

HAITI

BUSINESS LANDSCAPE AND OPPORTUNITIES

Germany, October 2014

Haiti at a glance

Haiti, the EU and Germany

Business Environment and Investment Opportunities

Main Sectors :

Tourism

Agri-Business

Construction

Infrastructure

Energy

Next Steps





HAITI AT A GLANCE

General Information

- Population: 10 Million
- Capital: Port-au-Prince
- Other Major Cities: Cap-Haitian, Jacmel, Gonaives, Les Cayes
- Official Languages: French And Creole.
 - *English And Spanish Widely Spoken*
- Political Regime: Semi- Presidential - Democratic Republic
- Major Exports: Apparels, Light Manufactures, Plant Oils (Vetiver), Mangoes, Cocoa
- Major Imports: Food, Manufactured Goods, Machinery And Transport, Equipment, Fuels And Lubricants
- Major Trading Partners: United States, Dominican Republic, China

Economic and Business Indicators

- GDP Growth (2013): 4.3%
- GDP Per Capita (2013): 1000 Euros
- Inflation Rate (2014): 5.9%
- Currency: Haitian Gourde (HTG)
 - *Many Businesses Accept US\$*
 - *1 US\$ = 46HTG / 1 Euro = 57HTG*
- Interest Rate: 9% - 12%
- Trade Volume (2011): 3 Billions Euros
- Labor Force: 4.38 Million
- Minimum Wage : 200 HTG, Approx. 3.50 Euros Per Day

HAITI, THE EU AND GERMANY



Haiti, The EU and Germany

- Largest Aid Contributor To Haiti
- Mainly Contributes To Infrastructure And Humanitarian Projects
- Between 2000 And 2013, Over 500 Million Euros Donated
- Increased Level Of Cooperation Following January 2010 Earthquake
- Over 1.2 Billion Euros Pledged In March 2010 To Support Recovery And Reconstruction Efforts
- Germany Is The Biggest Contributor To The Eu's Budget For Haiti
- Germany's Contribution Goes Up To More Than 25% Of The Available Funds

European Companies Operating in Haiti

FRANCE

Air France

Air Caraibes

Alstom

Matière

Freyssinet

Total

SPAIN

Estrella

Elecnor

Occidental

N.H. Hotels

GERMANY

LUPP

OTHERS

Gella *(Italian)*

Digicel

(Irish Ownership)

Heineken

(Netherlands)

Germany and Haiti

FYE Sept. 30, 2014, German Exports To Haiti Totalled Less Than 20MM Euros (US\$24 MM):

Categories	Value	Percentage
<i>Machinery, Automobiles & Manufactured Articles</i>	<i>\$16 MM</i>	<i>66%</i>
<i>Miscellaneous Manufactured Articles & Chemicals</i>	<i>\$7 MM</i>	<i>29%</i>
<i>Other</i>	<i>\$1 MM</i>	<i>5%</i>



Business Environment and
Investment Opportunities

Public and Private Institutional Support

- Center For Facilitation Of Investment (Cfi) To Assist Investors And Facilitate Business Procedures
- Presidential Advisory Council On Economic Growth And Investment (PACEGI) To Develop Innovative Strategies To Attract Foreign Direct Investments
 - *Plans To Transform Into Investment Fund*
- Mixed Commission Public / Private Drafted Report On Competitiveness
- Post-earthquake National Plan For Recovery And A Strategic Plan Focusing Mainly On Creating Wealth And Employment

Local Needs

- Estimated Cost For Long-term Reconstruction Of Haiti Post Earthquake:
8 Billion Euros (EU, UNDP, World Bank, IDB)
- Haitian Government's Main Focus:
 - Planning And Managing New Development Centers
 - Stimulating Local Development
 - Rebuilding Affected Areas
 - Implementing Economic Infrastructure
 - Modernizing Agriculture In Order To Tackle Food Security Issues.

Improving Business Environment

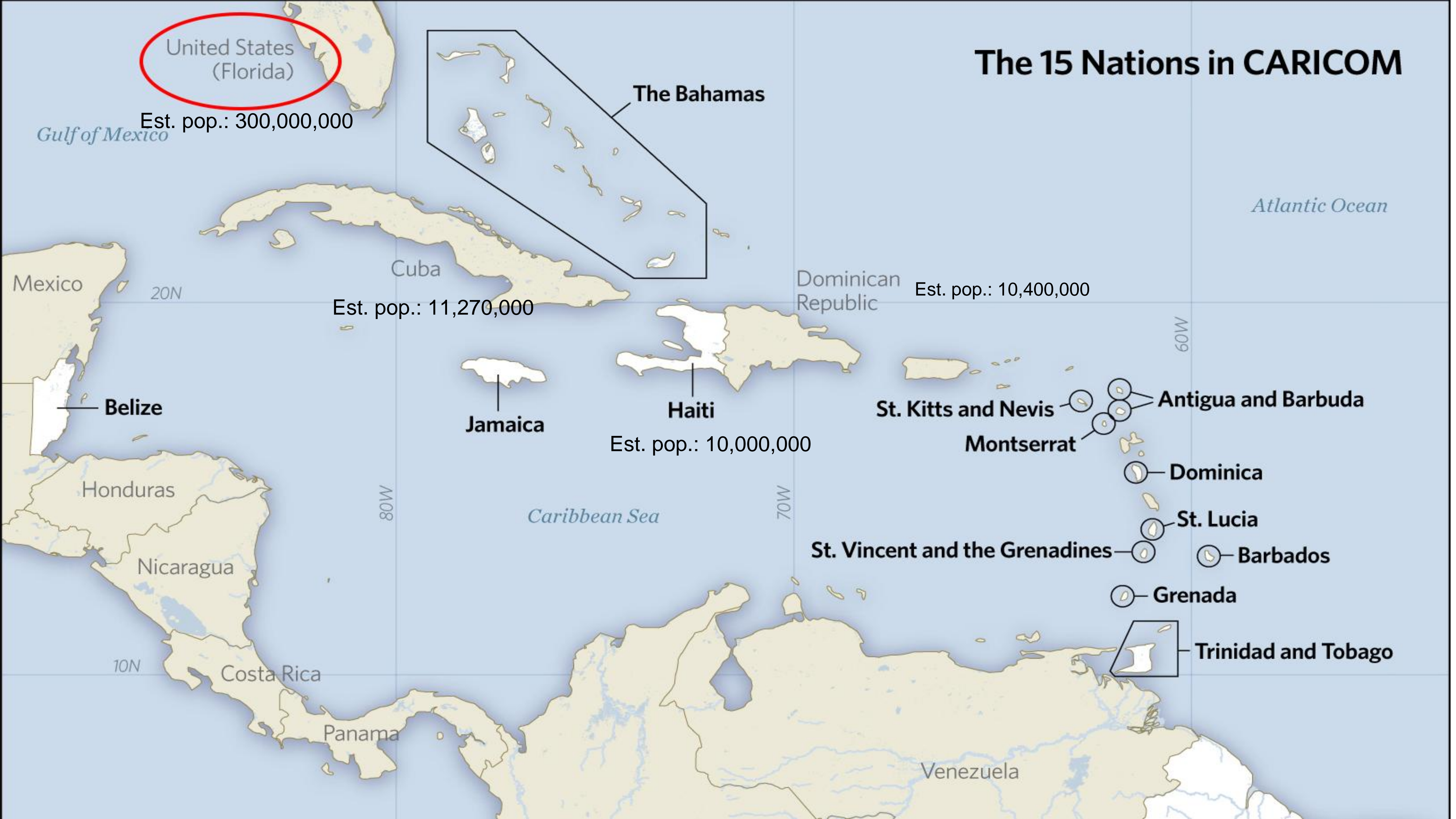
- Ratification Of The International Convention Of Investment Dispute Settlement To Increase Investor Protection
- Enactment Of Investment Code Providing Incentives For Key Sector Investments
- Implementation Of Public Private Partnership (PPP) And Investments In Industrial Zones
- Creation Of The National Chamber Of Arbitration And Conciliation To Settle Business Dispute

Privileged Access To Key Markets

➤ Preferential Access

- Eu Through The Economic Partnership Agreement
- Canada Under “ The General Preferential Tariff And Least Developed Country Tariff Rules Of Origin Regulations”
- CARICOM Common Market
- US Market For Some Exports (HOPE 2)

The 15 Nations in CARICOM



United States
(Florida)

Est. pop.: 300,000,000

The Bahamas

Gulf of Mexico

Atlantic Ocean

Cuba

Est. pop.: 11,270,000

Dominican Republic

Est. pop.: 10,400,000

20N

60W

Belize

Jamaica

Haiti

Est. pop.: 10,000,000

St. Kitts and Nevis

Montserrat

Antigua and Barbuda

Dominica

St. Lucia

St. Vincent and the Grenadines

Barbados

Grenada

Trinidad and Tobago

Caribbean Sea

80W

70W

10N

Honduras

Nicaragua

Costa Rica

Panama

Venezuela

Mexico

5 Main Sectors of Opportunities

- Tourism
- Agri-Business
- Construction
- Infrastructure
- Energy

An aerial photograph of a tropical bay. The water is a vibrant turquoise color, transitioning to a deeper blue further out. A large cruise ship is docked at a long pier extending from a small island on the right. The island is lush with green trees and has several buildings with red roofs. In the foreground, a sandy beach is visible with waves breaking onto it. The background shows a large, forested hillside that curves around the bay. The overall scene is idyllic and scenic.

TOURISM


Port Au Prince

- Since 2012, More Than 160mm Euros Invested In Close To 1,000 Hotel Rooms
- Extension / Renovation Of Local Hotels
 - Karibe Hotel
 - Kinam
 - Villa Thérèse
 - El Rancho
 - Oasis
- Introduction Of New International Franchises
 - Best Western
 - The Marriott Group
 - Hilton

Country Side

➤ The National Tourism Master Plan Projects:

- North: Historical Parc And Fortress La Citadelle, Cruise Lines
- West: New Cultural And Eco Experiences
- Southeast: “Destination Jacmel: , Major Cultural Events
- Southwest: “Wild Coast” Experience, Future Beach Resort Cluster



AGRI-BUSINESS

Opportunities

- Growing Consumer Demand
- Strong Potential For Production Of High-protein Foods & Fruits
- Availability Of Natural Resources
- Optimal Tropical Seasonality
- Competitive Operating Costs
- Opportunity To Move Production Up The Value Chain
- Chemically Free And 100 Percent Organic Production Process

Identified Key Clusters

Cluster	Products	Opportunity
Fruits & Tubers	Mangoes Avocados Bananas Pineapples Yam	“Basket” Approach with Added-Value Fruits: Bananas, Mangoes, Pineapples & Avocadoes
Husbandry	Poultry Swine Production Dairy	Small & Medium Scale Poultry Production & Agri-Business SMEs Capable of Generating Over \$1,000 per Household

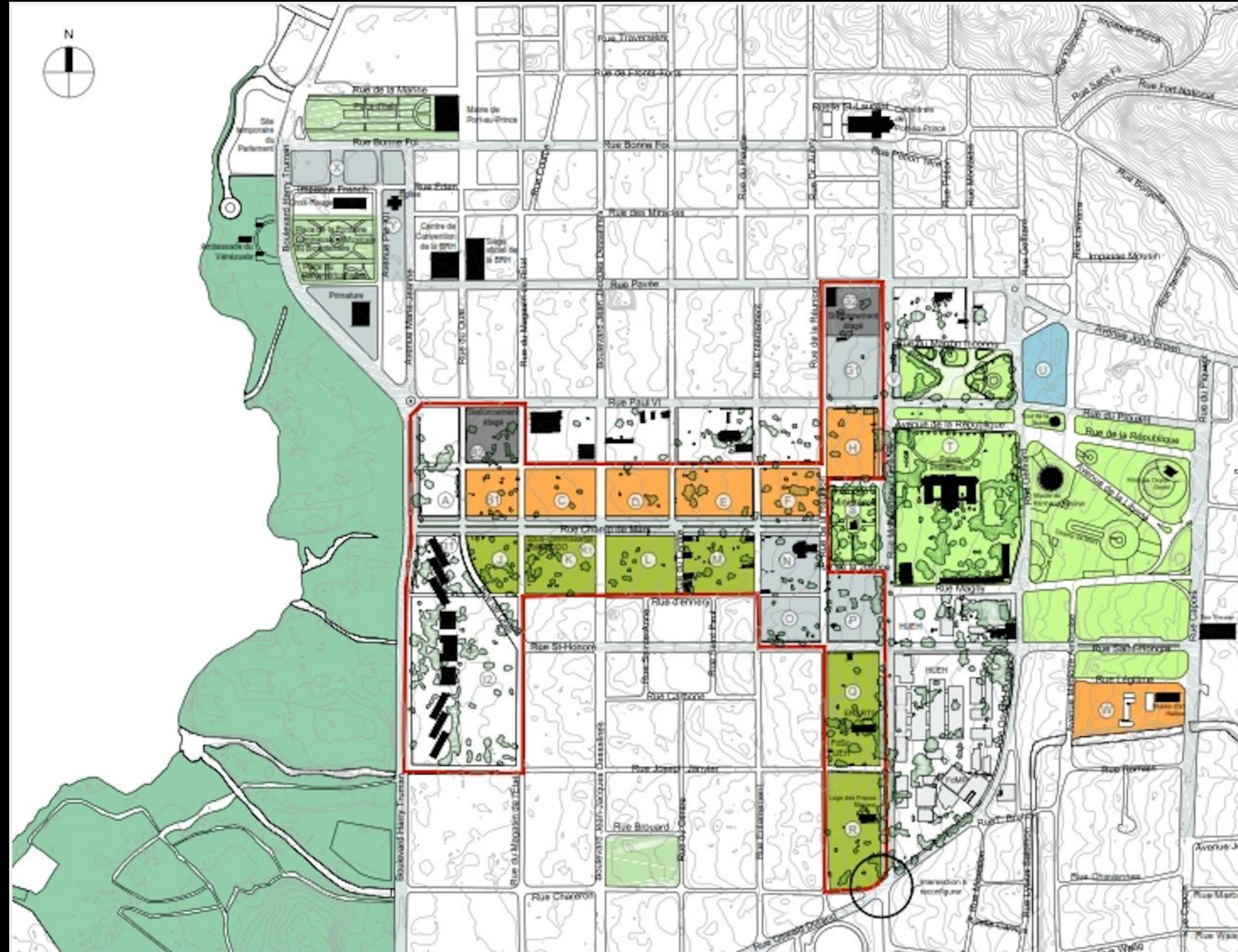


CONSTRUCTION

Housing Needs

- Pre Earthquake Need of 300 000 Houses
- During January 2010 Earthquake, The Presidential Palace, About 40 Public Buildings And More Than 200 000 Houses Collapsed
- Post Earthquake, Need Of 50 000 Houses In Port-au-Prince Per Year, And About 100 000 In Other Main Cities Such As Cap-Haitian, Gonaives, Hinche And Les Cayes.
- Estimated Investment Need For Housing: 2 Billions Euros

Downtown Port-au-Prince



Downtown Port-au-Prince



Ministry of Finance



Legislative Palace





What We Have

Land and Labor available

Greenfield Market (Strong Demand!!!)

Regulatory and other changes favoring the industry

Joint Venture opportunities for German and Haitian Construction Companies pulling SMEs and microenterprises as specialized subcontractors.



What We Need

German expertise in the Construction Industry in the following areas:

*Study & Design
Architectural Engineering
Building
Supervising*

Haiti needs Urban Developers with financial packages for Housing and Office Buildings



INFRASTRUCTURE

Infrastructure Needs

- Only 3.000 Km Of Roads (20% Dirt / 80% Paved) Out Of A Total Surface Of 27.750 Km² With Objective Of Reaching 10.000 Km To Interconnect The Cities
- Several Road Construction Projects Are Ongoing And Financed By The EU, IDB, USAID, The World Bank And The Haitian Government
- Road Infrastructure Need Over 10 Years : 4 To 7 Billion Euros
- About 250 Bridges To Be Built
- Regional Airports And Ports Currently Being Built
- Need For Additional Cabotage Ports

Infrastructure

----- Roads (Planned & in Construction)

✈ Airports

🚢 Ports



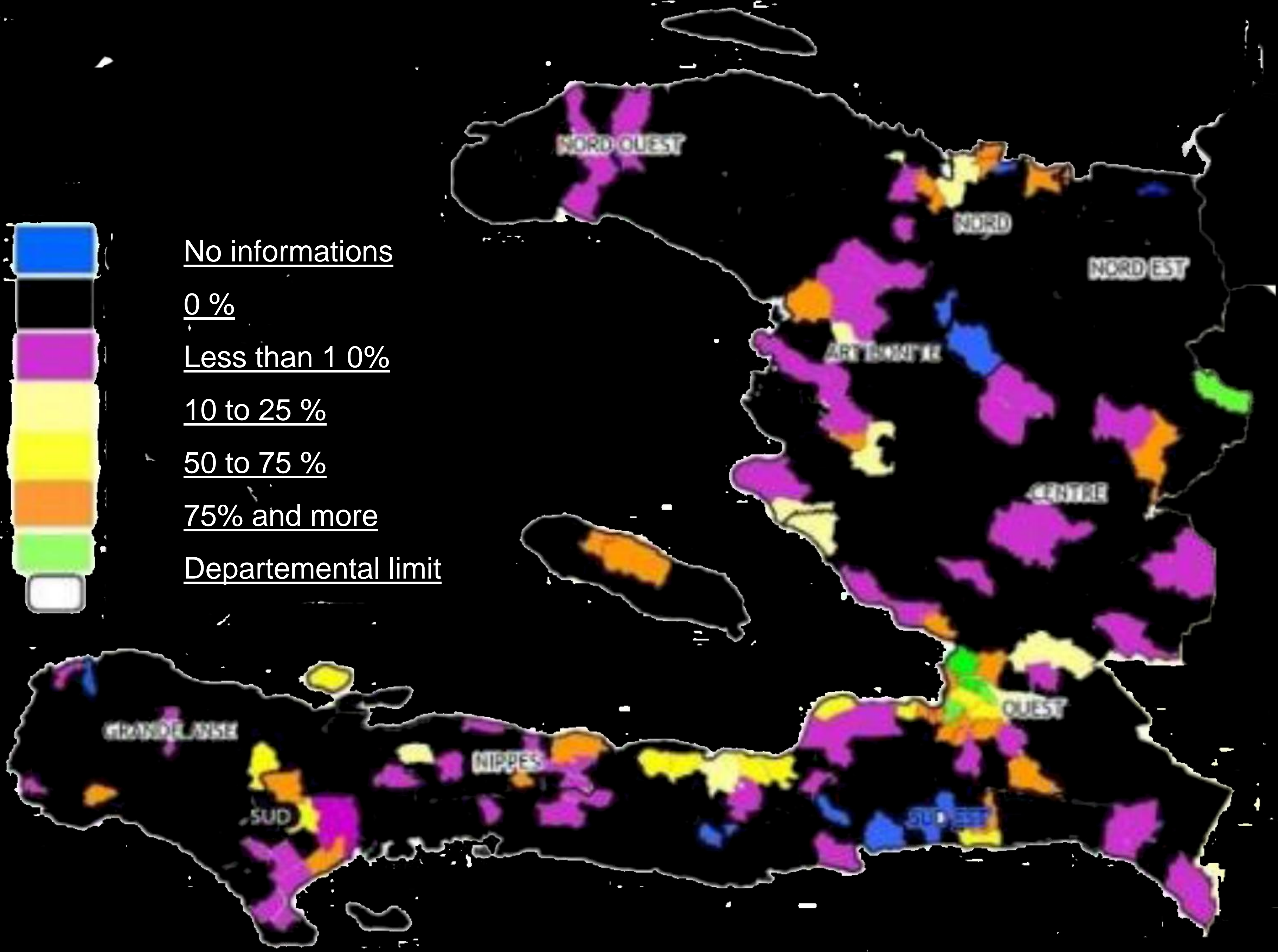
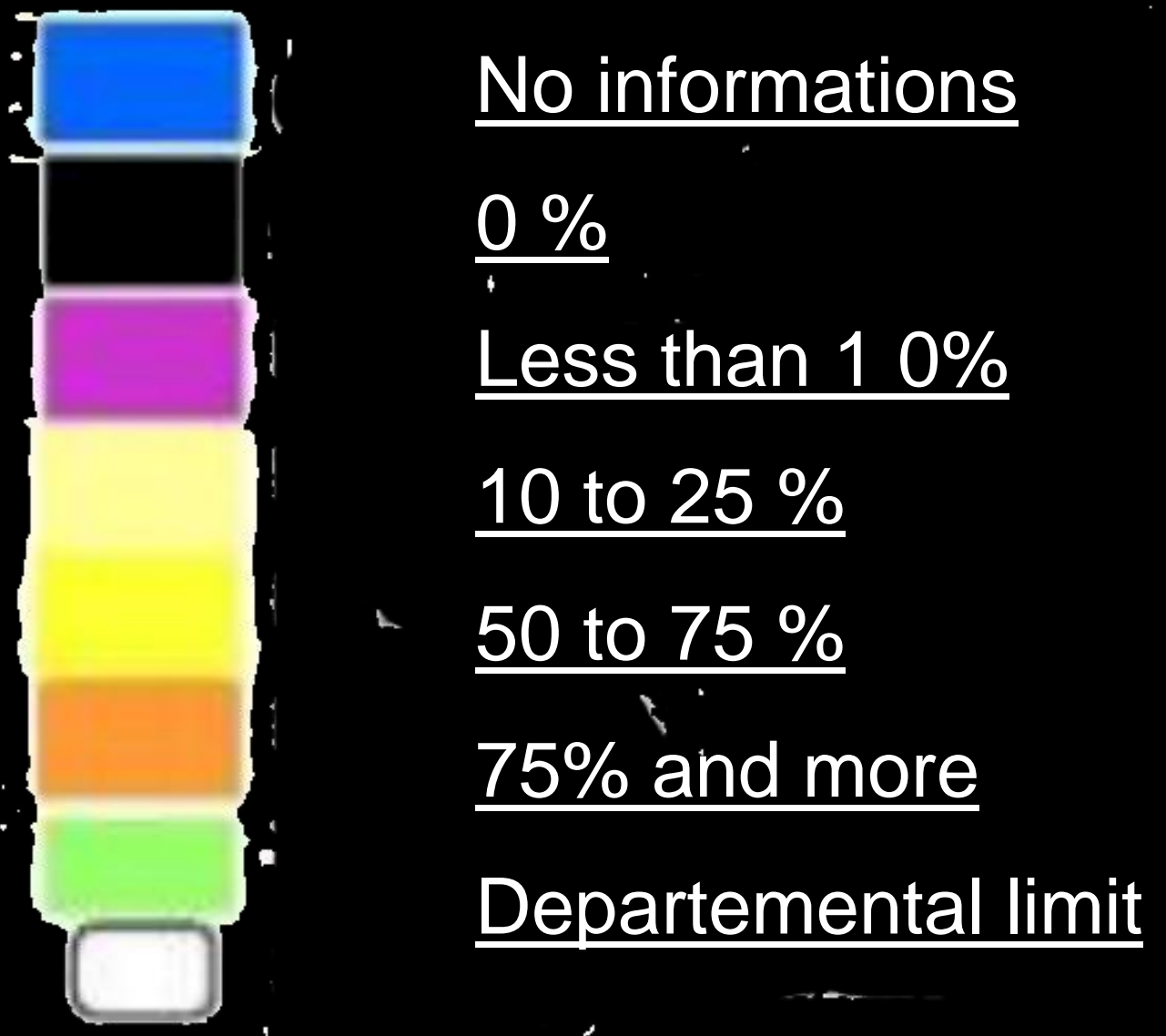




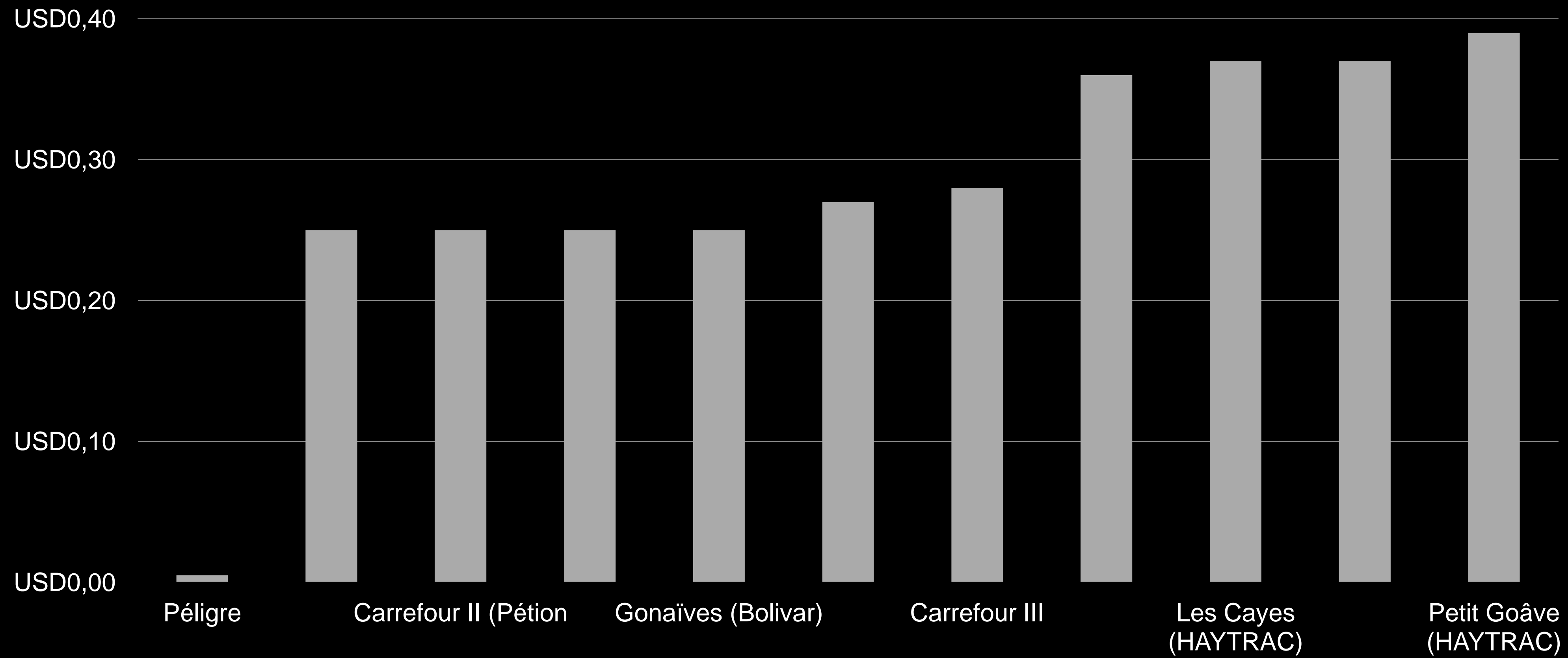
ENERGY

Energy Market

- Less than 300 MW installed capacity for the whole country
- Less than 30% of the population has access to electricity and only about 5% in the rural area
- Strong need for grid rehabilitation, better power quality and increased generation
- EDH, the National Power Company currently purchases from Independent Producers at 0.20 Euros/ kWh in the metropolitan area and over 0.27 Euros / kWh in provinces
- Heavy dependence on imported fossil resources
- The Government aims to attract investors for 500 MW capacity valued at approximately 800 MM Euros



EDH Energy Purchase Price



A stylized map of the Pacific Ocean region, showing the western coast of North America, the Hawaiian Islands, and the western coast of South America. The landmasses are colored in a warm, orange-brown hue, while the ocean is a deep, textured teal. The text "NEXT STEPS" is overlaid in white, bold, sans-serif font on the left side of the map.

NEXT STEPS

Perspectives

- Haiti can benefit from experience and knowledge from Germany on Energy production and Infrastructure using Public Private Partnership models.
- Germany should participate to bidding processes for infrastructure projects such as roads, port, airports and Office Buildings (Public and Private)
- Germany ,as one of the major air traffic movers in the area, should take advantage of the construction of new airports to have Haiti as a new touristic destination
- Germany should participate in the Greenfield Market for housing development
- Germany needs to gain a position on the Haitian market proportionally to its contribution to the EU



CFHCI

- The Chambre Franco Haitienne de Commerce et d' Industrie (CFHCI - The Franco Haitian Chamber of Commerce and Industry) is ready to assist and accompany all interested German promoters or investors.
- The CFHCI is actively involved, in collaboration with various European partners, in projects to help strengthen the private sector's institutions and the business community.
- Its role is to promote, encourage and develop economic relations between Haiti and the countries of the European Union.

CFHCI Services

- We offer to our members the necessary information about the programs and services offered locally and internationally to entrepreneurs.
- We provide ongoing support through the creation of specialised units to companies in the legal, economic , fiscal and commercial aspects and also in communications and public relations.

THANK YOU

Gregory BRANDT

President of CFHCI

Coordinator of Private Sector's Economic Forum

This presentation is available on our website:

www.chambrefrancohaitienne.com