feeder roads, establishing sustainable health systems, building thousands of hurricane resistant shelters, and repairing and expanding access to electricity. These investments and programs will help Haiti build a strong foundation for future development.

We know that real, transformative change in Haiti — like countries around the world — can only come through private sector investments driving job creation and providing tax revenue. This was the case on my first day as ambassador and remains true today. When people have jobs they have the dignity that comes from being able to choose how they provide for their families and the freedom to make their own choices.

When the government has more revenue, it can fund better schools, hospitals, and roads, and police officers to keep Haiti's streets safe. President Martelly has made economic development — inside and outside Port-au-Prince — a priority.

As I leave Haiti, I am encouraged. Haiti has reported a 21-percent increase in foreign direct investment since 2010. In the north, I saw the completion of the first factory buildings and modern power plant at the Caracol Industrial Park. There is palpable enthusiasm in the community for the jobs this park will bring, adding more factories over the coming months and years. Anchored by a \$78 million investment from Korean apparel manufacturer Sae-A Co., Ltd., the park has the potential to create more than 60,000 jobs.

Its second tenant, Haitian paint company Peintures Caraibes, just signed a lease that will allow it to expand operations by opening a second factory that will ultimately create hundreds of jobs. But, the park is only part of the development across the northern corridor. Investments in agriculture and reliable electricity, the construction of a new port, schools, health clinics, and hospitals will fuel additional investments and open new domestic and foreign markets to farmers.

I am proud that the work we have done, and continue to do, helps Haitians build a stronger foundation for a prosperous future. My time as ambassador has given me a front row seat to history and has allowed me to be a part of a new chapter in Haiti's story. I will not think of Haiti as a country that faced unimaginable devastation, but rather as a nation of vibrant, proud, hard-working and courageous people who faced adversity and kept climbing.

It is a nation with a bright future. I look forward to the day when Haiti is independent of development assistance and can join us in helping other developing nations. When that day comes we will know that Haiti's dreams for its future have come true.

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<http://www.miamiherald.com>

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**From:** Mills, Cheryl D  
**Sent:** Sunday, July 22, 2012 10:08 PM  
**To:** Smith, Eileen W; Ramsey, Wanda C (PACE); Hammer, Michael A; Williams, Stacy D; [caitlin.klevorick](mailto:caitlin.klevorick) [redacted]  
[caitlin.klevorick](mailto:caitlin.klevorick) [redacted]  
**Cc:** Shah, Preeti V; Haiti Office Collective; Helmer, Kendra (LAC/HTT); Arbesu, Arnaldo; Warnholz, Jean-Louis; Clark, Janice E (PACE)  
**Subject:** Re: URGENT Re: AP article

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Where - I am on and see live webcast for S but no blog.

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**From:** Smith, Eileen W  
**Sent:** Sunday, July 22, 2012 10:03 PM  
**To:** Mills, Cheryl D; Ramsey, Wanda C (PACE); Hammer, Michael A; Williams, Stacy D; [caitlin.klevorick](mailto:caitlin.klevorick) [redacted]  
[caitlin.klevorick](mailto:caitlin.klevorick) [redacted]  
**Cc:** Shah, Preeti V; Haiti Office Collective; Helmer, Kendra (LAC/HTT); Arbesu, Arnaldo; Warnholz, Jean-Louis; Clark, Janice E (PACE)

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**Subject:** Re: URGENT Re: AP article

I see it as the first story on state.gov and on the usaid.gov site, I scrolled down too impact blog and saw it there.  
Eileen Smith  
Deputy Coordinator for Assistance  
Office of the Haiti Special Coordinator

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**From:** Mills, Cheryl D  
**Sent:** Sunday, July 22, 2012 09:04 PM  
**To:** Ramsey, Wanda C (PACE); Hammer, Michael A; Williams, Stacy D; caitlin.klevorick [redacted]  
<caitlin.klevorick [redacted]>  
**Cc:** Smith, Eileen W; Shah, Preeti V; Haiti Office Collective; Helmer, Kendra (LAC/HTT); Arbesu, Arnaldo; Warnholz, Jean-Louis; Clark, Janice E (PACE)  
**Subject:** Re: URGENT Re: AP article

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I just went to the ccite - I don't see the posting which means if I can't find it - others aren't finding it (certainly the WH didn't)

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**From:** Ramsey, Wanda C (PACE) [mailto:RamseyWC@state.gov]  
**Sent:** Saturday, July 21, 2012 12:09 PM  
**To:** Mills, Cheryl D; Hammer, Michael A; Williams, Stacy D; caitlin.klevorick [redacted] <caitlin.klevorick [redacted]>  
**Cc:** Smith, Eileen W; Shah, Preeti V; Haiti Office Collective; Helmer, Kendra (LAC/HTT); Arbesu, Arnaldo; Warnholz, Jean-Louis; Clark, Janice E (PACE)  
**Subject:** RE: URGENT Re: AP article

and posted to state.gov, top story #1:

<http://www.state.gov/>

Thanks,  
Wanda

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**From:** Mills, Cheryl D [mailto:MillsCD@state.gov]  
**Sent:** Saturday, July 21, 2012 11:54 AM  
**To:** Hammer, Michael A; Williams, Stacy D; caitlin.klevorick [redacted]  
**Cc:** Smith, Eileen W; Shah, Preeti V; Haiti Office Collective; Helmer, Kendra (LAC/HTT); Arbesu, Arnaldo; Warnholz, Jean-Louis; Ramsey, Wanda C (PACE)  
**Subject:** Re: URGENT Re: AP article

Thx

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**From:** Hammer, Michael A  
**Sent:** Saturday, July 21, 2012 11:43 AM  
**To:** Mills, Cheryl D; Williams, Stacy D; caitlin.klevorick [redacted] <caitlin.klevorick [redacted]>  
**Cc:** Smith, Eileen W; Shah, Preeti V; Haiti Office Collective; Helmer, Kendra (LAC/HTT); Arbesu, Arnaldo; Warnholz, Jean-Louis; Ramsey, Wanda C (PACE)  
**Subject:** Re: URGENT Re: AP article

The Adams/Feierstein dipnote post is up and live on DipNote:  
[http://blogs.state.gov/index.php/site/entry/progress in haiti](http://blogs.state.gov/index.php/site/entry/progress_in_haiti)

We are tweeting it out from @StateDept feed and posting across all our social media platforms now.

**From:** Mills, Cheryl D  
**Sent:** Saturday, July 21, 2012 11:14 AM  
**To:** Williams, Stacy D; caitlin.klevorick [redacted] <caitlin.klevorick [redacted]>  
**Cc:** Smith, Eileen W; Shah, Preeti V; Haiti Office Collective; Helmer, Kendra (LAC/HTT); Arbesu, Arnaldo; Warnholz, Jean-Louis; Ramsey, Wanda C (PACE); Hammer, Michael A  
**Subject:** Re: URGENT Re: AP article

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Thank you all

**From:** Williams, Stacy D  
**Sent:** Saturday, July 21, 2012 11:11 AM  
**To:** 'caitlin.klevorick [redacted]' <caitlin.klevorick [redacted]>  
**Cc:** Mills, Cheryl D; Smith, Eileen W; Shah, Preeti V; Haiti Office Collective; Helmer, Kendra (LAC/HTT); Arbesu, Arnaldo; Warnholz, Jean-Louis; Ramsey, Wanda C (PACE)  
**Subject:** Re: URGENT Re: AP article

Corrections now incorporated.

**From:** Williams, Stacy D  
**Sent:** Saturday, July 21, 2012 10:32 AM  
**To:** 'caitlin.klevorick [redacted]' <caitlin.klevorick [redacted]>  
**Cc:** Mills, Cheryl D; Smith, Eileen W; Shah, Preeti V; Haiti Office Collective; Helmer, Kendra (LAC/HTT); Arbesu, Arnaldo; Warnholz, Jean-Louis; Ramsey, Wanda C (PACE)  
**Subject:** Re: URGENT Re: AP article

Working both changes with PA.

**From:** Caitlin Klevorick [redacted]  
**Sent:** Saturday, July 21, 2012 10:30 AM  
**To:** Williams, Stacy D  
**Cc:** Mills, Cheryl D; Smith, Eileen W; Shah, Preeti V; Haiti Office Collective; Helmer, Kendra (LAC/HTT); Arbesu, Arnaldo; Warnholz, Jean-Louis  
**Subject:** Re: URGENT Re: AP article

[redacted]

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On Jul 21, 2012, at 10:26 AM, Caitlin Klevorick wrote:

Please respond to the below question of JLW:

Just saw it says the numbers are 'in hundreds of thousands'. I know this is the same chart that we shared and cleared before, but shouldn't it be just in 'Thousands'?

On Jul 21, 2012, at 10:12 AM, Williams, Stacy D wrote:

Chart and background points are now on the S/HSC website and live on the following link:

<http://www.state.gov/s/hsc/rpt/195327.htm>.

**From:** Mills, Cheryl D  
**Sent:** Saturday, July 21, 2012 07:27 AM

**To:** caitlin.klevorick [redacted] <caitlin.klevorick [redacted]>; Smith, Eileen W  
**Cc:** Shah, Preeti V; Haiti Office Collective; Helmer, Kendra (LAC/HTT); Arbesu, Arnaldo; Warnholz, Jean-Louis  
**Subject:** Re: AP article

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I think we need the chart

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**From:** Caitlin Klevorick [redacted]  
**Sent:** Saturday, July 21, 2012 06:41 AM  
**To:** Smith, Eileen W  
**Cc:** Mills, Cheryl D; Shah, Preeti V; Haiti Office Collective; Helmer, Kendra (LAC/HTT); Arbesu, Arnaldo; Warnholz, Jean-Louis  
**Subject:** Re: AP article

can we get this posted on the HSC website so we can include a link the response to it?  
On Jul 20, 2012, at 5:44 PM, Smith, Eileen W wrote:

If we are doing a direct rebuttal to the AP piece, I would use the section below the chart. If we are doing a more positive piece, I would leave this out because it would be out of context.

Eileen Wickstrom Smith  
Deputy Coordinator for Assistance  
Office of the Haiti Special Coordinator  
202 736-4040

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**From:** Mills, Cheryl D  
**Sent:** Friday, July 20, 2012 5:17 PM  
**To:** Smith, Eileen W  
**Cc:** Shah, Preeti V; Haiti Office Collective; Helmer, Kendra (LAC/HTT); Arbesu, Arnaldo; Warnholz, Jean-Louis; Hammer, Michael A; Nuland, Victoria J; Smith, Dana S (PA); Adams, David S; Drucker, Joy E; Baker, Holli C; caitlin.klevorick [redacted]  
**Subject:** RE: AP article

[redacted]

B5

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**From:** Smith, Eileen W  
**Sent:** Friday, July 20, 2012 3:13 PM  
**To:** Mills, Cheryl D  
**Cc:** Shah, Preeti V; Haiti Office Collective; Helmer, Kendra (LAC/HTT); Arbesu, Arnaldo; Warnholz, Jean-Louis; Hammer, Michael A; Nuland, Victoria J; Smith, Dana S (PA); Adams, David S; Drucker, Joy E; Baker, Holli C; caitlin.klevorick [redacted]  
**Subject:** RE: AP article

B6

Per Cheryl's last question below, Holli did great work putting this together.

The AP article more or less is citing figures that we provided them. The data itself is accurate; however it is the context in which the data is used which is misleading. Below is a chart that distinguishes Humanitarian Relief from Recovery & Reconstruction (R&R). Note, the NY Pledge amount is included in the R&R total. R&R disbursements include prior year funding, FY 10 Base, FY 10 Supplemental and FY 11. A separate chart can be generated to show this yet can be confusing.

<i>\$ in hundreds of thousands for all items</i>		Obligations	Disbursements
<b>Humanitarian Relief Assistance<sup>1</sup></b>	\$1,289,024	\$1,289,024	\$1,289,024
<b>Recovery &amp; Reconstruction Assistance<sup>2</sup></b>	\$1,891,743	\$1,129,985	\$1,129,985
<i>New York Pledge</i>	\$1,170,196	\$649,842	\$649,842
<b>Total</b>	<b>\$3,180,767</b>	<b>\$2,419,010</b>	<b>\$2,419,010</b>

For the most part, the dollar figures stated in the article come from the documents provided, (the Dec. 2011 USG Largest Programs with disbursements chart, the March 2012 R&R Spending Pie chart and the March 2012 USG Funding to Haiti Summary chart and therefore, the numbers reported in the article are correct.

1. Yes, we committed \$1.8 billion towards recovery and reconstruction but \$1.8 billion is the total amount available as of March 2012...not the amount disbursed as implied (i.e., "Today, the fruits of an ambitious, \$1.8 billion U.S. reconstruction promise are hard to find.")
2. Yes, a quarter of the \$988 m disbursed went toward debt relief
3. Yes, as of the 12/31/11 chart of disbursements provided to AP, 12% of the disbursed reconstruction money was for energy, shelter, ports and other infrastructure.
4. Yes, ½ of the \$1.8 b has been disbursed while the remaining ½ is obligated into bilateral agreements. It is misleading to say that the ½ obligated is sitting in Treasury and incorrect to say it is there because of an understaffed Embassy and GOH.
5. Yes, as of March 2012 - \$18 million was disbursed for energy activities of which in December 2011 - \$8m of the \$18 was disbursed on the ESD – design & construction of the power plant in the North.

Eileen Wickstrom Smith  
 Deputy Coordinator for Assistance  
 Office of the Haiti Special Coordinator  
 202 736-4040

**From:** Mills, Cheryl D  
**Sent:** Friday, July 20, 2012 8:54 AM  
**To:** caitlin.klevorick  
**Cc:** Shah, Preeti V; Haiti Office Collective; Helmer, Kendra (LAC/HTT); Arbesu, Arnaldo; Warnholz, Jean-Louis; Hammer, Michael A; Nuland, Victoria J; Smith, Dana S (PA); Adams, David S; Drucker, Joy E  
**Subject:** Re: AP article

So what exactly is the proposed pre-buttal strategy for today?

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today?

Where does Ken piece run?

And do we have a good breakdown of the numbers, esp one that separates our pledge from other existing funds (e.g., our 1.2B vs the FY10 add'l funds they are lumping in and critiquing).

Cdm

Cdm

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**From:** Caitlin Klevorick [redacted]  
**Sent:** Friday, July 20, 2012 08:42 AM  
**To:** Mills, Cheryl D  
**Cc:** Shah, Preeti V; Haiti Office Collective; Helmer, Kendra (LAC/HTT); Arbesu, Arnaldo; Warnholz, Jean-Louis; Hammer, Michael A; Nuland, Victoria J; Smith, Dana S (PA)  
**Subject:** Re: AP article

B6

FYI from Trenton:

It was erroneously posted (and presumably only part of it?). One or two news organizations (as far as I know) could not read the fine print and broke the embargo. The full story is supposed to be released Saturday.

On Jul 20, 2012, at 8:37 AM, "Mills, Cheryl D" <MillsCD@state.gov> wrote:

+ dana

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**From:** Mills, Cheryl D  
**Sent:** Friday, July 20, 2012 08:28 AM  
**To:** Shah, Preeti V; Haiti Office Collective; 'caitlin.klevorick' [redacted]  
 <caitlin.klevorick [redacted]> Helmer, Kendra (LAC/HTT); Arbesu, Arnaldo  
**Cc:** Warnholz, Jean-Louis; Hammer, Michael A; Nuland, Victoria J  
**Subject:** Re: AP article

Assume we have a set of points we are pusing out ans a specific numbers strategy to rebut?

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**From:** Shah, Preeti V  
**Sent:** Friday, July 20, 2012 08:23 AM  
**To:** Haiti Office Collective; Caitlin Klevorick [redacted]; Helmer, Kendra (LAC/HTT); Mills, Cheryl D; Helmer, Kendra (LAC/HTT); Arbesu, Arnaldo  
**Subject:** AP article

Good morning –

This is the only link I can get right now for the AP story  
- [http://www.jamaicaobserver.com/news/US-pledge-to-rebuild-Haiti-unfulfilled\\_11990216](http://www.jamaicaobserver.com/news/US-pledge-to-rebuild-Haiti-unfulfilled_11990216)

It doesn't seem complete to me, so I'll keep looking.

P

## US pledge to rebuild Haiti unfulfilled

Friday, July 20, 2012

PORT-AU-PRINCE, Haiti (AP) — The deadly earthquake that leveled Haiti's capital more than two years ago brought a thread of hope: a promise of renewal. With the US taking the lead, international donors pledged billions of dollars to help the country "build back better," breaking its cycle of dependency.

But after the rubble was cleared and the dead buried, what the quake laid bare was the depth of Haiti's dysfunction. Today, the fruits of an ambitious, \$1.8 billion US reconstruction promise are hard to find. Immediate, basic needs for bottled water, temporary shelter and medicine were the obvious priorities. But projects fundamental to Haiti's transformation out of poverty, such as permanent housing and electric plants in the heavily hit capital of Port-au-Prince have not taken off.

Critics say the US effort to reconstruct Haiti was flawed from the start. While "build back better" was a comforting notion, there wasn't much of a foundation to build upon. Haiti's chronic political instability and lack of coordinated leadership between Haiti and the US meant crucial decisions about construction projects were slow to be approved. Red tape stalled those that were.

The international community's \$10 billion effort was also hindered by its pledge to get approval for projects from the Haitian government. For more than a year then-President Rene Preval was, as he later described it, "paralysed," while his government was mostly obliterated, with 16,000 civil servants killed and most ministries in ruins. It wasn't until earlier this year that a fully operational government was in place to sign paperwork, adopt codes and write regulations. Other delays included challenges to contracts, underestimates of what needed to be done, and land disputes.

Until now, comprehensive details about who is receiving US funds and how they are spending them have not been released. Contracts, budgets and a 300-item spreadsheet obtained by The Associated Press under a Freedom of Information Act request show:

- \* Of the \$988 million spent so far, a quarter went toward debt relief to unburden the hemisphere's poorest nation of repayments. But after Haiti's loans were paid off, the government began borrowing again: \$657 million so far, largely for oil imports rather than development projects.

- \* Less than 12 per cent of the reconstruction money sent to Haiti after the earthquake has gone toward energy, shelter, ports or other infrastructure. At least a third, \$329 million, went to projects that were awarded before the 2010 catastrophe and had little to do with the recovery -- such as HIV/AIDs programmes.

- \* Half of the \$1.8 billion the US promised for rebuilding is still in the Treasury, its disbursement stymied by an understaffed US Embassy in Port-au-Prince in the months after the quake and by a Haitian government that was barely functional for more than a year.

- \* Despite State Department promises to keep spending public, some members of Congress and watchdogs say they aren't getting detailed information about how the millions are being spent, as dozens of contractors working for the US government in Haiti leave a complex money trail.

"The challenges were absolutely huge and although there was a huge amount of money pledged, the structures were not there for this to be done quickly," said former US Ambassador Brian Curran. "The concept of build back better is a good one, but we were way over-optimistic about the pace we could do it."

The US Special Coordinator for Haiti Thomas C. Adams, who oversees USAID spending here, says the first priority in the critical days after the quake that killed more than 300,000 was crisis management, and the US government spent \$1.3 billion on critical rescue operations, saving untold lives.

Three months later, the goals shifted from rescue to what would become a \$1.8 billion reconstruction package aimed at building new foundations.



Read more: [http://www.jamaicaobserver.com/pfversion/US-pledge-to-rebuild-Haiti-unfulfilled\\_11990216#ixzz21AHfmKYr](http://www.jamaicaobserver.com/pfversion/US-pledge-to-rebuild-Haiti-unfulfilled_11990216#ixzz21AHfmKYr)

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