

NEWSLETTER



Letter from Executive Director

Dear Members of AmCham Haiti,

I wanted to share with you some of the changes that have been implemented at AmCham over the past quarter. First, I have relocated to Haiti at the end of May from Tampa Florida after living in the US for more than 20 years, to assist AmCham with its mission and objectives, to improve on communicating with our members and to provide better services and resources. My experience includes stints with investment banks, investment funds, financial journalism, and in healthcare IT. I hope that my efforts and "New Vision" proves to you that AmCham Haiti is turning the page and that you will be pleased of being a Member of our organization.

AmCham Haiti has taken a leap into Social Media by creating a Facebook page which gives us another medium to communicate with our members on events, forums, and on any other activity that might interest our Members. We are improving the quality of the editorial of our newsletter. We will be working with international publications and international organizations in assisting us with events and forums in Haiti to facilitate trade and investments. Last but not least, we are also updating our website to provide more content, and strengthen our resources.

We look forward to a closer relationship with our Members, and we want to hear from you. We thank you again for choosing AmCham as an organization that can assist you in your business success.

Philippe Saint-Cyr, MBA
Executive Director

COMMITTEES

AmCham Haiti has set up 3 Committees to better serve our Members and improve on our services:

- **External Affairs/ Public Relations**
Bernard Fils Aime,
Chairman
- **Communications**
Christine Coupet Jacques,
Chairman
- **Membership**
Daniel Jadotte,
Chairman

Please contact us if you have any questions.

UPCOMING EVENTS

"Forum for Competitiveness in the Americas"

October 5 – 7 2011
Santo Domingo, Dominican Republic

www.competitivenessforum.com



NEW MEMBER



AmCham Haiti welcomes Delta Airlines as its new member. Delta Airlines is one of the largest airlines in the United States with routes in the US and around the world. The company is represented by Ranses Matta, the Country Director for Haiti.

Competition stiffens between Airline carriers to Haiti

United Airlines adds a route to the Caribbean with its inaugural flight to Port-au-Prince Haiti on June 9th and will fly 3 times a week, and daily starting July 1st, Continental will fly daily between Newark International Airport to Port-au-Prince Haiti. The flight will leave Newark at 9:15 AM and land in Port-au-Prince at 12:05 PM. The flight to Newark will leave PAP at 1:00 PM and land in Newark at 5:55 PM.

Port-Au-Prince is Continental's 27th destination in the Caribbean where we are the number 2 airline in flights and cities served" indicated Freddy Rodriguez, country manager for Haiti. Rodriguez pointed out that the merger with United allowed Continental to offer flights to new destinations.

Travelers from New Jersey and Pennsylvania will now have easier access to Haiti thanks to the new route by Continental Airlines. Continental Airlines recently merged with United Airlines in October 2010, and will continue to fly under both brands until the FAA approves a new airline certificate.



"The more air seats we have, the better it is for the tourism industry"

Mr. Carl Feraille, the airport director (AAN) in Haiti, had his hands full with additional flights coming to Haiti which has to be rebuilt following the earthquake in January 2010. AMCHAM recently spoke with Mr. Feraille about Continental coming to Haiti. "Though the airline came at a difficult time following the earthquake, we were able to accommodate Continental". The airport's main terminal still has to be rebuilt and several firms are bidding for its reconstruction. "There is a cost to add more airlines, but with the government and private sector working together, we can overcome obstacles to enable the

economic development of Haiti" according to Mr. Feraille.

Many travelers hope that the increase competition will decrease fare costs and improve service. "This is fantastic!" claimed Pierre Chauvet, President and Director General of Agence Citadelle. He feels that airlines are the top of the supply chain of the tourism industry and will be integral in the rebound of the industry in Haiti. "The more air seats we have, the better it is for the tourism industry" according to Mr. Chauvet.

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**“Modernisation of rural Haiti”,
USAID/WINNER**

On June 8th, AmCham held an event at Hotel Montana that focused on the “Modernization of rural Haiti”. Our speaker, Jean Robert Estime, is the Director for Chemonics International and the leader behind the USAID/WINNER Project.

The rural sector in Haiti has many challenges, but there are several solutions to enhance its productivity which translates into revenues and opportunity for the private sector. The current govern-



ment is hoping to foster economic growth through a surging agricultural sector in the rural parts of the country.

The challenges are many for an over-populated rural sector that has inefficient production systems, lack of financing deforestation and no governmental support.

To counter these challenges, the agricultural sector must evolve into the 21st century where a rebound in agriculture will not only secure local food production, but also provide jobs and restore the environment. A greater interest in public-private partnerships must be fostered and strengthen good governance.



AACCLA mid-year Conference

AACCLA Conference was held in Cartagena Colombia from June 14 -17 by AMCHAM Colombia. The event was a great success with attendance from most countries in Latin America. The main theme of the event was integration of Latin America and several countries have taken the lead in that already. For example, the integration of capital markets between Colombia, Peru and Chile is a major achievement which will increase the pool of institutional investors as far as demand of issues (equity and debt). This will have a positive impact on liquidity and lower the cost of capital. Mexico has already expressed interest on this integration. In addition, Colombia and Panama are expected to sign Free Trade Agreements with the US by the end of the year. According to Philippe Armand, Board Member of AmCham Haiti, the event was a shot in the

arm as to what AmCham Haiti could and should be doing.

The conference was focused on Trade and Economic Development, an integral issue for the development of Haiti. “This is an excellent platform the economic progress of a country”, indicated Mathias Pierre, Assistant Secretary for AmCham Haiti. Pierre took away from the conference several interesting statistics such as 8% reduction in poverty in Latin America, and a 5% increase in

wealth. “All of this is due to education” noted Pierre and he hopes that Haiti could host an AACCLA event locally. Haiti ranks poorly in Business Competitiveness Index at 162 in the world but hopefully with the change in government, steps can be taken to improve on this ranking. We look to focus on how we can follow up on initiatives that were previously taken over the past decade with the local government.



US Senate Hearing - “Reconstructing Haiti in the Martelly era”

A Senate hearing on the reconstruction of Haiti was held on June 23. Though over \$1 billion in aid was spent in Haiti since January 2010, many wonder where are the results! Many Haitians continue to live in tents 17 months after the earthquake and many collapsed structures are still not torn down. With the recent rejection of the designated Prime Minister Rouzier by the Parliament, the government is still at a standstill on moving forward in tackling the countries many challenges.

According to Senator Menendez (D-NJ), “the challenges for Haiti are daunting, and the moment to tackle them is now”. Senator Menendez indicated that tackling these problems requires a coordinated government, private sector, and NGO effort. Georges Barau Sassine, President of the Association of Industries in Haiti (ADIH), noted that foreign investment is a priority for the Martelly government.

“There are two industrial parks being constructed in Haiti and both are backed by the US”. There has been a significant amount of FDI coming in the apparel sector which has fueled an increase in textile exports since 2009.

“the secret for getting out of poverty is not aid, but FDI”

All Emerging Market countries that have posted strong economic growth in the past 2 decades were results of strong FDI, good governance and a functioning legal system. The focus should be on the amount of FDI Haiti needs to post double digit GDP growth annually over the next decade. Regine Simon-Barjon, from BioTek Solutions Inc., told the committee that the secret for getting out of poverty is not aid, but FDI. “This is the engine that propels countries out of poverty and into sustainable development” said Simon-Barjon. The US should focus on assisting American firms that want to invest in Haiti. The paradigm has

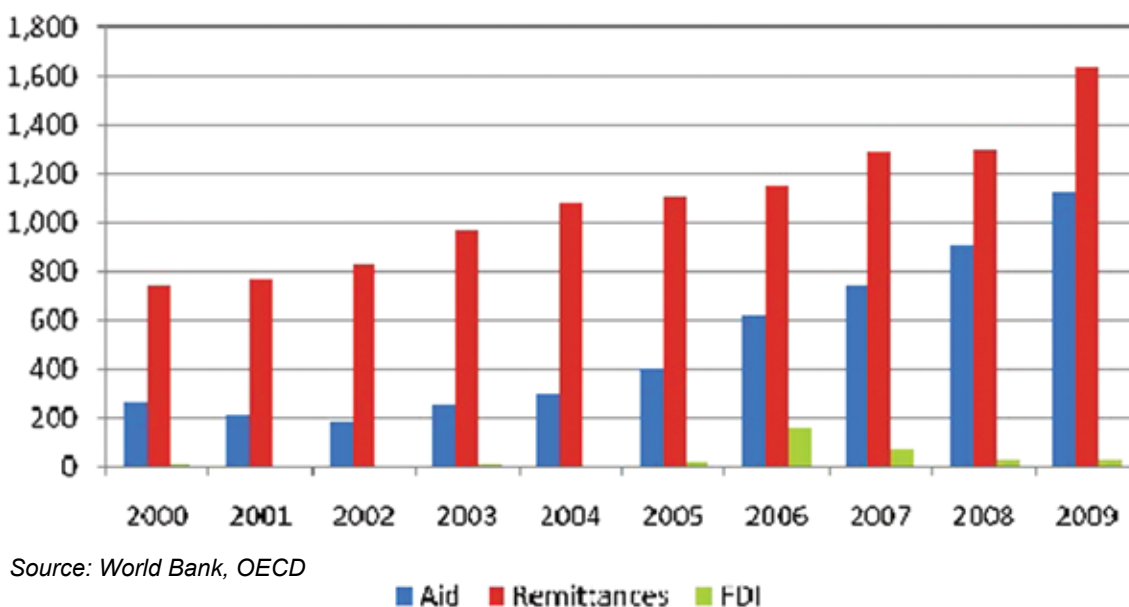
to shift from providing aid to invest for solid returns.

“President Martelly offers promise for the future” according to Senator Cardin (D-MD). Senator Cardin reiterated that the Haitian Diaspora is a resource that needs to be tapped if Haiti is to develop however few Haitian firms have benefited (winning contracts) from the aid money flowing into the country. Sassine endorsed a potential US trade mission to Haiti which would be a “win-win” situation for both countries. Simon-Barjon believes that US investment should focus on three particular sectors: energy, agriculture, and banking/credit.

“Haiti is on a positive path with three priorities ahead of it: economy, job creation, and education”, mentioned Major Joseph Bernadel, Permanent Representative of the Haitian Diaspora and member of the IHRC. Bernadel feels Martelly is a potential turning point for the development of Haiti, but all resources including the Diaspora, need to be used to help the country rebuild.

Capital Flows to Haiti

(US \$ mm) Inflation Adjusted



Source: World Bank, OECD

■ Aid ■ Remittances ■ FDI