

RELEASE IN PART
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From: Mills, Cheryl D <MillsCD@state.gov>
Sent: Tuesday, February 9, 2010 10:39 PM
To: H
Subject: Fw: Bloomberg-South America Leaders Propose Haiti Aid, Avoid Strife (Update3)

Fyi

----- Original Message -----

From: Laszczych, Joanne
To: Mills, Cheryl D
Sent: Tue Feb 09 19:44:14 2010
Subject: Fw: Bloomberg-South America Leaders Propose Haiti Aid, Avoid Strife (Update3)

----- Original Message -----

From: Santos-Velasquez, Adriana
To: Laszczych, Joanne
Sent: Tue Feb 09 19:20:37 2010
Subject: Bloomberg-South America Leaders Propose Haiti Aid, Avoid Strife (Update3)

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Joanne,

President Moreno asked me to forward this to you in that way Mrs Cheryl Mills gets this info.

Thanks,

Adriana

Subject: Bloomberg-South America Leaders Propose Haiti Aid, Avoid Strife (Update3)

By Alexander Cuadros

Feb. 9 (Bloomberg) -- South American leaders agreed to provide \$300 million in aid to Haiti at a summit in Ecuador after skirting regional disputes that have undermined relations on the continent since 2008.

The 12 members of the Union of South American Nations, or Unasur, endorsed an accord today calling for a \$100 million fund as well as a \$200 million "preferential" credit from the Inter-American Development Bank. The money would be channeled to programs benefiting Haiti's reconstruction in areas such as agriculture, electricity infrastructure, health and education.

"Latin America has stood up," Ecuadorean President Rafael Correa said, addressing the summit at his presidential palace. "The time has come to create a new kind of south-south aid."

The meeting marks Colombian President Alvaro Uribe's first visit to Ecuador since his armed forces staged a cross-border raid on a guerrilla camp there almost two years ago. The attack killed rebel leader Raul Reyes, prompted Correa to break off ties with his northern neighbor and led Venezuela's Hugo Chavez to order tanks to his country's border with Colombia.

Leaders including Organization of American States Secretary General Jose Miguel Insulza said today aid efforts should follow instructions from the government of Haitian President Rene Preval, who attended the meeting. Correa said member nations should scrap tariffs on Haitian imports and consider subsidizing natural gas exports to the Caribbean nation.

IDB Support

Carlos Melo, the IDB's representative in Ecuador, said he spoke to bank chief Luis Alberto Moreno, who supported a 15- to 20-year \$200 million credit to be taken on by Unasur. Correa said member countries should consider contributing 25 cents per inhabitant to the \$100 million fund.

Chavez canceled his attendance because of an electricity crisis he's facing at home, Ecuadorean Foreign Minister Ricardo Patino told reporters today. At a gathering in Argentina last August, Chavez assailed a deal allowing the U.S. access to seven Colombian military bases, saying it was part of a strategy to dominate the region.

About 100 protesters gathered today outside the presidential palace, carrying signs reading "Uribe equals the threat of war" and chanting criticisms of Correa for receiving his Colombian counterpart.

Regional Integration

Unasur was formed two years ago in a bid to promote regional integration. In 2008, at a summit in Santiago, the group provided political backing to Bolivian President Evo Morales after clashes between his supporters and government opponents over a new constitution left 30 people dead.

The leaders of the continent's two biggest economies skipped today's talks. Argentine President Cristina Fernandez de Kirchner has canceled foreign travel amid a political dispute over control of the central bank's reserves.

Brazilian President Luiz Inacio Lula da Silva isn't attending because of conflicts in his agenda, according to his press office. He sent his top foreign policy adviser, Marco Aurelio Garcia, to represent him.

No bilateral meeting is planned between Correa and Uribe, Ecuador's state news agency cited Patino as saying Feb. 4.

Unasur countries rushed doctors, food and emergency supplies to Haiti, the hemisphere's poorest country, in the aftermath of the Jan. 12 earthquake. At least 200,000 people died in the quake, Haiti's government said Feb. 6.

Brazil Aid

Lula signed a decree Jan. 26 providing 375 million reais (\$200 million) in aid to Haiti. Brazil, which leads a United Nations peacekeeping contingent in Haiti, had already pledged about \$17 million to the country, the most among Latin American nations, according to UN data.

Venezuela forgave Haiti's oil-related debt and donated 225,000 barrels of fuel, while Colombia sent more than 200 search-and-rescue personnel and committed hundreds of tons of humanitarian supplies. Ecuador has sent rescue teams and donated several tons of food, UN data show. Peruvian President Alan Garcia, speaking at the summit today, said Peru was willing to contribute \$10 million.

Colombia and Ecuador began taking steps late last year to restore full relations. The neighbors named diplomatic envoys and re-established military ties in November. Ecuador this month also eliminated the last of the tariffs it imposed on Colombian goods in 2009.

To contact the reporter on this story: Alexander Cuadros in Quito at acuadros@bloomberg.net

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