

NEWSLETTER



CHRISTMAS COCKTAIL RECEPTION



Amcham Haiti organized its annual cocktail reception at US Ambassador Merten's residence on December 9th 2011. The event was well attended by over 400 Members and guests. The event is a great way to end the year, and enable our Members to network in a joyful atmosphere.

Ambassador Merten spoke about investments as a key factor for Haiti to move forward, not only in creating more jobs but in obtaining more revenues from taxes to finance its budget expenditures. Several efforts must be undertaken by the government to facilitate investments such as passing laws to facilitate the process of creating a company or obtaining a construction permit.

Philippe Armand, Board Member of Amcham and VP of AACCLA,

spoke about Amcham's mission for the coming year. Philippe focused on Trade Facilitation in Haiti, and the government needed help on improving the country's Competitiveness, strengthening structural weaknesses of the country and the high cost of doing business in Haiti. The country's focus must change from aid to Foreign Direct Investment (FDI) and take all necessary steps to increase FDI, and have a long term vision for the country.

Thanks to the sponsors of the event, we had a raffle where several attendees won some great gifts. We look forward to this event again next year



Future Events:

"Outlook on the Americas" Luncheon
AACCLA Strategic Planning Retreat
Biltmore Hotel
Coral Gables, FL
January 25 - 27, 2012
www.aaccla.org

"Accessing the Haitian Market" - What U.S. Firms Need To Know For Success
From: 1:00 PM □ 2:15 PM Eastern Standard Time
\$35 Payable with Credit Card
February 15, 2012
www.amchamhaiti.com

Etats Generaux des Investissements (EGI)
Karibe Convention Center
March 12 -13, 2012
www.cfihaiti.net

Sustainable Haiti Conference
Miami Beach Convention Center
Miami Beach, FL
April 22 - 25, 2012
www.haiticonference.com

"Business Future of the Americas"
Conference
and AACCLA's Mid-Year Meeting
Camino Raal Polanco,
Mexico City, Mexico
May 14-16, 2012
www.aaccla.org

2012 CSR Americas
Quitos, Ecuador
May 21 - 23, 2012
www.csramericas.org

Americas Competiviness Forum VI
Cali, Colombia
October 24-26, 2012
www.cifalatlanta.org



PADF - LEAD program financed by USAID for SMEs

A new project launched by USAID, the Leveraging Effective Application of Direct Investments (LEAD) project, aims to improve access to investment capital for Haitian businesses and strengthen their business skills. The LEAD project aims to attract investments in SMEs through matching of grants and hopes to attract Haitian Diaspora as potential investors.

The Pan American Development Foundation (PADF) will also partner on the project to create jobs, and increase the development impact of remittances. This project will target SMEs working in sectors that have the greatest potential to create jobs, such as construction, tourism, agribusiness, and alternative energy while at the same time encourage job creation for women and the handicapped. With major funding support from the U.S. Agency for International Development (USAID), the four-year LEAD program is designed to strengthen the capacity of SMEs to engage in best business practices. The program will focus on three main development corridors: Cap-Haitien, Saint-Marc, and Port-au-Prince.

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A roundtable was held in December 2011 at PADF offices on identifying what exactly constitutes an SME in Haiti, and how to find the right balance on training and funding. Though different organizations have set up their own business plan competitions, the critical factor for SMEs has been financing.

The innovative LEAD program will use a grant matching mechanism to leverage private investment in Haitian SMEs identified through business plan competitions. Grants are expected to range from \$50,000 up to \$200,000, with at least a one-to-one match from outside investment



Invest in Haiti forum with IDB

In November 2011, more than 1,000 businesspeople and government officials took part in the “Invest in Haiti Forum”, one of the largest meetings of its kind ever held in Haiti, underscoring the strong private sector interest in the country’s economic potential.

Participants discussed concrete business opportunities in sectors such as apparel, tourism and agribusiness, as well as infrastructure projects related to Haiti’s reconstruction and long term development efforts.

“One of Haiti’s biggest challenges is boosting economic growth and generating jobs” said IDB President Luis Alberto Moreno.

During the conference organized by the Inter-American Development Bank (IDB), the government of Haiti and the Clinton Foundation, several announcements were made regarding investments in hotels, furniture and cable manufacturing. Haitian President Michel Martelly, President Bill Clinton, and IDB President Luis Alberto Moreno launched the event at the Karibe Hotel Convention Center.

“What we need is a country that has construction initiatives, building opportunities that create jobs... This Forum shows us that the attendees are interested in the investment opportunities that Haiti offers,” according to President Martelly. “One of Haiti’s biggest challenges is boosting economic growth and generating jobs,” indicated Moreno. Haiti must rebuild and upgrade its infrastructure. The country has to create the right incentives for private sector investment. This is the main reason why the “Invest in Haiti Forum” was organized. There is enough economic firepower to make a positive impact in the lives of millions of Haitians.

“The Invest in Haiti Forum highlights the importance of private-sector investment in Haiti, and shows the world that Haiti is again open for business,” said President Clinton. “I am proud that the Clinton Foundation is partnering with the Inter-American Development Bank and the Haitian government to create new business opportunities for both Haitians and foreign investors, and help Haiti rebuild better.” noted President Clinton.

Haiti Reconstruction Forum

On December 8, 2011 “The Haiti Reconstruction Forum” was organized by the State Department and the IDB at the DoubleTree Hilton Hotel Miami Airport & Convention Center. Amcham participated in the conference as the voice of the private sector in Haiti. The event had over 400 attendees, mostly Americans and Haitian Americans that were interested in investing in Haiti or bidding for projects by multilaterals and the Haitian government. The main challenge in Haiti for investors is the lack of information and transparency to participate in bids.

Phillipe Saint-Cyr, Executive Director at Amcham participated on a panel where he focused on the opportunities in Haiti and the lack of participation of US firms in the reconstruction of the country. His advice was to set up a local team made up of a good lawyer and accountant, to take on the opportunities and not try to go alone. With over \$700 million construction projects in the short-term and medium-term, American firms will have a lot of opportunities to participate in projects for the next decade.

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Karl Jean Louis, Executive Director of the CFI attended the Forum as well. He talked about the role of the Haitian government in facilitating investors and how the CFI played a role for local and international investors, in resolving issues with different ministries and agencies.

Mark D’Sa from the State Department participated in the Forum and he is the main contact for the Caracol Park in the North of Haiti. D’Sa made the case for investors to consider the Park as a location for investments. The Park is the largest Industrial Park in the Caribbean and will have a significant economic impact in the North of Haiti over the next 5 years.



NEW APPOINTEMENT

Karl Jean Louis
Executive Director



Karl Jean Louis, was named Executive Director of the Centre de Facilitation d’Investissement (CFI) according to Minister of Commerce Wilson Laleau at an event at Hotel Montana by Haitian Chamber of Commerce and Industry (CCIH). Mr. Jean Louis replaces Guy Lamothe who was at the helm of the CFI since its inception. Mr. Lamothe has been appointed Ambassador for Haiti in Mexico.

Karl was previously the Executive Director of the Presidential Agency for Economic Development and Investments (PAGECI). The CFI was set up by the Haitian government with support from USAID to facilitate investments, communicate with other Ministries and agencies on the investor’s behalf.



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Tel: (509)2511-3024
(509)2940-3024
Email: psaintcyramchamhaiti.com

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Any ideas of subjections of topics that we could cover in the newsletter, please contact our assistant Martine Chery at mchery@amchamhaiti.com

WEEKLY UPDATES

To be added to our contact database to receive our weekly email updates, contact the executive director Phillipe Saint Cyr at psaintcyramchamhaiti.com

INVESTORS / REAL ESTATE

For sellers of commercial property, land, factories for lease or sales, forward Amcham that information for International Investors

AACCLA Annual Meeting Washington, DC Forecast on Latin America

Though crime rates are still high, FDI still pours into the region. A strong Central Bank, such as in Mexico, does strengthen confidence in the country and helps in attracting FDI.

It is important to note that the difference in wages between Mexico and China is decreasing (surge in Chinese wages) which is pushing US firms to leave China and return to Mexico. This may be an eye opener for companies that are looking to relocate back to Haiti, especially with shipping costs from Haiti to US at a much lower cost than from China.



“Difference in wages between Mexico and China is decreasing”

It is important for the Private and Public Sector to have mutual confidence, form strategic connections which will result in positive consequences. High Impact Programs that countries should be focusing on include education related projects such as High Schools, Universities, Continuing Education, and after School Programs.

There are many countries that are considered Poor or Low Income. However, when countries are Middle Income, it is very difficult to move up the ladder. Middle Income is a country with GDP/ capita at \$4,000. For such changes to occur, governments have to implement policies for the long term, which can be a challenge for Haiti without policy continuation among different administrations.



Competitiveness Forum - Santo Domingo, Dominican Republic

The most important investment Latin America has made over the past decade, according to several Presidents and ex-Presidents in the region is EDUCATION. Investments is not just capital and infrastructure.

With Education, the country changes the population's expectations as far as jobs, services, opportunities, purchasing power, and also how the country is managed by the government, who is elected, how policies are drafted to name a few. This was an eye opener for all the attendees of the conference. The President of Chile noted that literacy today is not reading and writing only, but capable of speaking 3 languages and computer literacy. The trick is quality education and the government has to implement policies on national and regional level to support the teachers, the schools' facilities, and material for students.

“The most important investment in Latin America over the past decade has been Education”

Education today works hand in hand with Technology, the “Future” which will play a big factor for company creation, jobs, hence Wealth. Education should show students how to “be”, think critically, work in groups, learn how to learn, and continue to learn.

Much was discussed about the new Free Trade Agreements that would be implemented by Colombia and Panama with the US by the end of the year. In addition, Latin America is looking more closely at the integration of the regional economies and eventually with North America to compete with the EU and the FTAs in Asia.

Social programs have been key in some Latin countries to support the lower tier of the “Pyramid”. Panama has free healthcare for all children, and pays the poorest of its population \$80 a month. Brazil and Dominican Republic have similar programs which have a significant impact on alleviating poverty and meeting the minimum of needs of that part of the population.



Inter-American Development Bank

MOU of understanding between the IDB bank and the US Chamber of commerce

The IDB signed an MOU with the US Chamber of Commerce (AACCLA) in October 2011 to strengthen ties with the Chamber and its affiliates in the region through the Amchams of the region.

In particular for Haiti, the MOU will seek to identify initiatives in areas related to integration and trade, and private sector development.

Other main points include collaboration on projects such as training sessions and workshops that will be organized to tackle on key issues that IDB and local governments would want to resolve. According to Jose Raul Perales, Executive Director of AACCLA, this will support the capacity of Amchams in Latin America and the Caribbean.



The Dominican Republic's role in the reconstruction and future of Haiti



AMCHAM Dominican Republic organized at the Raul Yzaguirre Building, Washington

DC. A panel on Haiti. During “Dominican Week” an annual event that occurs in several cities in the US, Amcham Dominican Republic organized a panel on the “Reconstruction of Haiti and the role of Dominican Republic.

Charles Clermont said that there can be no development if investment is missing, “Haiti has become an attractive place for investments”, and many countries have taken notice after the earthquake.”

Ana Santana demonstrated that Haiti is not just what the media continuously shows on television. She indicated that there are many beautiful places to visit and is optimistic on Haiti.

Retreat at Le Montcel, Belot



Amcham Haiti organized a Retreat for President Michel Martelly at Le Montcel in Belot. The event lasted 3 days from November 11th to November 13th. There were over 60 attendees from the government, private sector and various religious groups. The idea behind the event was to have a dialogue between the different sectors in the society to not only begin a dialogue, but improve communication among all groups.

“Dialogue is key to solve issues for the country and to improve relations.” according to President Michel Martelly”

Many government representatives met for the first time with individuals from the private sector. According to President Martelly, a dialogue is key to solve issues for the country and to improve relations. Several people from the private sector spoke about the country should be managed and a continuous climate of uneasiness or political stalemate is not beneficial for the country.

This event was the first step in opening the Public-Private dialogue which has rarely occurred in Haiti over the past 2 decades. Not knowing what the private sector needs or wants makes it difficult for the government to come up with solutions to instill confidence and facilitate investments. Only the Energy sector so far has deals that involve the public and private sector.

Total Textile and Apparel Imports to US from Haiti

	2010	2011	% Change
Imports under Trade Preference Program	515.7	689.1	33.62%
Knit apparel from regional or U.S. fabric from U.S. yarn (TRQ)	232.7	345.8	48.60%
T-shirts made of regional fabric from U.S. yarn (TRQ)	118.6	109.7	-7.50%
Value added RL (9820.61.25)	30.3	30.6	0.99%
Value added RL (9820.61.30)	43.7	44.5	1.83%
Knit apparel RL (9820.61.35)	18.3	34.0	85.79%
Woven apparel RL (9820.62.05)	67.5	109.5	62.22%
Total Imports	517.6	701.5	35.53%

* There are no imports which could benefit from Hope Act such as Luggage, certain knit and woven apparel (9820.61.40), Brassieres, Sleepwear and Headwear.

** There are no imports which could benefit from Help Act such as Certain Knit Apparel (unlimited - 9820.61.45) and Home Goods.

Source: US Department of Commerce

Contact us:

18, Rue Moïse / Behind Kinam Hotel
Petion-Ville, Haïti
(509) 2940-3024

