

CARICOM Private Sector Engagement in Haiti - Process Gaining Momentum

The process of clearing the way for the CARICOM private sector to participate fully in the development and rebuilding of Haiti is well underway. Since March, the Special Representative of CARICOM for Haiti, former Prime Minister of Jamaica P. J. Patterson, has been leading the CARICOM drive for regional private sector involvement, in this undertaking.

Mr. Patterson has been insistent that the 'Renaissance' OF HAITI must include the strong and intimate involvement of the private sector. Mr Patterson had been leading the call for private companies in the region to form alliances with each other, with their Haitian counterpart and with entities in the Diaspora wherever they reside. He has also stated that Haiti's Renaissance was key to spurring CARICOM'S growth and fostering the integration movement.

In recent weeks the efforts to secure private sector involvement has gained momentum with two critically important meetings taking place in the Region - a forum in Montrouis, Haiti, July 26 and 27 and a follow-up technical meeting in Kingston from August 12 to 13.

While the Montrouis meeting was designed to provide a business opportunity for companies within the Community to partner with the Haitian private sector in the reconstruction efforts, the obstacles identified had caused some concerns among the CARICOM delegates. The Kingston meeting that followed, appears to have altered that perspective.

During the deliberations in Kingston, private sector players were encouraged by the Haitian delegation at that meeting and by Mr. Patterson, who participated in the closing session, to see Haiti as a country with great opportunities for profitable long-term investment. It was suggested that Haiti could be the engine to pull the entire CARICOM

region forward and to this end it was important to find strategies and financial resources to overcome the short-term competitive disadvantages.

Both the forum in Montrouis and the follow-up meeting in Kingston sought to match the critical developmental needs established by Haiti in its development plan with the areas of interest and capacity of the CARICOM private sector. It was underscored that a huge investment would be required to meet the needs in areas such as agriculture and agro-industry, tourism development, construction; manufacturing and distribution, energy; infrastructures; transportation and logistics; professional services, education and training.

Participants from seven countries in the community attended the Montrouis forum. They were provided with information on Haiti's reconstruction strategies, programmes and procurement practices and opportunities to network with Haitian companies. A large range of interests were represented, including, construction, engineering, demolition and clearing, agriculture, financial services, manufacturing, commerce and education. There were also representatives of national private sector associations and relevant Regional organizations. including the CAIC, the Caribbean Master builders Association, the Surveyors Association of the Caribbean, the Caribbean Agribusiness Association, the Caribbean Telecommunications Union (CTU), the Caribbean Maritime Institute and the University College of the Caribbean in Jamaica.

The forum proved to be an eye-opener for participants, who discovered that in Haiti, business opportunities abound in every area of economic and social endeavour. It was explained that while the Government had a broad strategy, identified priorities and outline plans, there were few specific programmes and projects and the Haitian leadership was looking to the private sector for solutions. The involvement of the CARICOM private sector would be especially welcome, but as yet, there were no assurances of specific incentives for the CARICOM private sector.

At the Montrouis meeting, some of the bureaucratic roadblocks that could hinder involvement in the redevelopment process were explored. Financing was a major

consideration. It was noted that reconstruction efforts were being hampered by the failure of the international community to make good on its pledges, said to be the largest amount made in the wake of a disaster. The Multi-Donor Fund (MDF) established for Haitian relief and rebuilding has received approximately US\$10 Billion in pledges to date, but so far only some US\$100M has been deposited. The Multi-Donor Fund is important particularly for the financing of key infrastructure projects that will facilitate private sector involvement.

The high cost of financing of projects had been a major factor in the deliberations of the CARICOM private sector representatives at the Montrouis meeting. The Prime Minister of Haiti, Jean-Marx Bellerive, recognized this to be a problem and had recommended the development of a special fund that could provide a blend of resources to make CARICOM investors globally competitive with their counterparts.

The outcomes of the Montrouis forum were examined in greater detail at the technical meeting held in Kingston on August 12 and 13 and strategies to facilitate private sector involvement were devised and refined, including the proposal for “A Haiti-CARICOM Plan” for its private sector

In addition to the resource problems, the rules for access to resources or tendering for reconstruction projects were not yet in place and were not within the control of the Haitian authorities. Furthermore, since the scale of activities would prove massive, requiring large resources outlays and long-term commitments, individual companies, in particular small CARICOM companies would encounter difficulties. Against this background, networks and alliances involving CARICOM firms, Haitian firms in Haiti, and firms in the Haitian and wider CARICOM Diaspora would seem to be the best strategy.

One of the notable challenges that came up for discussion related to the acquisition of land. Under the Napoleonic system much of the land in Haiti is held by families and passed on through inheritance without the use of formal titles. With the destruction of

buildings, boundaries and records, the earthquake would have compounded real estate problems. Nevertheless, it was thought that despite the apparent difficulties of identifying and securing of lands for new major developments away from Port-au-Prince, it could still be the best way for CARICOM investors to make an identifiable difference in the redevelopment.

The follow-up technical meeting in Kingston considered these and other issues and as a result of those deliberations, the leading private sector players were encouraged to change their outlook on Haitian investment from “pessimistic” to “guardedly optimistic”. This meeting was chaired by Ambassador Byron Blake of the Office of the Special Representative of CARICOM for Haiti.

This new perspective that emerged in the Kingston meeting came mainly due to discussions involving a four-member team representing Haiti led by: Dr J. P. Mathurin, Special Advisor to the President of Haiti and Marcel Duret, former Haitian Ambassador to Japan who is also an international entrepreneur; they were supported by Mr. Benjamin Peterson Noel, Bureau of Co ordination for CARICOM; and Mr. Jjoissaint Chermont, Ministry of Commerce and Industry. **Also attending was Trinidad businessman Winston Riley, Chairman of the Joint Consultative Council (JCC) of Trinidad and Tobago.** The Jamaican delegation included: Francis Kennedy Fist Vice President of the Jamaica Chamber of Commerce and the CAIC’s main representative at the meeting; Raymond Cooper, President of the Caribbean Master Builders Association; Milton Samuda, Jamaica Chamber of Commerce, and Ambassador Paul Robotham and Ms Marsha Lobban Coore of the Ministry of Foreign Affairs and Foreign Trade. Mr Milverton Reynolds, CEO of the Jamaica Development Bank was specially invited to provide expert guidance in one session.

Mr. Patterson, who participated in the closing session, applauded the participants for their contribution and gave his full support to the plan. He recommended that the CARICOM-Haiti Private Sector Plan emphasized Haiti’s leadership role in the rebuilding process in order to achieve sustainable development.

Caribbean Association of Industry and Commerce (CAIC) Representative Francis Kennedy also had very positive comments about the CARICOM-Haiti Plan. He said that he no longer saw the need to delay involvement of the private sector in the Haitian Redevelopment process. Pointing to a proposed involvement of funding agencies such as the Caribbean Development Bank (CDB) and other national development banks of the Region as discussed at the meeting, he said that their participation would jump-start major regional private sector involvement in Haiti's redevelopment.

The document produced by the technical meeting has since been submitted by the Special Representative to the Chairman of CARICOM Jamaica's Prime Minister Bruce Golding, and to Prime Minister Bellerive of Haiti.

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