

QATAR

Land with a soul



CENTRE DE FACILITATION DES INVESTISSEMENTS
CENTER FOR FACILITATION OF INVESTMENTS

CREDITS

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HAITI AT A GLANCE

Official Name: Republic of Haiti

Capital: Port-au-Prince

Other Major Cities: Cap-Haïtien, Gonaïves, Les Cayes, Jacmel

Area: 27,750 km²

Population: 11.1 million

Languages: Official languages are French and Haitian Creole. English and Spanish are widely spoken in the business community and increasingly among Haitian youth

Life Expectancy: 60 (men), 63 (women)

Time Zone: EST

Political System: Unitary Semi-Presidential

Legal System: Civil law system based on the French Napoldonic Code

Climate: Tropical; avg. minimum of 20°C (63°F), avg. maximum 34°C (94°F)

Currency: Haitian Gourde (HTG) USD = 90.9 HTG (May 2019)

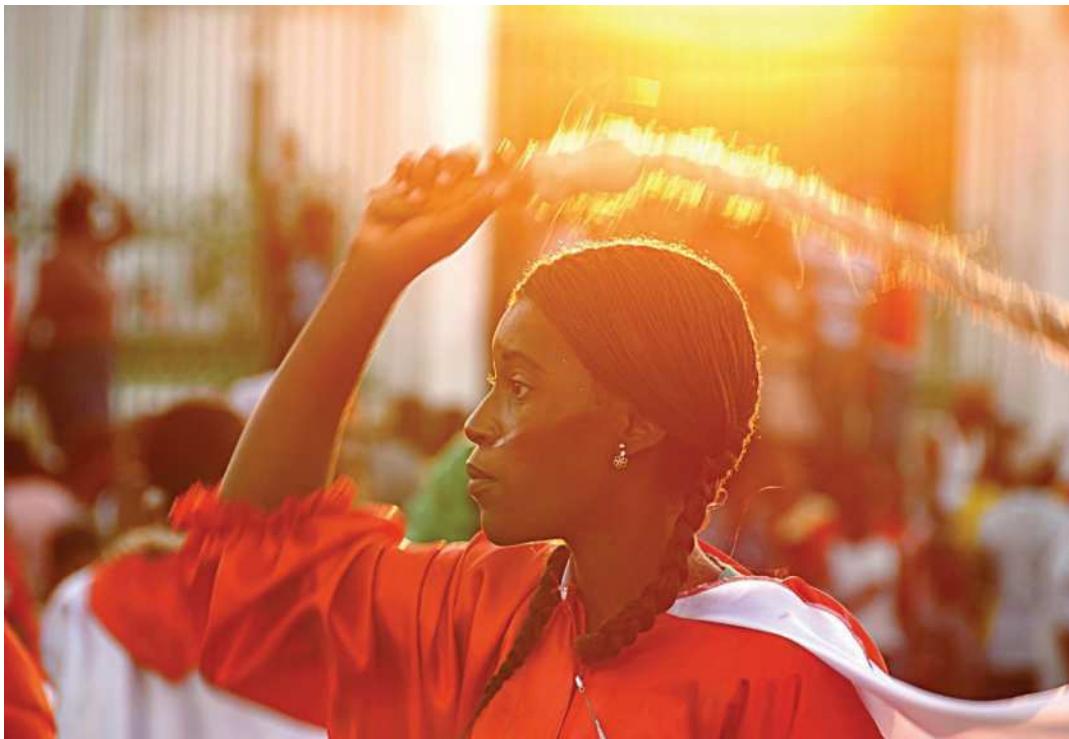
GDP: USD 8.6 billion (2017)

Economic Growth: 2.4% (2018)

Inflation: 14.9% (2018)

TABLE OF CONTENTS

**One of the fast growing economies in the Western Hemisphere,
the Caribbean's first independent nation is set to take off.**



BUSINESS OPPORTUNITIES.....	13
• DISCOVER HAITI	
• APPAREL	
• BUSINESS PROCESS OUTSOURCING (BPO) AND INFORMATION TECHNOLOGY (IT)	
• TOURISM	
• AGRICULTURE AND AGROBUSINESS	
• PUBLIC-PRIVATE PARTNERSHIPS (PPP)	
INVESTMENT CLIMATE.....	35
• INTRODUCTION	
• ECONOMIC POLICY	
• INDUSTRIAL PARKS AND FREE TRADE ZONES	
• WORKFORCE	
• INFRASTRUCTURE	
• TRADE AND INVESTMENT AGREEMENTS	
• U.S. TRADE PREFERENCES	
• VISAS AND PERMITS	
VISITING, WORKING AND LIVING IN HAITI	55
• VISAS AND PERMITS	
• ACCOMMODATIONS IN HAITI	
• TELECOMMUNICATION/ INTERNET	
• BANKING	
• TRANSPORTATION	
• HEALTH	
• INTERNATIONAL SCHOOLS	
• LIFE IN HAITI	
LEGAL AND REGULATORY FRAMEWORK.....	59
• LAND OWNERSHIP BY NON-HAITIAN NATIONALS	
• REGULATORY INSTITUTIONS	
• BUSINESS ENTITIES AND REGISTRATION	
• CUSTOMS REGULATIONS AND PROCEDURES	
• SETTLEMENT OF COMMERCIAL DISPUTES	
• LABOR LEGISLATION	
• TAXES, CONTRIBUTIONS AND INCENTIVES	
• ACCESS TO FINANCE	
THE CENTRE FOR FACILITATION OF INVESTMENTS (CFI)	67
HISTORY OF HAITI	68

LIST OF ACRONYMS IN THIS INVESTMENT GUIDE

ACP	African, Caribbean and Pacific (countries)	IIC	Inter-American Investment Corporation
ADIH	Haitian Manufacturers Association (Association des Industries d'Haiti)	ILO	International Labour Organisation
BIC	Credit Information Bureau (Bureau d'Information sur le Credit)	INFORHT	National Hotel Training Institute (Institut National de Formation en Hotellerie et Tourisme)
BNC	National Credit Bank (Banque National de Credit)	IRII	Industrial Revolution II
BPO	Business Process Outsourcing	LDC	Less Developed Country
BRH	Central Bank of Haiti (Banque de la Republique d'Haiti)	MAST	Ministry of Labor and Social Affairs (Ministère des Affaires Sociales et du Travail)
BUH	Bank of the Haitian Union (Banque de l'Union Haitienne)	MCI	Ministry of Trade and Industry (Ministère du Commerce et de l'Industrie)
CARICOM	Caribbean Community	MIGA	Multilateral Investment Guarantee Agency (World Bank Group)
CARIFORUM	Caribbean Community and the Dominican Republic	MTPTC	Ministry of Public Works, Transport, Energy and Communications (Ministère des Travaux Publics, Transports et Communications)
CBTA	Caribbean Basin Trade Partnership Act	OAS	Organization of American States
CCAH	Haitian Chamber of Conciliation and Arbitration (Chambre de Conciliation et d'Arbitrage d'Haiti)	OFATMA	Insurance Office for Occupational Injury, Sickness and Maternity (Office d'Assurance Accidents du Travail, Maladie et Maternité)
CDES	Council for Economic and Social Development	ONA	Retirement Insurance Office (Office National d'Assurance)
CFI	Center for Facilitation of Investments	OPIC	Overseas Private Investment Corporation
CII	Inter-Departmental Commission on Investments (Commission interministérielle des Investissements)	OTEXA	US Department of Commerce, Office of Textiles and Apparel
CODEVI	Industrial Development Corporation (Compagnie du Développement Industriel)	PACEGI	Presidential Advisory Council on Economic Growth
CONATEL	National Council of Communications (Conseil National des Télécommunications)	PIC	Caracol Industrial Park (Parc Industriel Caracol)
DFQF	Duty Free Quota Free	PIM	Metropolitan Industrial Park (Parc Industriel Métropolitain)
EDH	Haiti Electricity (Electricité d'Haiti)	PPPs	Public-Private Partnerships
EIB	European Investment Bank	RN	Primary Roads (Routes Nationals)
ELVIS	Electronic Visa Information System	SHODECOSA	Superior Housing Development Corporation
EPA	Economic Partnership Agreement (with the European Union)	SOFIHDES	Development Finance Corporation of Haiti (Société Financière Haïtienne de Développement)
EU	European Union	SONAPI	National Association for Industrial Parks (Société Nationale des Parcs Industriels)
FDI	Industrial Development Funds (Fonds de Développement Industriel)	SEDF	Soros Economic Development Fund
FECCANO	Federation of Cooperatives of Cocoa Cooperatives (Federation des Cooperatives Cacaoyeres du Nord)	SIDSA	Free Trade Zone in Tabarre (Société Immobiliere de Développement S.A.)
FMO	Dutch Development Bank	TLIA	Toussaint Louverture International Airport
GATT	General Agreement on Trade and Tariffs	UCREF	Central Unit for Financial Information (Unité Centrale de Renseignements Financiers)
HOPE AND HOPE II ACTS	Haitian Hemispheric Opportunity through Partnership Acts	ULCC	Unit for Combatting Corruption (Unité de Lutte Contre la Corruption)
HELP ACT	Haiti Economic Lift Program	UNESCO	United Nations Educational Scientific and Cultural Organization
HINSA	Hispaniola Free Trade Zone and Industrial Park	UPISA	Unit for the Promotion of Private Investment in the Agricultural Sector (Unité de Promotion de l'Investissement Privé dans le Secteur Agricole)
HTG	Haitian Gourdes (local currency)	WTO	World Trade Organization
ICSID	International Centre for Settlement of Investment Disputes		
IDB	Inter-American Development Bank		
IFC	International Finance Corporation (World Bank Group)		

PREFACE

Private investment by domestic and foreign actors has been a fundamental driving force in almost every instance of rapid and sustained economic growth in modern history. Companies committing to emerging countries can reap unparalleled returns while knowledge and expertise are advanced, new markets are accessed and old markets are expanded.

Haiti is currently seeing consistent increased levels of private investment and faster rates of economic growth, which promise to transform the country into one where the once frustrated hopes of its people can be realized through dynamic progress and development. In numerous economic sectors spanning from agriculture to high-level manufacturing, Haiti has shown that it is more than capable of hosting leading corporations whose success is inspiring them to reinvest and expand, while positively impacting local lives and deepening the identity of their brands internationally.

Furthermore, with a lack of growth in key Latin American markets and the resulting imperative need for companies to go global, Haiti stands out as a very attractive market in which to do business in, and an excellent location to serve as a platform for world markets.

We invite you to be part of this new chapter opening in Haiti's unique history.

This guide, produced by the CFI (Center for Facilitation of Investments), is aimed at both local and international investors, who want to understand more about investing in Haiti. It intends to display the wealth of business opportunities that are currently available, as well as to provide investors with a strong foundation of information to support them in their investment decision. Moreover, the CFI wants to assure investors that they will be supported throughout the entire process leading to the implementation of their investment, from the preliminary exploration phase up to the post-establishment aftercare support.

The CFI is your partner for investing successfully in Haiti.

The CFI Team

ACKNOWLEDGMENTS

The CFI is grateful to the many organizations and institutions that helped make the publication of this guide possible by providing feedback, inputs, and other forms of assistance. The guide's content was developed through consultations with public and the private sector organizations as well as multilateral agencies. Its production would not have been possible without the support and participation of the Haitian private sector. Cooperation between the IDB and Haiti's Ministry of Commerce and Industry was essential to the project's success. The guide was developed and financed with the support of IDB, The CFI's leading source of multilateral assistance.

DISCLAIMER

While every reasonable effort has been made to ensure that the information provided in this publication is accurate as of the date of publication, no business or other decision should be made by the reader solely on the basis of this information. Nothing in this publication is intended as business, legal, or tax advice. The materials contained in this publication were assembled in May 2019 and were based on the laws in effect and the information available at that time. Please visit the CFI's homepage for the latest information and to download this guide:

www.cfihaiti.com





DISCOVER HAITI

BUSINESS OPPORTUNITIES

One of the fast growing economies in the Western Hemisphere, the Caribbean's first independent nation is flourishing.

Hit hard by a succession of natural disasters that have provided setbacks to the country's economic development, Haiti is experiencing a resurgence. The growth rate for 2018, 2.4%, was well above the 0.9% average for Latin America and the Caribbean, and is expected to continue to exceed the region's average for 2019.

Bolstered by public and private investment in infrastructure- including airports, highways, ports, and cellular and internet services- and propelled by a diversely talented population of over 11 million, Haiti's economy boasts a growing range of business and leisure activities, from manufacturing to agribusiness

The country's considerable success in apparel exports is complemented by a strong value added manufacturing sector with over two decades of experience in the production of transformers and inductors, as well as more recent expansion into the production of Android-based tablets. Furthermore, a surge in homegrown iOS and Android app development, doing and multi language computer programming skills, are transforming Haiti into a technologically savvy country with competitive costs

International brands are also continuing to come to and thrive in Haiti, including Heineken Breweries, Coca-Cola and Unilever, as well as hospitality chains such as Marriott, Best Western, NH Hotels, and Occidental. Their successes draw from Haiti's multi-lingual and multi-national workforce with decades

of experience working with international companies and investors.

Haiti is on the move. Come and see what it has to offer.

This section highlights four key opportunities for potential investors in Haiti:

- Apparel;
- Business process outsourcing and information technology;
- Tourism; and
- Agriculture and agribusiness.

The possibilities the country offers investors, however, go well beyond the list profiled in this guide and extend to such sectors and activities as renewable energy, electronics manufacturing, and investment in the construction and building materials industry. The CFI is the first port of call for investors interested in these or other opportunities.

Sûrtab is an Android-based tablet brand that is based in Port-au-Prince. The company manufactures affordable and durable tablet PCs and has expanded from 5 to more than 60 Haitian employees and will continue to grow as they increase their capacity.

Sûrtab tablets are currently available in electronic shops in Haiti and are sold wholesale in Haiti, the Caribbean and Africa.



APPAREL

Why Invest in Haiti's Apparel Sector?

- Speed and ease of entry into the U.S. market;
- Extensive U.S. preferences programs that provide more duty-free access to Haitian apparel products than those from any other country;
- Preferential access to Europe;
- Large, talented labor pool;
- Growing capacity of the labor force;
- Expanded infrastructure for the easy establishment of businesses in industrial parks and free trade zones;
- Longstanding relationships with U.S. importers, brands, and retailers; and
- Crucial support for the sector from the U.S. government and multilateral donors.

UNIQUE LEGAL AND LOCATIONAL ADVANTAGES FOR INVESTORS

Bolstered by the Caribbean Basin Partnership Act (CBTPA) and the HOPE, HOPE II and HELP acts which provide duty-free entry for certain Haitian products to U.S. markets, apparel production in Haiti is growing. In early 2019, it employed 53,000 workers and accounted for nearly one tenth of GDP. Expansions are expected as additional investment is planned from current manufacturers such as Hansae Haiti and Wilbes & Co. Ltd as well as the establishment of RSI, a Taiwanese manufacturer planning to set up operations in the Lafito Free Zone by early 2020. With exports hitting \$926 million USD in 2018, they are expected to cross the \$1 billion mark in 2019. There is considerable room for additional growth. In particular, untapped opportunities for preferential access to the U.S. market exist within the framework of HOPE, HOPEII and HELP acts

Volume of exports represents only a fraction of the available quota. Moreover, preferences for exports of certain apparel and non apparel goods to the United States are quota free, a particularly valuable advantage for investors who locate their manufacturing facilities in Haiti. (See Table).

Another key advantage is Haiti's physical proximity to the United States, which results in short shipping times. The transit time from Port-au-Prince and Cap Haitien to Port Everglades in Florida is three days. Upon arrival, customs procedures in Miami are expedited by Haiti's participation in the electronic visa information system (ELVIS) of the U.S. Customs and Border Protection, permitting quick dispatch to retail distribution centers within the United States.

PREFERENCE REGIME	EXPORT COVERED	QUOTA USED 2015/2016
CBTPA	Knit apparel articles	4.57%
CBTPA	Non-underwear T-shirts	22.65%
HOPE / HOPE II / HELP	Value-Added Tariff Rate Quota: Exported value sourced from Haiti and/or qualifying countries must be at least 50-60%	7.7%
HOPE / HOPE II / HELP	Woven Apparel TPL: May use fabric from any source; apparel must be wholly assembled in Haiti	45.26%
HOPE / HOPE II / HELP	Knit Apparel TPL: May use fabric from any source; apparel must be wholly assembled or knit-to-shape in Haiti	30.94%
HOPE / HOPE II / HELP	Specific Apparel (brassieres, certain headwear, certain sleepwear, and certain knit apparel)	NO LIMIT

source:otexa.trade.gov

INVESTMENT SUCCESSES

WILLBIES & CO, LTD

Since 2001, Willbes & Co., Ltd, a subsidiary of a leading South Korean producer of ready-made apparel, has been operating in Haiti's SONAPI Metropolitan Industrial Park, producing and exporting knit products to major U.S. retailers such as Old Navy, Hanes, Champion and Khol's. The company plans to complete an expansion of its existing sewing facilities in 2019 that will add one building to its existing 10 and up to 12 production lines, with an annual capacity of about 24 million pieces. The expansion project is expected to add another 800 local employees to its current workforce.

“By virtue of duty-free treatment under the HOPE II and HELP Acts, we can offer attractive prices for synthetic and stripe apparels. We feel confident of our future through Haitian government support and increasing demand from U.S. retailers.**”**

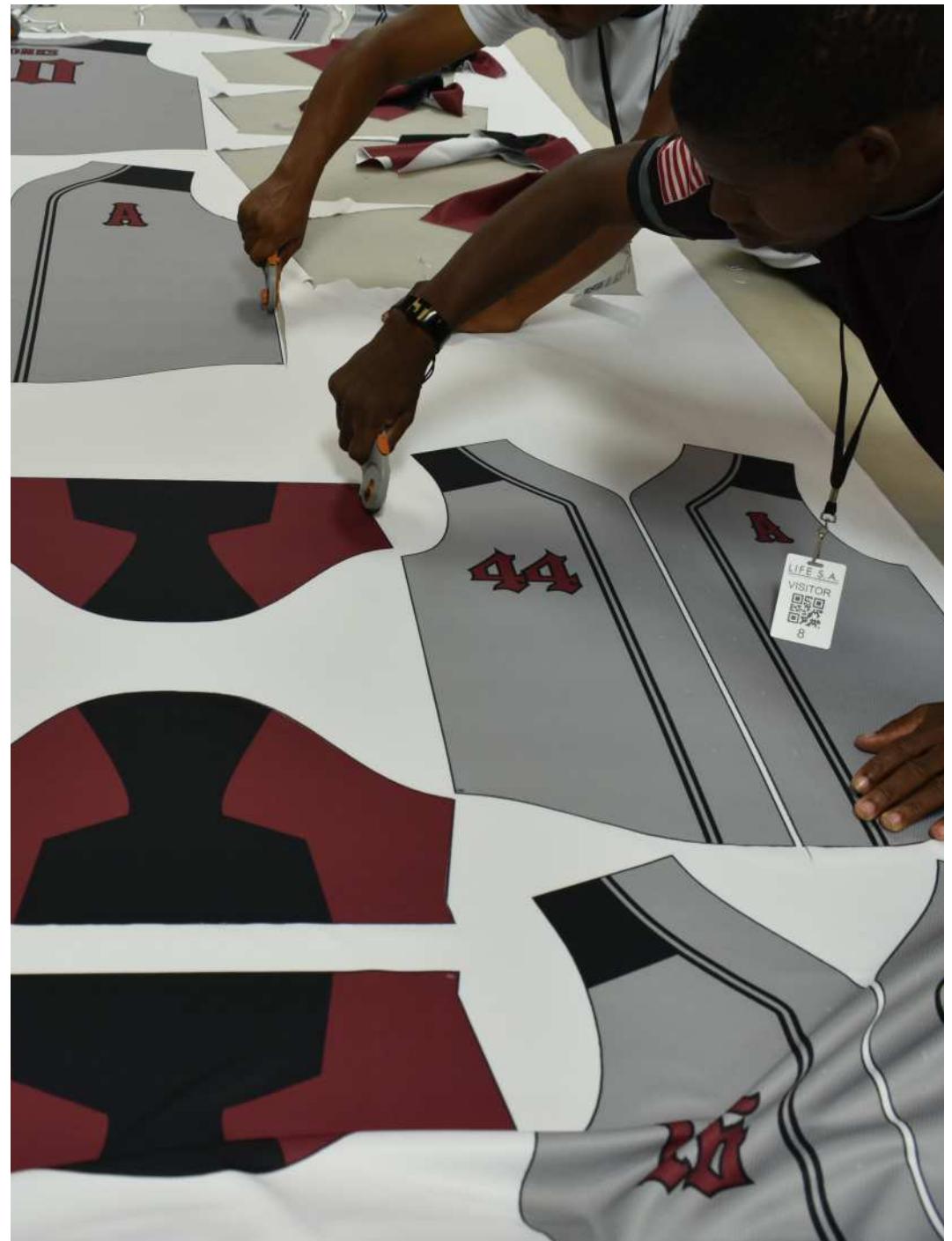
Mr. Oscar Yim, Vice President of Willbes.

» HANSAE

The Haitian apparel sector continues to grow with the establishment of Hansae Haiti in 2016. A subsidiary of one of the largest South Korean apparel companies, Hansae Haiti has quickly grown to employ approximately 1,700 workers, as of April 2019, in two sewing factories and one printing facility. They are working on additional plans to expand their production in Haiti sewing for brands such as the Children's Place and WalMart.

» MAS AKANSYEL

The sector continues to evolve with the establishment of Sri Lankan manufacturer Mas Holdings. Their Haiti factory, Mas Akansyel, was established in Caracol Industrial Park (PIC) in April 2017. Sewing high end activewear such as Lulu Lemon, Mas akansyel brings their belief of “sustainable manufacturing that transforms communities and empowers people” to Haiti. They work closely to ensure their strong corporate values are integrated in their Haiti operation, providing extensive training as well as social impact programs.



BUSINESS PROCESS OUTSOURCING (BPO) AND INFORMATION TECHNOLOGY (IT)

Why invest in Haiti's BPO and Information Technology Industry?

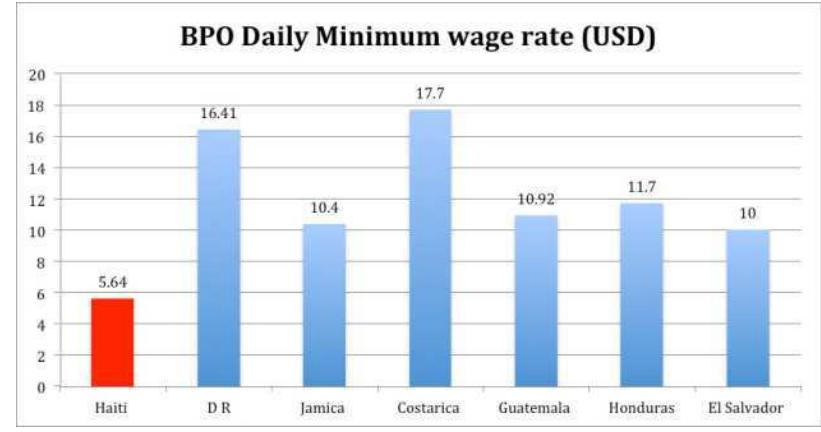
- Large and multilingual labor force;
- Geographical and cultural proximity to major North American markets;
- Recent investments in crucial infrastructure, including two undersea fiber optic cables providing high speed connectivity; and
- Attractive labor costs as salaries and mandatory contributions are one of the most competitive in the nearshore region.

SKILLED AND COMPETITIVE LABOR FORCE

With a labor pool of French, English and Spanish speakers, Haiti is well placed to serve the multilingual needs of the call center market. Haiti is uniquely positioned to serve the French-speaking populations in Canada, Europe and Africa. Indeed, Haiti is North America's only nearshore location with a significant French population, providing the country with a core advantage for investments in BPO services.

Recruiters have shown satisfaction with the availability and trainability of job seekers, which includes Haitians educated in the United States, Canada and the Dominican Republic. Strong affinity to North American culture and the large Haitian diaspora in the U.S. and Canada contribute to high levels of service and quality. A low staff attrition rate is also a factor helping Haiti be one of the most effective call center locations in Latin America and the Caribbean.

Wages in Haiti are also extremely competitive, enhancing the attractiveness of the country for BPO services.



GEOGRAPHICAL PROXIMITY

Haiti's geographic location is particularly convenient for companies and customers in prime U.S. and Canadian markets. Managers can reach Haiti via direct (2 to 5 -hour) flights from various cities in the U.S. and Canada. Haiti is also located in the same time zone as Eastern zones of the United States and Canada, easing international operations.

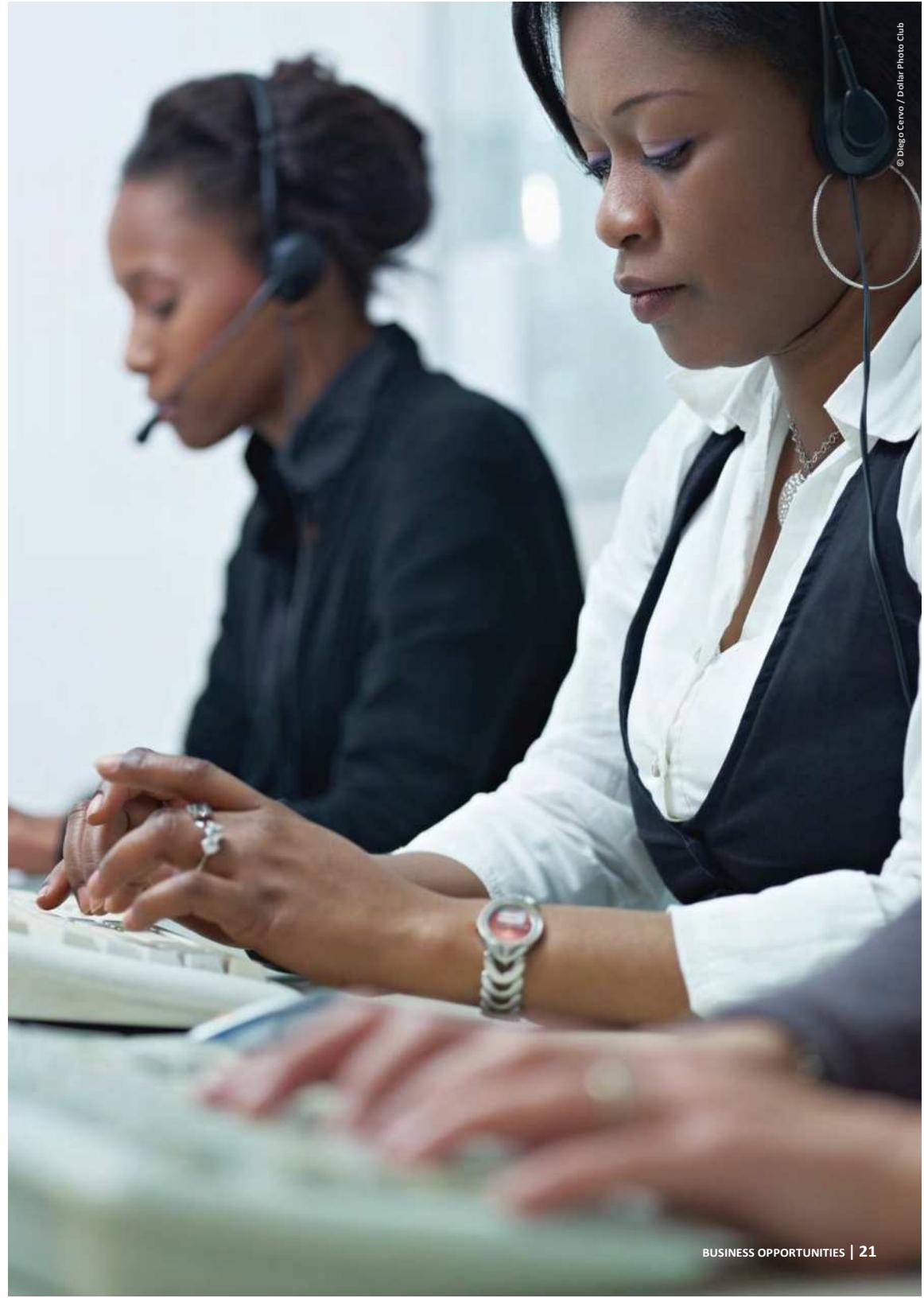
UPGRADED INFRASTRUCTURE

Since the 2010 earthquake, public and private actors have invested extensive resources in upgrading the country's infrastructure, including its telecommunications and internet networks and connectivity. The country's connectivity needs are met by two undersea fiber optic cables. Two large telecom providers provide E1 connectivity at competitive rates. There are numerous locations in Haiti where an IT or BPO center could be established. These include the Caracol Industrial Park and the Lafito Global Business Park, both of which have abundant bandwidth connectivity options.

EXISTING SUCCESSES

One call center business in Haiti is the two hundred agent operation run by Digicel, the Caribbean's main telecom service provider. This customer service operation provides support to all Digicel businesses in the English and Spanish speaking countries in Central America and the Caribbean Basin. Other recently established BPO centers provide customer care, billing, insurance, and healthcare services for the United States, the Dominican Republic and Canada.

The CFI, in collaboration with the Ecole Supérieure d'Infotronique d'Haiti (ESIH), is helping to increase the country's pool of skilled female programmers through the "PowerToFly" programme (powertofly.com). PowerToFly aims to find women jobs wherever they are by allowing firms "that recognize how diversity and flexible work fuel innovation" to outsource their technology projects. This initiative, an innovative approach to job creation, demonstrates that Haitian workers have the skills demanded by today's employers.





TOURISM

Reasons to Invest in Haiti's Tourism Industry:

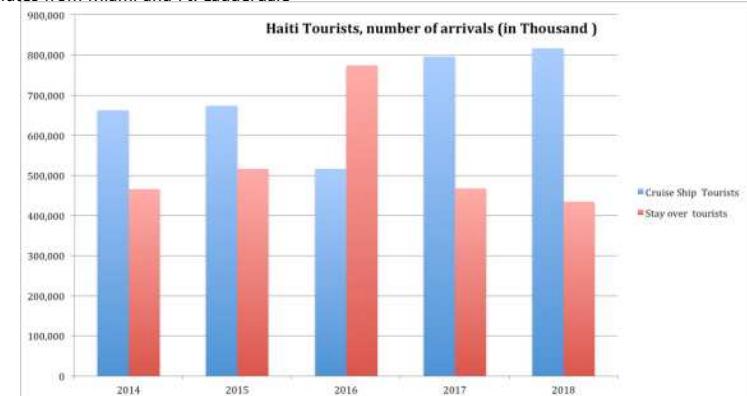
- Gorgeous, undeveloped natural landscapes including pristine beaches, coral reefs, underground caves and mountains;
- Convenient destination for North American tourists;
- Increasing awareness of Haiti as a vacation destination; and
- Growing presence of tourism infrastructure.

HIGH GROWTH AND VAST POTENTIAL

Haiti's considerable tourism assets range from natural to cultural assets and history that make it a highly desirable destination in the Caribbean. The 1,700 km long coastline is defined by beautiful, pristine beaches and offshore coral reefs. Other attractions include rugged mountains, colonial architecture and cultural treasures, including La Citadelle, a UNESCO World Heritage site.

Known as 'The Pearl of the West Indies' during its heyday as a tourism destination after WWII, Haiti is eager and ready to re-establish itself as one of the region's prime tourist locations. Both Haiti's private and public sectors are committed to achieving this goal.

Tourism arrivals have been increasing since 2010. In 2016, 1.24 million tourists visited Haiti. Over 800,000 cruise ship passenger tourists visiting Haiti in 2016 compared to 673,000 in 2015. This steady increase is due to attraction to Haiti's beautiful beaches as well as the strategic location only 90 minutes from Miami and Ft. Lauderdale



Source: Ministry of Tourism

Construction of new hotels and expansion of existing hotels is progressing at a brisk pace. A Marriott opened in 2015. Properties of other international hotel chains in Haiti, such as the NH El Rancho, have been recently renovated, as have local hotels, with the Karibe Hotel expanding from 87 to 187 rooms, the Kinam Hotel constructed and additional 85 rooms. Recently completed beach resort investments outside of Port-au-Prince include the Royal Decameron Indigo Beach Resort and Spa in Côte des Arcadins, Port Morgan, S.A., in southern Haiti's Île-à-Vache as well as the Hotel Satama in Cap Haitien.

In tandem with expansion and upgrading of hotel offerings, there is a growing and varied selection of restaurants and bars in Port-au-Prince, as well as other towns around the country.

These first class facilities not only indicate increasing foreign and domestic investor confidence in Haiti but can also be the launch pad for Haiti's emergence as a preferred convention destination, only 90 minutes from Miami.

KEY DEVELOPMENT PRIORITIES AND OPPORTUNITIES

The Ministry of Tourism has identified a number of priorities for private investment and public-private partnerships in tourist destinations. Opportunities exist in various regions of the country (see Figure) and include:

- Construction of an intimate (40-100 rooms) beachfront hotel and larger conference hotel (150 rooms) at the city's pier in Jacmel, a unique historic destination with 700 meters of shoreline.



GOVERNMENT SUPPORT

To support these projects, the government is providing sector-specific incentives and is also building and enhancing the human resources and physical infrastructure that will enhance the tourism experience and facilitate private investment: main access roads in tourism clusters are being improved; and the government is establishing hospitality training centers in the country's tourism development regions.

HAITIAN ARTISANS

Haiti has a rich cultural heritage and is rightly famed worldwide for its artistic creativity, innovative design and the quality of its artisan crafts. The imagination, use of color and subject matter explored in Haitian painting has been lauded for over seven decades. The same imagination, color and technical quality is found in wood sculptures, furniture, home decoration articles in metal, wood and straw, metal wall hangings, papier-mâché masks and animals, and quilts.

The demand for such "global style" craft products in international markets is significant and growing. Described as a blend of contemporary design and functionality with native elements, products in this style are popular in higher-end retailers such as Pottery Barn, Macy's and Crate & Barrel, as well as independent retailers. Tourists visiting Haiti have a chance to visit artists' ateliers and artisans' workshops to experience first hand these treasures in the making.

SHOWCASING HAITIAN HOSPITALITY

Operating in Haiti since 2002, Port Morgan, S.A., is a high-quality resort in southern Haiti's Île-à-Vache. When the resort first opened, Village Touristique Morgan S.A had only eight rooms. Today, the resort has 23 rooms with an investment of nearly US\$ 2.8 million in a joint venture that is 35 percent Haitian-owned.

The company has created 440 direct and indirect jobs. The company also provides assistance to small local organizations on Île-à-Vache by supporting reforestation projects.

“ We wish to grow even bigger. We are ready and would be glad to build partnerships with other foreign investors. ”

Didier Boulard, Port Morgan CEO



AGRICULTURE AND AGRIBUSINESS

Why Invest in Agriculture and Agribusiness in Haiti?

- **Growing demand for agricultural products in the local market, stemming from an increasing population, international and local food aid programs, and the hotel industry;**
- **Exploitation of markets for organic and fair trade products;**
- **Proximity to the U.S. market as well as the regional Caribbean and Latin American market;**
- **Benefits under international trade agreements;**
- **Topography and climate that enable extended growing seasons.**

The Haitian government has identified the revival and expansion of agricultural investments as key for rural local development, thus opening up new business opportunities in both production and processing for domestic and export markets.

The CFI works in close collaboration with the Unité de Promotion de l'Investissement Privé dans le Secteur Agricole (Unit for the Promotion of Investment in the Agricultural Sector - UPISA) within the Ministry of Agriculture to provide relevant technical information and support to investors interested in engaging in agriculture and agribusiness in Haiti.

In addition to bananas, cocoa, coffee, mangos, and sisal, which are highlighted in more detail below, priorities for private investment include:

- Sugar cane and derivative products;
- Roots and tubers;
- Cereals (maize, sorghum, rice);
- Garden produce such as pigeon peas, tomatoes, cucumbers, peppers, aubergines, and okra;
- Fruits such as avocados, citrus fruits, cashews, tamarinds, and coconuts;
- Beekeeping;
- Chickens (with an internal demand of US\$ 200 million per year);
- Eggs (with an internal demand of 400 million eggs per year); and
- Aquaculture.

Haiti enjoys several advantages as a platform for exports: Its proximity to the United States enables producers to get agricultural products to U.S. markets quickly. Moreover, as one of the ACP (African, Caribbean and Pacific) countries, Haiti enjoys duty-free and quota-free preferential access to the European Union markets for most products. Under the Generalized System of Preferences (GSP), Haiti also enjoys international trade benefits under WTO rules, including for agricultural goods. The Bali Accord further supports the increase of Haiti's duty-free and quota-free access alongside other least-developed countries worldwide.



In addition to business opportunities in export markets, there is also significant potential to serve an expanding domestic market. The national population of over 11 million is growing and the country is urbanizing. As economic growth takes hold and leads to greater employment and urban purchasing power, demand for more and better quality food stuffs and agricultural products will only rise.

Other Haitian advantages are the country's topography and climate, which combine to create a variety of microclimates. This means, for example, that Haitian export mango cultivation extends over a five-month season compared to the two or three month mango harvest seasons in competing countries.

Areas of Haiti typically vulnerable to natural disasters now benefit from an early alert system, risk maps and evacuation plans that help protect agricultural production in 32 municipalities located in 13 high-risk watersheds.

COFFEE

Haiti has a 200-year tradition of growing mainly Arabica coffee under agro-ecological conditions well suited for producing quality organic coffee that commands premium international prices. Much, if not all, of Haiti's coffee is grown without use of chemical inputs.

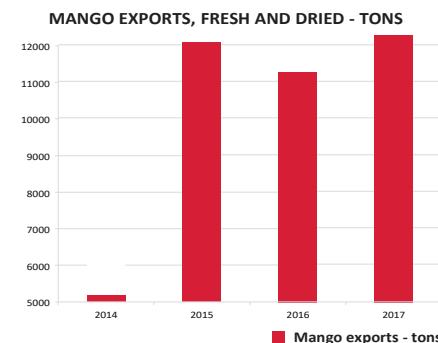
The country currently produces roughly 18 million kilograms annually, but aims to increase that amount, both to serve the domestic market – which currently absorbs 65% of the country's production – and to increase exports.

While REBO and Geo Wiener are the major coffee exporting firms, other smaller

enterprises are getting Haitian coffee into new markets, including Walmart, a major U.S. retailer.

MANGOS

Haiti is one of the largest mango producers in the world, with about 10 million mango trees. Yet there is still vast potential for additional growth in production of fresh and dried mangos in Haiti, particularly given the steadily increasing global demand for the products. Currently, only around 10 percent of production is the export-quality Madame Francis variety. To overcome this limitation and help serve the international market, initiatives are under way to upgrade existing Haitian mango trees through grafting as well as the introduction of new varieties of commercial trees. Improved transportation conditions also help facilitate access to markets.



COCOA

Haitian criollo cocoa beans are cultivated without chemical additives (there are no in-country cocoa pests or diseases) and are highly prized for their exceptional flavor by pastry companies and high-end chocolatiers of luxury chocolate brands. As leading food companies are committed to sourcing their cocoa from sustainable producers, and craft chocolate makers are seeking new sources of

fine and aromatic cocoa, niche markets that Haiti's organic cocoa can serve will continue to expand.

Currently, most beans grown in Haiti are sold and exported in a raw, unprocessed and unfermented state that does not meet the volumes or standards needed to connect meaningfully with brokers and their markets. The low volumes and quality have meant low returns for producers and their cooperatives.

But this is changing. FECCANO (a federation of six cooperatives in the north) and one cooperative in Grand-Anse are producing and exporting fermented cocoa beans to specialty buyers, as well as selling to powerhouse REBO. As this accounts for less than 5 percent of national exports, working with farmers to get processed and fermented cocoa to market constitutes an area of significant opportunity.

BANANAS

The Léogane region, just south of Port-au-Prince, and the Arcadins Coast in the west are traditional areas of banana production with well-watered fertile soils and a good climate. Haiti exported bananas until the late 1940s, after which time all production has supplied the local market. Today, the government is working to increase production for domestic consumption and, in particular, for export.

A number of investments are already underway. One development is the US\$ 27 million project in the Trou-du-Nord commune, which will bring together over 3,000 Haitian farmers from different associations to produce organic bananas for export.

ESSENTIAL OILS

Essential oils, one of Haiti's most important agricultural exports, were worth an estimated US\$ 47.9 Millions USD in 2017.

Haiti has favorable climatic and land conditions in the north department for the production of bitter oranges used for Grand Marnier and Cointreau production.

Vetiver oil, extracted from the vetiver perennial grass, is used for medicinal purposes, cosmetics and perfumes. Haiti is the largest exporter of vetiver oil in the world, with Agri-Supply Co. SA in Les Cayes being Haiti's largest producer.

SISAL

Sisal was an important commercial crop throughout World War II and until the 1970s when Haiti lost its competitive edge due to the introduction of synthetic fibers. Projects are now underway to reignite the country's production of sisal and sisa products.

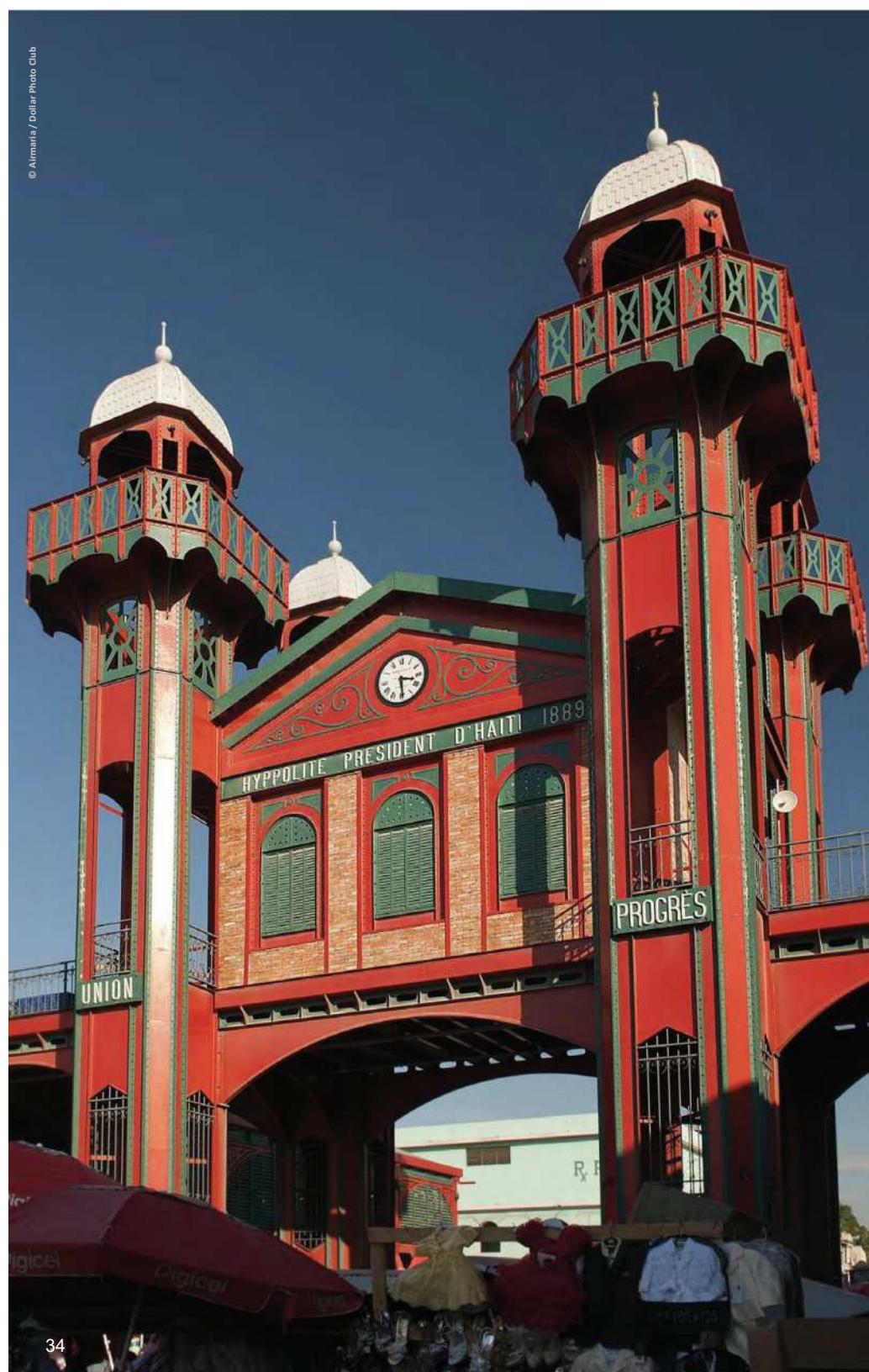
SISALCO, a Haitian company, is one example, working to increase output from the Côtes-de-Fer, in the south, where most sisal is currently produced, and to expand production in new regions in north and northeast Haiti. Its US\$ 5 million project envisages up to 4,000 hectares under sisal production, with 1,000 hectares worked by the company and another 3,000 hectares by small producers receiving technical assistance and selling their semi-processed product to SISALCO. With its new factory in the Caracol Industrial Park, SISALCO will use sisal fibers to produce coffee sacks for REBO as well as other sisal products for a strong and growing export market.

PUBLIC-PRIVATE PARTNERSHIPS (PPP)

The government of Haiti has launched a new initiative with the help of the World Bank Group and local partners to draft a law on public-private partnerships (PPPs). At present there is no unified PPP law, the aim of the initiative is therefore to build on existing regulations and to systematize the legal framework governing PPPs to improve the transparency, predictability and ease of the PPP process. It is hoped that this new law will facilitate significant investment in such key areas as infrastructure, energy and transportation.

The Commission Nationale des Marchés Publics (The National Commission for Public Markets - CNMP) under the Prime Minister's Office is currently overseeing PPP projects in Haiti. With the adoption of a new law, however, responsibility for PPPs will move to the Unité Centrale de Gestion de PPP (Central Unit for the Management of PPP - UCG/PPP) under the Ministry of Finance.

Completed PPPs in Haiti include Natcom (telecommunications) and the Caracol Industrial Park.



INVESTMENT CLIMATE

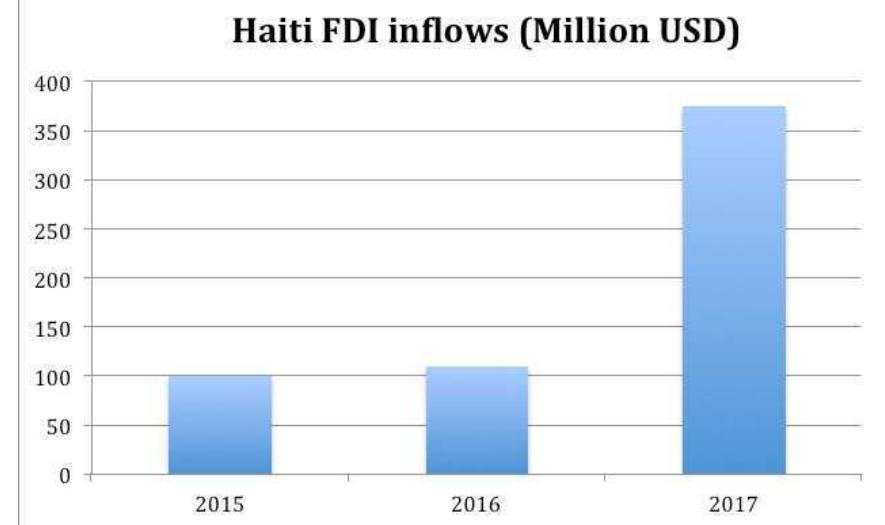
INTRODUCTION

Continuing to improve the business and investment climate is one of Haiti's premier objectives. The success so far is clearly represented by the increase in FDI in recent years (see the graph below) as well as the major firms that are choosing to invest in Haiti. Heineken, Marriott and Digicel are just a selection of the firms that see the opportunity that Haiti represents.

The Centre for the Facilitation of Investments (CFI) provides support to investors throughout the investment process: from initial interest to any concerns arising after the project is established. Significant support from the Inter-American Development Bank, Caribbean Export and the European Union is bringing the CFI rapidly up to best practices in all areas of its work.

Similarly, the Doing Business Unit within the Prime Minister's Office is focusing on continuing to improve Haiti's World Bank Doing Business rankings, as is the Presidential Commission for the Reform of Business Law.

This section provides a basic overview of the investment climate in Haiti and highlights some of the government initiatives aimed at making the country an increasingly attractive destination for firms.



ECONOMIC POLICY

The government of Haiti recognizes that the transition from earthquake emergency relief to sustainable recovery and growth will take time. It is committed to accomplishing this transition through a comprehensive set of measures to foster long-term growth and reduce poverty. These measures are set forth in its post-earthquake Action Plan for National Recovery and Development of Haiti, which was agreed with the international community of donor agencies and financial institutions. It is clear that a vibrant and productive private sector is vital to achieving this economic growth.

The Action Plan complements the government's aim to achieve substantive progress on five priority issues (or the five "E"s), namely: (1) rule of law (*état de droit*) with improved enforcement achieved through increased capacity of public administration; (2) education for all; (3) employment, through the construction of key basic infrastructure and creation of a business-friendly environment; (4) environment, including environmental rehabilitation and land tenure; and (5) electricity, emphasizing the need for measures to improve generation and distribution.

In addition to those five issues, the government has identified four priority regions or development poles to diversify and decentralize economic activity from the Port-au-Prince area. These are: (1) north of Port-au-Prince in the area around Cabaret; (2) Cap-Haïtien and the northern region; (3) Hinche and the Central Plateau, Gonaïves, St. Marc, and the Artibonite Plain; and (4) Les Cayes, Jacmel, and surrounding areas in the south.

As one means of advancing development in those regions, as well as in Port-au-Prince, the government supports the creation and expansion of industrial parks and provides incentives for the creation of free trade zones. These parks and zones aim to help catalyze economic growth in the country by increasing the availability of factory space and appropriate infrastructure necessary to support business activities.

Alongside these initiatives, Haiti has created several institutions dedicated to improving the climate for private sector investment. Then, in 2012, President Martelly created a Presidential Commission for the Reform of Business Law and tasked it with enhancing the legal framework to boost domestic and foreign investment. Also in 2012, the prime minister created an Economic and Social Development Council (CDES) to provide advice on how to simplify administrative procedures and promote private investment.

INDUSTRIAL PARKS AND FREE TRADE ZONES



Haiti has embraced the development of government- and privately-owned industrial parks and free trade zones as a means of enabling enterprises to realize bottom-line benefits through investment in the country. Businesses located in these parks and zones can optimize operational costs by taking advantage of various benefits, including expedited customs clearance, reduced transportation costs when zones and parks are proximate to ports and airports, cheaper and more reliable access to energy and water services, the availability of standard factory buildings for sale or lease, and access to storage and warehouse facilities. The specialized legal frameworks that apply in free trade zones and the business services available in a number of the parks and zones further streamline the processes for establishing and operating businesses in Haiti. This section highlights some of Haiti's parks and zones, illustrating the activities they support and features they offer.

INDUSTRIAL PARKS

» CARACOL INDUSTRIAL PARK

The Caracol Industrial Park (PIC), the largest industrial park in the Caribbean, is a 250-hectare facility for mixed use and light manufacturing situated in the north eastern region of Haiti. Inaugurated in October 2012, the PIC has been widely applauded by the international investor community as a landmark project opening up new opportunities for investment in Haiti. The park is government-owned, managed by SONAPI and built with donor funds from the IDB. At the end of 2018 the PIC employed 13,500 people and approximately 30% of the total area was built. Plenty of room remains for expansion.

The PIC provides crucial infrastructure and services for enterprises, boasting a 10 MW operational power plant, cellular and broadband services provided by national operators, access to an aquifer, wastewater treatment facilities, and solid waste disposal. The PIC also has state-of-the-art industrial buildings and provides on-site extended stay accommodation for executives and management. Other business services include on-site customs clearance and a fleet of nearly 50 buses managed by SONAPI to transport workers between the PIC and surrounding communities.

The PIC's location is prime for both export-oriented firms and domestic consumption-focused enterprises. Employers benefit from the park's:

- Proximity to major population centers in the northern corridor extending from Cap-Haïtien to Ouanaminthe;
- Location less than three miles from the new University of Limonade with a pool of 4,000 multilingual university-educated Haitians;
- Easy access to and from Cap-Haïtien airport, which is less than 30 minutes from the park and which has six daily flights to Port-au-Prince (25 minutes) and two to Miami (90-minute flying time); and
- Location less than 30 minutes from the port of Cap-Haïtien, which has twice-weekly sailings to Port Everglades (Miami, Florida), a three-day journey.

A good road network enhances the PIC's connectivity within the region and to Port-au-Prince and the Dominican Republic. (For more on transportation infrastructure at Cap-Haïtien, see the Infrastructure section of this Guide).

Among the current tenants of the PIC are the Korean textile firm SAE-A Trading, the anchor tenant, has employed approximately 11,500 workers as of January 2019, making the company one of the largest private sector employers in Haiti. Peintures Caraïbes, a Haitian paint manufacturer and national affiliate of Sherwin-Williams, currently employs around 100 workers and plans to expand production. While initially focused on the local market, it is expected to use the PIC for its exports to other Caribbean countries. SISALCO, a manufacturer of sisal products; MAS Akansyel a high end apparel manufacturer, Everest Apparel, another apparel manufacturer, have also located in the PIC.

Buildings for rent in the PIC are available at US\$ 3.90 per square meter per month.. Land can also be leased and developed by self-financed investors with specific requirements who wish to customize their premises while taking advantage of the infrastructure available at the PIC.

» PARC INDUSTRIEL MÉTROPOLITAIN (PIM)

The government-owned Parc Industriel Métropolitain (PIM), located adjacent to Port-au-Prince's international airport, was established in the early 1970s. After a recent expansion, the PIM now has more than 50 buildings occupying a total of 206,000 square meters and has plans for additional growth.



The priority of the PIM is to rent space to export-oriented, labor-intensive industries, which means the main businesses locating at the PIM have been apparel manufacturers.

» SHODECOSA

SHODECOSA (Superior Housing Development Corporation) has a business park with over 186,000 square meters of covered space, conveniently located between Port-au-Prince's airport and port. Operating in Port-au-Prince since 1979, it is currently home to apparel and other manufacturers such as Caribbean Island Apparel, whose factory now employs 1,700 workers producing goods for the U.S. market.

SHODECOSA offers its tenants extensive storage infrastructure and ample room for labor-intensive manufacturing. The park also seeks to minimize the start-up costs of new business ventures and fixed costs for manufacturing by ensuring low property acquisition and building construction costs. SHODECOSA additionally offers services such as integrated and efficient security, legal advice for incorporation, and administrative services suited to individual client needs.

Other industrial parks include the Unibank Parc, the Fatima Group's Park and the WIN Industrial Park.

» FREE TRADE ZONES

Free trade zones, which are governed by the Free Trade Zone Law of 2002, are geographic areas in which benefits such as special customs, taxation and immigration regimes apply to ease business for firms operating within the zones.

The government welcomes and supports the creation of new free trade zones. These can be established by private investors or by public-private partnerships with the

authorization of the National Council of Free Zones in accordance with the Free Trade Zone Law. Fiscal incentives exist for promoters or operators of a free trade zone.

» LAFITO INDUSTRIAL FREE ZONE

Lafito Industrial Free Zone, a privately owned and operated zone which opened in 2015, it provides 100,000 square meters of manufacturing space and associated infrastructure that includes a fiber optic network, a secure data warehousing facility and 25 MW of competitively-priced and reliable power. Located within one kilometer of the new privately owned and operated Port Lafito near Port-au-Prince (see the Infrastructure section for more details), the modern Lafito Industrial Free Zone will provide exporters a competitive base in which to operate.

» COMPAGNIE DU DÉVELOPPEMENT INDUSTRIEL

The Compagnie du Développement Industriel (CODEVI), a free trade zone established in 2002, is owned and operated by Grupo M, a vertically-integrated Dominican apparel manufacturer. The park, in Ouanaminthe, a town on Haiti's border with the Dominican Republic, has over 371,600 square meters of space, of which around 41,800 square meters has been developed as industrial buildings. CODEVI provides tenants with electricity, voice and data services, a recruitment and training center, a cafeteria, and a recreational space.

CODEVI was initially financed by the IFC. After the earthquake, the Soros Economic Development Fund (SEDF) invested US\$3 million. SEDF also partnered with Citi on a grant to provide professional training to factory line workers and management. With excellent road transport as well as good

access to the port of Puerto Plata, factories in CODEVI produce garments for Levi's, JC Penney and American Eagle, among others. The park now employs over 10,000 workers. There is sufficient space at CODEVI to continue to expand the number of factory units.

» PARK HISPANIOLA

Park Hispaniola (HINSA), located in the metropolitan area of Port-au-Prince, enjoys the benefits of a free trade zone and an industrial park. The park contains a 30 MW power plant (E-Power) that opened in 2011. The power plant was developed by a consortium of Haitian and South Korean investors and backed by the IFC and FMO. The resulting reliable power supply is a significant advantage for energy-intensive industries that require proximity to Port-au-Prince.

» LES PALMIERS

Les Palmiers Free Trade Zone in Carrefour, Port-au-Prince, was developed in 2012 by a group of local investors at a cost of US\$8 million. Its tenant is SG Corporation of Korea, which makes apparel for WalMart, The Children's Place and Mondetta presently employs around 3,000 workers.

» SIDSA (SOCIETE IMMOBILIERE DE DEVELOPPEMENT S.A)

The SIDSA Free Zone, located in Tabarre, is a recently constructed free trade zone that is home to Val D'Or Apparel Manufacturing, Heart 4 Haiti and Textiles Youm Kwang. The zone has approximately 19,000 square meters of factory space across two buildings and employment as reached approximately 2,000 workers.

Other zones, such as WIN Free Zone are under development. These free trade zones are also regulated under the Free Trade Zone Law.

» Digneror Free Zone

Launched in 2015, Digneror Free Zone has 20.5 ha of land area. Upon completion it will have 100,000 sq meter of manufacturing space, 2,500 sq meter of housing for international staff, 2,150 sq meter for administrative and other park services. Digneror Free Zone is a professionally zoned, landscaped and managed free zone designed to attract high value-added industrial and manufacturing projects which will help create quality local employment and wealth. This free zone has established an eco friendly infrastructure with extensive use of green and renewable energy and a dedicated waste management system.



WORKFORCE

One of Haiti's greatest assets is its people. The country's population of over 10 million is very young, with approximately 65 percent under the age of 30. With a reputation for being energetic, flexible, hard-working, and trainable, this multilingual labor force can be rapidly mobilized to meet the demands of high-growth sectors, such as BPO, tourism, apparel manufacturing, agribusiness, and electronics manufacturing.

The demand for jobs and desire for work is strong. There is a stable labor force, with factory managers reporting low levels of absenteeism (2 percent) and turnover (between 4 to 6 percent per year). Low absenteeism is a factor helping to realize output targets and low turnover rates are an incentive to invest in workers' training programs.

EDUCATION

By the Constitution of 1987, the State guarantees Haitians the right to free and adequate primary education. However, Haiti's education system is currently dominated by private schools, most of which are operated as for-profit organizations.

After the pre-school level, students have nine years of basic education and receive a Brevet Diploma. Secondary education consists of four years of schooling, followed by the completion of the Baccalauréat. After their basic education, students have the option to follow a professional or vocational training.

Some of the most recognized universities in Haiti are Université d'Etat d'Haiti, École Supérieure d'Infotronique d'Haiti, Université Notre Dame d'Haiti, and Université Quisqueya.

DEDICATION TO IMPROVEMENT

The government is currently engaged in a multi-year process to ensure there is a publicly-financed, tuition-free, well-managed education system open to all children that provides quality educational services as well as social services. The plan covers the entire education system, from early childhood development to higher education, and includes public and non-public schools. Specific targets include providing free, universal education from grade 1 through 6 by the end of 2019, and from grades 1 through 9 by 2021.

Of particular interest to investors, the plan also calls for the creation of an integrated management system of the sector with strong private sector participation, and an increase in technical and vocational education and training programs to meet labor market demands.

VOCATIONAL TRAINING

To further improve the skills of the workforce in various sectors, both the public and private sectors are investing in vocational skills training.

Relevant for the textile sector, the Training Center in Apparel Technology of Industrial Park Caracol is a joint initiative of the Government of Haiti and that of South Korea. The Korean International Cooperation Agency (KOICA) invested US\$3.5 million for the construction of the building and acquisition of equipment of the center. The center trains unskilled workers to meet the workforce demands of the garment industry and to help ensure the availability of adequately trained human resources.

In 1954, trains young men and women for careers in the hospitality industry. With tourism being one of the priority sectors, the Ministry of Tourism is expanding its efforts on vocational training. The Institut National de Formation en Hôtellerie et Tourisme (The National Hotel and Tourism Training Institute -INFOR HT) in the south opened its doors.

INFRASTRUCTURE

A significant infrastructure investment program, financed by national and international resources, is underway to improve Haiti's connectivity, both internally and externally. This program seeks not only to replace infrastructure destroyed as a result of the 2010 earthquake and other recent natural disasters, but also to create new infrastructure that will meet the needs of this growing economy.

ROADS

Ground transport is the main internal mode of transportation for passengers and goods as well as for trade with the Dominican Republic. The national road network comprises 3,608 km, consisting of 950 km of primary or trunk roads linking major cities (Routes Nationales (National Routes) - RN), 1,315 km of departmental or secondary roads and 1,343 km of tertiary or rural roads. More than 700 km of roads have been constructed and renovated since the start of the Martelly administration with the major towns and cities now connected by a strong paved road network.

There are several major initiatives underway to further improve crucial road networks. For example, recent improvements have been made to the RN1, which links Port-au-Prince to Haiti's second-largest city, Cap-Haïtien. A full upgrade of RN1 is expected to be completed by 2018. Another major project is the upgrade and paving of the RN7 between the southern departmental capitals of Ley Cayes and Jérémie and their respective agricultural regions in the south and Grande Anse departments.

In addition to those specific projects, the government is placing significant emphasis on strengthening the road maintenance capacity of the Ministry of Public Works, Transport, Energy, and Communications (Ministère des Travaux Publics, Transports et Communications - MTPTC).

AIRPORTS

Haiti's main international airport, Toussaint Louverture International Airport (TLIA) in Port-au-Prince, has direct international flights to four U.S. cities (Miami, Fort Lauderdale, New York, and Atlanta), Canada, Panama City, and Paris via the Dominican Republic and Guadeloupe. There is also an extensive network of flights to other cities in Latin America and the Caribbean. Approximately 20 airlines operate out of TLIA with over 230 international flights to 16 cities per month.

With its Class II classification, TLIA is able to accommodate large transport aircraft. The number of passengers arriving in TLIA has close to doubled since 2005, now totaling well over 1 million per year.

Cap-Haïtien International Airport has also been upgraded. The inauguration was held on October 2, 2014, with the first arrival being an American Airlines flight from Miami. The construction of a new runway and terminal building, a US\$ 60 million project, was a strategic intervention transforming the prospects for northern Haiti's international accessibility and connectivity to the United States and beyond. The airport grants quick access to the CARACOL and CODEVI industrial parks located in the free trade zone in the northeastern region. It also improves access for tourists visiting La Citadelle and Sans Souci, as well as other tourism hotspots.

Other airports are under construction or currently being upgraded, including Les Cayes and île-à-Vache. These form part of the tourist infrastructure that will allow international travelers to go directly to the tourism facilities under development in the southern region.

SEAPORTS

Haiti's main international seaports are located in Port-au-Prince and Cap- Haïtien.

The port of Port-au-Prince is currently the main port for container traffic and general fractioned freight, with specialized docks and warehouses. The Port-au-Prince seaport moves nearly one million tons of freight annually. An international firm is currently undertaking a US\$ 69 million renovation of one of the main docks, including a new 410m wharf.

A recent decision to update the seaport at Cap-Haïtien means Haiti will soon have an upgraded port on the northern coast to serve the manufacturing facilities located at the Caracol Industrial Park.

To date, much of Cap Haïtien cargo is dispatched through ports in the Dominican Republic.

The newest addition to Haiti's port facilities is the privately-owned Port Lafito, which has been operational since 2015. A subsidiary of Gilbert Bigio Group and managed by SSA Marine, Port Lafito is a greenfield multipurpose panamax port and terminal handling containerized and loose-bulk cargo.

Major shipping companies such as Crowley Maritime, Maersk Sealand, Seaboard Marine, Antillean Marine, and Evergreen already serve Haiti. Air cargo carriers such as FedEx, DHL, UPS, and Amerijet are also present.

ELECTRICITY

There is a huge need for both public and private sector investment in Haiti's electricity sector, particularly in renewable energy. Haiti currently suffers from an insufficient installed capacity of just 313 MW with only 60% of that electricity stable. The current electricity demand in Haiti is estimated to be around 500 MW throughout the country.

There is no national grid, with electricity being provided by both the national electricity company (Électricité d'Haïti (Haiti Electricity) - EDH) and private producers on nine grids around the country. In addition to the EDH production, there are three Independent Power Producers (E-Power, Sogener and Haytrac) which together generate 82 MW. Caracol generates its own electricity on-site, while each of the free trade zones also has the option to self-generate. Most of the power generated is currently from heavy fuel oil or diesel, though, in the absence of a centralized grid, there is considerable potential for renewable solar, wind, hydro-, and biomass power generation.

TRADE AND INVESTMENT AGREEMENTS

Opportunities exist to invest in the electricity sector, particularly in relation to renewable energy projects, given Haiti's considerable solar, wind and biomass power potential. In terms of solar power, Haiti's solar resources are particularly strong and consistent throughout the year. Major energy consumers such as the University Hospital Mirebalais predominantly source their power from solar panels, and are even able to feed excess power into the local grid. The solar energy sector should be seeing a significant boost in investment in the coming years. Similarly, several locations in Haiti, including Lac Azuéi to the east of Port-au-Prince, are particularly suited to wind energy projects.

In addition to promoting investment in renewable energy, the government is also seeking to modernize EDH and improve its performance.

COMMUNICATIONS

Internet and telecommunication connectivity in Haiti has been expanding significantly with considerable private investment. In 2010 the national telecoms provider, Telecommunications d'Haiti S.A.M. (Teleco) was privatized (and renamed Natcom), with the Vietnamese company Viettel acquiring a 60% share of the company from the Haitian government.

Haiti has rapidly expanded its mobile phone penetration rate over the past decade to roughly 70 percent of the population in 2019. The predominant mobile provider is Digicel, which is also Natcom's main competitor in the provision of both phone and internet services.

Two undersea fiber optic cables extend to Haiti. E1 connectivity is provided at competitive rates. Haiti has an estimated 2.6 million internet users which covers 25 percent of the population. In the mobile broadband space, Haiti has over 1.5 million subscribers or about 15 percent of the population. There are several internet service providers serving the country (Digicel, Hainet, Natcom, and Access Haiti).

Haiti is a party to various international agreements on trade and investment that provide firms doing business in the country with key advantages. These include:

- Agreements enhancing the availability of political risk insurance and other financial products and services;
- The WTO agreements, including the Bali Package supporting duty-free quota-free access for LDCs to export to developed countries;
- Other trade agreements facilitating trade and investment both within the Caribbean Basin region and between the Caribbean Basin region and other countries and regions;
- Bilateral investment treaties; and
- Agreements for settlement of disputes between investors and states and for enforcement of arbitral awards.

AGREEMENTS FACILITATING POLITICAL RISK INSURANCE AND OTHER FINANCIAL SERVICES

» MULTILATERAL INVESTMENT GUARANTEE AGENCY (MIGA)

Haiti is a member of the World Bank's Multilateral Investment Guarantee Agency (MIGA). MIGA guarantees investments against non-commercial risks, which can help investors obtain access to funding sources with improved financial terms and conditions. Since its creation in 1988 MIGA has issued more than US\$24 billion in political risk insurance for projects in a wide variety of sectors in all parts of the world.

» UNITED STATES OVERSEAS PRIVATE INVESTMENT CORPORATION (OPIC)

In 2013, the Haitian government signed an Investment Incentive Agreement with the United States Overseas Private Investment Corporation (OPIC) in order to help catalyze U.S. investment in Haiti. Similar to MIGA, OPIC provides investors with access to political risk insurance. It also offers loans and loan guarantees, and supports private investment funds. OPIC's current portfolio includes nearly \$35 million USD in Haiti across a variety of projects in sectors ranging from housing and construction to food production.

» THE WORLD TRADE ORGANIZATION

Haiti was a founding member of the GATT (General Agreement on Tariffs and Trade) and joined the World Trade Organization (WTO) in 1996. WTO agreements govern a range of trade- and investment-related issues, including protection of intellectual property, non-discrimination against foreign goods, technical barriers to trade, and sanitary regulations.

Importantly, as a result of decisions at the 5th Ministerial Conference of the WTO in 2005 in Hong Kong and the Bali meeting of 2013 concerning Duty Free Quota Free (DFQF) access to developed country markets for least developed countries (LDCs), Haiti is the beneficiary of preferential and unilateral access to many markets. Exoneration of tariff lines from custom duties is 98.6 percent for Canada and 98.3 percent for the European Union, for example. With respect to the United States, while other LDCs benefit from 82.5 percent of tariff lines, Haiti is the only country benefiting from almost complete exemption from American tariff lines.

The WTO decisions together with the flexible rules of origin under HOPE II and HELP (see below under U.S. Trade Preferences), offer a very favorable trade environment for investors.

REGIONAL AGREEMENTS -- CARICOM AND CARIFORUM

Haiti has been a full member of the Caribbean Community (CARICOM) since 2002 and is working towards fulfilling the requirements to integrate fully with the CARICOM Single Market, which would allow tariff and quota free access to the other CARICOM economies. Haiti is also a member of the Caribbean Forum (CARIFORUM), which consists of the 15 CARICOM members plus the Dominican Republic.

CARICOM AND CARIFORUM AGREEMENTS WITH OTHER COUNTRIES

CARICOM has entered into several agreements with third states, including the:

- Trade and Investment Framework Agreement with the United States;
- Trade Agreement with Costa Rica;
- Trade Agreement with Venezuela; and
- Cooperation Agreement with Cuba.

CARIFORUM has negotiated an Economic Partnership Agreement (EPA) with the European Union. In 2009, Haiti signed the CARIFORUM-EU EPA. The treaty is pending ratification by Haiti's Parliament.

COTONOU AGREEMENT WITH THE EUROPEAN UNION

As a member of the African, Caribbean and Pacific (ACP) Group of States, Haiti is also a party to the Cotonou Agreement between the European Union and the ACP countries. The Cotonou Agreement proves a framework for the European Union's cooperation with Haiti and other ACP states on economic, social and development issues, including cooperation on the development of infrastructure and promotion of private investment.

BILATERAL INVESTMENT TREATIES

Haiti has concluded several bilateral investment treaties (BITs) regarding the promotion and protection of foreign investment. Agreements are currently in force with:

- » France;
- » Germany; and
- » The United Kingdom.

AGREEMENTS FOR SETTLEMENT OF DISPUTES AND ENFORCEMENT OF ARBITRAL AWARDS

» INTERNATIONAL CENTER FOR SETTLEMENT OF INVESTMENT DISPUTES (ICSID)

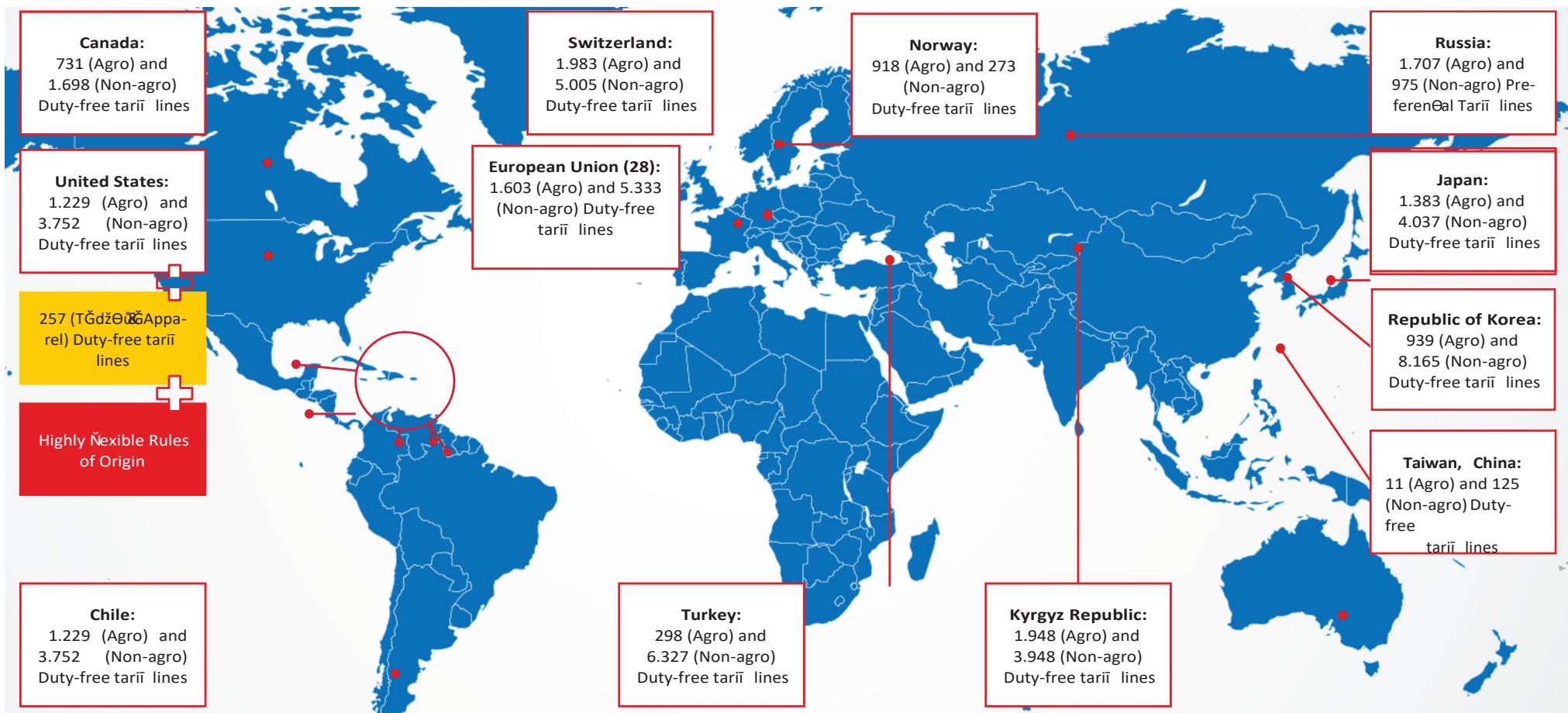
ICSID is an international institution established by the Convention on the Settlement of Investment Disputes between States and Nationals of other States (the ICSID or the Washington Convention). ICSID facilitates conciliation and arbitration of international investment disputes between states and foreign investors. The ICSID Convention also helps ensure the recognition and enforcement of arbitral awards issued to resolve disputes between investors and states.

Haiti ratified the ICSID Convention on November 26, 2009.

» THE NEW YORK CONVENTION ON RECOGNITION AND ENFORCEMENT OF FOREIGN ARBITRAL AWARDS (NEW YORK CONVENTION)

The New York Convention is a treaty that helps ensure the effectiveness and enforceability of awards issued in international commercial arbitration whether between private parties or between investors and states. Haiti became a party to the New York Convention in 1983.

COUNTRIES AND BLOCKS WITH FREE TRADE AGREEMENT, OR PREFERENTIAL TRADE ARRANGEMENT, WITH HAITI



CARICOM: Increasing Integration with CSME:

Anegada and Barbuda, Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, Saint Kitts and Nevis, Santa Lucia, Saint Vincent and The Grenadines, Suriname, Trinidad and Tobago.

Plus Trade Agreements with Venezuela, Colombia, Costa Rica, Cuba and Dominican Republic.
Plus European Partnership Agreement with European Union.

Australia: 229 (Agro) and 3.015 (Non-agro) Duty-free tariff lines

New Zealand: 380 (Agro) and 2.751 (Non-agro) Duty-free tariff lines

RTA AND PTA USED:

- CARICOM + CARIFORUM
- LDC PTAs
- CBTPA
- HOPE & HELP



U.S. TRADE PREFERENCES

The United States has enacted four laws that provide Haiti with an immense advantage over its competitors in the apparel industry. These are the Caribbean Basin Trade Preference Act (CBTPA), the Haitian Hemispheric Opportunity through Partnership Encouragement (HOPE) Act of 2006, the HOPE Act of 2008 (HOPE II Act), and the Haiti Economic Lift Program of 2010 (HELP).

Preferences provided under HOPE/HOPEII/HELP are currently set to run through 2025.
CBTPA continues in effect until September 30, 2020

Under these programs, Haitian apparel exports to the United States have been growing steadily, and will likely continue to expand to take advantage of duty-free access to the U.S. market.

CBTPA

The CBTPA, originally enacted in 2000, provides duty-free access to the U.S. market for certain apparel goods manufactured in Haiti. To qualify for preferences, yarns or fabrics have to be from the United States or covered Caribbean Basin countries.

HOPE

The HOPE Act established preferences for apparel beyond those covered by the CBTPA. Importantly, it created the first preference program for Haitian apparel that allows duty-free treatment for certain apparel wholly assembled, knit, or knit-to-shape in Haiti, using yarns and fabrics from any country.

HOPE II

HOPE II further expanded preferences for apparel and certain non-apparel textile goods, and extended the duration of pre-existing preference programs.

VISITING, WORKING AND LIVING IN HAITI

HELP

The HELP Act again expanded and extended most preferences available under the CBTPA/HOPE/HOPE II Acts to 2025.

CURRENT PREFERENCE HIGHLIGHTS

- Duty-free access, with some exclusions, for up to 70 million square meter equivalents (SME) of knit apparel and 70 million SMEs of woven apparel without regard to the country of origin of the yarn, fabric or components, as long as the apparel is wholly assembled or knit-to-shape in Haiti; once the 70 million SME limits for knit and woven apparel are hit, the limits increase up to 200 million SMEs;
- Duty-free treatment for apparel wholly assembled or knit-to-shape in Haiti with between 50 and 60 percent value from Haiti, the United States, a U.S. free trade agreement partner or preference program beneficiary, or a combination thereof; this preference is currently set to expire in 2025;
- Duty-free treatment of knit or woven apparel under a “two for one” earned import allowance program: for every two SMEs of qualifying fabric (sourced from the United States or certain trade partner countries) used to produce exports for the U.S. in Haiti, one SME of non-qualifying fabric can also be used;
- Duty-free treatment for certain brassieres, luggage, headgear, and certain sleepwear; and
- Permission for Haitian goods to enter the United States duty-free if shipped either directly from Haiti or through the Dominican Republic.

The Haitian Manufacturers Association and the government of Haiti are working with members of the U.S. Congress to extend and expand the HOPE and HELP Laws.

More information on these programs is available from the U.S. Department of Commerce, Office of Textiles and Apparel (OTEXA), <http://www.otexa.ita.gov/>.

VISAS AND PERMITS

Most visitors do not need a visa to enter Haiti and receive a tourist visa upon arrival. Certain holders of foreign passports do need a visa, including citizens of the Dominican Republic, Colombia and Panama, but only if they are not also holders of a U.S., Canadian, or European visa or residence card.

Tourists can stay in Haiti for up to 90 days. Those who stay longer must obtain a residence permit from the Immigration and Emigration Services.

Foreigners that work more than three months or 90 days must obtain a work permit. The CFI can assist investors with these processes if needed.

ACCOMMODATIONS IN HAITI

» HOUSING

Foreigners and investors have a wide selection of housing to choose from. Rent can range from US\$200 per month to as high as US\$ 5,000 per month. Rental prices vary depending on the area and amenities. The most common areas for rentals in Port-au-Prince are Bourdon, Delmas, Pacot, Freres, Petion-Ville, Pelerin, Peguy-Ville, Juvenat, Laboule, Thomassin, Kenscoff, and Montagne Noire.

» HOTELS

As highlighted in the Tourism section of this guide, there is a wide range of hotels in the Port-au-Prince area, including international chains and local boutique options. Amenities such as meeting rooms, outdoor pools and fitness centers and spas are available in many hotels. Ministry of Tourism applies its Hibiscus rating, awarding from one to five Hibiscus flowers depending on the quality and amenities of the hotel. Many hotels are also represented on websites such as TripAdvisor.com with ratings, pictures and reviews.

TELECOMMUNICATION/ INTERNET

The country code for Haiti is 509, and the first digit of the telephone number indicates whether it is a cellular (3, 4) or landline (2). Investors can obtain cell phones for short stays. The two largest companies are Natcom and Digicel.

Most hotels offer free wi-fi. Internet access is also available in a number of restaurants, coffee shops and bars.

Additional information on telephone and internet connectivity in Haiti is contained in the Infrastructure section of this guide.



BANKING

It is recommended to use Haitian Gourdes rather than U.S. dollars to obtain the best exchange rate. ATMs are located in various locations in Port-au-Prince and Petion-Ville. Sogebank has ATMs in some hotels, supermarkets and gas stations. The ATMs accept Visa and Mastercard for debit cards. American Express is also widely accepted.

TRANSPORTATION

Investors can rent cars from several rental car companies at the airport in Port-au-Prince. Companies include Hertz, Thrifty, Avis, Europcar, Budget, Secom, Dollar Rent-a-Car, and other smaller local companies. Taxis are available from the airport, and cost approximately US\$ 50 for a one-way trip to a hotel in Petion-Ville.

Regular and charter flights are available from Port-au-Prince to other domestic destinations such as Cap-Haïtien, Les Cayes, Jacmel, Jérémie, and Port-de-Paix.

HEALTH

A number of healthcare options are available in Haiti. Hospital facilities are being upgraded to bring Haiti up to high standards internationally. Two examples include:

Bernard Mevs:

Hospital Bernard Mevs is a 50-bed hospital in Port-au-Prince offering a series of specialty services including adult and pediatric intensive care units, a 24/7 emergency room and three state-of-the-art operating theatres. The hospital is rapidly expanding to meet the demand of the more than 65,000 patients who come through its doors every year, a private ward was added in 2015 as well as more intensive care

unit (ICU) beds. The hospital's long-term relationship with the University of Miami and Project Medishare engages numerous foreign staff in training and residency programs to further build capacity of specialty staff in Haiti.

National critical care and trauma hospital in Port-au-Prince:

Once operational, this new project will provide critical care and trauma services with equipment and services not yet available in the Haiti. It has received funding from the Haitian government and the private sector, and will be located near the airport in Port-au-Prince.

There are also organizations such as HERO the provides world class emergency rescue , ambulance services and Medevac throughout Haiti from its base in Port-au-Prince, and Haiti Air Ambulance that can transport patients in critical condition by helicopter to the most appropriate facilities available in Haiti. They also arrange transfers to U.S. or Dominican hospitals for care when required and feasible.

Hospitals and doctors offer care to all patients; while all services are paid in cash, many international insurance plans will reimburse expenses.

INTERNATIONAL SCHOOLS

Haiti offers a range of international school options in both English and French. Examples include: Union School, Quisqueya Christian School, Morning Star Christian Academy, The New American School, The New Victorian School, The Haitian Academy, and Lycée Alexandre-Dumas.

LIFE IN HAITI

Haiti offers diverse cultural and leisure activities for individuals and families living and working in Haiti to enjoy. The country

moves from cultural event to cultural event throughout the year. Although the February carnival is the main attraction, other popular annual events like Haiti Fashion Week and patronal festivals such as Fête Gelée similarly mark visitors' and residents' calendars. Additional music, art, and dance performances happen throughout the year, and combine to keep life in Haiti extremely rich and active.

Myriad options for more active pursuits also exist: Within an hour and a half drive from the capital, one can be hiking in the refreshingly cool mountains, sunbathing on pristine beaches, diving in coral reefs, or swimming under Saut-d'Eau (a large waterfall and important location for Voodoo pilgrims). Over a weekend, one can visit the city of Jacmel, Haiti's artistic capital, the historic sites surrounding Cap-Haïtien, or even the Dominican Republic or Miami.

Numerous gyms, pools and sports facilities are also available, as are hiking and running groups, and even an Ultimate Frisbee group.

For dining, there is a wide variety of restaurants available, ranging from Haitian food to high-end European and Asian options. For cooking at home, the modern supermarket facilities conveniently offer a very wide range of local and imported products.

As these examples illustrate, Haiti can offer a high quality of life, providing those who live and work in the country with diverse opportunities to engage in rich cultural experiences and enjoy some of the Caribbean's best natural assets.



LEGAL AND REGULATORY FRAMEWORK

Haiti's legal system is based on the French Napoleonic Code and consists of national laws, rules, and regulations, as well as all international and bilateral treaties that have been signed and ratified by the government. The Commercial Code regulates the general business environment, while a number of other laws more specifically govern the promotion, facilitation and protection of investment, including the 2002 Investment Code (see page 64) and the Free Trade Zone Law. Other laws that have more recently been implemented to enhance Haiti's investment climate include an anti-money laundering law and an anti-corruption law passed in 2014 to harmonize Haiti's anti-corruption laws with international standards.

LAND OWNERSHIP BY NON-HAITIAN NATIONALS

Non-Haitian nationals are permitted to acquire property in Haiti under certain circumstances, for which the assistance of a Haitian lawyer is required by law. There are also possibilities to lease national land for up to 50 years, which generally applies to tourism projects, and economic and agro-industrial free zones.

Properties (including areas within free trade zones and industrial parks) can be rented by both national and foreign firms equally.

REGULATORY INSTITUTIONS

Haiti has a number of regulatory institutions supervising business practices. Some examples are included below. A full list relevant to a particular investor's needs can be provided by the CFI.

BANKING REGULATION AND SUPERVISION AGENCY

The Central Bank of Haiti (Banque de la République d'Haïti - BRH) is responsible for managing monetary policy and the system of payments and ensuring financial stability in Haiti. It oversees the functions of the commercial banks, insurance companies, cooperatives, and other financial institutions operating in Haiti.

BUREAU INFORMATION DE CREDIT (BIC)

The newly created Credit Information Bureau (Bureau d'Information sur le Crédit - BIC) was launched in 2014 by the BRH to help strengthen the financial system and expand the number of credit products and services. It will play an invaluable role by supporting financial institutions' risk management and helping them to expand their lending to retail as well as micro-, small- and medium-sized enterprises.

NATIONAL COUNCIL OF TELECOMMUNICATION

The National Council of Telecommunication (Conseil National des Télécommunications - CONATEL) is responsible for the regulation, authorization, reconciliation, and supervision of activities within the telecommunications sector.

UNITE DE LUTTE CONTRE LA CORRUPTION (ULCC)

The Unit for Combating Corruption (Unité de Lutte Contre la Corruption - ULCC) was established by the government in April 2004 to prosecute cases of corruption. The government is acutely aware that corruption stifles economic growth and development, distorts prices and weakens the rule of law. It has been taking active steps to limit it. Haiti seeks to level the playing field by being a party to the 1996 Inter-American Convention against Corruption (OAS Convention) and the 2000 UN Convention against Corruption. In November 2013, Haiti passed an anti-money laundering law and, in March 2014, enacted an anti-corruption law that harmonizes Haiti's legislation with international standards. The ULCC's work is supported by the L'Unité Centrale de Renseignements Financiers (The Central Unit for Financial Information - UCREF) whose focus is on financial crimes more broadly.

BUSINESS ENTITIES AND REGISTRATION

Haitian law recognizes different types of corporate structures and business forms. These include limited liability companies, branches of a foreign company, general and limited partnerships, sole proprietorships, and cooperative societies. Limited liability companies are the most common business structure in Haiti. A brief description of each is provided below.

The CFI welcome any questions and is available to assist investors throughout the business establishment and registration process.

LIMITED LIABILITY COMPANY

The limited liability company (société anonyme - S.A.) is the most common business structure in Haiti and is almost exclusively used for substantial investments. It requires a minimum of three shareholders, one of which must be a Haitian national. Where non-nationals own more than 50 percent of the shares, the limited liability company is treated as a foreign company. The services of a Haitian lawyer must be used to establish a limited liability company. Registration generally takes up to 90 days.

The sale and purchase of company shares are regulated by the state. Entrepreneurs are free to dispose of properties and assets and to organize production and marketing activities in accordance with local laws.

BRANCH OF A FOREIGN COMPANY

Where a foreign investor wishes to set up a branch of a foreign company in Haiti, the foreign branch will share the legal personality of the foreign company, but must be registered with the fiscal and social authorities in Haiti. The services of a Haitian lawyer must be used to establish a foreign branch. The registration process takes around 15 days.

PARTNERSHIPS

The establishment of a partnership requires a minimum of two partners. In a general partnership (société en nom collectif) all the partners are jointly and indefinitely liable for the debts of the business. In a limited partnership (société en commandite simple), managing partners have unlimited, joint and collective liability, but the liability of investing partners without any management role is limited to the amount of their direct total investment in the limited partnership. Registration procedures for general partnerships and limited partnerships are nearly identical.

SOLE PROPRIETORSHIP

A sole proprietorship is an individual trader with unlimited liability for the actions of his/her business and debts incurred. The registration process takes 1-2 days.

COOPERATIVE

A cooperative is an autonomous association of individuals as partners in a collectively owned company. Cooperatives are subject to the same administrative requirements as other entities and must act in compliance with their bylaws. Cooperatives are often used for savings and credit unions (Cooperative d'Epargne et de Credit), which can be registered for an indefinite period of time. Cooperatives that are not savings and credit unions may be registered for a renewable period of three years. The responsible authority is the National Cooperatives Board (Conseil National des Cooperatives).

CUSTOMS REGULATIONS AND PROCEDURES

Importers and exporters must obtain a professional identity card issued by the Ministry of Trade and Industry (Ministère du Commerce et de l'Industrie - MCI) for a nominal annual fee of 50 Haitian Gourdes (HTG). Before the professional identity card is issued, importers and local producers must obtain a tax registration card and an occupation tax certificate (patente) from the Directorate-General of Taxes (Direction Générale des Impôts - DGI). The tax registration card is issued for an annual fee of 300 HTG for individuals and 600 HTG for legal entities or companies. The amount of occupation tax payable varies depending on the sector and the location where the activity is carried out. All imports require a customs declaration showing the customs regime to which the goods are subject.

SGS can provide further information on and assistance with the customs procedure and documentation process for imports to and exports from Haiti.

SETTLEMENT OF COMMERCIAL DISPUTES

Commercial contract-related litigation can be submitted to the Haitian Court system.

Arbitration is also available to resolve commercial disputes. The Haitian Chamber of Conciliation and Arbitration (CCAH), created in 2007, can help to facilitate business relations by providing companies with a set of fast and inexpensive dispute resolution mechanisms. Every business can get CCAH's support with the insertion of a specific arbitration clause for cases of private commercial disputes in the relevant contract.

Because Haiti is party to the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards, foreign investors have additional security regarding the enforceability of arbitration outcomes.

Haiti is also a party to the Convention on the Settlement of Investment Disputes between States and Nationals of Other States (the ICSID Convention), which is available to govern certain disputes between foreign investors and the government as well as to help facilitate enforcement of arbitral awards.

LABOR LEGISLATION

EMPLOYMENT RELATIONS

Employment relations are defined and regulated by the 1984 Labor Code. The Ministry of Labor and Social Affairs (Ministère des Affaires Sociales et du Travail -MAST) is responsible for enforcing the Code and overseeing the relationship between employers and employees.

HOURS, HOLIDAYS, MATERNITY AND SICK LEAVE

In all agricultural, industrial and commercial establishments, the normal working day is eight hours and the working week is 48 hours. However, the parties can agree to arrange an alternative weekly schedule. Overtime hours are paid at time and a half. The weekly rest period consists of 24 hours of paid rest (Sundays) after a period of working six consecutive days in a week. Night shifts are worked between six o'clock in the evening and six o'clock in the morning and are paid at time and a half.

The Labor Code provides for an annual leave of at least 15 days as well as 15 days of paid sick leave per year. To obtain sick leave benefits, the employee must submit a medical certificate from a doctor or the Public Health Service. Sick leave and annual leave are not cumulative, meaning one cannot carry over unused days from one year to another. Pregnant women are entitled to a maternity leave of six paid weeks, which can increase to three paid months under certain conditions.

There are also 12 legal national holidays in a year. If an employee works during a national holiday, the pay is double time.

MINIMUM SALARY

Haitian law establishes a minimum wage, which varies depending on the industry. Haitian workers receive a bonus in the last week of December equivalent to 1/12 of their annual salary earned; however this is only applicable to full time employees, not contract workers.

EMPLOYEE INCOME TAX AND SOCIAL SECURITY

The employer is responsible for deducting employee income taxes and social security contributions and submitting them to the Retirement Insurance Office (Office National d'Assurance - ONA) and the Insurance Office for Occupational Injury, Sickness, and Maternity (Office d'Assurance Accidents du Travail, Maladie et Maternité - OFATMA). A company must register with ONA and OFATMA within 15 days of starting operations and provide the names of all its employees, updating this information as changes occur. Up to 6% of monthly salary is contributed by the employer, and up to 6% by the employee, for social security and retirement insurance.

MINIMUM AGE FOR EMPLOYMENT

The minimum age for work in industrial, agricultural, or commercial enterprises in Haiti is 15 years. Youths aged 15 to 18 years old must obtain a work authorization from the Ministry of Labor and Social Affairs. Employing youths without a work authorization is punishable by fines. Youths are prohibited from night work in industrial enterprises and in hazardous work.

LABOR UNIONS

The law allows workers, excluding public sector employees, to form and join unions

of their choice. The law prohibits employers, management and anyone who represents the interests of employers from joining a union.

LABOR INITIATIVES

There are a number of programs underway in Haiti to upgrade labor skills and employment relations. For instance, to benefit from the HOPE and HOPE II Acts, Haiti has established the CTMO-HOPE Commission, a tripartite commission with representatives from the government, factory owners and unions. The commission's role is to improve public-private dialogue on issues for the development of the textile and apparel industries. An independent labor ombudsman under CTMO-HOPE helps to resolve conflicts between workers and management.

Similarly, Better Work Haiti, which is funded by the IFC and the International Labour Organisation (ILO), oversees factory compliance with core labor standards, working conditions, occupational health and safety issues and training, including financial literacy, maternity protection and supervisory skills. Better Work Haiti covers all factories exporting to the U.S. market under HOPE. It publishes biannual reports and regular bulletin updates on its training and other activities. The Better Work Haiti initiative represents a fundamentally important development, as it brings tangible benefits to all stakeholders in the apparel sector.

TAXES, CONTRIBUTIONS AND INCENTIVES

INTRODUCTION

Haiti offers a favorable fiscal regime for investors, providing a range of competitive investment incentives across sectors to encourage investments. Business entities operating in free trade zones are exempt from Haiti's fiscal laws.

FISCAL FRAMEWORK

Foreign companies operating in Haiti are subject to the same tax regulations as Haitian companies regardless of their line of business.

Haiti's tax framework comprises the Income Tax Law (2005), Payroll Tax Act (1988), Decree on Customs Code (1987), Decree on Tax ID Cards (2005), Decree on License (Patente) (1987), Law on Stamp Duty (1978), and the Turnover Tax Law (2005). The fiscal year runs from October 1 through September 30. Important provisions relating to taxes, including investment incentives are also set out in the 2002 Investment Code.

CORPORATION TAX

The corporate tax on profits is 30 percent, unless exempted under the Investment Code. While a Haitian limited liability company can accrue profits for five years, a foreign company's profits are deemed to be distributed every year and are taxed at 20 percent unless reinvested in the country.

INVESTMENT CODE 2002 AND THE INCENTIVE REGIME

Under the 2002 Investment Code, qualifying businesses may benefit from a tax holiday on the corporation tax and all local taxes other

than the Patent for up to 15 years. Certain capital investments also qualify for accelerated depreciation for tax purposes.

There are additional advantages attached to certain sectors.

The CFI website and the CFI investment facilitation guide provide further information on the availability of incentives.

ELIGIBILITY AND APPLICATION

Incentives are available to registered start-up companies, companies that are already registered and operating in Haiti, and companies launching a new project or new branch of activity. Companies that have previously benefited from the incentives offered in the Investment Code are eligible for incentives for expansion or modernization of their business or purchase of new equipment.

The Inter-Departmental Commission on Investments (Commission Interministérielle des Investissements - CII), made up of representatives of various ministries, is responsible for granting fiscal incentives, ranging from tax holidays to customs exemptions.

Investors seeking to benefit from investment incentives must submit requests to the CFI. The CFI also welcomes requests to guide investors through the investment process or to answer any questions investors may have. For more information on the applicability and eligibility of incentives, please see the CFI website or investment facilitation guide.

ACCESS TO FINANCE

Financial institutions with presence in Haiti include Sogebank, Unibank, the Banque National de Credit (BNC), Capital Bank, Citibank, Scotiabank, and the Banque de l'Union Haïtienne (BUH). These institutions offer bank accounts, mortgages, commercial loans, lines of credit, and international letters of credit among other financing options (up-to-date average interest rates for loans can be found on the central bank website: www.brh.net). Other local funding institutions, which provide underwriting services, long-term loans, venture capital, contract financing, etc., as well as business advisory services, include the Société Financière Haïtienne de Développement (Haitian Society for Development Finance - SOFIHDES) and the Fonds de Développement Industriel (Industrial Development Fund - FDI). In addition to those locally-based institutions there are a number of international institutions that provide financial services: the IFC, the FMO (the Dutch development bank), the Inter-American Investment Cooperation (IIC) and the European Investment Bank (EIB) among others.



THE CENTRE FOR FACILITATION OF INVESTMENTS (CFI)

The CFI is Haiti's national investment promotion agency. It works to attract investments that contribute to the development of the country, diversify the economy, strengthen supply chains, and generate jobs. The CFI's main mandate is helping potential investors find and take advantage of opportunities in Haiti.

The CFI actively supports investors during all stages of their investment decision-making process. Its dedicated, skilled and professional staff is available to deliver specialized services including:

- Supplying general and customized reports on investment opportunities in Haiti, as well as information relating to the relevant legal and regulatory frameworks and processes;
- Facilitating visits to Haiti by potential investors and arranging suitable meetings, including with government agencies and organizations in Haiti that could support the investment process;
- Facilitating identification of suitable sites for a proposed investment project;
- Helping to ensure smooth entry and establishment of an investment project, including providing information and assistance with acquiring permits and licenses, as well as with business registration processes;
- Providing information on relevant Haiti-based consulting services and suppliers; and
- Offering aftercare services to established investors to support a smooth business operating environment as well reinvestment and development plans in Haiti; and
- Supporting investors seeking to benefit from Haiti's fiscal incentives regime.

The CFI is an autonomous entity within the Ministry of Commerce and Industry and benefits from the active participation of both the public and private sectors. This partnership approach is reflected in the composition of the ten-member CFI Board of Directors:

Government Representatives

- Minister of Trade and Industry, chair of the Board of Directors
- Minister of Economy and Finance, first vice-chair (vice-president) of the Board
- Minister of Tourism
- Minister of Agriculture, Natural Resources and Rural Development
- Minister of Public Works, Transport and Communications

Private Sector Representatives

- President of the Chamber of Commerce and Industry of Haiti, second vice-chair (vice-president) of the Board
- President of the Tourist Association of Haiti (ATH)
- President of the Industrial Association of Haiti
- President of the Association of Free Zones
- President of the Regional Chamber of Commerce, appointed by a meeting of regional chambers of commerce

The CFI is the investment facilitation partner in Haiti and encourages investors to contact it.

www.cfihaiti.com / info@cfihaiti.com / Tel: +509 2811 72.34

Haiti, dubbed the Pearl of the Caribbean, is unique in its position in both the Caribbean and on the world stage. Its history is one of pirates, discovery, and warring nations, as well as the setting for the world's only successful slave revolt resulting in the establishment of a Republic. The Tainos (Arawaks), were disrupted in 1492 when Christopher Columbus mistakenly landed on the island's northern shore. After claiming the land for Spain, a battle for dominance soon ensued and within decades most of Haiti's native population had been wiped out.

In 1625, French buccaneers, along with English and Dutch privateers and pirates, established themselves on Haiti's famed island of Tortuga, off of the northern shore. The Spanish fought the settlement, but were unable to establish permanent victory, despite razing the pirate settlement at least four times. As Spanish influence dwindled, first England, then France took over the colony, with France assuming complete control by 1660. The Spanish were left with the eastern five-eighths of Hispaniola (the modern-day Dominican Republic), and the 1697 Treaty of Ryswick codified the French's right to the western three-eighths of the island.

France renamed the colony Saint-Domingue, and actively recruited planters, who began to outnumber pirates. Due to its large size and fertile soil, Haiti became a sizable producer of tobacco, indigo, cotton, and cacao, and at one point, produced half the world's coffee. However, all these crops were labor intensive, and to replace the fallen natives, Haiti began to import slaves from Africa. Once in Haiti, the slaves rebelled frequently, yet it was not until the outbreak of the French revolution in 1789 that the first successful opportunity for independence presented itself.

By 1789, there were about 500,000 slaves in the colony, along with 25,000 gens de couleur (free people of color, of which Haiti had the largest and wealthiest in the Caribbean). As the French revolution began to claim the rights of all men to be free, the slaves rose to revolt. On August 22, 1791, the revolution was launched. Led by the Founding Fathers of Haiti - including Toussaint Louverture and Jean-Jacques Dessaline - Haiti officially gained independence on January 1, 1804.

Following independence, Haiti struggled for worldwide recognition. Many countries, fearful of their own slave populations, refused to recognize the young republic, which closed off the country economically from its most viable trade partners and hampered the development of the nascent economy. This, combined with internal strife between leaders who desired a plantation economy and those who wanted individual shareholder plots, hindered Haiti's continuing economic development.

Haiti continued to struggle until the Constitution of 1867, which ushered in a period of stability and economic growth. Rum and sugar prospered and the country surged ahead of economic growth in Latin America. However in 1911, disturbances once again erupted, and by 1915, the country had become a United States protectorate.

The U.S. occupation lasted until 1934, and was followed by a succession of presidents who struggled to establish national unity. In 1957, Francois Duvalier (known as Papa Doc due to his work as country doctor) won the presidential election. Declaring himself "President for Life", he established a dictatorship which passed to his son, Jean Claude Duvalier (Baby Doc) upon his death in 1971.

Jean Claude Duvalier left Haiti in 1986, and was followed by a series of governments that struggled to stabilize and revitalize Haiti's position as a key economic player in the Caribbean. However, important gains were made, and by 2000, Rene Préval became the first president to complete his term and peacefully transfer power to the next president, Jean-Bertrand Aristide.

Haiti is currently led by President Jovenel Moïse. The country has continued to post impressive economic growth numbers, and has strengthened relationships with both foreign and local investors, providing a platform for innovation and expansion in a number of key sectors.



