A MESSAGE FROM THE PRESIDENT AND CEO

Over the past six months, I have made three trips to Haiti, and each one has left me filled with a mixture of hope and despair. Tremendous progress has been made, and the resiliency of the Haitian people is inspirational, but immense needs still remain.

People I saw walking through the streets of Port-au-Prince after the earthquake with little more than their shock and grief are now living under at least tarps or tents. In addition, many Haitians have access today to more reliable supplies of food, clean water, sanitation and, in some cases, better health care than they did before the earthquake.

And new American Red Cross programs will provide financial assistance that will empower families who once stood in line for relief distributions to buy some of the things they need most, which in turn should help stimulate the country’s economy.

But for every sign of optimism in Haiti, there is a sad reminder of how much more remains to be done.

Rubble fills many side streets in Haiti’s capital. Tents and tarps cover nearly every open space, and land ownership is still unresolved, leaving few places to build the thousands of much-needed transitional shelters.

And threats of crime and infectious disease outbreaks are prevalent.

We know the crisis is not over and the recovery process will be long and difficult. Haiti and its people must rebuild their homes, economy, health systems, schools and transportation network. With an estimated $12 billion needed to rebuild Haiti, the needs are far beyond the capacity of the Red Cross alone to fix, and will require the collective efforts of governments and humanitarian groups around the world.

I want to assure everyone who generously donated to us that the American Red Cross and the global Red Cross network are doing the absolute best we can to help as many people as possible in Haiti—and your dollars are making a big difference. The American Red Cross spends 91 cents of every dollar on our humanitarian mission, and we will spend the funds donated for Haiti relief and recovery transparently and wisely. The American Red Cross will be in Haiti until the last donated dollar is spent, and thanks to your generosity, we are making a difference in the lives of the Haitian people.

Gail McGovern
President and CEO, American Red Cross

FACTS AT A GLANCE

The global Red Cross network is providing:

- Emergency shelter materials for 625,000 people
- Cash grants and microloans to help nearly 210,000 people
- Water for 280,000 people each day
- Food for 1.3 million people for one month
- Disaster preparedness activities to protect 500,000 people
- Medical care and/or health education for 435,000 people
- Semi-permanent shelters to house 165,000 people
- Latrines for 238,000 people
- Emergency supplies for 125,000 people for use during hurricane season

American Red Cross Funds for Haiti Earthquake Response

The American Red Cross has received $468 million in donations to date. This chart reflects $148.5 million in spending as of July 12, 2010. This does not include an additional $71 million in agreements currently under negotiation to support transitional shelter and financial assistance programs.
Shelter—Semi-permanent shelters for 165,000 Haitians. As shelter is a top priority, the American Red Cross has either spent or has signed contracts to spend $28.6 million1 to provide semi-permanent shelters for an initial 40,000 Haitians. In the coming weeks we expect to sign agreements for an additional $21 million. This effort is part of a commitment by the global Red Cross network to provide semi-permanent shelters for at least 165,000 people and permanent shelters for tens of thousands more. To learn more watch this video. Partner Red Cross societies are now building shelters in areas outside the capital—Leogane, Petit Goave and Jacmel—where less rubble remains to be cleared and landowners are easier to identify. Meanwhile, in the Port-au-Prince neighborhood of Cité Soleil, construction is also under way to build 300 semi-permanent shelters, enough for 1,500 people, in what is the first large-scale shelter project in the capital by a single organization. The Red Cross and its partners have already spent $23 million to provide more than 625,000 people with tarps, tents and tools, including more than 9,200 tarps donated recently to a camp managed by actor Sean Penn’s organization.

“American Red Cross funding enables us to serve significantly more families… while we strive to put evermore Haitians on the pathway to permanent shelter.”

—Jonathan T.M. Reckford, CEO, Habitat for Humanity International

Health Services—Over $9 million to keep a Haitian hospital open and provide prosthetics to the injured. The American Red Cross is reaching hundreds of thousands of Haitians with medical services and community-based health and hygiene education. To learn more watch this video. In a new agreement with Partners in Health, we are spending $3.8 million to pay the salaries of more than 1,800 Haitian doctors, nurses and other staff, many of whom have not been paid since even before the earthquake, at the largest general hospital in Port-au-Prince. The American Red Cross is also spending $1.8 million to keep a German Red Cross field hospital open to patients, and is partnering with the International Committee of the Red Cross to provide $1.4 million in prosthetics and rehabilitation support to injured Haitians. This is in addition to other programs, including an expansive Red Cross community health and hygiene education campaign currently under way in the camps, together valued at $2.7 million.

Disaster Preparedness—More than $7 million to reduce risks and prepare for disasters. With hurricane season upon us, the American Red Cross is spending millions to prepare the most vulnerable people—most of them living under tarps or tents—for severe weather. Armed with shovels and wheelbarrows, local residents in Red Cross cash-for-work programs are digging drainage ditches, putting sandbags on steep hillsides and laying gravel. In the event a hurricane hits the island, the Red Cross is also pre-positioning emergency supplies in 10 cities around Haiti and in a regional warehouse in Panama. Those supplies will be able to help 125,000 people and include tarps, tents and blankets. In addition, a series of Red Cross disaster preparedness activities, now under way, will eventually train more than half a million people in emergency first aid, safe evacuation procedures and early warning systems in 150 camps around Port-au-Prince.

Livelihoods and Host Family Assistance—Innovative programs to give over $60 million in financial assistance. Because the needs of families differ, the American Red Cross is committed to providing Haitians with the financial assistance necessary to choose what local goods and services they need most. In recent months, we tested an innovative cash transfer program to give small cash grants to families in camps using cell phones and text messaging. To learn more watch this video. Although initial efforts focused on helping families relocate from areas at high risk of flooding, the program will expand in coming months to reach 400,000 families, at a cost of $50 million. The American Red Cross has also enhanced its partnership with Fonkoze, Haiti’s largest microfinance institution, for a total of $8.2 million to date, in order to help nearly 210,000 people (see box, page 4). In addition, through a $6.1 million partnership with Mercy Corps, the American Red Cross is funding a cash-for-work program, with a focus on families outside Port-au-Prince who are hosting homeless Haitians.

“We applaud the American Red Cross for their vision to fund such a program and their leadership in partnering with a local institution like Fonkoze that is committed to equipping Haiti’s most vulnerable populations with the financial tools they need to weather future disasters.”

—Anne H. Hastings, CEO, Fonkoze

The Red Cross has already met the emergency shelter needs of 625,000 earthquake survivors with tarps and tents, and is now moving forward with building transitional or semi-permanent shelters for 165,000 people. The Red Cross is coordinating with the Haitian government as they clear rubble and establish land ownership rights to move forward with building large numbers of transitional shelters in the capital.

1The shelter program is comprehensive and includes cost of latrines, water harvesting systems installed on roofs and cash-for-work construction opportunities. For more information on our partners outside the global Red Cross network, please see the chart on page 4.
**Haiti Assistance Program**

**Water and Sanitation—$1.6 million to provide clean water and sanitation.** To reduce the risk of waterborne illnesses, the American Red Cross is spending an additional $1.6 million to provide clean water and sanitation services, as well as improve drainage, for Haitians in Port-au-Prince. As part of the broader Red Cross semi-permanent shelter program, approximately 165,000 people will also benefit from receiving family latrines, rainwater collection systems installed on roofs and water storage containers. In addition, we are partnering with Concern Worldwide to build a comprehensive drainage system in a camp of 5,000 residents at risk of flooding. Red Cross relief teams will continue to provide daily water and sanitation services nationwide to approximately 280,000 and 238,000 people respectively.

**Food and Emergency Services—Food for 1.3 million people.** Vulnerable groups in Haiti have long been dependent on food assistance, and this need has only increased since the earthquake. The American Red Cross has provided enough food for 1 million people for one month, primarily young mothers and children, through a partnership with the U.N. World Food Programme. The Red Cross has also provided food for 300,000 Haitians through direct distributions, which included rice, beans and oil.

**From Relief to Recovery**

“I love what I’m doing.” Amid the devastation of Haiti’s capital city and surroundings, Odette Mednard sounds a note of optimism. A dressmaker and owner of a small food shop attached to her home, Mednard has been a client of Fonkoze since 2005. Now a Fonkoze group leader, she now hosts regular client meetings at her home and counsels other women entrepreneurs on their small businesses.

Thanks to the American Red Cross and its supporters, Odette and about 18,000 other Fonkoze clients so far—most of them women—have received one-time payments to cover emergency expenses and are eligible to receive new loans to get back on their feet after the January 12 earthquake.

Odette’s house was damaged and she lost much of her store’s inventory in the quake, but today her business is growing. “My husband was a mason, but he hasn’t worked for six months. I’m supporting the family now. Without Fonkoze, it would all be over.”

Based on the initial success of the program, the American Red Cross has doubled its investment in Fonkoze to help hundreds of thousands of others like Odette. Read the full story.

**Teaching About Health, Tent by Tent**

Every weekday morning, Tony Saint Germain and a group of fellow health workers travel over the hilly, pothole-filled roads of Haiti’s capital to reach some of its most desperate residents.

Tony and his colleagues are part of an American Red Cross-funded effort to keep vulnerable people living in spontaneous camps as healthy as possible. They have traveled for weeks from tent to tent, teaching residents about safe hygiene practices in their new homes, as well as protection against HIV/AIDS and malaria.

“After January 12, people had to live on top of each other,” says Tony. “They weren’t used to this way of living.”

A volunteer with the Haitian Red Cross for the past 24 years, Tony is now a team leader in the post-earthquake health promotion program, which will expand to 100 camps across the city.

Despite the difficult conditions in the camps, Tony says he sees signs of progress thanks to Red Cross efforts. But there is much work yet to be done. Read the full story.
DONOR SPOTLIGHT
A number of corporations and their employees gave generously to help earthquake survivors in Haiti. Many increased their humanitarian commitment by making donations to Haiti on top of funding they provide year-round to help families impacted by disaster in the U.S. Representatives from several corporate donors were able to visit Haiti with us and personally see our recovery efforts. They include the John Deere Foundation, Morgan Stanley, Target, UPS, Walmart Foundation, Microsoft Corporation, Cisco, The Coca-Cola Company and Credit Suisse Americas Foundation.

LOOKING AHEAD
The American Red Cross remains committed to helping Haitians recover and rebuild. Although our plans will likely evolve to respond to changing needs, we are on track to spend more than $200 million by January 2011, with the balance of the $468 million raised to date dedicated to longer-term recovery efforts. We expect to provide shelter, water and sanitation services as well as support for livelihoods, health and disaster preparedness activities over the coming three to five years.

The challenges facing Haitian families together with government, NGOs and the Red Cross are enormous—from resolving land ownership and removing rubble to the threat of potential hurricanes. In many cases, providing assistance post-earthquake will mean building what did not exist before January 12.

For more information about our response and the lives we have impacted, visit redcross.org/haiti.

AMERICAN RED CROSS GRANTS TO PARTNER ORGANIZATIONS

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<thead>
<tr>
<th>Services</th>
<th>Partners</th>
<th>Amount</th>
</tr>
</thead>
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<tr>
<td>Food distribution</td>
<td>U.N. World Food Programme</td>
<td>$30 million</td>
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<tr>
<td>Emergency and transitional shelters</td>
<td>ACTED, Habitat for Humanity Haven</td>
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<td>Water and sanitation</td>
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<td>Health services</td>
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<td>Livelihoods and host family assistance</td>
<td>Fonkoze, Mercy Corps</td>
<td>$14.3 million</td>
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I was deeply impressed by the size of the operation and the level of detail in the coordination of Red Cross teams to ensure positive impact on the 400,000 men, women and children they were serving. The exhaustless dedication of the Red Cross members was evident—matched only by the resilience of the very people they were helping.”

—Joan Steinberg, Executive Director, Morgan Stanley Foundation

THANK YOU
Thank you for coming to the aid of the families left homeless, hungry and frightened by the January Haiti earthquake. To follow the American Red Cross response as it evolves, please visit redcross.org/haiti. You can also receive regular updates through the Red Cross Mobile Apps, Blog, Disaster Online Newsroom, Flickr, Twitter, Facebook and YouTube sites.

You can help the victims of disasters, domestic and international, by making a financial gift to the American Red Cross. Please consider helping the Red Cross as we prepare for the next emergency. Call 1-800-RED CROSS or visit redcross.org.