

# WHY INVEST IN HAITI?

# Tax and Customs Incentives



# **General and Specific Benefits** of the Haitian Investment Code

The Haitian government adopted the Investment Code, hereinafter referred to as "the Code," in 2002. This mechanism is part of the national strategy to promote economic growth and development, facilitating liberalization, stimulating, and guaranteeing private investments. The provisions of the Code apply to all investments, whether domestic or foreign, offering several benefits, including:

- Protection and guarantees offered to investors;
- Freedom to engage in commercial and industrial activities within the limits of commercial regulations;
- Protection of trademarks, patents, labels, and all other forms of intellectual property rights.



## **ELIGIBILITY AND APPLICATION**

All companies launching a new project in the textile sector in Haiti can benefit from the available incentives, whether they are existing businesses or newly registered startups.

# **General Advantages**

Eligible companies receive a tax break of up to five (5) consecutive years. During this period, neither the company nor its distributed profits (dividends) are subject to withholding tax. At the end of the full exemption period, the company's income is fully taxed.



### **Specific Advantages**

In addition to the general advantages, the 2002 Investment Code grants the following specific benefits to investment projects in the textile and apparel sector:

- **1.** Customs and tax exemptions for up to seven (7) consecutive years on the importation of equipment and materials necessary for the installation, operation, and production of the business. These items include, among others:
  - Machines and devices for prospecting and research;
  - Transport vehicles exclusively for moving equipment, supplies, and manufactured products;
  - Consumable products (catalysts, chemical accelerators, etc.);
  - Tools and spare parts necessary for the repair of machines, equipment, and materials;
  - Products intended for production operations;
  - Buses exclusively used for transporting personnel, in accordance with the Labor Code.
- **2. Temporary admission for active processing** of raw materials and packaging materials for products destined for re-export;
- **3. General exemption from the security deposit** required under the Customs Code for the temporary admission of raw materials and packaging materials for products destined for re-export;
- 4. Exemption from verification fees.



#### Additional Benefits for Value-Added Production

Companies transforming raw materials with a minimum added value of 35% for local consumption benefit from the following advantages:

- **1. Customs and tax exemptions** on the importation of equipment and materials necessary for the establishment and operation of the business, including:
  - Machines and devices for prospecting and research;
  - Transport vehicles exclusively dedicated to materials, supplies, and finished products;
  - Buses reserved for personnel transport, in accordance with the Labor Code;
  - Tools and spare parts for equipment repair;
  - Electrical and sanitary equipment for installation;
  - Security and surveillance equipment and devices;
  - Packaging, preservation, production, and conditioning materials, as well as all other materials necessary for production.
- 2. A customs duty exemption for up to five (5) years on raw materials and packaging materials intended for processing. If the investment involves the modernization or rehabilitation (expansion) of an existing company or one that has already benefited from incentives, it will receive a three (3) year exemption from the same duties on raw materials. However, the company can submit only one request for tax and customs exemption on the importation of equipment and materials;
- 3. Exemption from the security deposit required under the Customs Code for temporary admission of raw materials.



#### **HOPE/HELP Program Advantages**

#### The HOPE/HELP framework provides significant incentives to companies investing in the textile and apparel sector.

Haiti benefits from unique preferential access to the U.S. market. It is the only Caribbean country to fully enjoy the benefits of the trade agreement with the United States through the HOPE/HELP laws. This legislation allows Haitian textile and apparel products to enter the U.S. market duty-free and quota-free. By fully capitalizing on these favorable tariff conditions,

Haiti has generated over \$300 million in added value annually. This has bolstered the economy and created jobs in a rapidly expanding sector. This distinct opportunity solidifies Haiti's position as an ideal destination for investments in the textile and apparel industry.



### HOW TO INVEST IN HAITI

Interested companies and investors can contact the Center for Investment Facilitation (CFI). The CFI will oversee the process in compliance with the regulations and procedures of Haiti's Investment Code. In its mission to promote investments in Haiti, CFI-Invest Haiti:

- Provides the public with information on investment procedures and incentive benefits;
- Receives, processes investment incentive requests, and forwards them to the relevant ministries and agencies for technical analysis and recommendations;
- Monitors these requests until the Interministerial Investment Commission makes a decision.



# For more information on your investment opportunities, contact us!



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