



U.S. Country Commercial Guides



2017

Haiti

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Doing Business in Haiti

Market Overview

Haiti's economic growth moderately slowed in 2016, with real GDP valued at \$8.2 billion. According to the World Bank, the economy grew by 1.4 percent, a deceleration compared to Fiscal Year (FY) 2015 when the economy grew at a rate of 1.7 percent. The deceleration is attributed to the 2015 and 2016 political crisis, a volatile exchange rate, the reduction of international aid, and the October passage of Hurricane Matthew, which devastated agricultural production in the Southern part of Haiti. The World Bank estimated damages at \$1.9 billion, including an estimated loss of \$600 million in the agricultural and fishing sectors alone.

Haiti's total imports reached \$4.18 billion during FY 2016, while total exports were only valued at \$1.6 billion. Imports represent more than 70 percent of goods sold on the market. Apparel (\$848.87 million), essential oils (\$23.71 million), edible fruits and nuts (\$19.14 million) and seafood (\$ 8.48 million) are among the top exports. The United States continues to be Haiti's top trading partner, with approximately \$2 billion in trade between the two nations in 2016.

During FY 2017, the World Bank expects growth to accelerate to between 2 and 3 percent. As of December 2016, weak domestic production, a chronic budget deficit, and the depreciation of Haitian Gourde against the USD, resulted in annualized consumer price inflation of 14.3 percent.

Although the business climate is challenging, Haiti is one of the most open economies in the Caribbean region. Haiti's legislation encourages foreign direct investment. The Haitian investment code provides the same rights, privileges and equal protection to local and foreign companies. Import and export policies are non-discriminatory and are not based on nationality.

The administration of President Jovenal Moise, who was inaugurated in February

2017, has designated agriculture, construction, and manufacturing as key investment sectors, and supports sector-focused investment promotion. The Haitian garment sector, through the HOPE/HELP legislation, continues to perform well with exports to the U.S. totaling \$848.87 million in 2016. With the extension of HOPE/HELP through 2025 and the U.S. withdrawal from the Trans-Pacific Partnership (TPP), Haiti's garment sector remains of interest to large-scale manufacturing operations.

U.S. companies should consider exporting to Haiti for the following reasons:

- The Haitian economy is one of the most open economies in the Caribbean.
- Haiti offers great proximity to the U.S. and most Haitian businesspeople speak fluent English.
- Haiti has preferential access to major markets including Canada, the U.S., and the European Union.
- U.S. imports represent over 30 percent of total imports.
- Four major international security-certified ports – Port-au-Prince, Cap-Haitien, Lafito, and St. Marc – provide maritime access to Haiti.
- Two international airports offer multiple daily flights between Haiti and the United States. The one in the northern city of Cap-Haitien facilitates commercial and cultural ties between Haiti's second city and the United States. It also provides quick access to the CARACOL and CODEVI industrial parks located in free zones in the northeastern region of Haiti.
- There are few government controls or subsidies.

Market Challenges

The environment for Foreign Direct Investment (FDI) in Haiti remains challenging, with FDI inflows of only \$104 million in 2016. The most common concerns expressed by foreign investors include:

- Haiti's need for improved port entry. Haiti's port fees remain the highest in the Western hemisphere.
- The impact of political instability on both capital investments and productivity.
- The sporadic nature and expense associated with the unreliable provision of electricity.
- The impacts of widespread corruption that pose a constant challenge to doing business in Haiti; particularly since some Haitian government officials view bribes as a normal part of doing business.
- Lack of transparency in governmental tender procedures.
- The high obstacles to credit, given the lack of effective cadastral and civil registries or a national credit bureau.
- High unemployment, which continues to suppress domestic spending due to weak levels of disposable income.
- Generally deteriorated infrastructure despite improvements made by the Haitian government in the last few years,.

Market Opportunities

Despite the challenges, there are significant business opportunities within the Haitian market for small-to-medium sized U.S. businesses. In 2016, Haitian total imports (goods and services) were valued at \$4.18 billion. The top import categories include: cereals (\$265.9 million), commodities of all types (\$444.7 million), fabric and apparel (\$372.2 million), and iron and steel (\$107.3 million).

In terms of manufacturing opportunities in Haiti, the apparel sector remains the most obvious. Through its modern industrial park and free zone facilities, it has

grown dramatically with total exports valued at \$848.87 million, making Haiti one of the best prospect markets in the Caribbean region.

Emerging sectors in Haiti are currently construction, agribusiness and energy. For example, the construction of public buildings in the administrative city of Port-au-Prince can offer contract opportunities to U.S. manufacturers and construction firms. These sectors necessitate the following: power generation equipment, packaging and food processing equipment, energy efficient and smart grid systems, and construction materials.

In addition, tourism is also on this list. Although 2016 posed challenges, it has slowly grown and figures show that tourist arrivals, notably via cruiselines, have moderately increased over the last five years.

Finally, with the Haitian government's recent efforts to improve telecommunication infrastructure and internet connectivity, there is a growing interest for call center (Business Process Outsourcing - BPO) development in Haiti. Haiti's relatively low labor cost and large pool of young multilingual workers offer a comparative advantage for investment in BPO services.

Market Entry Strategy

The U.S. Department of Commerce should be the first point of contact for U.S. firms interested in doing business in Haiti. The United States Export Assistance Center (USEAC) offices in the U.S., as well as the Commercial Service (CS) offices located abroad, will inform any interested U.S. firm of the best methods for finding an agent or distributor in Haiti.

The Commercial Section at the U.S. Embassy in Port-au-Prince, Haiti is a partner of the U.S. Department of Commerce, which allows it to offer a range of commercial services to U.S. companies seeking to do business in Haiti. The U.S. Commercial Service, for example, may assist U.S. companies in performing their due diligence

when choosing local business partners. Please visit the following sites: [Export Information](#) and [Economic Data on Business in Haiti](#)

Political Environment

Political Environment

Haiti's political environment has improved with the election of President Jovenel Moise, who was sworn in February 2017, and the National Assembly's installation of Dr. Jack Guy Lafontant as Prime Minister. All the branches of the government, including the executive and the legislative, are fully operational, with only a few empty seats in the Senate and the chamber of deputies. Politically –motivated demonstrations, civil disorder and strikes which can interrupt regular business operations have fallen off dramatically since President Moise's inauguration. Despite these achievements, systemically, Haiti's political structure remains inherently unstable. Holding timely and credible elections—at all levels—continues to be Haiti's main political challenge. , which engenders political tensions and paralysis. For additional background information on the political environment in Haiti, please find the U.S. Department of State's background notes: [Haiti's Political Environment](#)

Instability in Haiti's security environment parallels the underlying political uncertainty. The Haitian National Police (HNP) continues to improve its ability to respond to violent demonstrations, and enforce public security. However, violent crime remains a considerable concern for the general population. While crime statistics are hard to come by, the general trend of violent criminal acts seems to be increasing after a relative lull following a chaotic period immediately after the 2010 earthquake. The Department of State has issued a [Travel Warning for Haiti](#)

Selling US Products & Services

Using an Agent to Sell US Products and Services

Many foreign firms conduct business in Haiti through local agents and distributors. Under Haitian law, two parties are free to negotiate a contractual agreement and do not require Government of Haiti (GOH) supervision or approval. Agents are usually compensated on a commission basis. The U.S. Embassy in Port-au-Prince is available to assist U.S. exporters to find agents and distributors through the U.S. Department of Commerce International Partner Search (IPS) program. Other fee based services include company profile reports, the Gold Key Service, single company promotions, and contact lists.

Establishing an Office

The Center for the Facilitation of Investment (CFI) is a “one-stop” investment facilitation center that encourages potential investment in Haiti and streamlines the process. It is now possible to purchase an “off-the-shelf” company from CFI, allowing firms to establish their business more efficiently:

1. All companies incorporated in Haiti must have a minimum of three shareholders; one must be a Haitian national and a company board member.
2. Haitian legislation does not establish a minimum requirement for Haitian nationals to own shares of capital stock
3. The founding members of the corporation must establish nominal value for the capital stock:
 - A minimum of 25,000 Haitian Gourdes (HTG) (~\$400) if the corporation is limited to services and commercial operations
 - A minimum of 100,000 HTGs (~\$1,600) if the corporation is involved in industrial and agricultural activities

Franchising

There are no specific regulatory laws for franchising. The Haitian government does not restrict private citizens from establishing franchises. The government does not require the submission of contractual specifications or technical specifications on

machinery and equipment. U.S. companies with franchises or affiliated local partners in Haiti include Radio Shack, Federal Express (FedEx), Culligan Water Technologies, Coca Cola, Pepsico, NAPA Auto Parts, Avis Rent-a-Car, Hertz, Dollar, Budget Car Rental, Domino's Pizza, Marriott, and Best Western. Still, franchising is relatively new to Haiti with only a few U.S. businesses penetrating the Haitian market.

Direct Marketing

Direct marketing has improved tremendously over the past few years, with several new companies using a variety of advertising techniques including text messaging, emails, flyers, magazine display ads, and promotional events. Direct mail marketing is practically non-existent considering the inefficiency of Haiti's postal service. Haiti has several well equipped marketing agencies including Blue Mango Studios and Dagmar.

Joint Ventures/Licensing

Foreigners are free to enter into joint ventures with Haitian citizens. The distribution of shares is a private matter between two partners; however, the sale and purchase of company shares is regulated. Foreign companies are free to own private property in Haiti and there are no restrictions on the repatriation of profits. However, the law does not permit foreigners to own property or buildings alongside national borders, including the Haiti/DR border and maritime borders.

Selling to the Government

Many government agencies finance public works projects by borrowing from Multilateral Development Banks. Tenders are often used to open bidding on Haitian government contracts and are advertised through newspapers and on some government websites. Tenders are exclusive to Haitian companies when the necessary goods and services to complete a project are found in Haiti. However, when the government procures goods and services that are not produced in Haiti

and must be imported for the completion of projects, tenders are open to international participation.

The Commercial Service maintains Commercial Liaison Offices in each of the main Multilateral Development Banks, including the Inter-American Development Bank and the World Bank. These institutions lend billions of dollars to developing countries on projects aimed at accelerating economic growth and social development by reducing poverty and inequality, improving health and education, and advancing infrastructure development. The Commercial Liaison Offices help American businesses learn how to get involved in bank-funded projects, and advocate on behalf of American bidders. For more information, please visit the following:

Web Resources

- Commercial Liaison Office to the Inter-American Development Bank: [Export.gov - IDB](#)
- Commercial Liaison Office to the World Bank: [Export.gov - World Bank](#)

Distribution & Sales Channels

U.S. companies have several options for entering the Haitian market, including direct exporting, franchising, licensing, wholesaling, and through representatives.

The five main regional markets in Haiti are: the North province including the city of Cap-Haitien; the Artibonite Department and its main cities, Saint-Marc and Gonaives; the West Province where the capital, Port-au-Prince, is located; the Central Plateau with the cities of Hinche and Mirebalais; and the South and Southern Provinces and its main cities, Les Cayes and Jacmel. Rural retailers generally travel once a month to larger cities such as Port-au-Prince or Cap-Haitien to purchase food and other imported products from wholesalers who import primarily from the U.S., Europe, China, the Dominican Republic, and Panama. IBC Airways, based out of Florida, provides cargo flights to Cap-Haitien. American Airlines, Delta Airlines,

JetBlue, and Spirit all have daily flights between Port-au-Prince and Miami, Fort Lauderdale, Atlanta, and/or New York. In addition, American Airlines has international daily round trip flights connecting Cap-Haitien to Miami, Florida. This flight provides another opportunity to strengthen commercial ties between South Florida and Northern Haiti.

Express Delivery

Reliable courier services are available in certain areas of the country, mainly in Port-au-Prince, through international and local express delivery companies. The most popular ones include DHL, FedEx, TNT, and UPS. The average delivery time from the U.S. to Port-au-Prince and vice-versa is 1 to 3 days, with a few days delay for packages that require customs clearance. Haitian customs may apply a 30 percent tax on packages valued over \$50.

Selling Factors & Techniques

U.S. companies commonly use an official representative or distributor to enter the Haitian market because the Haitian commercial code does not allow foreigners to engage in wholesale or retail businesses without first obtaining a professional license. Such agents or representatives typically work in Port-au-Prince and distribute products throughout the country.

eCommerce

Overview

eCommerce is a slow-growing sector in Haiti, constrained by limited internet infrastructure and regulation. Hainet and U.S. owned company Access Haiti have been successful with wireless Internet service providers (ISP) and have helped expand interest in further development. Natcom, a joint venture between the Vietnamese telecoms company Viettel and the GOH, provides both cellular and Internet service, and is working to expand its services nationwide. Cellular provider Digicel also offers Internet service. eCommerce

is available in the hospitality and transportation sectors as consumers are able to make hotel and bus reservations online. More companies are investing in local eCommerce infrastructure to expand their marketing efforts. The government is also working to modernize the law that governs credit banking practices, security instruments, and laws on collateral. In early 2017, the Parliament enacted legislation making electronic signatures and electronic transactions legally binding. However, Haiti's court system is not legally able to allow the development of eCommerce. To take advantage of the new law, the Haitian government will need to do more to provide a legal framework necessary to adapt its system to international standards, and to modernize the economy.

Online Payment

Cash payment, checks and bank transfer are the preferred methods of payment used in Haiti. Phone and online payment are only offered by a few companies. As of November 2015, the government launched a new e-governance initiative, allowing individuals to pay for taxes and to renew their car insurance online.

eCommerce Intellectual Property Rights

There are currently no laws in place to regulate electronic IPR.

Mobile eCommerce

Mobile money is a slow growing market in Haiti. The sector is composed of the country's two cell-phone providers, Digicel and Natcom. Under a mandate from the Haitian Central Bank (BRH), both providers are using a bank-led partnership to deliver their mobile money services to their customers. The standard services including cash in / cash out, airtime purchases, formal bill payment, international remittances, and repayment loans. The providers are actively looking to expand coverage beyond the metropolitan area.

Digital Marketing

Digital marketing is slowly growing. A few companies are taking advantage of social media platforms to maximize their online presence and boost their brand visibility.

Social Media

Social media has experienced an interesting expansion in Haiti. Haitians from all walks of life turn to social media for breaking political news, critiquing the government and/or for connecting with loved ones. Social media was particularly helpful in humanitarian and relief efforts during the 2010 earthquake and the 2016 hurricane. In November 2016, Natcom joined forces with Kirusa, a global provider in telecom and social media, to launch InstaVoice Celeb, and InstaVoice Sports. The initiative aims to bring celebrities and sport fans together using voice blogging feature, while providing daily soccer updates, and pre and post-match analysis.

Trade Promotion & Advertising

Advertising is a fast-growing sector in Haiti. Billboards and TV commercials are a popular advertising technique, and marketing companies typically use commercial flyers to target the higher social strata. However, radio still dominates the advertising sector. There are approximately 50 AM/FM radio stations, ten of which broadcast nationwide. Other modes of advertising are done via daily newspapers, such as “Le Nouvelliste,” or through local Haitian TV channels. Television-based advertisements have been increasing over the years, but they are still mainly concentrated in big cities. To cater to a diversifying diversifying audience, some cable providers even offer foreign and American channels such as ABC, NBC, and CNN. The lack of any rating system makes the actual reach of radio or broadcast television stations hard to gauge.

Pricing

There is no fixed pricing structure, but the government imposes restrictions on the mark-up of some products. For example, retailers are prohibited from increasing

the sale price of pharmaceutical products by more than 40 percent. Prices of petroleum products are strictly controlled. The cost of products sold in Haiti reflects high operating and transaction costs. Haiti has the highest port fees in the hemisphere as well as various import taxes and duties that apply to all imported products. These associated costs add approximately 35 percent to the final sale price of imported products.

Sales Service/Customer Support

Most companies operating in Haiti are limited in their customer service capabilities. Service is generally only available during regular business hours. The use of ATM machines, which only a few banks offer, is limited to urban areas, and mainly at banks, super markets, and the Port-au-Prince international airport. Other types of automated customer support, particularly outside of business hours, are not offered.

Protecting Intellectual Property

Haitian law protects copyrights, inventions, patent rights, industrial designs and models, special manufacturer's marks, trademarks, and business names. The law penalizes persons or enterprises involved in infringement, fraud, or unfair competition. In order to ensure the protection of these rights, the law requires certain formalities, such as registration with the Ministry of the Interior and Territorial Communities. The Constitution recognizes certain scientific, literary, and artistic intellectual property rights. Weak enforcement mechanisms, inefficient courts, and judges' poor knowledge of commercial law compromise the effectiveness of statutory protections. Moreover, injunctive relief is not available in Haiti, so imprisonment of offenders is often the only way to enforce compliance.

Haiti is a signatory to the Buenos Aires Convention of 1910, the Paris Convention of 1883 regarding patents, and the Madrid Agreement regarding trademarks. Haiti has ratified the Berne Copyright Convention.

In any foreign market, companies should consider several general principles for effective management of their intellectual property. For background on these principles, please link to our article on [Protecting Intellectual Property](#) and also [Corruption](#).

IP Attaché Contact:

Todd Reves

First Secretary for Intellectual Property

Regional IPR Attaché for Mexico, Central America and the Caribbean

United States Embassy, Mexico City

Tel: (52) (55) 5140-2631

Fax: (52) (55) 5566-1115

Email: todd.reves@trade.gov

Due Diligence

U.S. firms interested in doing business in Haiti should respond to trade opportunities by reviewing market research information published on the U.S. Department of Commerce website. The most effective mode of communication with Haitian firms is via phone calls, and business and/or personal e-mail. Post also offers specific assistance to U.S. businesses and investors interested in doing business in Haiti. Our commercial services include: International Company Profile reports, International Partner Search, Gold Key service, and single company promotions.

Local Professional Services

A number of small enterprises offer varied professional service support to small and medium-sized enterprises. Several business and industry associations in Haiti offer

mechanisms to identify business partners. The most common type of professional services include consultation services, accounting services, translation and legal services.

Principle Business Associations

Several business and industry associations in Haiti offer mechanisms to identify business partners. The most prominent associations include:

The American Chamber of Commerce in Haiti (AmCham)

18 Rue Moise

Pétion-Ville, Haïti

HT6140

Tel: (509)2940-3024

Fax: (509) 2811-9092

Email: gojeanty@amchamhaiti.com / tbourjolly@amchamhaiti.com

Web: www.amchamhaiti.com

(Ms. Regine Rene-Labrousse, President)

(Mr. Guy-Olivier Jeanty, Executive Director)

For additional information please visit the AmCham website:

<http://amchamhaiti.com/home/>

Haitian Manufacturers Association (ADIH)

21, Rue Borno, Pétion-Ville, Haiti

B.P. 15199

Tel. (509) 2514 0184

Email: adminidtration@adih.ht / info@adih.ht

Web: www.adih.ht

(Mr. Georges Sassine, President)

(Ms. Marie-Louise Augustin Russo, Executive Director)

Haitian Canadian Chamber of Commerce and Industry (CCIHC)

Hotel Visa Lodge, Suite 219

Rue des Nimes

Route de l'Aeroport

Port-au-Prince, Haïti

Tel: (509) 2813-0773

Email: Direction@ccihc.com/ secretariat@ccihc.com

Web: www.ccihc.com

(Mrs. Michel Lamarre, President)

(Mrs. Martine Denis Chandler, Executive Director)

Chamber of Commerce and Industry of Haiti (CCIH)

Adresse: 4ème étage, Immeuble Digicel, #151 angle Ave Jean Paul II & imp.
Duverger, Turgeau

Port-au-Prince, Haïti

Tel: (509) 2946-7777 / 2943-1173

Email: directionexecutive@ccih.org.ht

Website: <http://www.ccih.org.ht>

(Ms. Carline Joseph, President)

(Ms. Kim Sassine , Executive Director)

Association Haitienne pour le Developpement des Technologies de l'Information et de la Communication (AHTIC)

29 2ieme Ruelle Nazon

Petion- Ville, Haïti

Tel: (509) 2942-1966

E-mail : info@ahtic.ht

(Mr. Patrick Attié, President)

Haitian Tourism Association (ATH)

18 Rue Moise

Petion-Ville, Haïti

Tel: (509) 3906-8484 / 2946-8484

E-mail: athaiti@gmail.com

(Mrs. Nicole Gardere, Presidente)

(Mrs. Valerie Louis, Executive Director)

Franco-Haitian Chamber of Commerce and Industry (CFHCI)

5 Rue Goulard

HT 6140

Petion-Ville - Haïti

Tel: (509) 2940-0742 / 2227-3436

Email: cfhci@yahoo.fr

Website: www.chambrefrancohaitienne.com

(Mr. Gregory Brandt, President)

(Mrs. Kettly Fouron, Executive Director)

Association for Micro-Enterprise Corporations (ACME)

4, impasse Pierre Legrand

Puits-Blain

Petion-Ville, Haiti

Tel : (509) 2813-0545 / 2813-1972 / 2949-0101 / 2940-1364

E-mail : bdebrouwer@acmehaiti.org

Website: www.acmehaiti.org

National Association of Microfinance Institutions of Haiti (ANIMH)

87, Rue Wallom, Place Boyer

BP15 321

Petion-Ville, Haiti

Tel : (509) 2941-6464

E-mail : chantalmascary@yahoo.com

Board of Conciliation and Arbitration of Haiti (CAAH)

4eme etage Building Digicel, 151, Angle Ave. Jean Paul II et imp. Duverger
Turgeau, Haiti
Tel: 2940-5142 / 2940-5144
Email: ccah-haiti@hotmail.com

Haitian Association of Construction Companies

108, Rue Lambert
Petion-Ville, Haiti
Tel: (509) 3933-5707
E-mail: ahec1996@yahoo.fr

Association Nationale des Medias Haitiens (ANMH)

20, Ave Lamartiniere, Apt 9,
Port-au-Prince, Haiti
Tel : (509) 3410-5596 / 3727-8539
Email: jadesro@yahoo.fr

**National Association of Importers and Distributors of Pharmaceutical Products
(ANIDPP)**

41, Rue Lambert, 3eme etage
Petion-Ville, Haiti
Tel: (509) 3449-5575 / 3487-6641
Email: anipdd@gmail.com

National Association of Distributors of Petroleum Products (ANADIPP)

401, Route de Delmas
Local Dubois Shopping Center
BP 1379
Port-au-Prince, Haïti
Tel: (509) 3462-1296
Email: anadipp@hainet.net

Professional Association of Banks (APB)

133, Rue Faubert

Petion-Ville, Haïti

HT6140

Tel: (509) 3748-8852

Email: apbhaiti@hotmail.com

Chamber of Maritime Companies Association (AMARH)

Boulevard la Saline,

Port-au-Prince, Haïti

Tel: (509) 3701-1177

Email: ebaussan@hotmail.com

(Mr. Edouard Baussan, President)

Association of Mango Exporters (ANEM)

Santo 20, Route National #3

Croix des Bouquets, Haïti

Tel: (509) 3462-6781

Chamber of Commerce and Industry of the Professionals of the North (CCIPNNE)

115, Rue 13 B

Cap-Haitien, Haïti

Tel: (509) 3754-2939 / 3457-1001

Email: jodesir70@yahoo.fr

Chambre de Commerce, Industry and the Professionals of Croix-des-Bouquets

11, Rue Republicaine

Croix-des-Bouquets

Port-au-Prince, Haiti

Tel: (509) 3734-0094 / 2238-8001

E-mail: jjerrickbrutus@hotmail.com

Chamber of Commerce, Industry and the Professionals of the South

Quai des Cayes

Les Cayes, Haiti

Port-au-Prince Contact:

c/o Agrisupply, 172 Rue du Centre, Port-au-Prince

Tel: (509) 2940-0034

E-mail: chambredecommercesud@hotmail.com /

chambredecommercesud@yahoo.com

Societe Nationale des Parcs Industriels (SONAPI)

Blvd Toussaint Louvertue

Route de l'Aeroport

Port-au-Prince, Haïti

Tel: (509) 3750-2323 / 2141-4200 / 2141-4700

E-mail: parcindustriel@yahoo.com

Caracol Industrial Park (PIC)

Route de Caracol

Caracol, Dept du Nord Est

Tel : (509) 2941-0290 / 3750-2323

Email: info.caracol@ute.gouv.ht

Website: <http://www.ute.gouv.ht/caracol>

Cosa Industrial Park

B.P. 1310

Route Nationale No. 1

Port-au-Prince, Haïti

Tel: (509) 2816-0107

Email: Shodecosa@yahoo.com / info@shodecosa.com

Website: www.shodecosa.com

(Mrs. Youri Mevs, General Director)

Airport Industrial Park

Rue Sol SOLON

Tabarre 36

Port-au-Prince, Haiti

Tel: (509) 2245-9616 / 2245

Center for Investment Facilitation

116, Ave. Jean Paul II, Turgeau

Port-au-Prince, Haiti

Tel : (509) 28 11 62 34

E-mail: info@cfihaiti.com

Website: <http://www.cfihaiti.com/>

Ms. Radley Joseph, Director of Promotion

To view market research reports by the U.S. Commercial Service visit the following website: [Export.gov - Welcome](http://www.export.gov) and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens' companies. There is no fee but registration to the site is required. Please click on the link below for information on trade events: [Export.gov - Trade Event Calendar](http://www.export.gov).

Limitations on Selling US Products and Services

Haiti is one of the most open economies in the region. The Haitian government does not impose discriminatory requirements on foreign products and services. However, investment in certain sectors, such as health and agriculture, requires special Haitian government authorization. Investment in "sensitive" sectors, such as electricity, water, and telecommunications, requires a Haitian government concession as well as an authorization from the appropriate state agency. In general, natural resources are considered to be the property of the state. As a result, prospecting, exploring, or exploiting mineral and energy resources requires

concessions and permits from the Bureau of Mining and Energy, in the Ministry of Public Works. Mining, prospecting, and operating permits may only be granted to firms and companies established and resident in Haiti.

Web Resources

The American Chamber of Commerce in Haiti (AMCHAM)

18 Rue Moise

Pétion-Ville, Haïti

HT6140

Tel: (509)2940-3024

Fax: (509) 2811-9092

Email: gojeanty@amchamhaiti.com / tbourjolly@amchamhaiti.com

Web: [The American Chamber of Commerce in Haiti \(AMCHAM\)](#)

(Ms. Regine Rene-Labrousse, President)

(Mr. Guy-Olivier Jeanty, Executive Director)

Haitian Manufacturers Association (ADIH)

21, Rue Borno, Pétion-Ville, Haiti

B.P. 15199

Tel. (509) 2514 0184

Email: adminidtration@adih.ht / info@adih.ht

Web: [Haitian Manufacturers Association \(ADIH\)](#)

(Mr. Georges Sassine, President)

(Ms. Marie-Louise Augustin Russo, Executive Director)

Haitian Guide to Investment

Haitian Embassy in Washington, D.C.

[Haitian Guide to Investment](#)

[Center for the Facilitation of Investments \(CFI\)](#)

[Le Nouvelliste Newspaper](#)

[Haitian Ministry of Commerce and Industry](#)

Haiti Business

103, Rue Villate, (Place Boyer)

Pétion-Ville, Haiti.

Phone 2: (509) 28 13 03 90

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[Haiti Business](#)

Leading Sectors for US Exports & Investments

Energy

Overview

Haiti has substantial renewable energy potential. Still, the country faces significant challenges to gaining access to clean and renewable energy. On average, 85 percent of electricity is produced from imported fossil fuels. The underutilized opportunities for small hydropower, smart grid and biomass systems make Haiti an interesting renewable energy prospect. Much of the population relies on biomass such as charcoal and wood fuel as their main source of energy. Although solar and wind resources are available throughout the country, very little of this potential has been developed. The most significant contribution of renewables to Haiti's energy source comes from hydropower, and one of the GOH's priorities is to develop this sector.

Local demand for U.S. electrical machinery and equipment was valued at \$5 million in FY 2016. Less than 40 percent of the population is electrified and of those with access to electricity, reliability is a challenge. For example,

Electricité d'Haiti (EDH), an underperforming largely government-owned company, provides an average of about 13 hours of electricity per day throughout the country, and Port-au-Prince faces daily outages resulting in an average of less than 20 hours of electricity per day. The buildout of additional and necessary electricity infrastructure remains a challenge as non-technical losses for the market are high. EDH only collects \$50 million annually, which is not enough to finance the company's daily operations. The Haitian government provided an annual grant of \$200 million to keep the company afloat.

On the generation side, there is an urgent need to repair and expand existing power plants throughout the country. Haiti has an installed capacity of 313 Megawatts (MW) but only 60 percent of the installed capacity is reliable, as many generation units need rehabilitation and repair work. Total unmet demand for residential and commercial electricity in the country is estimated at approximately 500 MW per day. Only 39.7 percent of Haitians have access to electricity, with an average annual consumption of just 21 Kilowatts (KWH) per person.

There are various sources of energy in Haiti including:

- 506 million KWH produced from two private companies using diesel fuel
- 284 million KWH generated from EDH power plants including 226 million KWH produced from the Peligre hydro-electric plant located in the Artibonite Department
- 334 million KWH produced from three heavy fuel oil power plants developed under a Cuba-Venezuela-Haiti tripartite agreement
- 10,000 KWH power plant with transmission and distribution of uninterrupted (24/7) electricity that serves the Caracol industrial Park

Please note that more recent data on electricity generation is not available. The government hopes to modernize EDH and improve its performance. Recent efforts that sought to grant a concession to investors for the production and distribution of electricity in the South-East and North-West region through an international tender were unsuccessful. The tender did not receive bids from any firms, as they found the terms to be prohibitive.

	2014	2015	2016
Total Local Production	0	0	0
Total Exports	0	0	0
Total Imports / World	176	143	119
Imports from the US	69	44	45
<u>Total Market Size</u>	176	143	119
Exchange Rates	44.37	50.85	63.05

(total market size = (total local production + imports) - exports)

Leading Sub-Sectors

Electrical blackouts occur frequently in Haiti. Residential owners drive demand for low cost electrical generation equipment because of severe limits on local generating capacity. There is also a consistent residential demand for solar energy equipment and smart grids, as well as demand from private businesses. According to Haitian dealers' records, 50 percent of power generators come from the U.S. Other suppliers include Japan, France, China, and South Korea.

Opportunities

EDH's inability to provide reliable, centrally-supplied power continues to drive demand for power generation equipment, such as new electrical power systems, generators, inverters, and batteries, as well as maintenance for the

equipment. U.S. electrical companies, including those that supply generators, parts, and service, may find opportunities in Haiti. There is also a market for U.S. firms interested in contracting with EDH to repair existing equipment and to install additional electrical equipment in Port-au-Prince power plants. The World Bank has financed the Electricity Loss Reduction Project (PREPSEL) to increase production and strengthen the management of the electric network in Haiti. With Haiti's tropical climate and high percentage of daily sunlight, the country could be a prime candidate for wind and solar power generation projects. There are also opportunities to generate energy from small hydropower and biomass projects. In 2016, total imports of electrical and electronic materials were valued at \$119 million.

Web Resources

Electricite d'Haiti (EDH)

Angle Rue Chareron et Boulevard Harry Truman Cite de l'Exposition

B.P. 1753

Port-au-Prince, Haïti

Tel: (509) 2813-1641 / 2813-0157/ 2813-0197/ 2223-0837 / 2212-2212

Fax: (509) 2223-8750

E-mail: info@edh.ht

(Mr. Hervé Pierre-Louis , Director General)

[Electricite d'Haiti \(EDH\)](#)

E-Power

Hinsa Free Zone Park, Rue Lisius, Drouillard

Port-au-Prince, Haïti

Tel: (509) 2813-0015

Fax: (954) 323-4315

E-mail: admin@epowerhaiti.com

[E-Power Haiti](#)

Sogener S.A.

30, Boulevard Toussaint Louverture,
Route de l'Aéroport
Port-au-Prince, Haïti
Tel: (509) 3707-0000 / 3708-0000
E-mail: sogeneradmin@sogener.com

[Sogener S.A.](#)

HayTrac (Haitian Tractor & Equipment Co S.A.)

51, Blvd. Toussaint Louverture
Route de l'Aéroport
Port-au-Prince, Haïti
Tel: (509) 2814-8000
E-mail: haytrac@haytrac.com

Agricultural Sector

Overview

The exodus of Haiti's rural population to its major cities, coupled with a lack of agricultural capitalization, has hindered the development of food crops. There is a strong demand for U.S. agribusiness firms to invest in Haiti and help boost domestic food production. Haiti does not produce enough food to meet domestic demand, and must import a significant portion of the agricultural products it consumes. The infrastructure required to transport food within Haiti is also poor. Major food imports include cereals, vegetable fats and oils, dairy products, meat, and poultry. U.S. exports of rice, processed food, wheat, and poultry are good market prospects. According to Haitian Central Bank (BRH) figures, Haiti's food imports were greater than \$955 million in 2015, nearly a quarter of total imports, and totaled \$751.29 million in 2016. Food imports decreased 21.33 percent between FY 2015 and FY 2016, as the Haitian economy began to slowdown in FY 2016.

The U.S. Department of Agriculture (USDA) authorizes credit guarantees to Haiti under the Commodity Credit Corporation's (CCC) Export Credit

Guarantee Program (referred to as GSM-102). Twenty agricultural commodities are accredited under the GSM-102 authorization, including rice, vegetable oil, poultry, wheat, and wheat flour. For more information on USDA's GSM-102 program, contact the Foreign Agriculture Service's Information Division in Washington, D.C. at www.usda.gov/wps/portal

Sectors

- Rice
- Cereal products; malt, starch, wheat gluten
- Poultry, meat and edible meat offal
- Animal and vegetable fats, oils
- Miscellaneous Food Preparations

Rice

Rice is a staple food for a majority of Haitians. Although previously self-sufficient in this area, eighty percent of rice now consumed in Haiti is imported. The U.S. is especially competitive in medium quality (10 to 20 percent broken) milled rice and in best quality (2 percent) broken rice. The total amount of rice imported was valued at \$196 million in 2016, which represented a 0.48 percent increase over 2015. Of that amount, \$190 million of the imported rice came from the U.S. U.S. exports of milled rice are typically 4 percent broken and packaged in 50 kg bags.

Cereal Products – Malt, Flour, Starch, and Wheat Gluten

Cereal products, especially wheat and flour, are major components of the Haitian diet. Haiti, however, does not produce sufficient milled grains to satisfy domestic demand. After rice, other cereal products are the second largest category of U.S. agricultural exports to Haiti. The U.S. remains Haiti's largest supplier for wheat, sorghum and millet as well as rice, while the Dominican Republic has become Haiti's largest corn provider. U.S. exports of

all cereal products decreased from \$216.48 million in 2015 to \$206.87 million in 2016, representing a 4.43 decrease.

	2014	2015	2016
Total Local Production	**	**	**
Total Exports	0	0	0
Total Imports / World	301.30	283.28	238.00
Imports from the US	222.60	216.40	206.87
<u>Total Market Size</u>	301.30	283.28	238.00
Exchange Rates	44.70	50.85	63.05

(total market size = (total local production + imports) – exports

Poultry, Meat and Edible Meat Offal

The U.S. is Haiti's second major supplier of poultry, after the Dominican Republic. Over the past several years, decreases in the availability of local livestock and increasing feed prices that forced Haitian farms out of business have also factored into the rising demand for poultry imports. Following the detection of the H5N2 avian flu virus in the DR, on January 7, 2008, the GOH instituted a ban on Dominican poultry and egg products that remains in effect. Haiti imported \$80 million worth of meat and edible meat offal during FY 2016, a 4.29 percent increase in comparison to 2015.

Miscellaneous Processed Food

The total value of prepared foods exported to Haiti from the U.S. was \$11.36 million in 2014 and \$10.72 million in 2015. Processed food imports from the U.S. slightly increased to \$11.31 million in 2016. Haitian production of miscellaneous processed food products is controlled by the informal sector and accurate figures are unavailable for local production and exports.

	2014	2015	2016
Total Local Production	**	**	**
Total Exports	**	**	**
Total Imports / World	139.15	87.89	22.42
Imports from the US	11.36	10.72	11.31
<u>Total Market Size</u>	139.15	87.89	22.42

(total market size = (total local production + imports) - exports)

Leading Sub-Sectors

The Haitian agriculture sector has high potential for organic product development that could sustain exports to the U.S. and the European markets. As a member of the African, Caribbean and Pacific trade agreement, and under the Bali Accord, Haiti enjoys duty free and preferential access to the European markets for most agricultural products. Haiti's soil, topography, and climate is suitable for the cultivation of organic fruits and vegetables, cocoa, sorghum, and beans, providing high developmental potential for food processing and agribusiness.

The best product prospects include: mangoes, sisal, bananas, vetiver oil, Arabica coffee, and cacao. Vetiver oil is an "essential oil" used for the production of cosmetics, perfumes, and medicinal products. Total exports of coffee and tea were valued at \$730,000 in 2016, lower than 2015, when exports reached \$951,000. Total exports of cacao were valued at \$7.3 million, representing a decrease of 13.89 percent over 2015. Total exports of essential oils were valued at \$32.07 million in 2016, a 22 percent increase over \$26.29 million in 2015.

Opportunities

The Government of Haiti has identified agribusiness and the expansion of agriculture investment as a priority for economic development. A number of private investments are already underway in different regions of the country, including (1) a \$50 million World Bank-funded project to strengthen Haiti's agricultural sector and increase farmers access to agricultural extension services, (2) a Dole Food Company's \$45 million project, and (3) a \$5 million sisal project in the southern Haiti. In addition to the aforementioned products, areas for priority investment include: sugar cane and its derivatives, citrus, rice and aquaculture. In 2016, the total value of vegetables, dairy produce, beverages, fruits, and nuts imported was \$89 million.

Web Resources

Haitian Chamber of Commerce and Industry (CCIH)

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Port-au-Prince, Haïti

Tel: (509) 2946-7777 / 2943-1173

Email: directionexecutive@ccih.org.ht

Website: [Haitian Chamber of Commerce and Industry \(CCIH\)](#)

(Ms. Carline Joseph President)

(Ms. Kim Sassine, Executive Director)

Inter-American Development Bank (IDB)

Puits Blain 6, vers Frere

Port-au-Prince, Haiti

Tel: (509) 2812-5000 / 2812-5009 / 2812-5060 / 2812-5012

E-mail: bidhaiti@iadb.org

Website: [Inter-American Development Bank \(IDB\)](#)

Minister of Agriculture, Natural Resources and Rural Development

H.E. Carmel Andre Beliard

Damien. Rte Nationale #1
Croix des Missions
Port-au-Prince, Haïti
Tel: (509) 2510-3916/ 2943-2851
Fax: (509) 2298 3014

Minister of Environment

H.E. Pierre Simon Georges
Pacot Rue 4
Port-au-Prince, Haïti
Tel: (509) 2245-7572 2244-2338
Fax: (509) 2245-7360

Construction

Overview

In Haiti, construction is often viewed as one of the most dynamic sectors with multiple stakeholders actively engaging in several types of infrastructure projects, as companies face very few regulatory issues in this sector. Public infrastructure projects are one of the largest employers in the Haitian economy. Aid from Venezuela, known as Petrocaribe, funded many large-scale government infrastructure projects; however, this aid has decreased considerably in recent years.

There are roughly 300 firms and building contractors operating in Port-au-Prince as well as a handful of subcontractors and certified engineers scattered throughout the country. The sector also includes hundreds of retail stores selling in their immediate communities after purchasing from wholesalers who import large containers from Miami. A majority of contractors prefer the quality of imported materials, especially from the U.S., over the locally produced products.

Prefabricated components, electrical equipment, construction material, and heavy equipment are imported from the U.S., Taiwan, and China. This suggests that opportunities exist for U.S. firms and suppliers to capitalize on their ability to supply a large volume of quality materials, and their capacity to manage large-scale and complex infrastructure projects. Other lucrative markets include iron bars, ceramic, lime, and cement, with imports valued at \$70.91 million in 2016.

	2014	2015	2016
Total Local Production	0	0	0
Total Exports	0	0	0
Total Imports / World	154.44	154.74	70.91
Imports from the US	15.68	16.05	13.01
<u>Total Market Size</u>	154.44	154.74	70.91

(total market size = (total local production + imports) - exports)

Leading Sub-Sectors

The Ministry of Public Works has managed several large infrastructure projects financed by the United Nations, the Inter-American Development Bank (IDB), and the European Union, in which new road machinery and equipment were necessary. Although the intensity of the construction process has slowed, there is still a market for U.S. manufacturers of heavy equipment for roads, construction and watershed protection. There is also a market for machinery and automotive parts and service equipment. In the construction sector, the most commonly imported materials include: construction materials, soft and hardwood, cement, finished hardwood and pre-fabricated components, iron bars, and ceramic products.

The total value of construction materials imported to Haiti in 2014 was estimated at \$154.44 million. Imports remained relatively stable at \$154.74

million in 2015. Construction material imports decreased during 2016, and were valued at \$70.91 million. Major landmarks including the Presidential palace, the cathedral and the administrative city of Port-au-Prince are still in need of reconstruction.

Opportunities

Opportunities exist for international construction firms to undertake infrastructure projects, including commercial buildings, ports, and roads, in Haiti. There is a lucrative market for house furnishings and appliances, with imports valued at \$20 million in 2016. Total imports for prefabricated building reached \$6.52 million with 72 percent of the value coming from the U.S.

Web Resources

Direction National de l'Eau Potable et de l'Assainissement (DINEPA)

Angle rue Metellus et Route Ibo lélé, No 4 Pétion-Ville, ht6140, Haïti

Tel: (509) 509-2813-1282 / 509-2813-1283 / 509-2813-1285

E-mail: communication@dinepa.gouv.ht

Website: [Direction National de l'Eau Potable et de l'Assainissement \(DINEPA\)](#)

(Mr. Guito Edouard, General Director)

Commission National des Marchés Publics

4, Rue Coutilien, Musseau, Bourdon

PO BOX 15220

Port-au-Prince, Haiti,

Phone: (509) 2943-0545

Website: [Commission National des Marchés Publics](#)

Minister of Public Works, Transports and Communications

H.E. Fritz Caillot

Laboratoire National (Delmas 33)

Port-au-Prince, Haïti

Tel: (509) 2228-2528/7508 2222-3230

Fax: (509) 2223-4519

Website: [Minister of Public Works, Transports and Communications](#)

Haitian Association of Construction Companies

108, Rue Lambert

Petion-Ville, Haiti

Tel: (509) 3933-5707

E-mail: ahec1996@yahoo.fr

Mining and Minerals

Overview

It has been reported that Haiti's territory may contain significant deposits of silver, copper, and gold that could be worth billions. Nevertheless, the Haitian mining sector is dormant and has remained underdeveloped for many years. Recently, the GOH designated the development of mining resources as one of the priority sectors that has the potential to contribute to Haiti's economic development. To revitalize the sector, the GOH, with the assistance from the World Bank's Extractive Industries Technical Advisory Facility, initiated new legislation to reform the mining law (convention system) that dated back to 1976. Under the current draft law, exploration permits and mining projects will no longer require the approval of the Haitian Parliament, but only an authorization from the Prime Minister along with the Minister of Finance and the Bureau of Mining. However, the legislation is still pending in the Parliament with no timeframe for passage.

Key obstacles include:

- The GOH exercises legal authority over the extraction of revenue-generating natural resources, including mining, quarrying, sea and oil exploration.

- Inadequate infrastructure (e.g. roads, water and power), land tenure issues, poor technology, and an inadequate legal framework jeopardize the GOH's ability to grant exploration and underground drilling permits.

	2014	2015	2016
Total Local Production	**	**	**
Total Exports	13.13	7.83	4.37
Total Imports / World	1.95	1.38	1.32
Imports from the US	1.20	.925	.824
Total Market Size	11.93	6.90	3.55

(total market size = (total local production + imports) - exports)

Leading Sub-Sectors

Several local companies are exploiting marble, limestone, and clay, as well as construction aggregates, but only a handful of firms, mostly foreign, are currently conducting surface-level exploration for gold, silver and copper. In recent years, several new companies expressed interest in the mining sector following reports of potential gold deposits, but Haiti's outdated mining code does not provide an adequate framework for extensive investment in the sector.

Opportunities

A total of six firms operate in the mining sector: two U.S.-based companies, Newmont Mining, which holds preliminary prospect and research permits, and VCS Mining, which received permits to mine a gold deposit in the North department. Eurasian Minerals also holds a research permit. Majescor Resources, a Canadian firm, received a permit to mine a copper deposit in the Northeast and the GOH issued two new Haitian companies, Sono Global and Caribbean General Trading, prospect and research permits. Although the GOH

issued permits to all of the firms in 2012, none of them have begun commercial drilling because the Senate placed a temporary hold on all mining operations until the GOH reforms the sector. There are still opportunities for foreign firms to seek exploration and extraction permits and licenses.

Telecommunications

Overview

The government's telecommunications regulatory agency, Conseil National des Telecommunications (CONATEL, equivalent to the FCC) regulates the telecommunications sector. CONATEL assigns frequencies and issues operating licenses to all telecommunication companies. The government mandate requiring all local TV stations to eliminate analog television in favor of digital television, originally proposed for 2016, is still under consideration. CONATEL is also exploring the implementation of a local number portability system, which would allow cell phone users to keep their existing phone numbers even if they switch companies.

Before 2010, Haiti's fixed-line penetration was only 1.8 percent – the lowest in Latin America and the Caribbean, while Internet penetration remained below 1 percent. The opening of a third private cellular phone company allowed Haiti to reach a mobile density of approximately 350 telephones per 1000 people. Access to fixed-line broadband is underdeveloped mainly because of low PC penetration rates and the low income level of the population. In May 2010, Vietnam's largest mobile operator, Viettel, acquired 60 percent of the state-owned telecoms company Teleco with an initial investment of \$59 million. This company became Natcom, one of Haiti's two largest telecommunication companies. Natcom has built a 6,500 km fiber backbone to expand fixed-line broadband services in major cities. The World Bank reported that, to date, 65 percent of the population has access to a mobile phone. Haiti's main suppliers for telecommunications services and equipment are the U.S., China, and Sweden. There is a growing market for

telephones for cellular networks and other wireless networks. In 2016, U.S. exports of telephone sets to Haiti reached \$13.51 million, an increase of 37.29 percent over \$9.84 million in 2015. Total telephone set imports for the same year reached \$26.07 million.

The telecommunications market is highly concentrated in Port-au-Prince, its suburbs, and, to a lesser extent, in other major cities. The private sector expects that it will expand in the interior of the country at a rate of approximately 25-30 percent a year over the next five years. Cyber cafés are mainly concentrated in Port-au-Prince and offer access to low-speed internet connections for long distance communications and Internet browsing.

In June 2011, the GOH began collecting a 5 cents per minute fee on all international calls into Haiti to finance a free compulsory education program across the country. The tax on international phone calls with Digicel and Natcom has raised \$53 million for the Haitian government.

	2014	2015	2016
Total Local Production	0	0	0
Total Exports	0	0	0
Total Imports / World	45.61	30.98	26.07
Imports from the US	20.25	9.84	13.51
Total Market Size	45.61	30.98	26.07

(total market size = (total local production + imports) - exports)

Leading Sub-Sectors

The telecommunications sector is growing at a steady pace with increased competition between Natcom and Digicel since Natcom's arrival to the sector in 2010. A growing demand for diversified telecommunication services has

accompanied the rapid expansion of the telecommunications market. Approximately ten firms offer Internet access and data transmission services, which rely on internet based systems. According to the World Bank, in FY 2015 new telecommunications technology has increased internet penetration to 11.4 percent, and 65 percent of the population has access to a cell phone with many having access to internet via their phone. Only 2 percent of the population is using encryption technology for their internet transactions.

Digicel and Natcom have become home internet providers, laying new fiber optic cables and building antennas to expand their internet networks. Natcom provides fiber optic cable Internet, which facilitates improved Internet connection speeds and allows for Voice over Internet Protocol (VoIP). Although internet at home is growing, most Haitians use internet based applications such as Google Voice, Skype, Viber, and WhatsApp on their mobile phones. These applications allow Haitians to communicate with friends and conduct business. Mobile money transfers are also expanding. Today, mobile money such as Tcho-Tcho mobile and Lajan Cash are used for emergency transfers, to make purchases, and are used as a tool to receive remittances.

Opportunities

The existence of two cellular companies in the telecommunications market opens up opportunities for other investors, which may result in greater competition. With the introduction of 3G services, and one telecommunications company, Natcom, already testing 4G/LTE connectivity, providers will have an opportunity to offer faster mobile internet access speeds. This would allow for an expanded market for internet services. CONATEL's intention to require portability should also spur improved quality service, and greater competition within the industry. Recent efforts to improve telecommunication infrastructure and the installation of two undersea fiber cables have significantly enhanced the country's attractiveness

for business processing outsourcing (BPO) service investments. In free-zones, investors have access to locations that offer abundant bandwidth connectivity suitable for the establishment of IT services and call centers and other BPO. This includes the Lafito Global Business Park, the Caracol Industrial Park, and the Triangular Business Park.

Web Resources

CONATEL

Mr. Jean David Rodney

4, Ave Christophe, B.P. 2002,

Port-au-Prince, HAITI

Tel: (509) 2511-3940

[CONATEL](#)

[Access Haiti](#)

[Natcom](#)

[Digicel](#)

Travel and Tourism

Overview

The most successful tourism “hot spot” is Labadie, near Cap Haitien, where Royal Caribbean Cruise lines maintains a private beach exclusively for its cruise passengers. The company is also considering facilitating excursions to the Citadelle, situated nearby, so cruise ship passengers and tourists can enjoy that UNESCO world heritage site. Otherwise, the Labadie enclave is cordoned off from the rest of Haiti with very little interaction with other businesses on the north shore or elsewhere. To date, cruise passengers only spend the day at Labadie although there are plans to make it an overnight stop.

Prior to the 2010 earthquake, Haiti had about 2,000 hotel rooms, mostly in 3-star facilities. Following the earthquake, the room supply dwindled to only 1,000 rooms. To revive its tourism sector, the Haitian Government focused on bolstering capacity in the hotel sector with the help of private sector representatives. Today Haiti has a total capacity of 4,322 rooms, which range from \$120-\$150 per night during the high season for a standard room. There are several small hotels along the Cote des Arcadins, north of Port-au-Prince, that attract the Haitian diaspora, faith based organizations, middle-class Haitians, and some international visitors. Little investment has gone into these hotels although tourists arriving in Haiti through packaged tours often stay there for one or two nights. Air BnB's are also now increasingly available throughout Haiti's major metropolitan areas.

International organizations, aid workers and non-profit organizations have kept occupancy rates at hotels in Port-au-Prince in the range of 50 percent. In February 2015, a new \$45 million, 175-room Marriott hotel was inaugurated in Port-au-Prince and, along with the Karibe, El Rancho, and Montana , makes up the four major hotels in Haiti that offer conference facilities.

As a boost to Haiti's growing Northern corridor, the Marriott is renovating the Habitation Jouissant in Cap-Haitien, which will become part of the Marriott Autograph Collection once it has been completed. Club Indigo Beach Resort, the former Club Med on the Cote des Arcadins, underwent a major renovation and has been transformed into an all-inclusive resort under the Colombian brand Royal Decameron. Royal Decameron has 380 rooms and offers stays for as low as \$75 a night.

Revival of the tourism sector is a Haitian government priority. The sector reportedly accounts for 5 percent of Haiti's GDP. In the last five years, the GOH has made much progress in the tourism sector. Several international

travel agencies, including Wild Frontiers, offer small-group tours to Haiti's historical landmarks, including Bassin Bleu, the Citadelle, and the Sans-Souci Palace.

The Caribbean Tourism Organization (CTO) reported that 673,501 cruise passengers transited Haiti in 2015, up from 662,403 in 2014. The number of stay-over tourist arrivals to Haiti was 515,804 in 2015. The CTO reported that Haiti had a 14.5 percent drop in international arrivals, and a 9.4 percent decline in cruise arrivals in 2016. The slowdown is largely attributed to the long political turmoil that resulted from cancellation of the October 2015 elections.

Leading Sub-Sectors

To improve Haiti's tourism sector, the GOH must improve basic infrastructure such as roads, hospitals, the power grid, through out the country and and construction of hotels outside of Port-au-Prince.

Opportunities

Opportunities in the tourism sector are closely linked to other sectors—telecommunications, electrical power systems, and transportation. The government is exploring the addition of new destination sites including the construction of 150 miles of roads that lead to the Saut-d'Eau and Bassin Zim waterfalls in Haiti's Center Department. During the past four years the government invested over \$345 million dollars in the tourism industry, and additional measures are also underway to facilitate further major investments.

Web Resources

Association of Travel Agencies

24, Ruelle Berne

Port-au-Prince, Haïti

Tel: (509) 2942-0038

Ministry of Tourism

H.E. Colombe Emilie Jessy Menos

8, Rue Legitime

Champs de Mars

HT 6112 - Port-au-Prince - HAITI

Tel: (509) 2949-2010 / 2949-2011 / 2223-5633

E-mail: info@haititourisme.gouv.ht

[Haiti Tourism](#)

[Tourist Association of Haiti](#)

Customs, Regulations & Standards

Trade Barriers

High costs at Haiti's state-owned international seaports are the major non-tariff barrier confronting American exporters. Poor physical infrastructure and lax management also contribute to high warfage and taxes. Please contact the International Trade Administration for more information on trade barriers:

International Trade Administration

Enforcement

and

Compliance

(202)

482-0063

ECCommunications@trade.gov

[International Trade Administration: Enforcement and Compliance](#)

Import Tariff

The government updated Haiti's customs regulations in 1987. Since then, the government has issued several official decrees modifying the level of customs duties on virtually all products. The most significant decree was issued in March 1995 and

effectively lowered all customs duties on a temporary basis until comprehensive new regulations could be promulgated. This decree is still in effect.

In March of 2017, Haiti announced its intention to renegotiate its tariff rates in an effort to make the country compliant with CARICOM regulations. The proposal is still under consideration.

Imported commodities are subject to payment of customs duties and other taxes. The value of imported goods, based upon either the "Free on Board" (FOB) or "Cost, Insurance Freight" (CIF) valuations, is converted into Haitian gourdes at the prevailing daily rate, prior to the application of duties and taxes. All duties and taxes are payable to the Haitian Customs Administration. Most duties do not exceed 15 percent. Any cargo vessel (sea, air, or land) en route to Haiti -- loaded or unloaded -- must be presented to customs. A bill of lading, in four original copies, signed by the captain, must be presented to Customs upon arrival.

Customs valuation is based on:

1) Cost of the goods

- a. Original invoice from the country of origin
- b. If customs does not accept the invoice, the Blue Book value will be used to set the price. This is usually the case for cars, trucks, and other vehicles.

2) Insurance cost: varies according to insurance company; customs generally accepts the cost.

Freight cost, including port charges, varies according to shipping company; customs generally accepts the cost.

Verification of CIF value procedure:

- 1) The first control occurs during the customs clearance process. It includes an examination of presented documents and, if needed, an inspection of the goods.
- 2) The second control occurs after customs clears the goods. During the second control, the value of goods is verified; invoice prices are checked during this part of the control process.

The Haitian Central Bank collects the duties for goods imported into Port-au-Prince. For goods shipped elsewhere in Haiti, duties are collected through the National Credit Bank (BNC). Customs formalities can take from 24 to 48 hours if all forms are in order. Some importers complain that the customs clearance process is too lengthy and can result in detrimental delays.

Import Taxes

Verification fee: The charge for inspection is five percent of the CIF. The government waives the fee for goods in transit, storage, or temporary entry regimes and for goods used for diplomatic missions and the import of personal effects.

Value-Added Tax (French acronym TCA): The 10 percent TCA is a general tax on local sale of goods, supply of services, and imports. It is applied to the CIF value in addition to the customs duty, inspection fee, and excise duties. The TCA is calculated at each stage of production, distribution, or import. Products that are exempt from this tax include: petroleum products; newspapers, books, magazines, and paper used for school materials; local agricultural products; agricultural, livestock breeding, and fishing inputs; inputs used to manufacture medicines sold in pharmacies; agricultural, fishing, and livestock breeding machinery and equipment; and legal services. Goods entering the country under the transit, storage, or temporary entry regimes, including those to be used in processing and assembly industries produced solely for export, are exempt.

Contribution to Management Funds for Territorial Collectives (CFGDCT): The CFGDCT is applied at the rate of two percent on all imports, except petroleum products, pharmaceuticals, parcel posts, some food products, agricultural inputs, and paper.

Excise Tax: A 10 percent fee is levied on imported cars of 2200 cubic centimeters or more; 90 percent of CIF on gasoline; 40 percent of CIF on diesel oil; 30 percent of CIF on kerosene; two percent of CIF on fuel oil; two percent of CIF on lubricants; and three percent of CIF on aviation fuel.

Other Tariffs

In general, tariff rates are low for raw materials and unprocessed goods and are higher for semi-finished and finished goods.

New and used automobiles, buses, trucks, and vans are subject to a 5 to 20 percent registration tax. This tax applies to the customs value. A five percent tax is applied to vehicles valued at less than HTG 35,000 (~\$550). A 20 percent tax is applied on vehicles valued over HTG 75,000 (~\$1,200). A 5 percent tax is applied to trucks that weigh less than two tons and minibuses with a capacity not exceeding 24 passengers. Tax exemption applies if capacity accommodates more than 24 passengers. A 10 percent tax is levied on imported used vehicles.

There are additional taxes on new cars, ranging from 5 to 20 percent and from 5 to 30 percent for used vehicle imports, used passenger transportation vehicles, and used trucks. New passenger transportation vehicles that accommodate more than 25 passengers and new trucks over two tons are exempt. Transit and storage duties are imposed on the import of goods entering under the relevant tax regimes. The highest transit duty is five gourdes per parcel or per 100 kg of net weight. Customs storage duties are two percent of the customs value per month of storage.

In addition, shipping lines in Haiti have begun to charge clients who are unable to unload their goods within 17 days demurrage fees. An experienced expediter may help move goods more quickly and, therefore, potentially avoid onerous demurrage charges.

The following goods do not have a duty (not all products are listed):

- Powdered milk
- Certain bones and horn-cores
- Malt (not roasted)
- Hops
- Straw and pellets of unprepared cereals
- Seeds, spores, and fruit
- Certain sowing plants and parts of plants (other than garden seeds) used in perfumery, medicine, or pharmacology
- Certain types of fodder
- Certain resins and fats for industrial use
- Vegetables saps and extracts
- Linseed oil
- Crude glycerol
- Animal oils and fats (in specific forms)
- Yeast
- Denatured ethyl alcohol of any type
- Some protein materials and their vegetable saps and extracts
- Fisheries products
- Live animals
- Rubber
- Ores, slag, and ash
- Organic chemicals
- Pharmaceutical products
- Silk

- Fertilizers
- Tin and articles thereof
- Knitted or crocheted fabrics
- Vegetable plaiting materials
- Wool, fine or coarse animal hair
- Vegetable products
- Yarn and woven fabric
- Nickel and articles thereof
- Lead and articles thereof
- Impregnated, coated, covered, or laminated materials
- Other base metals, cements,
- Fabric and technical articles textiles
- Rail and tram locomotives, rolling stock and parts thereof, mechanical traffic signaling equipment

The following goods have a 15 percent duty (not all products are listed):

- Pork
- Sugars and confectionery
- Poultry, meat and offal
- Cotton
- Moss and lichen
- Carpets and other textile floor coverings
- Cut flowers
- Natural or cultured pearls, precious stones and similar articles
- Citrus fruit
- Jewelry and other articles
- Edible vegetables, plants, roots
- Manufactures of straw, and tubers (fresh, chilled, or frozen), other plaiting materials, basketwork, and wickerwork

Other products and duties:

- Rice: 3 percent
- Buckwheat: 15 percent
- Millet: 15 percent
- Canary Seed: 3 percent
- Sorghum and other products of the milling industry: 15 percent
- Certain edible products of animal origin: 20 percent
- Some types of grape must, cider, and vinegar: 15 percent
- Cigarettes: 15 percent
- Cigars: 10 percent

In addition to these duties, the government imposes an excise tax on a series of imported or locally produced goods, such as tobacco, alcohol, sugar, flour, aerated water, and some "luxury food products." Excise taxes may be either specific or value-added. Locally manufactured cigarette firms are required to pay 12 percent duty on product value.

Heavy agricultural and public works machinery are exempt from paying excise duties.

Haiti has World Trade Organization (WTO)-bound import duties on agricultural and non-agricultural products. Tariffs on agricultural goods range from zero percent to 30 percent. WTO-bound tariffs on non-agricultural goods, such as hydraulic cement; gasoline for engines; naphtha and benzene; certain varnishes and paints; straw products; esparto or other plaiting materials; basketwork and wickerwork; certain precious metals and stones; imitation jewelry; coins; and camping trailers, range from zero to 58 percent.

Tariff preferences

Haiti does not grant tariff preferences to any country, but will grant them when provisions of the Caribbean Community (CARICOM) Treaty come into effect and when the Africa Caribbean, Pacific (ACP) – European Union Agreement is ratified by the Parliament. Firms that import machinery, spare parts, semi-finished products, or materials needed to promote the development of specific sectors within the economy are exempt from duties on imports.

Registered Non-Governmental Organizations (NGO) are exempt from customs duties on food products and non-commercial imports of medical materials and equipment; however, NGOs must first obtain certification from the Ministry of Economy and Finance and the Ministry of Planning. NGOs may also be exempt from duties and taxes on imported vehicles, with the exception of the inspection fees and CFGDCT.

Other duty free goods include:

- Educational materials and teaching materials
- Equipment and materials needed for national defense
- Traveler's luggage
- Goods imported under diplomatic or consular privileges and covered by the Vienna Convention
- Furniture and objects imported when changing residence
- Correspondence courses and related teaching materials
- Agricultural equipment (this includes samples with no commercial value, tools, machinery, and re-imported goods that were temporarily exported)

The Haitian government signed a pre-shipment inspection agreement with Societe General de Surveillance (SGS) on May 5, 2003. Under this agreement, all imports with a value of at least \$ 5,000, or an entire container (regardless of its value), must be inspected by the SGS before shipment to Haiti. SGS issues a verification

certificate, which the importer submits to Customs. The inspection certificate, with the declared value and the document, is affixed to the other shipping documents.

Goods exempt from inspection by SGS:

- Precious stones and metal art
- Ammunition and arms other than for hunting and/or sporting purposes
- Explosives and pyrotechnical articles
- Live animals
- Scrap metal
- Newspapers and magazines
- Personal effects and used household articles (including used vehicles)
- Parcels
- Commercial samples
- Supplies for diplomatic or consular missions
- Supplies for United Nations organizations
- Machinery for international subcontracting enterprises
- Petroleum and petroleum products
- Donations by foreign governments or international organizations to charitable organizations.

The government does not generally restrict used/refurbished equipment imports. Two exceptions include imports of used clothing, furniture, bedding, shoes, and used cars (limited to one used car per person per year). See Prohibited & Restricted Imports section below for further discussion of the importation of used clothing. All used items are subject to the same import tax treatment as new items. However, used cars are subject to an additional tax of 10 percent of CIF.

Import Requirements & Documentation

The government only requires a license for the import of firearms, pharmaceutical products, petroleum products, and chicken and poultry products. Pharmaceutical

product importers must request an import permit from the Ministry of Commerce and Industry. In addition, all pharmaceutical products imported to Haiti are subject to sanitary registration, required by the Ministry of Health. To satisfy these sanitary registration requirements, the Ministry of Health requires information regarding clinical studies, toxicology, and pharmaceutical certification from the country of origin. The Ministry also requests three product samples of each drug to be imported. Chicken and poultry importers are required to specify the origin of the product in their request.

Labeling/Marking Requirements

Specific marks or labels are required for food and pharmaceutical products. All other goods do not require a label. Labels on processed food products should indicate ingredients in order of predominance, name and address of manufacturer, and expiration date. Labels on pharmaceutical products must indicate weight or quantity of active ingredients and the lot control number. The date of expiration and the generic name and/or commercial name of pharmaceutical drugs should also be indicated.

U.S. Export Controls

The nature and quantity of all goods entering Haiti should be clearly specified in the bill of lading as well as in the invoice attached to the bill of lading. U.S. exporters should follow all requirements concerning labeling as well as those related to prohibited and restricted imports.

Temporary Entry

A rate of 0.25 percent is applied to goods entering under diplomatic concessions and for those that are on "temporary entry." All goods temporarily stored in Haiti must be imported under the temporary entry regime. Temporary entry refers to goods that will be processed before being re-exported. These goods are subject to a security deposit equivalent to 150 percent of the duties and taxes payable under the

release for consumption regime. The deposit is in the form of a bank check and released once the goods are re-exported. Goods that enter the country under the temporary entry regime and are then used for consumption purposes are taxed on the amount of their depreciation when they are re-exported. All imported goods are subject to verification fees and administrative costs. Goods imported into the country under the temporary entry regime are also subject to a 0.25 percent uniform rate, as are goods entering under diplomatic concessions.

Prohibited & Restricted Imports

Imports of weapons, waste, drugs, and agricultural products must have an authorization from the government. In November 2005 and January 2008, the government banned chicken and poultry imports from areas exposed to avian influenza. The Ministry of Commerce and Industry has not updated the list of prohibited products since 1962. Prohibited items include: materials of a pornographic nature; military equipment, including tanks, armored vehicles and parts, warships and lifeboats; arms and ammunition not intended for government use; narcotics; and equipment to be used to manufacture or print counterfeit currency or securities. According to the 1962 law, it is illegal to import used shoes and used clothing. Nonetheless, the law is not usually enforced and used clothing imports constitute a lucrative business in Haiti, particularly used clothing coming from the U.S. and the Dominican Republic. The goods are usually cleared through customs as personal effects.

Imports of certain goods are subject to control for security and health reasons. Reasons for prohibition and/or restrictions include protecting Haiti's flora, fauna, and livestock from dangerous diseases. The Ministry of Public Health and Population (MSPP), the Ministry of Agriculture, Natural Resources and Rural Development (MARNDR) and the Ministry of Environment (ME) are responsible for health and environmental controls.

Imports of ethyl alcohol, generic chemicals, and pharmaceuticals require prior authorization from the MSPP. Imports of agricultural inputs, cattle feed, and animal products (processed or unprocessed) require authorization from the MARNDR and the submission of a health certificate issued by the exporting country. Imported live animals, plants, and seeds are subject to quarantine. An animal health certificate is required for imports of bovine animals and swine, and the certificate must indicate that the country of origin is free of foot and mouth disease, contagious bovine pleuro pneumonia, rinderpest, vesicular stomatitis, and lumpy skin disease.

In the case of swine, the certificate must also indicate the animals originate from countries free of vesicular exanthema, African swine fever, ordinary swine fever, and swine encephalomyelitis. Haiti is not a member of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), however, it voluntarily adheres to CITES directives. Haiti has no quantitative restrictions on imports with the exception of the following goods: flour, sugar, peas, rice, maize, millet, pork offal, and poultry cuts, which are subject to a non-automatic licensing system.

Customs Regulations

The following documentation is required under the basic regulations governing the import and export of commodities:

For import, the documentation requested by Customs includes:

- a bill of lading signed by the captain or his delegate, and
- an original invoice for the goods.

The bill of lading must include:

- name of the vessel (sea freight and the identification number for airfreight);

- name of the shipping company;
- port(s) of origin;
- port(s) of destination;
- complete manifest of the cargo and the volume on which the freight calculation was based;
- nature of the merchandise (includes bulk items);
- shipping cost;
- name of the shipper; and
- The name of the consignee.

Haitian law requires that exporters obtain an export permit from the Ministry of Commerce for export of some agricultural and textile products. American exporters seeking information on Haitian tariffs and customs administration should contact U.S. Embassy Port-au-Prince and the Haitian Customs Authority.

Standards for Trade

Overview

Haiti has no special legislation on standards, testing, approval, and certification. International standards are used as a reference, but have not been officially adopted. The main international standards applied include those of the International Standards Organization (ISO), the World Health Organization (WHO), the Food and Agriculture Organization (FAO), and Codex Alimentarius for food products. With its accession to the Caribbean Community (CARICOM), Haiti has adopted the standards established by the Caribbean Organization of Standards and Quality (COSQ), which is the CARICOM body responsible for defining standards for goods and services at the regional level.

The government is drafting a framework law on quality, intended to harmonize and update the current laws on quality control. The technical services and government bodies involved in quality control will be

reorganized, strengthened, and/or made operational. The GOH intends to establish national testing and calibration laboratories to build inspection capacity, integrate these testing strategies into the regional and international networks, and approve private or university laboratories at the local level.

Standards

Three bodies will guide and coordinate the national quality system: The National Quality Council (CNQ), The Standards Centre (CNS), and The National Commission for Official Quality Control (CNCOQ).

The National Quality Council (CNQ), composed of public and private sectors representatives and civil society, defines national quality policy. A small executive structure will assist the CNQ and they will also receive support from technical committees, including a technical committee on accreditation.

The Standards Centre (CNS), a joint autonomous body administered by a management committee, is under the supervision of the CNQ and deals with standardization, training, and issues of quality. One of its main roles is to advise Haitian entrepreneurs. The Haitian Treasury finances the CNS with technical assistance from the United Nations Industrial Development Organization (UNIDO) .

The National Commission for Official Quality Control (CNCOQ) is an inter-ministerial quality control commission, responsible for coordinating Haiti's quality-related activities. It is composed of government officials from each relevant ministry responsible for quality controls.

Testing, inspection and certification

The government's primary goal under the proposed Haitian Standard System is to protect consumers and to monitor the safe sale of food, chemicals, and

pharmaceutical products, as well as cosmetics. Special attention will be given to exports in order to ensure that they have a positive impact abroad and improve the Haitian trade balance.

Production certification is required in industries such as food, chemical and pharmaceutical. The Haitian National Laboratory ensures that products in these respective industries meet the qualification criteria dictated by the Haitian Standard System. Products are tested in accordance with the National Lab's internal procedures and with the appropriate methods outlined in the Haitian Standard System. A certification is issued to products that meet all requirements. Technical regulations on standards will be included in a Presidential Decree and then published in the Haitian official register (Journal Le Moniteur).

Contact Information

Direction Quality Control
Ministry of Commerce and Industry
Ministère du Commerce et de l'Industrie
Parc Industriel Métropolitain (SONAPI)
Port-au-Prince, Haïti
Tel: (509) 3724-0520 / 3473-4898
E-mail: dcqpc_mci@yahoo.fr
(Mrs. Roberta Jean- Baptiste, General Director)

Trade Agreements

Haiti acceded to CARICOM in July 1999, negotiating a ten-year period as a Least Developed Country to fully integrate into CARICOM. GoH is looking to accelerate Haiti's readiness for participation in the Caricom Single Market and Economy to enable Haiti to fully re-engage in the process of regional integration in the Caribbean Community. The legislation on the Common External Tariff is still

pending Parliament approval. In addition, Haiti benefits from three preferential trade programs, including the Caribbean Basin Initiative (CBI), the Caribbean Basin Trade Partnership Agreement, and the Haitian Hemispheric Opportunity through Partnership Encouragement Act II (HOPE II) and the HELP Acts, as outlined below.

Caribbean Basin Initiative (CBI)

Approximately 3,500 Haitian export products are eligible for duty-free entry into the U.S. under the CBI. Most textiles are excluded, with the exception of those made from linen or silk, or qualifying as handicraft work. Other excluded items include certain watches and watch parts, petroleum and its by-products, prepared or canned tuna, sugar, molasses, syrup, beef, spirits, and footwear.

Products must be shipped directly from Haiti to the U.S. to qualify for CBI preference. The products may incorporate imported components as long as the goods exported to the U.S. are a new merchandise product distinct from such components and the Haitian direct costs of production (including domestic raw materials and those originating in other CBI beneficiary countries, including Puerto Rico and the U.S. Virgin Islands) must amount to at least 35 percent of the customs value. Materials of U.S. origin may be included up to a maximum of 15 percent of its customs value.

Eligible articles assembled or processed from U.S. materials, components, or ingredients are accorded duty free access into the U.S. regardless of whether such articles satisfy the 35 percent value-added criterion.

Caribbean Basin Trade Partnership Act (CBTPA)

On October 2, 2000, Haiti was designated as a beneficiary of the CBTPA. Congress passed the CBTPA as part of the Trade and Development Act of 2000. It is designed to provide greater duty-free access to U.S. markets for Caribbean and Central

American nations. The CBTPA expands on the CBI program by allowing duty-free and quota-free treatment for imports of certain apparel from the region, and by extending NAFTA-equivalent tariff treatment to a number of other products previously excluded from the CBI program.

The HOPE and HELP Acts

Partially in response to concerns over Haiti's apparel parity issue, Congress enacted the Haitian Hemispheric Opportunity through Partnership Encouragement (HOPE) Act of 2006, which went into effect on March 19, 2007. Congress provided HOPE in addition to other trade preferences under the General System of Preferences (GSP), Caribbean Basin Economic Recovery Act (CBERA), and CBTPA. Eligibility criteria include progress toward achieving a market based economy, increasing employment, enhancing the rule of law, eliminating barriers to U.S. trade, combating corruption, and protecting internationally recognized human and worker rights.

In May 2008 the U.S. Congress passed the Farm Bill attaching an extended HOPE bill—HOPE II. According to Subtitle D Part 1 (Extension of Certain Trade Benefits), the HOPE II bill includes an extension of 10 years effective October 2008; an extension of eligible woven products from three years to 10 years; an increase in the Tariff Preference Level (TPL) for woven and knit products from 50,000,000 to 70,000,000 square meter equivalent; co-production with the Dominican Republic; and the inclusion of luggage, headgear, and sleepwear.

More recently, after the January 12, 2010 earthquake a number of apparel factories based in and around Port-au-Prince were heavily damaged, including the collapse of one major apparel factory that employed nearly 4,000 workers. According to estimates by the Department of Commerce, imports of apparel articles from Haiti to the United States in 2010 decreased by 43 percent in comparison to 2009. As a result, the U.S. Congress passed the Haiti Economic Lift Program (HELP) Act. The

bill extends the Caribbean Basin Trade Partnership Act (CBTPA) and the Haitian Hemispheric Opportunity through Partnership Encouragement Act (HOPE) through September 30, 2025.

The trade preferences available under HOPE/HELP are specifically designed for Haiti, and are conditioned on both the Haitian Government and individual producers meeting certain core labor standards and Haitian labor laws. Producers must participate in a Technical Assistance Improvement and Compliance Needs Assessment and Remediation program (TAICNAR) and comply with internationally agreed core labor standards. HOPE/HELP are intended to strengthen "Brand Haiti."

The Haiti Economic Lift Program (HELP) Act helps create sustainable support for Haiti's economy by expanding tariff benefits for certain Haitian textile and apparel exports to the United States. HELP also allows the expansion of duty-free access to the U.S. market for Haitian textile and apparel exports and extends existing trade preference programs for Haiti.

The Lomé Convention Trade Advantages

On December 15, 1989, Haiti signed the Fourth Agreement on Common Preferences (ACP) Lomé Convention under which products originating from Haiti and numerous other ACP beneficiary countries are exempt from import duties or equivalent taxes upon entry to the European Union. Certain agricultural products, such as rum, bananas, and sugar are subject to import quotas. Other products must comply with specific import regulations. Primary export products benefit from a price insurance fund called Stabex, which is part of a system created to compensate for losses due to world price fluctuations.

Under the Lomé Convention, exporters must obtain proof of origin, called a certificate of circulation of goods, (Form Eur.1) issued by customs officials in the

exporting country. The certificate must then be sent to the customs authorities of the importing country within 10 months of the delivery date.

Free Trade Zones

A law on free trade zones entered into force on August 2, 2002, and set out the conditions for operating, creating, and managing free trade zones, along with the exemption or incentive regime applicable to investment in such zones. The law defines free trade zones as geographical areas to which a special regime on customs duties and customs controls, taxation, immigration, capital investment, and foreign trade applies, and where domestic and foreign investors can provide services, import, store, produce, export, and re-export goods. Free trade zones may be private or joint ventures, involving state or private investors.

Two free trade zones were granted status in 2003, but only one was operational in northern Haiti. Between February 2012 and March 2013, three additional free trade zones were established in Port-au-Prince, bringing total free trade zone space to over 150 hectares of land.

An inter-ministerial commission, called the Free Zones National Council (CNZF), comprised of representatives from both the public and private sector, is responsible for:

- Receiving applications for approval as a free zone
- Approving applications for admission to the free zone regime
- Ensuring that projects approved are carried out in accordance with relevant regulations
- Authorizing the operation of free zones
- Defining and regulating free zones
- Approving and monitoring procedures and operations in free zones
- Approving its own rules and procedures

The Free Zones Directorate, set up within the Ministry of Commerce and Industry, acts as the CNZF's Technical Secretariat. It implements and ensures implementation of decisions taken by the CNZF; receives investors and potential investors; sends quarterly reports on the establishment and operation of free trade zones to the CNZF for approval; examines applications for approval of free trade zone; participates in all negotiations likely to lead to agreements or conventions on free trade zones at the national and international level; monitors the operation of all free trade zones in Haiti; and ensures regular monitoring of the free trade zones.

The law provides the following incentives for enterprises located in free zones:

- Full exemption from income tax for a maximum 15-year period, to be followed by a period of partial exemption that gradually decreases.
- Customs and fiscal exemption (including registration taxes) for the import of capital goods and equipment needed to develop the area, with the exclusion of tourism vehicles.
- Exemption from all communal taxes (with the exception of the fixed occupation tax) for a period not exceeding 15 years.
- Registration and transposition of the balance due for all deeds relating to purchase, mortgages, and collateral.

Goods and services sold from free trade zones on the Haitian market are considered to have entered through Haitian customs and are subject to relevant duties and taxes. The volume of free trade zone goods allowed for sale in Haitian markets may not exceed 30 percent of the total production of an enterprise in the free zone.

Licensing Requirements for Professional Services

Non-nationals are required to have a permit to work in Haiti. The Ministry of Labor and Social Affairs (Ministère des Affaires Sociales) issues work permits. To obtain a

work permit, American Citizens should contact the Ministry of Social Affairs directly:

Minister of Labor Social Affairs

H.E. Jean René Antoine NICOLAS

7, Ave. Charles Sumner

Port-au-Prince, Haïti

Tel: (509) 2940-1095/ 2519-0069/ 2940-0905

Fax: (509) 2221-0717/3853

Web Resources

Additional information can be found on: [Banque de la Republique d'Haiti Caribbean Basin Initiative](#)

[Office of the United States Trade Representative - Free Trade Agreements](#)

[The United States White House Website](#)

Investment Climate Statement

Executive Summary

Haiti occupies the western third of the island of Hispaniola located in the Caribbean Basin. The Haitian economy, a private sector-led and free market system, is mainly driven by its traditional agricultural sector, construction, commerce, and the manufacturing industry. The Government of Haiti (GOH) has initiated numerous measures to maintain macroeconomic stability and to establish a legal framework for long-term private sector led and market based economic growth. The ultimate objective is to transform Haiti into an emerging economy by 2030. The GOH has stated its intention to focus on reinforcing public financial management, strengthening the establishment of the Treasury Single Account, and improving the business environment for private sector development. However, to date the government has not made any progress on these goals and its ability to overcome internal to do so is not evident. The government also states it is seeking to spur job creation and encourage economic development through foreign trade and investment. The Haitian central bank (BRH) continues to follow a contractionary monetary policy on containing inflation and tightening legal reserve requirements. Its main challenge, however, is to maintain monetary stability while public authorities urge it to uphold anti-inflationary measures in response to a chronic budget deficit, the economic implications of Hurricane Matthew, and increasing global commodity prices.

Foreign direct investment inflow increased slightly to USD 104 million in 2016, but still left Haiti as one of the smallest recipients of FDI in the region. Despite Haiti's favorable policies toward FDI, Haiti's rates of FDI inflow are indicative of a slow-growing economy and an unstable political environment. The GOH has designated tourism, agriculture, construction, energy, and manufacturing as key investment sectors, and supports sector-focused investment promotion, public spending, and special economic zones. The GOH established CFI to improve Haiti's investment climate, and to assist investors interested in doing business in Haiti. The CFI has introduced a series of measures, including pre-registered services, to expedite the

processes involved in starting a business. To simplify the process even further, CFI also eliminated the step requiring the executive branch to review the incorporation draft before final publication. As a result of these measures, CFI reported an increase in foreign companies that expressed interest in exploring business opportunities in Haiti in 2016. According to CFI, most businesses that explored investment in Haiti in 2016 were interested in the garment sector and in business process outsourcing (BPO).

In 2016, Haiti's economy grew by 1.4 percent, a deceleration compared to Fiscal Year (FY) 2015 when the economy grew at a rate of 1.8 percent. The 2016 growth rate is attributed to a volatile exchange rate, the continued reduction of external financial assistance, political instability, and severe drought conditions in FY 2015 that destabilized agricultural production. Annualized consumer price inflation moderated to 14.3 at the end of December 2016 because of weak domestic production, a chronic budget deficit, food price pressures and the depreciation of Haitian Gourde against the USD. As of March 2017, Haiti's net international reserves stood at \$845 million compared to \$844 million in February 2017. The World Bank (WB) predicts that gross domestic product (GDP) will grow by somewhere between 2 percent and 3 percent in 2017, despite previous predictions, immediately following the hurricane, of a 0.6 percent contraction. Improving the investment outlook for Haiti in 2017 requires the GOH to enact reforms that improve Haiti's business and political environment.

Table 1

Measure	Year	Index/Rank	Website Address
TI Corruption Perceptions Index	2016	159 of 175	http://www.transparency.org/research/cpi/overview
World Bank's Doing Business Report "Ease of Doing Business"	2016	180 of 190	doingbusiness.org/rankings
Global Innovation Index	2016	N/A	globalinnovationindex.org/content/page/data-analysis
U.S. FDI in partner country (\$M USD, stock positions)	2015	N/A	http://www.bea.gov/international/factsheet/
World Bank GNI per capita	2016	USD 810	http://data.worldbank.org/indicator/NY.GNP.PCAP.CD

Openness to and Restrictions upon Foreign Investment

Haiti's legislation encourages foreign direct investment. Import and export policies are non-discriminatory and are not based on nationality. Haitian and foreign investors have the same rights, privileges and equal protection under the 1987 investment code. The GOH has made some progress in recent years to improve the legal framework, create and strengthen core public institutions, and enhance economic governance. The BRH continues to work with the International Monetary Fund (IMF) and the World Bank (WB) to implement measures aimed at creating a stable macroeconomic environment. Policies include reducing interest rates to facilitate access to credit and stabilizing the exchange rate. The 2015–2016 political instability and transitional government have limited the GOH's impact on initiatives and stalled efforts to modernize Haiti's commercial, investment, and tax laws. As of December 2016, foreign debt grew to more than USD 2.07 billion. 75 percent of this debt is owed to Venezuela through the Petro Caribe program.

The Haitian government is working on new laws to improve the legal framework and incentives for investment in Haiti. Anti-money laundering and anti-corruption laws were passed by the GOH to ensure that Haiti's legislation corresponds with international standards. In early 2017, the Parliament enacted legislation making electronic signatures and electronic transactions legally binding. Other pieces of legislation that may improve Haiti's investment climate are pending parliamentary approval, including incorporation procedures, a new mining code, and an insurance code. The Haitian government also continues to improve Haiti's infrastructure by rebuilding and rehabilitating its roads, hospitals, and ports.

CFI was established to promote investment opportunities in Haiti. CFI's major activities include: streamlining the investment process by simplifying procedures related to trade and investment, providing updated economic and commercial information to local and foreign investors, and promoting investment in priority sectors. The Haitian government seeks investments that will spur job creation and boost national production in agriculture, textiles, business process outsourcing

(BPO), and tourism. The GOH wants to redirect CFI's focus towards legal reform, and towards the promotion of domestic and international investment with continued emphasis on public relations. CFI also offers personalized services for large investors interested in Haiti. In 2015, the World Bank recognized CFI as a regional leader in the online promotion of investment.

CFI offers a wide range of support and services to foreign investors. The Director General oversees the agency, including decisions to offer tax incentives to new businesses. The Director of Promotion works to attract new businesses to Haiti while the Director of Facilitation coordinates public sector agencies and administrative entities to ensure that CFI is following-up with businesses in a timely fashion.

Conversion and Transfer Policies

Foreign Exchange

The Haitian gourde (HTG) is convertible for commercial and capital transactions. Banks and currency exchange companies set their rates at the market-clearing rate. The Haitian Central Bank (BRH) publishes a daily reference rate, which is a weighted average of exchange rates offered in the formal and informal exchange markets. The market determines the exchange rate for the HTG. Banks and currency exchange companies set their rates at the market-clearing rate. The spread between buying and selling rates is generally less than five percent. As of May 2017, the exchange rate is approximately 62 HTG/USD. Declining aid inflows and low domestic production led to a significant depreciation of the Haitian gourde in the past two years from a previous rate of 42 HTG/USD.

Remittance Policies

The Haitian government does not impose restrictions on the inflow or outflow of capital. The Law of 1989 governs international transfer operations and remittances. Remittances are Haiti's primary source of foreign currency and account for an

estimated one quarter of GDP. There are no restrictions or controls on foreign payments or other fund transfer transactions, and foreign exchange is readily available. While restrictions apply on the amount of money that may be withdrawn per transaction, there is no restriction on the amount of foreign currency that residents may hold in bank accounts, and there is no ceiling on the amount residents may transfer abroad.

The GOH is now putting in place stricter measures to monitor money transfers in accordance with Haiti's efforts to deter illicit cash flows, as mandated by the 2013 Anti-Money Laundering Act (updated in 2016) and the forthcoming implementation of the United States Foreign Account Tax Compliance Act (FATCA).

Limits on Foreign Control and Right to Private Ownership and Establishment

Investors in Haiti can create the following types of businesses: sole proprietorship, limited or general partnership, joint-stock company, public company (corporation), subsidiary of a foreign company, and co-operative society. The most commonly used business structures in Haiti are corporations. The Sociétés de Droits law, which would facilitate the creation of other types of businesses in Haiti, such as LLCs, has been drafted and submitted to Parliament for approval.

Foreign investors are permitted to own 100 percent of a company or subsidiary. As a Haitian entity, such companies enjoy all rights and privileges provided under the law. Additionally, foreign investors are permitted to operate businesses without equity-to-debt ratio requirements. Accounting law allows foreigners to capitalize using tangible and intangible assets in lieu of cash investments.

Foreigners are free to enter into joint ventures with Haitian citizens. The distribution of shares is a private matter between the two parties. However, the State regulates the sale and purchase of company shares.

Entrepreneurs are free to dispose of their properties and assets, and to organize production and marketing activities in accordance with local laws.

The Haitian government does not impose discriminatory requirements on foreign investors. Haitian laws related to residency status and employments are reciprocal. Foreigners who are legal residents in Haiti and wish to engage in trade have, within the framework of laws and regulations, the same rights granted to Haitian citizens. However, Article 5 of the Decree on the Profession of Merchants reserves the function of manufacturer's agent for Haitian nationals.

Foreign firms are also encouraged to participate in government-financed development projects. Performance requirements are not imposed on foreign firms as a condition for establishing or expanding an investment, unless indicated in a signed contract.

Other Investment Policy Reviews

The Organization for Economic Growth and Cooperation (OECD) assessed Haiti's investment climate in 2001. Since then, there have not been any reviews of Haiti's investment environment. The study stressed that political instability, weak institutions, and inconsistent economic policies impede the country's ability to drive foreign direct investment. The International Finance Corporation and the WB's Investment Climate Advisory Services are supporting the Haitian government's plans to implement integrated economic zones (IEZ) throughout Haiti. Haiti is also working with the United Nations Conference on Trade and Development (UNCTAD) to implement an investment promotion strategy to foster the expansion of bilateral trade, and the development of border-zone industrial parks to make Haiti more competitive.

The World Trade Organization's latest 2015 Trade Policy Review reveals that Haiti's Investment Code and Law on Free Trade Zones is fully compliant with the Agreement on Trade-Related Investment Measures (TRIMs).

Business Facilitation

The Minister of Commerce's (MCI) internet registry allows investors to search for or verify the existence of a business in Haiti. The registry will eventually provide on-line registration of companies through an electronic single window. The single window is part of a project sponsored by the Inter-American Development Bank (IDB) that seeks to reduce the time needed to register a limited company in Haiti to 10 days. At present, it takes between 70 and 90 days to complete registration with the Commercial Registry at the Ministry of Commerce and Industry and obtain the authorization of operations (Droit de fonctionnement). CFI also offers a service providing pre-registered and fully authorized companies classified in seven different sectors, including manufacturing, agribusiness, and real estate. Once the Inter-Ministerial Investment Commission validates these established companies, the shares are transferred to the new owners.

Businesses, both foreign and domestic, can register at Haiti's Center for Facilitation of Investments (CFI): <http://cfihaiti.com/>. All businesses must register with the Ministry of Commerce, Haitian tax office, National bank, social security office, and retirement insurance office. According to the World Bank's 2017 Ease of Doing Business Report, it can take 97 days to start a business in Haiti.

Haiti defines micro-enterprises as less than five employees, and medium sized enterprises as less than 20. The Ministry of Commerce offers some technical and financial assistance to small and medium sized businesses. The micro park program, supported by Inter-American Development Bank (IDB) and the European Union (EU), also includes the use of business incubators by offering technical, administrative and financial supports to enhance job creation and domestic production. The program calls for the creation of 42 micro parks in four priority sectors, including agribusiness, mechanical, bio-technology and manufacturing over the course of five years. However, this program was stalled due to the political situation and the new government is considering continuing the previous administration's efforts.

Outward Investment

Neither the law nor the Haitian government restricts domestic investors from investing abroad. Still, Haiti's outward investment is limited to a few small enterprises with no significant investment. Most of the firms involve individuals who happen to have dual citizenship or people with Haitian background who reside in the country where the firms operate. The majority of these firms are service providers and not investors. There is no current program or incentive in place to encourage Haitians entrepreneurs to invest abroad.

Bilateral Investment Agreements and Taxation Treaties

Haiti and the United States are party to the Caribbean Basin Trade Promotion Act (CBTPA), a trade preference program enacted in October 2000 that expires in 2020. CBTPA provides duty-free treatment for apparel wholly assembled, knit or knit-to-shape in certain beneficiary countries in the Caribbean, as long as the apparel uses U.S. fabrics and U.S. yarns.

In December 2006, Congress enacted the Haitian Hemispheric Opportunity for Partnership Encouragement Act of 2006, commonly referred to as HOPE. HOPE amended the Caribbean Basin Economic Recovery Act (CBERA) and authorized the President to extend additional trade preferences to Haitian-manufactured apparel. HOPE preference programs do not replace those provided by CBTPA, but are separate programs that were added as part of CBERA.

In June 2008, Congress enacted the Food, Conservation, and Energy Act of 2008 (Public Law 110-246). Title XV, Subtitle D, Part I of the Act contains amendments to the established special rules for imports of apparel and other textile articles from Haiti, which can be found in 19 U.S.C. §2703a. These amendments are cited as the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2008 which is commonly known as HOPE II. HOPE II expanded the preferences originally established in HOPE, and created four new preference programs for Haitian-manufactured apparel.

HOPE II enables the Haitian textile industry to benefit from tariff advantages on the condition that the Haitian government and eligible producers comply with internationally recognized labor standards. HOPE II allows for duty-free entry into the United States for a limited number of garments imported from Haiti, provided that 50 percent of the value when imported originates in Haiti, the United States, or another country that has a free trade agreement with the United States. This percentage increases to 50 percent through December 2015, 55 percent through December 2017, and 60 percent through December 2018. Haiti Economic Lift Program (HELP), an act passed by the U.S. Congress in 2010 as a response to the apparel industry's needs, extends HOPE II tariff advantages until 2025. The HOPE and HELP Acts are critical in Haiti's recovery and create sustained economic growth for Haiti's economy; efforts are underway to secure the renewal and the expansion of the program.

Haiti, a CARIFORUM member, signed an economic partnership agreement (EPA) with the European Union (EU) in 2009. The EPA allows the export of products from Haiti to EU countries without tariffs or quotas.

Haiti does not have a double taxation treaty with the United States.

Legal Regime

Transparency of the Regulatory System

Haitian laws are transparent and theoretically universally applicable, but legal enforcement is not universally applied nor observed. The bureaucracy and "red tape" in the Haitian legal system is often excessive.

Tax, labor, health, and safety laws and policies are theoretically universally applicable. However, they are not universally applied, observed, or enforced. Many in the private sector provide services, such as health care, for employees that Haitian government agencies do not insure.

Draft bills or regulations are available to the public through *Le Moniteur*, which is the official journal of Haiti. *Le Moniteur* contains public agency rules, decrees, and public notices that the *Les Presses Nationales d'Haiti* (PND'H) publishes.

International Regulatory Considerations

Haiti is a member of the Caribbean Community (CARICOM). The CARICOM Single Market and Economy (CSME), created in 1989, aims to advance the region's integration into the global economy by facilitating free trade in goods and services, and the free movement of labor and capital. CSME became operational in January 2006 in twelve of the fifteen Member States. Haiti, as a member of CARICOM, has expressed an interest in participating fully in CSME. However, to become eligible, Haiti is required to amend its customs code to align with the local tariffs to both CARICOM and World Trade Organization (WTO) standards. In March of 2017 Haiti notified the WTO of its intent to adjust its tariff rates to bring them in line with CARICOM CETs. The changes are under negotiation.

Haiti also adheres to the compulsory jurisdiction of the International Court of Justice on issues of international law, and of the Caribbean Court of Justice (CCJ) for the settlement of trade disputes within CARICOM.

Haiti is an original member of the WTO. As such, it has made several commitments to the WTO in regards to the financial services sector. These commitments include allowing foreign investment in financial services, such as retail, commercial, and investment banking, and consulting. Until recently, before the acquisition of Scotia Bank, there were two foreign banks operating in Haiti: Citibank of the United States and Scotia Bank of Canada. Haiti has also committed to notifying the WTO Committee on Technical Barriers to Trade (TBT) of all draft technical regulations.

Legal System and Judicial Independence

As a former French colony, Haiti adopted the French civil law system. The Supreme Court, also known as the Superior Magistrate Council, is the highest court of the

nation, followed by the Court of Appeal and the Court of First Instance. Haiti's commercial code dates back to 1826 and underwent significant revisions in 1944. There are few commercial legal remedies available. Inadequate law enforcement mechanisms, outdated laws to handle modern commercial practices, and a weak judicial system severely compromise the protection and guarantees that Haitian laws extend to investors. Injunctive relief is based upon penal sanctions rather than securing desirable civil action. Similarly, contracts to comply with certain obligations, such as commodities futures contracts are not enforced. Haitian judges do not have specializations, and their knowledge of commercial law is limited. Utilizing Haitian courts to settle disputes is a lengthy process and cases can remain unresolved for years, and bonds to release assets frozen through litigation are unavailable. Business litigants are often frustrated with the legal process and pursue out-of-court settlements.

The Haitian Chamber of Commerce and Industry (CCIH), in partnership with the Haitian government and with funding from the European Union, has a commercial dispute settlement mechanism – the Arbitration and Conciliation Chamber – to provide mechanisms for conciliation and arbitration in cases of private commercial disputes.

Haiti's inefficient legal system often hinders Americans trying to resolve legal disputes. There are persistent allegations that some Haitian officials use their public office to influence commercial dispute outcomes for personal gain. However, with international assistance, the GOH is actively working to increase the credibility of the judiciary and the effectiveness of the national police.

Laws and Regulations on Foreign Direct Investment

The Investment Code prohibits fiscal and legal discrimination against foreign investors. The code explicitly recognizes the crucial role of foreign direct investment in promoting economic growth. It also aims to facilitate, liberalize, and stimulate private investment, and contains exemptions to promote investment that

will enhance competitiveness in sectors deemed priorities, especially export-oriented sectors. Tax incentives, such as reductions on taxable income and tax exemptions, are designed to promote private investment. Additionally, the code grants Haitian and foreign investors the same rights, privileges and equal protection. Foreign investors must be legally registered and pay appropriate local taxes and fees.

The code also established an Inter-Ministerial Investment Commission (CII) to examine investor eligibility for license exemptions as well as customs and tariff advantages. The Prime Minister, or his delegate, chairs the CII, which is composed of representatives of the Ministries of Economy and Finance, Commerce, and Tourism, as well as those ministries that oversee specific areas of investment. The CII must authorize all business sales, transfers, mergers, partnerships, and fiscal exemptions within the scope of the code. The CII also manages the process of fining and sanctioning enterprises that ignore the code.

Investment in certain sectors, such as health and agriculture, requires special Haitian government authorization. Investment in "sensitive" sectors, such as electricity, water, and telecommunications, requires a Haitian government concession as well as an authorization from the appropriate state agency. In general, the GOH considers natural resources as State property. Accordingly, exploring or exploiting mineral and energy resources requires concessions and permits from the Ministry of Public Works' Bureau of Mining and Energy. Mining, and operating permits may only be granted to firms and companies established in Haiti.

Haitian law is deficient in a number of areas, including operation of the judicial system; publication of laws, regulations, and official notices; establishment of companies; land tenure and real property law and procedures; bank and credit operations; insurance and pension regulation; accounting standards; civil status documentation; customs law and administration; international trade and

investment promotion; foreign investment regulations; and regulation of market concentration and competition. Although these deficiencies hinder business activities, they are not specifically aimed at foreign firms; they appear to affect both foreign and local companies equally.

Competition and Anti-Trust Laws

There is currently no law to regulate competition. Haiti is one of the most open economies in the region. The investment code provides the same rights, privileges and equal protection to local and foreign investors. Anti-corruption legislation also criminalizes nepotism and the dissemination of inside information on public procurement processes.

Haiti does not have an Anti-Trust law.

Expropriation and Compensation

The 1987 Constitution allows expropriation or dispossession only for reasons of public interest or land reform and is subject to prior payment of fair compensation as determined by an expert. If the initial project for which the expropriation occurred is abandoned, the Constitution stipulates that the expropriation will be annulled and the property returned to the original owner. The Constitution prohibits nationalization and confiscation of real and personal property for political purposes or reasons.

Title deeds are vague and often insecure. The Haitian government has an office National Institute of Agrarian Reform (INARA) to appropriately compensate expropriations of private agricultural properties. The agrarian reform project, initiated under the Préval administration (1996-2001), was controversial among both Haitian and U.S. property owners. There have been complaints of non-compensation for the expropriation of property. A revision of the land tenure code is expected to address current issues related to the lack of access to land records, surveys, and property titles in Haiti. A recent partnership between the private

sector, GOH, and international organizations developed a useful guide to formalizing land tenure.

Dispute Settlement

Haiti is a signatory to the 1958 United Nations Convention on the Recognition and Enforcement of Foreign Arbitration Awards, which provides for the enforcement of an agreement to arbitrate present and future investment disputes. Under the convention, Haitian courts can enforce such an agreement by referring the parties to arbitration. Disputes between foreign investors and the state can be settled in Haitian courts or through international arbitration, though claimants must select one to the exclusion of the other. A claimant dissatisfied with the ruling of the court cannot request international arbitration after the ruling is issued.

The law provides mechanisms on the procedures a court should follow to enforce foreign arbitral awards issues. In recent years, there have not been any investment dispute cases involving the Haitian government and foreign investors.

In 2009, Haiti ratified the 1965 International Convention on the Settlement of Investment Disputes between states and nationals of other states (ICSID). Under the convention, foreign investors can call for ICSID arbitration in case of dispute with the state. The Haitian government appears to recognize that weak enforcement mechanisms and a lack of updated laws to handle modern commercial disputes severely compromises the protections and guarantees that Haitian law extends to investors.

Haiti is not a signatory to the Inter-American-U.S. convention on International Commercial Arbitration of 1975 (Panama Convention).

Bankruptcy Regulations

Haiti's bankruptcy law was enacted in 1826 and modified in 1944. There are three phases of bankruptcy under Haitian law. In the first stage, payments cease and

bankruptcy is declared. In the second stage, a judgment of bankruptcy is rendered, which transfers the rights to administer assets from the debtor to the Director of the Haitian Tax Authority (Direction Générale des Impôts, or DGI). In this phase, assets are sealed and the debtor is confined to debtor's prison. In the last stage, the debtor's assets are liquefied and the debtor's verified debts are paid. In practice, the above measures are seldom applied. Since 1955, most bankruptcy cases have been settled between the parties.

Although the concepts of real property mortgages and chattel mortgages – pledging of personal property, such as machinery, furniture, automobiles, or livestock to secure a mortgage – exist, real estate mortgages involve antiquated procedures and may fail to be recorded against the debtor or other creditors. Property is seldom purchased through a mortgage and secured debt is difficult to arrange or collect. Liens are virtually impossible to impose, and using the judicial process for foreclosure is time consuming and often futile. In order to make progress in this area, Haiti needs to enact a credit bureau law and create an electronic collateral registry. Banks frequently require that loans be secured in U.S. dollars. Debts are normally paid in Haitian gourdes (HTG).

Industrial Policies

Investment Incentives

In order to attract investment to certain industries, the Investment Code created a privileged status for some manufacturers. Under the Code, eligible firms can benefit from customs, tax, and other advantages. Investments that provide added value of at least 35 percent in the processing of local or imported raw materials are eligible for preferential status.

The statute allows for a 5- to 10-year income tax exemption. Industrial or crafts-related enterprises must meet one of the following criteria in order to benefit from this exemption:

- Make intensive and efficient use of available local resources (i.e., advanced processing of existing goods, recycling of recoverable materials).
- Increase national income.
- Create new jobs and/or upgrade the level of professional qualifications.
- Reinforce the balance of payments position and/or reduce the level of dependency of the national economy on imports.
- Introduce or extend new technology more appropriate to local conditions (i.e., utilize non-conventional sources of energy, use labor-intensive production).
- Create and/or intensify backward or forward linkages in the industrial sector.
- Export-oriented production.
- Substitute a new product for an imported product, provided that the new product presents a quality/price ratio deemed acceptable by the appropriate entity and comprises a total production cost of at least 60 percent of the value added in Haiti, including the cost of local inputs used in its production.
- Prepare, modify, assemble, or process imported raw materials or components for finished goods that will be re-exported.
- Utilize local inputs at a rate equal or superior to 35 percent of the production cost.

For investment that matches one or more of the criteria described above, the Haitian government provides customs duty and tax incentives. Companies that enjoy tax exemption status are required to submit annual financial statements. Fines or withdrawal of tax advantages may be assessed to firms failing to meet the Code's provisions.

A progressive tax system applies to income, profits, and capital gains earned by individuals.

Foreign Trade Zones/Free Ports/Trade Facilitation

A law on Free Trade Zones (FTZ) entered into force in 2002. It sets out the conditions for operating and managing economic FTZs, together with exemption and incentive regimes granted for investment in such zones. The law is not specific

to a particular activity. The law defines FTZs as geographical areas to which a special regime on customs duties and controls, taxation, immigration, capital investment, and foreign trade applies and where domestic and foreign investors can provide services, import, store, produce, export, and re-export goods.

FTZs may be private or joint venture. The law provides the following incentives and benefits for enterprises located in FTZs:

- Full exemption from income tax for a maximum period of 15 years, followed by a period of partial exemption that gradually decreases
- Customs and fiscal exemptions for the import of capital goods and equipment needed to develop the area, with the exception of tourism vehicles
- Exemption from all communal taxes (with the exception of fixed occupancy tax) for a period not exceeding 15 years
- Registration and transfer of the balance due for all deeds relating to purchase, mortgages, and collateral

An FTZ has been established in the northeastern city of Ouanaminthe, where a Dominican company, Grupo M, manufactures clothing for a variety of U.S. companies – Sarah Lee, Nautica, Dockers, Fruit of the Loom and Levi Strauss – at its CODEVI facility.

In October 2012, the Government of Haiti, with the support of the Inter-American Development Bank (IDB) and the United States Government, opened the 617-acre Caracol Industrial Park (PIC) mixed industrial zone located near the town of Caracol in Haiti's northeastern region. In 2012, two companies began operating in PIC: the Korean garment company S&H Global and a Haitian paint manufacturer, Peintures Caraïbes. A jean manufacturer and a Haitian paint producer began operations in

2013 at CODEVI and Caracol, respectively. Several other companies, including a fragrance and cosmetics manufacturer, and a Haitian garment manufacturer, started up in 2014 at PIC.

In 2015, two major FTZ's were added to the list: Agritrans, the first agricultural free trade zone in Haiti, which launched in 2015 and shipped their first container of bananas to Germany in late 2015, and Port Lafito, a \$150 million Panamax port and industrial park. The Lafito port is part of a comprehensive development project that includes an industrial free zone, hospital, residential-commercial area, and leisure amenities to include a boutique hotel, a beach club and a marina. Lafito is located 12 miles from the Port-au-Prince main port, and the owners, the GB Group, expect that the industrial park will generate over 3,000 jobs in the apparel sector alone. The Panamax port was completed in 2015 and began operations. A dispute involving GB Group and the state owned port authority has slowed port traffic.

In 2016, various Asian-based firms, including MAS Holdings, a \$1.6 billion conglomerate with 48 manufacturing facilities across 15 countries, and Reliable Source Industrial International (RSI), one of the leading manufacturers of sportswear and swimwear apparel in Asian, expressed concrete interest in establishing operations in Haiti.

The GOH's Ministry of Commerce and Industry is currently discussing the potential to add several FTZs in Port-au-Prince. FTZ 1 (Dignerion in Croix-des-Bouquets) is expected to provide between 12,000 and 15,000 jobs and open in June 2017, FTZ 2 (Santo du Jour) is expected to provide 10,000 jobs and FTZ 3 (Lafito), with RSI International as its anchor client, is expected to provide between 10,000 and 15,000 jobs.

Performance and Data Localization Requirements

Foreign firms are encouraged to participate in government-financed development projects. However, performance requirements are not imposed on foreign firms as a

condition for establishing or expanding an investment, unless indicated in a signed contract.

Under Haitian laws, foreign investors operate their businesses and use their assets to organize production freely. Companies are not forced to localize or to use local raw materials for the production of goods. Foreign IT providers are not required to turn over source code or keys for encryption to any public agencies.

Protection of Property Rights

Real Property

Real property interests are affected by the absence of a comprehensive civil registry. Legitimate property titles are often non-existent. If they do exist, they often conflict with other titles for the same property. Verification of property titles can take several months or longer. The Embassy regularly receives reports of fraudulent or fraudulently recorded land titles. Mortgages exist, but real estate mortgages are expensive and involve cumbersome procedures. Additionally, mortgages are not always properly recorded under the debtor or creditor's name.

Intellectual Property Rights

Haitian law protects copyrights, patent rights, and inventions, as well as industrial designs and models, special manufacturers' marks, trademarks, and business names. The law penalizes individuals or enterprises involved in infringement, fraud, or unfair competition; however, enforcement is weak. Haiti is a signatory to the Buenos Aires Convention of 1910, the Paris Convention of 1883 regarding patents, and the Madrid Agreement regarding trademarks. Haiti has ratified the Berne Copyright Convention.

The current draft trademark law appears to reflect the Haitian government's determination to revise its intellectual property legislation in accordance with its international agreements. As noted, weak enforcement mechanisms, inefficient

courts, and judges' inadequate knowledge of commercial law may impede the effectiveness of statutory protections.

Resources for Rights Holders

For more information concerning intellectual property rights, please contact the U.S. Embassy's Economic and Commercial Specialist at PAPECON@state.gov

Local lawyers list: [U.S. Embassy in Haiti](#)

Haitian Copyright Office (BHDA)

Ministry of Culture and Communication

<http://bhdahaiti.com/>

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For additional information about treaty obligations and points of contact at local IP offices, please see WIPO's country profiles at [WIPO - Country Profiles](#)

Financial Sector

Capital Markets and Portfolio Investment

The scale of financial services remains modest in Haiti. The banking sector is well-capitalized, profitable, and gross international reserves are able to cover 3 months of imports. As of March 2017, Haiti's stock of net international reserves is approximately \$845 million. In principle, there are no limitations on foreigners' access to the Haitian credit market and credit is available through commercial banks. The free and efficient flow of capital is hindered by Haitian accounting practices, which often fall below international standards, and financial difficulties. While there are no restrictions on foreign investment through mergers or acquisitions, there is no Haitian stock market, so there is no way for investors to purchase shares in a company outside of direct transactions.

The standards that govern the Haitian legal, regulatory, and accounting systems often fall below international norms. Haitian laws do not require external audits of domestic companies. Local firms calculate taxes, obtain credit or insurance, prepare for regulatory review, and assess real profit and loss. Accountants use basic accounting standards set by the Organization of Certified Professional Accountants in Haiti (OCPAH).

Administrative oversight in the banking sector is superior to oversight in other sectors. However, under Haitian law, banks are not required to comply with internationally recognized accounting standards, and internationally recognized accounting firms do not audit them. Nevertheless, Haiti's Central Bank (BRH) requires that banks undergo internal audit procedures. As part of their corporate

governance all private banks also have in-house audit functions. Most private banks follow international accounting norms and use consolidated reporting principles. The BRH is generally viewed as one of the well-functioning GOH institutions in Haiti.

Money and Banking System

The banking sector has concentrated credit in trade financing and in the proliferation of branches to capture deposits and remittances. Telebanking now provides access to banking services for Haitians that are first-time account holders. Foreign banks are free to establish operations in Haiti. Three major banking institutions (Unibank, Sogebank and BNC) hold 80 percent of total banking sector assets. As of December 2016, Haiti's largest banking company, Unibank, acquired the operations of the Canadian Bank-Scotiabank, which upon closing will increase its deposit market share to 34 percent. Scotiabank will remain one of Unibank's international correspondent banks.

The three major commercial banks hold 75 percent of the total loan portfolio, while 70 percent of total loans are monopolized by 10 percent of borrowers. This increases the Haitian banking system's vulnerability to systemic credit risk and restricts the availability of capital. The gross loan portfolio of the banking system in September 2016 was \$1.6 billion. The quality of the loan portfolios in the banking system, measured by the ratio of nonperforming loans over total loans, has improved over the years due to the recent modernization of the regulatory and supervisory framework of the financial sector. The measure requires that BRH conduct regular inspections to ensure that financial institutions are in compliance with the minimum capital requirements, asset quality, currency, and credit risk management.

The Central Bank's main challenge is to maintain sound monetary policy in the context of a larger-than-expected government deficit and a depreciating local currency. As of December 2016, BRH's reference rate was approximately 67 Gourdes

for one U.S. dollar. Inflation, at 14.3 percent in December 2016, has been rising. The exchange rate suffered from continued pressure on the foreign exchange market resulting in the printing of local currency to pay arrears. To ease the pressure on the local currency, the Central Bank proceeded with the sale of \$94 million in foreign exchange reserves during FY 2015-2016, while maintaining the reserve requirement ratios of commercial banks at 46 percent for deposits held on U.S. currency, and 42 percent for deposits on local currency, respectively. The BRH announced a six month, \$120 million stabilization Gourde stabilization initiative in March of 2017.

There are no legal limitations on foreigners' access to the domestic credit market. Credit is available on market terms through commercial banks. However, banks demand a pledge of real property to grant loans. Given the lack of effective cadastral and civil registries, loan applicants face daunting challenges in obtaining credit. The banking sector is extremely conservative in its lending practices. Banks typically lend exclusively to their most trusted and credit-worthy clients. In addition, the high concentration of assets does not allow for product innovation at major banks.

To provide greater access to financial services for individuals and prospective investors, the Haitian government's chattel and banking laws both recognize tangible movable property (ex. portable machinery, furniture, tangible personal property) as collateral for loans. These laws allow individuals to buy condominiums, and banks to accept personal property, such as cars, bank accounts, etc., as a pledge for loans. USAID has a loan portfolio guarantee program with a diversified group of financial institutions in order to encourage them to expand credit to productive small and medium enterprises, and rural micro-enterprises. The Haitian government seeks to establish a credit rating bureau to disseminate data on the total indebtedness and concentration of credit risks of businesses and individuals in the financial sector, but to date there has been little progress in setting up the bureau.

Foreign Exchange and Remittances

Foreign Exchange

The Haitian gourde (HTG) is convertible for commercial and capital transactions. Banks and currency exchange companies set their rates at the market-clearing rate. The Haitian Central Bank (BRH) publishes a daily reference rate, which is a weighted average of exchange rates offered in the formal and informal exchange markets. The market determines the exchange rate for the HTG. Banks and currency exchange companies set their rates at the market-clearing rate. The spread between buying and selling rates is generally less than five percent. As of March 2017, the exchange rate is approximately 70 HTG/USD. Declining aid inflows and low domestic production led to a significant depreciation of the Haitian gourde.

Remittance Policies

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The GOH is now putting in place stricter measures to monitor money transfers in accordance with Haiti's efforts to deter illicit cash flows, as mandated by the 2013 Anti-Money Laundering Act and the forthcoming implementation of the United States Foreign Account Tax Compliance Act (FATCA).

Sovereign Wealth Funds

To date Haiti does not have a Sovereign Wealth Fund (SWF). However, several entities are currently persuading the Haitian diaspora to fund a SWF, which could be used to modernize the country's public education and/or sanitation system. The

SWF would be funded with remittances received from Haitian who are living overseas. Some analyst also suggests that revenue could also come from taxing the amount of remittances the diaspora sends. Haitians send approximately USD 2 billion in remittances annually to support their families.

State-Owned Enterprises

Before the privatization efforts that began in the mid-1990s, the Haitian government fully owned and operated State-Owned Enterprises (SOE). The Haitian commercial code governs the operations of the SOEs. The law defines SOE as autonomous enterprises that are legally authorized to be involved in commercial, financial and industrial activities. All SOEs operate under the supervision of a sectorial ministry, and are expected to create economic and social return. Today, some SOEs are fully owned by the state, while others are mixed-enterprises. The Haitian Parliament has strict authority to liquidate state enterprises that are underperforming.

Today, the non-financial SOEs that remain in the public portfolio include the electrical company (EDH), the national airport authority (AAN), the sugar factory, the port authority (APN), the social security office (ONA), the postal office, and the vehicle insurance company (OAVCT). The majority of SOEs are financially sound, with the exception of EDH. EDH is receiving substantial annual subsidies from the Haitian government to stay in business.

Multiple reports in the Haitian press indicated that financial SOE Banque Populaire Haitienne (BPH) was close to failure in 2016. The Central Bank intervened at the time but BPH's current standing is unclear.

Privatization Program

With the economic difficulties of the late 1990's and mismanagement of the SOEs, the government was forced to liberalize the market and allow foreign firms to invest in the management and/or ownership of Haitian SOEs. To accompany the initiative,

the government established the Commission for the Modernization of Public Enterprises (CMEP) in 1996 to facilitate the privatization process, while creating strategies to privatize all SOEs.

In 1998, two U.S. companies, Seaboard and Continental Grain, purchased 70 percent of the state-owned flourmill. Currently, each partner owns 23 percent of the new company known today as Les Moulins d'Haiti. In 1999, a consortium of Colombian, Swiss, and Haitian investors purchased a majority stake in the national cement factory. In 2010, a Vietnamese corporation, Viettel, officially acquired 60 percent of the state telecommunications company Teleco (now operating as Natcom), with the Haitian government retaining 40 percent ownership. Competition is not distorted in favor of state-owned enterprises to the detriment of private companies.

To further liberalize the economy, the government provided fiscal incentives to the GB Group to build Haiti's first Panamax container port. This project received its first ship in late 2015.

The Haitian government allowed private sector investment in electricity generation to compensate for EDH's inability to supply sufficient power. Three private power producers generate electricity for EDH, the most recent being the Haitian firm E-Power, which opened a 32 megawatt, USD 56 million, IFC-financed heavy fuel-oil power plant in Port-au-Prince in 2011. The government allowed limited private sector investment in selected seaports, and has also expressed interest in the USAID-backed Cap-Haitian Port rehabilitation project, and in privatizing the Port-au-Prince and Cap-Haitian airports. Despite initial enthusiasm in both the public and private sectors for privatization, progress is slow. To date, out of nine SOEs, three enterprises were privatized, and two other privatizations are under consideration.

Responsible Business Conduct

Awareness of Responsible Business Conduct (RBC) among producers and consumers is limited but growing. A limited number of Haitian firms have a Corporate Social Responsibility (CSR) component to their business plan, even if it is not well advertised or formalized. Irish-owned telecoms company Digicel, for example, sponsors an Entrepreneur of the Year program and has built 120 schools in Haiti. Natcom provides free internet service to several public schools throughout the country. Les Moulins d'Haiti, partially owned by U.S. firm Seaboard Marine, provides some services including electrical power to surrounding communities. In the aftermath of the 2010 earthquake, many firms provided logistical or financial support to humanitarian initiatives, and many continue to contribute to reconstruction efforts. Haiti's various chambers of commerce have become more supportive of social responsibility programs as well.

The Government of Haiti has not put in place any promotion or incentives to encourage adherence to RBC.

Corruption

Haiti's 2014 anti-corruption legislation criminalizes nepotism, the sharing of inside information on public procurements initiatives and public contracts, bribery and money laundering. The government of Haiti has made incremental efforts to eliminate corruption in the private and public sector, including establishment of the Specialized Unit to Combat Corruption (ULCC) in the public sector. In 2015, the National Commission for Public Procurement was created to promote fairness and to ensure that government contracts are awarded through effective procurement procedures. The measure requires that government contracts be awarded through a competitive bidding, and that the ULCC publishes the list of awarded contracts in the public register. Additionally, the ULCC issued a code of ethics that set professional standards for public servants. Private companies are also encouraged to promote the same code of conduct in their workplace and build on the principles the code outlines.

Haitian law, applicable to individuals and financial institutions, criminalizes corruption and money laundering. The government of Haiti criminalizes bribes or attempted bribes toward a government employee and these acts are punishable by the criminal code (Article 173) for one to three years of imprisonment. The law also contains provisions for the forfeiture and seizure of assets. The government of Haiti openly affirms a firm commitment to combat corruption. However, weak enforcement mechanisms often impede their efforts. There are serious allegations that some government officials are accustomed to bribes, and often use their authority to influence commercial and business decisions. A small number of U.S. firms also complained alleged that corruption is a major impediment to doing business in Haiti, especially in clearing shipments through customs. The government of Haiti has made incremental progress in enforcing public accountability and transparency, but substantive institutional reforms are still needed.

Haiti is party to the Inter-American Convention against Corruption (OAS Convention), and the United Nations Convention against Corruption (UN Convention).

Resources to Report Corruption

Any corruption-related activity can be reported to the Haitian Anti-Corruption Unit, responsible for combatting corruption, or Transparency International's branch in Haiti, Haiti Heritage Foundation, which monitors corruption:

Rodiny Jean Baptiste

Director General

Unite de Lutte Contre la Corruption

13, rue Capotille, Pacot, Port-au-Prince, Haiti

Telephone: (509) 2811-0661 / (509) 4890-3647

Email address: info@ulcc.gouv.ht

Marilyn B. Allien

President

Fondation Heritage pour Haiti

Petion-Ville, Haiti

Telephone: (509) 3701-7089

Email address: admlfh@yahoo.com/heritagehaiti@yahoo.com

Political and Security Environment

Despite have a newly installed government in 2017, Haiti's political situation remains unstable. Frequent cabinet changes, and poor relations between Parliament and the Executive Branch have hindered both reconstruction efforts and passage of important legislation. Political violence has been limited in scope, but is still a common occurrence, particularly during elections. The GOH needs to improve the capacity of Haitian law enforcement to deter and prosecute violent crime.

There are no cases of political groups targeting foreign projects and/or installations. Historically, and continuing into early 2017, politically and socio-economically motivated civil disorder, such as periodic demonstrations triggered by government proposals to increase fuel prices and labor strikes, sometimes interrupted normal business operations. Establishing and safeguarding real property rights in Haiti remains a very significant problem, given extremely weak registry and judicial capacity in country.

Labor Policies and Practices

The special legislation of the Labor Code of 1984 establishes and governs labor regulations. Under the Code, the Minister of Social Affairs (Mast) enforces the law and maintains good relationships with employers and workers. The Haitian constitution guarantees the right to labor union, including collective bargaining, fair wages and social security. Normal working hours consist of eight-hour shifts and 48 hour work weeks. However, the Government of Haiti is considering reforming the current labor code to include three eight-hour shifts rather than a one eight-

hour shift. Workers are entitled to a minimum wage of 300 HTG or USD. The remuneration for night shift hours (6PM – 6AM) is 50 percent higher than the amount paid during day time hours. Workers' social protection and benefits include annual leave, sick leave, health insurance, maternity insurance, insurance in case of accident at work, and other benefits for unfair dismissal.

Labor unions are generally receptive to investment that creates new jobs, and support from the international labor movement, including the American Federation of Labor and Congress of Industrial Organizations and the International Trade Union Confederation (AFL-CIO and ITUC), is building the capacity of unions to represent workers and engage in social dialogue. The Ministry of Labor and Social Affairs is revising a new labor code that will better comply with international labor standards. Preparations for the 2015 and 2016 elections, as well as multiple changes in the Minister of Labor during the same period stalled the revision of the labor code.

Relations between labor and management in Haiti are at times strained. In some cases, however, industries have autonomously implemented good labor practices. For example, the apparel assembly sector established its own voluntary code of ethics to encourage its members to adopt good labor practices. In addition to local entities, the International Labor Organization (ILO) has an office in Haiti and operates an ongoing project with the assembly industry to improve productivity through improvement in working conditions. The initiative prompted ILO to officially launch Better Work Haiti, a program that designed to ensure compliance with international labor standards and spur jobs creation in the garment sector over the next ten years.

Since the inception of Better Work Haiti, the garment sector saw a 50 percent improvement in occupational safety and health across the factories. Employers have doubled their efforts to improve chemical safety, and over 95 percent of local factories initiated proper policies to strengthen a safer work environment as well as providing good working conditions to garment workers. Wages vary depending on

the economic sector. As of May 2015, the minimum wage for the garment sector is 300 HTG for eight hours of work or (approximately USD 4) in the textile industry. However, approximately two-thirds of those employed in the textile sector earn 350 HTG per day given production incentive bonuses. Better Work Haiti's annual report found the majority of factories in compliance with the labor law. The report is available at: <http://betterwork.org/global/?p=7201>.

Haiti's apparel industry expanded in recent years, and now counts several local and foreign manufacturers, including U.S., Dominican, and Korean investors, which produce a wide range of clothing articles. The sector has notable strengths and advantages, such as an abundant workforce, duty-free access to the U.S. market, and the Better Work Haiti program. Measures are currently underway to enhance the technical skills of the Haitian workforce. The South Korean International Cooperation Agency (KOICA), for example, funded the construction of an apparel training center in the Caracol Industrial Park in Northern Haiti.

OPIC and Other Investment Insurance Programs

The Overseas Private Investment Corporation (OPIC) offers insurance against political risks and financing programs for U.S. investments in Haiti. OPIC financing includes two programs: direct lending and investment guarantees. Direct loans are available to investment projects sponsored by or significantly involving U.S. small businesses. Investment guarantees are available to U.S. eligible investors of any size. OPIC has invested more than \$223 million in 78 projects in Haiti over 40 years, in infrastructure, renewable resources, and other sectors.

OPIC has an on-lending facility with Citibank available to several Caribbean countries, including Haiti. OPIC guarantees loans totaling \$100 million, with up to 20 percent of this amount available for Haiti. The OPIC risk share for the facility ranges from 25 to 75 percent for each loan.

Haiti is a member of the WB's Multilateral Investment Guarantee Agency (MIGA). MIGA guarantees investments against non-commercial risks and facilitate access to funding sources including banks and equity partners for investors.

Foreign Direct Investment and Foreign Portfolio Investment Statistics

Table 2: Key Macroeconomic Data, U.S. FDI in Host Country/Economy

	Host Country Statistical source*		USG or international statistical		USG or International Source of Data: BEA; IMF; Eurostat; UNCTAD, Other
Economic Data	Year	Amount	Year	Amount	
Host Country Gross Domestic Product (GDP) (\$B USD)	2016	\$8.26	2016	\$8.26	www.worldbank.org/en/country
Foreign Direct Investment	Host Country Statistical source*		USG or international statistical		USG or international Source of data: BEA; IMF; Eurostat; UNCTAD, Other
U.S. FDI in partner country (\$M USD, stock Host	2016	\$104	2016	\$104	BEA data available at http://bea.gov/international/direct_investment_multinational_companies_comprehensive_data.htm
country's FDI in the United States (\$M USD, stock positions)	N/A	N/A	N/A	N/A	BEA data available at http://bea.gov/international/direct_investment_multinational_companies_comprehensive_data.htm

Total inbound stock of FDI as % host GDP	2016	N/A	N/A	N/A	
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Table 3: Sources and Destination of FDI

Table 4: Sources of Portfolio Investment

Portfolio Investment Assets								
Top Five Partners (Millions, US Dollars)								
Total			Equity Securities			Total Debt Securities		
All Countries	Amount	N/A	All Countries	Amount	N/A	All Countries	Amount	N/A
Country #1	Amount	N/A	Country #1	Amount	N/A	Country #1	Amount	N/A
Country #2	Amount	N/A	Country #2	Amount	N/A	Country #2	Amount	N/A
Country #3	Amount	N/A	Country #3	Amount	N/A	Country #3	Amount	N/A
Country #4	Amount	N/A	Country #4	Amount	N/A	Country #4	Amount	N/A
Country #5	Amount	N/A	Country #5	Amount	N/A	Country #5	Amount	N/A

Contact for More Information on the Investment Climate Statement

Melissa Sandoval

Commercial Attaché

Embassy of the United States of America

Boulevard du 15 Octobre, Tabarre 41

Port-au-Prince, Haiti

Please address email correspondence to PAPECON@state.gov

Trade & Project Financing

Methods of Payment

Foreign exporters to Haiti have access to a wide range of payment arrangements (advances, letters of credit, bank guarantees) and are free to use domestic or foreign financing.

Banking Systems

The banking sector has concentrated credit in trade financing and in the proliferation of branches to capture deposits and remittances. Telebanking now provides access to banking services for Haitians that are first-time account holders. Foreign banks are free to establish operations in Haiti. Three major banking institutions (Unibank, Sogebank and BNC) hold 80 percent of total banking sector assets. As of December 2016, Haiti's largest banking company, Unibank, acquired the operations of the Canadian Bank-Scotiabank, which upon closing will increase its deposit market share to 34 percent. Scotiabank will remain one of Unibank's international correspondent banks.

The three major commercial banks hold 75 percent of the total loan portfolio, while 70 percent of total loans are monopolized by 10 percent of borrowers. This increases the Haitian banking system's vulnerability to systemic credit risk and restricts the availability of capital. The gross loan portfolio of the banking system in September 2016 was \$1.6 billion. The quality of the loan portfolios in the banking system, measured by the ratio of nonperforming loans over total loans, has improved over the years due to the recent modernization of the regulatory and supervisory framework of the financial sector. The measure requires that BRH conduct regular inspections to ensure that financial institutions are in compliance with the minimum capital requirements, asset quality, currency, and credit risk management.

The Central Bank's main challenge is to maintain sound monetary policy in the context of a larger-than-expected government deficit and a depreciating local currency. As of March 2017, BRH's reference rate was approximately 62 Gourdes for one U.S. dollar. Annualized inflation, at 14.3 percent in March 2017, has fluctuated in the low to mid double digits. The exchange rate suffered from continued pressure on the foreign exchange market resulting in the printing of local currency to pay arrears. To ease the pressure on the local currency, the Central Bank proceeded with the sale of \$94 million in foreign exchange reserves during FY 2015-2016, while maintaining commercial bank reserve requirement ratios at 46 percent for deposits held in U.S. currency, and 42 percent for deposits in local currency. The BRH announced a six month, \$120 million stabilization Gourde stabilization initiative in March of 2017.

There are no legal limitations on foreigners' access to the domestic credit market. Credit is available on market terms through commercial banks. However, banks demand a pledge of real property to grant loans. Given the lack of effective cadastral and civil registries, loan applicants face daunting challenges in obtaining credit. The banking sector is extremely conservative in its lending practices. Banks typically lend exclusively to their most trusted and credit-worthy clients. In addition, the high concentration of assets does not allow for product innovation at major banks.

To provide greater access to financial services for individuals and prospective investors, the Haitian government's chattel and banking laws both recognize tangible movable property (ex. portable machinery, furniture, tangible personal property) as collateral for loans. These laws allow individuals to buy condominiums, and banks to accept personal property, such as cars, bank accounts, etc., as a pledge for loans. USAID has a loan portfolio guarantee program with a diversified group of financial institutions in order to encourage them to expand credit to productive small and medium enterprises, and rural micro-enterprises. The Haitian government seeks to establish a credit rating bureau to disseminate

data on the total indebtedness and concentration of credit risks of businesses and individuals in the financial sector, but to date there has been little progress in setting up the bureau.

Foreign Exchange Controls

Haiti has a liberal foreign exchange regime with no limitations on cross-border payments. There are controls on the movement of cash into and out of Haiti, with reporting requirements for transactions of more than USD 10,000.

US Banks & Local Correspondent Banks

- Capital Bank: Bank of New York (NY)
- BPH: Bank of America (NC), Citibank International (NY)
- BUH: Bank of New York (NY) , First Union (FL)
- BNC: Bank of New York (NY)(NC)
- Sogebank: Bank of America (FL and NY),
- Unibank: Bank of America (FL), Bank of New York (NY)

Project Financing

Investors in Haiti have access to a limited variety of credit instruments, ranging from short-term loans to generate working capital, to medium- and long-term credit arrangements to finance the construction or purchase of buildings, or to purchase and replace production equipment and fixtures.

Other non-commercial institutions, created and financed largely with the support of international donors, provide credit to micro-entrepreneurs. Their purpose is to mobilize financial resources for working capital and fixed-asset investment of priority sector enterprises. These banks offer longer-term loans and assume risks that commercial banks decline.

GSM (an export credit guarantee program) credit guarantees are available to companies doing business with Haiti; however, Ex-Im Bank financing is not currently available. Insurance programs through the World Bank's Multilateral Investment Guarantee Agency (MIGA) are now available to U.S. investors. Private Haitian insurance companies and agents representing foreign insurance companies cover risks associated with overland, maritime, and air transportation. Several local companies that meet international operation standards provide export insurance.

U.S. Overseas Private Investment Corporation (OPIC) financing is available for suitable projects in Haiti. Standard commercial financing is available from Haitian and foreign banks; however, long-term financing is constrained by the short-term structure of deposits. SOFIHDES, a private financial corporation founded with USAID support, finances small- and medium-sized investments in agribusiness and export industries.

International financing is available to potential investors through the following financial institutions:

- Banque Européenne d'Investissement (BEI) under the Lomé Convention
- Caribbean Export Development Agency (European Union)
- U.S. Overseas Private Investment Corporation (OPIC)
- Inter-American Investment Society/Inter-American Development Bank (IIS/IDB)
- International Finance Corporation (IFC)/World Bank

Multilateral development banks are also active in financing various projects. The Inter-American Development Bank (IDB) and the World Bank have set aside funding for several projects for infrastructure development (e.g., sanitation, water management, waste disposal, energy, road construction, and rehabilitation). The IDB and World Bank also fund other projects designed for municipal development and institutional strengthening.

Country Limitation Schedule: USAID is also involved in financing various productive sectors that have traditionally been underserved in terms of credit. USAID works through a mechanism known as the Development Credit Authority (DCA) and guarantees up to 50 percent of a loan portfolio. The DCA is a partial loan guarantee to local financial institutions and commercial banks which gives the necessary protection to banks to provide loans to borrowers in markets such as agriculture, handicrafts, tourism, garment industry, waste management and construction/infrastructure.

Financing Web Resources

[Export-Import Bank of the United States](#)

[OPIC](#)

[Trade and Development Agency](#)

[SBA's Office of International Trade](#)

[USDA Commodity Credit Corporation](#)

[U.S. Agency for International Development](#)

Business Travel

Facilities for visiting business persons have improve significantly with the opening of two additional hotels in Petion-Ville, a suburb of Port-au-Prince. These hotels offer a full range of business services, including internet connectivity and voicemail. The hotels include Hotel Karibe, NH Hotels' El Rancho, Kinam Hotel, Visa Lodge, Royal Oasis, and Best Western. Reservations can be made by telephone, fax, e-mail

or online (only the Best Western, Marriott and Royal Oasis hotel provides the online booking service).

Business Customs

Haitians are open to working with foreign investors and are particularly well disposed towards American investors. Most Haitian businesspersons speak English fluently. Appointments with Haitian business operators should be made in advance. Invitations to restaurants for meetings are appreciated and business is usually discussed in restaurants and hotels as much as in offices.

Travel Advisory

Visit the following site for the latest Travel Warning on Haiti: [U.S. Passports & International Travel: Alerts and Warnings](#)

Visa Requirements

Visitors are required to have a valid passport. Visitors from the U.S., U.K., France, and Germany may not require a visa. However, if a U.S. Citizen expects to be in the country for more than 90 days they need to apply for an extension of stay with the Haitian Immigration Service in order to obtain an exit visa. It is highly recommended to do this procedure prior to the 90 days expiration date. An airport tax of \$35 is required from foreigners departing Haiti, and is included in the price of airline tickets.

A publication (“Guide for Business Representatives”) is available for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, DC, 20402, telephone 202-512-1800, or fax 202-512-2250. Business travelers to Haiti seeking appointments with U.S. Embassy officials in Port-au-Prince should contact the Economic Section in advance of their arrival date by calling 509-2-229-8000 and asking to be transferred to the Economic section or via e-mail at Papecon@state.gov

Haitian Immigration Service
Avenue John Brown, Lalue
Port-au-Prince, Haiti
Tel: 2244-1737

More information may be found at:

[U.S. Department of State - Bureau of Consular Affairs](#)

U.S. Companies that require travel of foreign businesspersons to the United States should direct potential Haitian travelers to the following links.

[State Department Visa Website](#)

[U.S. Embassy Port-au-Prince Consular Section](#)

Currency

The Gourde is the national currency of Haiti, with HTG as the currency code. The currency symbol is G, and the top HTG conversion is USD/HTG.

Telecommunications/Electric

The number of telephones has significantly increased since 2007. The top cellular company is Digicel as they bought their biggest competitor Comcel. Digicel use GSM wireless cellular phone technology. Natcom a Vietnamese/Haitian state joint venture, created in April 2010, is Digicel's main competitor. Natcom provides high-speed bandwidth through its network of 3,500 kilometers of fiber optic cable broadband throughout Haiti, which allows high-speed stability and a high-quality connection. The distribution of electricity is sporadic with only 12 hours of electricity on average on a daily basis.

Transportation

The major car rental agencies located in Port-au-Prince include Hertz, Avis, Budget, Dollar, and Secom. Air travel is possible from Port-au-Prince to most of the provinces. Though distances are short, travel in Haiti, specifically in the Port-au-Prince area, is extremely slow. Many national highways have been constructed making travel to the cities outside of Port-au-Prince much easier, but many more are in bad condition. Privately operated taxicabs and other public transportation vehicles are not recommended for use (U.S. Embassy officers are not allowed to use public transportation). Visitors are advised to hire a driver for ground transportation.

Language

French and Haitian Creole are the official languages of Haiti; however, English is widely spoken in the business community and Spanish is spoken to lesser extent.

Health

Medical facilities are limited, particularly in areas outside of the capital. Doctors and hospitals often expect immediate cash payment for health care services. U.S. medical insurance is not always valid or accepted outside the United States. Travelers should confirm the validity of their insurance coverage before departing the U.S. The Medicare/Medicaid program does not provide for payment of medical services outside the United States. It is prudent to have medical evacuation coverage.

Local Time, Business Hours and Holidays

Government and commercial offices typically open between 8:00 AM and 9:00 AM and close between 3:30 PM and 5:00 PM. Retail businesses remain open until 6:00 PM. Supermarkets, depending on the area, may close at 7:00 PM or 8:00 PM.

Haitian Holidays for 2017:

January 1, New Year's Day

January 2, Ancestors' Day

February 28, Carnival

April 14, Good Friday

May 1, Labor and Agriculture Day

June 15, Corpus Christi

August 15, Assumption Day

October 17, Death of Dessalines

November 1, All Saints' Day

November 2, All Souls' Day

November 18, Battle of Vertieres Day

December 25, Christmas

Temporary Entry of Materials or Personal Belongings

There is no fee for the entry of personal belongings. However, a 0.25 percent unique rate is applied to goods entering under diplomatic concessions and for those that are on "temporary entry."

Goods that will be in the country temporarily must be imported under the temporary entry regime. Temporary entry refers to goods that will be processed before being re-exported. These goods are subject to a security deposit equivalent to one and a half times the duties and taxes payable under the release for consumption regime. This deposit is paid in the form of a bank check that will be released once the goods are re-exported. Goods that enter the country under the temporary entry regime and are then used for consumption purposes are taxed on the amount of their depreciation when they are re-exported.

All imported goods are subject to verification fees and administrative costs.

Travel Related Web Resources

Ministry of Tourism

8, Rue Legitime

Champs de Mars

HT 6112 - Port-au-Prince - HAITI

Tel: (509) 2949-2010 / 2949-2011 / 2223-5633

E-mail: info@haititourisme.gouv.ht

[Tourist Association of Haiti](#)