

**National Press Club  
Gail McGovern  
One Year After the Haiti Earthquake: Progress and Challenges  
January 12, 2011**

**Opening Remarks**

Thank you. I'm very pleased to be back at the National Press Club, and I'm grateful for this opportunity to report to you and to the public at large on our operations in Haiti on this one-year anniversary of the earthquake. I plan to talk about how the American Red Cross has put your donations to work in Haiti, some of the challenges that we are dealing with and how we will move forward to help Haiti and its people recover.

The earthquake was the biggest disaster the American Red Cross responded to in 2010. But it certainly wasn't the only one we had to deal with.

The American Red Cross actually responds to about 70,000 disasters each year. These include international disasters such as the Haiti and Chile earthquakes, major disasters in this country like the devastating floods in Tennessee last year, tornados in the South and Midwest, or wildfires in Colorado, and single-family house fires that never make it on the news but are nevertheless a disaster of epic proportions for a family impacted by one. We're there to provide food, shelter, comfort and hope.

The fact is that one in five people in this country have been touched by the American Red Cross, but it's unusual for me to meet someone who knows about all of the things that we do.

In addition to disaster response, we:

- Provide nearly half of the country's blood supply. Each one of the 10 million units we ship each year was donated by a generous and caring person who knows that he or she is saving lives.
- We work with members of the military, veterans and military families by providing 500,000 emergency communications and support each year – whether it's delivering the news of a tragedy at home or by setting up a video connection for a soldier deployed overseas so that he could teach his teenage son to shave for the first time.
- We teach lifesaving skills to about 10 million people a year. It seems like every month I'm called on to recognize ordinary people performing

extraordinary acts. For example, we just recently honored a 17-year-old who saved his 3-year-old brother from choking thanks to Red Cross training.

The depth and breadth of all we do still amazes me, and it's an incredible privilege to play a part in it.

One last thing before I talk about Haiti. Eighteen months ago, I spoke at the National Press Club on the challenges of navigating a non-profit through turbulent economic waters. At that time I talked about how the Red Cross was trying to eliminate a \$209 million operating deficit over a two-year period.

I'm pleased to let you know that after a great deal of cost-cutting, streamlining and consolidating, we hit our goal and finished our fiscal year last June with a modest surplus. None of these cost-cutting initiatives impacted our ability to fulfill our mission, and we're continually seeking ways to be efficient in order to be outstanding stewards of our donors' dollars.

### **Haiti Earthquake Anniversary**

Now for Haiti. As we all know, a year ago today, Haiti was struck by a devastating 7.0-magnitude earthquake that killed an estimated 230,000 people, left more than 1.3 million homeless, flattened homes, destroyed much of the capital city and severely damaged government operations, including the death of many civil servants.

Matt Marek, a 36-year-old from Wilkes-Barre, Pennsylvania, was the head of the American Red Cross office in Port-au-Prince when the earthquake struck. He and his co-workers dove under their desks when the earthquake started and, when it was over, they saw light and realized that the walls of the building had collapsed around them. Matt crawled out from the wreckage and looked across the hillside to see thousands of homes pancaked. He knew in an instant that many people had died.

Despite the trauma he himself suffered, Matt and the others spent all night cleaning and bandaging wounds, and sent out teams to provide first aid to people in harder-to-reach areas. They didn't have stretchers, so they carried the injured on doors, which they found in the rubble to get the injured victims to vehicles that would take them to one of the few hospitals that were functioning after the earthquake.

My first trip to Haiti was just a few days after the earthquake. The deceased weren't buried and were still in the street. I saw people walking through the streets of Port-au-Prince with little more than their shock and grief on their faces – the extent of devastation, the injuries and the smell of death were just indescribable. The city was eerily quiet; no one laughed, smiled, spoke or even cried.

People were living in makeshift camps under pieces of sheets or cloth that were only waist high. You had to crawl on your hands and knees to see or talk to the people living there.

These images are still so vivid to me today, and I suspect they always will be. The experience fundamentally changed my life. I felt a combination of heartbreak and absolute steely determination that we were going to help no matter what.

I have pictures of children from that first trip on my refrigerator and I look at them each day. They remind me of our mission and why we need to be sure that every dollar we spend is spent wisely.

What also strengthens my resolve was the outpouring of generosity from the American people. The tremendous needs of the Haitians brought forth the tremendous heart of this country and its people who gave in tough economic times.

So many Americans reached into their hearts, reached for their wallets and even their cell phones to give. I want each and every one of them to know that we're grateful for those donations and they are truly making a difference for the people of Haiti.

Overall, the American Red Cross has raised more than \$479 million for our earthquake relief and recovery efforts. These millions of generous donations have come in many different ways and sizes:

- A million dollar gift from a Fortune 500 company
- The \$400 raised by a fourth grade class in Massachusetts
- Or a crumpled up dollar bill from the tooth fairy that a young boy sent to me to give to the people of Haiti.

More than \$32 million came from text messaging – at \$10 a pop. This truly was one of the game-changing moments of fundraising. This effort shattered all previous records for mobile giving, and I like to think that it introduced a whole new generation to the delicious feeling of giving back for the first time.

But with this outpouring of support comes a responsibility for accountability and transparency, and this new generation of donors wants to know how the Red Cross is spending their donations.

I learned this firsthand when I did a Skype interview with that fourth grade class that raised \$400 for Haiti. I knew we had entered a new era of transparency when these 9-year-olds asked me tough questions about exactly how the Red Cross was going to spend their donation!

As I told the class, the Red Cross is committed to wisely spending the money our donors entrust to us, and whenever I make decisions about how those dollars are spent, I imagine our donors are right there at the table with me. I ask myself, "Would our donors approve, and will it help the people of Haiti?" Personally, I welcome this new level of transparency and I'm proud to share our decisions with our donors.

### **Update on American Red Cross Response in Haiti**

I'm often asked whether we're spending our donors' dollars *fast enough* in Haiti.

Three months after the earthquake, we told the press and our donors that we estimated that we would spend or have contracts to spend about \$200 million in the first year following the earthquake.

The fact is we've provided even more relief than we originally projected. I'm proud to report that the American Red Cross has spent or has contracts to spend \$245 million in the first 12 months. That's more than half of the \$479 million that we've raised – and it's equivalent to an average of about 2/3 of a million dollars a day.

This rate is possible because of our large disaster response capacity, as well as our ability to swiftly identify partners working in Haiti that could deliver massive assistance to complement our own capabilities.

For the next few minutes, I'm going to describe the emergency relief that's been provided in the first year since the earthquake. These are the kinds of services and activities that are so urgently needed following a disaster, and in Haiti, they have literally kept people alive.

That's a point worth re-emphasizing. While conditions in Haiti are still extremely difficult, these relief efforts – made possible by your donations – have saved lives that otherwise would have been lost. I've learned that progress in Haiti is measured not only by what did happen but also sometimes by what didn't happen as well.

After I describe our relief efforts, I'll discuss the challenges that we've faced in Haiti, the need to be flexible, and our work going forward.

I'll be using facts and figures that are in our one-year Haiti report that we distributed. You can also find the report on our website, [www.redcross.org/haiti](http://www.redcross.org/haiti). I'll talk about what the American Red Cross has done and I'll also refer to what we've done as a network with other Red Cross societies from around the world.

## Emergency Response

Our Emergency Relief efforts include six categories: food, water and sanitation, emergency shelter, livelihoods, health services and disaster preparedness.

I'll give you a few details on each.

First food.

After the earthquake, the American Red Cross provided \$30 million in funding and an additional \$14 million in ready-to-eat meals to the UN World Food Programme, which was enough to feed more than 1 million people during the height of the aftermath of the earthquake.

This assistance was vital in a country where – prior to the earthquake – an estimated 1.9 million Haitians needed assistance to stave off hunger, according to the World Food Programme.

As the relief efforts continued, in early spring, the Haitian government asked aid organizations to stop food distribution because of concerns that the distribution of free food was harming local farmers.

So, our funds were redirected to provide school meals, cash and food-for-work programs, and nutritional supplements to children under the age of 5 and to pregnant and nursing women.

Next is the area of water and sanitation.

Since the earthquake, the global Red Cross network has been providing clean, drinkable water to hundreds of thousands of people in Port-au-Prince every single day.

We've also funded latrines to serve more than 265,000 people living in camps. It's important to note that before the earthquake, only one-third of the Haitian people had access to potable water and half had no access to latrines.

We're also working to improve drainage in and around the camps. Just imagine your home being knee deep in water when it rains, having to stay up all night because you and your children can't even lie down. These drainage projects help keep residents drier, reduce the threat of water-borne diseases, and help put people to work.

The third area of relief is emergency shelter.

More than one-third of the tarps distributed in Haiti were provided by the American Red Cross and others in the global Red Cross network.

To put that in perspective, if you laid down all of these tarps from one end to the other, they would cover the distance between New York City and Miami.

Of course, we're working to get people out of tents as quickly as possible, but at least these emergency shelters have provided earthquake survivors with protection from the blazing sun and punishing rains.

Fourth, the American Red Cross has been working hard to help the Haitian people provide for themselves and their families.

In an effort to jumpstart livelihoods, we've been working with a micro-financing partner, Fonkoze, and we've helped about 220,000 people through cash grants and business loans. Many of the families receiving our assistance through Fonkoze were led by women – a particularly vulnerable group economically.

Also, because hundreds of thousands of displaced Haitians left the capital to seek refuge with friends and family in other regions, the American Red Cross is providing support to about 70,000 people living with host families.

These grants and loans make a real difference for Haitians like the owner of a small food shop, Odette Mednard, who lost most of her inventory in the earthquake. Thanks to money from the Red Cross through Fonkoze, Odette has reopened her shop, her business began growing again, and she's now able to support her family.

There are signs that more and more Haitians are getting back on their feet. The UN reports that the population in the camps has decreased by about 500,000 from its post-earthquake peak.

The fifth area includes our health initiatives.

The American Red Cross helped fund a UN vaccination campaign that inoculated almost 1 million Haitian men, women and children against diphtheria, tetanus, pertusis, measles and Rubella.

Nearly 217,000 people have been treated at Red Cross health care facilities that we've helped fund since the earthquake.

We've also provided funds to help keep the doors open of the largest public hospital in Port-au-Prince, as well as the only critical care and trauma hospital in Haiti.

As you know, the earthquake left thousands of Haitian survivors with crushed limbs that needed to be amputated. So the American Red Cross is helping to fund the reconstruction of a prosthetics and rehabilitation facility run by Healing Hands for Haiti.

Imagine the joy and hope that an artificial limb brings to a child who lost a leg in the earthquake. This can help them get back to a relatively normal life, whether it's being able to walk again, or even kick a soccer ball.

Our final projects in the emergency response phase are the efforts to improve disaster preparedness in Haiti.

Haiti is a disaster-prone country, and in order to be ready for the rainy season and then the hurricane season, we're working to build a new culture of preparedness. The Red Cross pre-positioned enough emergency supplies like tarps, tents and blankets for 125,000 people.

Haitian volunteers trained by the Red Cross have gone into the camps to provide residents with basic disaster preparedness and response tools. They've worked with community residents to help dig drainage ditches, put sandbags on the hillsides and create evacuation routes.

This included setting up emergency communications using cell phone calling chains, bull horns and the like.

These efforts were also reinforced by the innovative use of text messages and broadcast media.

For example, as Hurricane Tomas approached Haiti this fall, the Red Cross network worked with a wireless provider in Haiti and sent out millions of SMS text messages throughout the country, telling people the steps they could take to minimize their risk from storms.

These preparations helped keep the loss of life to a minimum when Tomas struck Haiti in early November.

Hopefully, that gives you a sense of our relief activities, and more details are available on our web site, [www.redcross.org](http://www.redcross.org).

### **Having a Plan, but Remaining Flexible to Address New Needs**

At the American Red Cross, we know that in disaster response, it's essential to have a plan, but it's also important to be flexible.

The cholera outbreak is an example of responding to a new and unexpected crisis.

As soon as the cholera outbreak started, the Red Cross sprang into action. Within days of the outbreak, cargo planes filled with relief supplies and paid for by the American Red Cross were landing in Port-au-Prince. The global Red Cross network opened three cholera treatment centers and we're providing funds to other centers as well.

We're also providing safe, chlorinated water each day to more than 300,000 people in Port-au-Prince.

The Red Cross donated 10 million aquatabs – tablets that purify drinking water – to the Haitian water authority. SMS text message efforts have been part of our cholera response as well. The global Red Cross response team has sent 2.7 million text messages to cell phone users across the country with cholera prevention messages.

We've used the donations we received after the earthquake to purchase and transport hundreds of thousands of prevention and treatment items such as soap, oral rehydration salts and IV solutions.

We've shipped thousands of cots from our warehouses in the U.S. to Haiti for use in cholera treatment clinics.

And, hundreds of American Red Cross-trained hygiene promoters are going tent to tent in camps in Port-au-Prince to distribute soap and water treatment tablets. They're also teaching people how to prevent cholera and what to do if someone exhibits symptoms.

I had the privilege of following several of the volunteers as they visited each tent, and this is no easy feat.

The country's high illiteracy rate means, for example, that you can't just leave a brochure with tips for people to read.

But the volunteers I watched deployed absolutely ingenious techniques, including providing story boards, demonstrating hand-washing techniques, and teaching the kids in the camps the "cholera song" with lyrics about cholera prevention.

A second example where we needed to be flexible had to do with an extensive initiative we were planning as part of our relief work. However, this project instead is going into the column of challenges we faced, and it shows the need to adapt to new developments and directions. I'm speaking of our planned cash transfer program.

We had successfully piloted a program that would have distributed \$40 million to help the people living in camps. It would have empowered them to provide for their own needs and help the struggling Haitian economy.

However...the government of Haiti asked us to stand down this program in late October. The rationale was that the provision of cash would encourage families to remain in the camps and possibly incent others to move to the camps as well.

Frankly, we were disappointed, but we have to abide by their decision.

And so since that time, the American Red Cross has been working to reallocate that money into other near and mid-term financial assistance initiatives that would be more targeted. These include:

- Cash for work
- Relocation grants
- And school vouchers to offset tuition payments for K-12 students. Almost everyone has to pay school fees because about 90 percent of the schools are private.

Our goal remains to get cash into the hands of families, which will not only improve their lives but also help stimulate the Haitian economy.

Another challenge has come in finding land to get people out of camps and into transitional homes.

This effort has not moved as quickly as anyone would have hoped, for a number of reasons.

First, it's been difficult for the Haitian government to determine exactly who owns the land. And obviously, groups such as the Red Cross simply can't just go and start building wherever we please. It's not our land, and it's not our country.

Much of the available land is covered with tons of rubble that must be removed, and there isn't enough heavy equipment in Haiti to do this quickly.

And, the government, which would take a lead role on much of the land ownership and rubble removal, was severely affected by the earthquake.

Despite these challenges, the American Red Cross is moving ahead in our efforts to provide shelters for Haitians who are currently living under tarps and tents.

Overall, the American Red Cross has spent or signed contracts with partners to spend \$48 million toward the global Red Cross network's shelter goal to build 30,000 semi-permanent or transitional homes to benefit 150,000 people in Haiti.

And we and our partners have already completed more than 3,000 transitional shelters in 16 different communities that will house more than 15,000 people. These brightly colored homes are a vivid sign of the progress and hope for the future. I also like the fact that in many instances, these shelters are being built by Haitians from the community as part of a cash-for-work program run by the Red Cross. This helps the community in several ways – increasing the numbers of shelters, helping reduce the number of people who live under tarps and tents, and putting money into the hands of the Haitian people.

## **Looking Ahead**

Looking ahead, the American Red Cross is planning to spend the remainder of our funds on longer-term recovery. We plan to remain in Haiti until the last donated dollar is spent. And, we hope to leave a lasting impact.

The bulk of these funds will be spent on permanent housing. Our plan is to provide permanent homes using two different approaches:

The first is to rehabilitate existing communities inside Port-au-Prince. Homes in the city have been marked with a green label if they are fit to live in, a yellow label if they can be repaired and a red label if they must be demolished.

Our program would include repairing homes that are damaged but habitable and replacing ones that are unsound. This is a street-by-street approach that allows people to return when possible to their neighborhoods and stay close to family, friends and jobs.

The second approach is a green field approach where we develop brand new communities outside Port-au-Prince.

These efforts will unfold over the next few years – and they will depend on several outside factors, including the availability of appropriate land and the coordination of infrastructure, livelihoods, community centers and the like.

We're very excited about two new shelter initiatives in Haiti:

First, the American Red Cross is working closely with the United States Government Department of State through its implementing arm, the U.S. Agency for International Development, (USAID) on a planned partnership to build permanent housing for people left homeless by the earthquake.

Under this partnership, USAID would identify and prepare at least two locations in Haiti for permanent homes, which would include land parceling, roads, drainage and other infrastructures.

The plan is that the American Red Cross would build homes including water and sanitation. We anticipate spending as much as \$30 million in this planned partnership with USAID.

Second, the American Red Cross is working on a separate housing project with the Inter-American Development Bank (IDB). We anticipate that we'll spend as much as \$15 million to construct homes on land that's being identified by the Haitian government. The land would include roads, sanitary systems, electrical service and other infrastructure.

These projects are part of the \$100 million that we plan to invest to provide tens of thousands of people with permanent homes.

### **Personal Feelings/Experience in Haiti**

Before I take your questions, I want to offer a personal perspective.

My experience in Haiti is like no other. I've made several trips to Haiti since the earthquake, and each time, I experience every single possible emotion:

Deep sadness and despair, but also pride, joy and hope...

I'm like all Americans; I really wish the pace of progress in Haiti was faster.

I want to see all Haitians living in permanent homes, having robust livelihoods, and living in vibrant communities.

Instead, more than a million people are still living under tarps and tents while the Haitian government works to sort through land ownership issues in a country where title documents are often nonexistent and where the government workforce has been decimated.

While much has been done in Haiti, the conditions are still very tough for the people there.

I keep reminding myself that Haiti was a very poor country before this devastating earthquake:

- More than 70 percent of Haitians lived on less than \$2 a day

- One in three Haitians had no access to a safe, sustainable source of water
- Less than half of the Haitian people have electricity
- And the illiteracy rate is 45 percent

In many cases, aid groups are not just rebuilding Haiti – we're *building* some of the infrastructure for the very first time.

And of course, the series of events over the past few months – the cholera outbreak, Hurricane Tomas and then the recent period of civil unrest following the announcement of the election results – have only compounded the misery of the earthquake survivors.

But amid the destruction and hardship, there is also hope and progress.

The resiliency, determination, spirituality and positive attitude of the people that I have met in Haiti is absolutely inspirational.

I'm also inspired by our Red Cross workers on the ground, who endure many of the same hardships to be there every day helping others. Under incredibly challenging circumstances, they have accomplished so much.

And I'm inspired by all of you who entrusted us to spend your dollars wisely in ways that best help the people of Haiti. That's exactly what we are doing, and I'm personally committed to spend it in a way that will make our donors proud.

I'd like to thank the National Press Club for having me back, and also thank the many people who have supported the Red Cross with our relief and recovery work in Haiti. Your dollars have made a difference and will for years to come.

Thank you.

I will now be happy to take your questions.