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PORT MODERNIZATION FACT SHEET

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BACKGROUND

The Cap Haïtien Port is one of Haiti’s two international seaports, second to Port-au-Prince, and one of nine primary port facilities in Haiti. Located in the Bay of Cap Haïtien, the port sits on Haiti’s northern coast. It provides direct access to the markets in the northern departments of the country, which are largely geographically separated from the capital city and its port facilities by mountain ranges. It serves approximately 10 percent of the country’s nearly 10 million people. The Cap Haïtien Port’s centrally located geographic position in the Caribbean Basin enables direct shipping services to the United States and the opportunity for single connections to major global hubs throughout the region.

KEY CHALLENGES

While a key factor for economic growth in Haiti is the extent to which entrepreneurs and investors are able to capitalize on its proximity to the United States, Haiti currently ranks 142 out of 189 in “trading across borders” and 180 in “ease of doing business” in the World Bank’s global *Doing Business Report 2015*. Further, increased capacity in the port sector along with private investment, including in a second major transport hub outside of Port-au-Prince, are required in order to capitalize on this strategic advantage and increase the flow of goods in and out of Haiti.

USAID STRATEGY & ACTIVITIES

USAID is complementing existing U.S. Government (USG) trade preferences with Haiti – as well as other USAID and USG investments in the agriculture and manufacturing sectors – through support to the Government of Haiti (GOH) to modernize both infrastructure and operations at the Cap Haïtien Port. USAID is also supporting the Haitian government’s implementation of ongoing national port-sector institutional and regulatory reforms at the Cap Haïtien Port. Collectively these efforts are part of USAID’s Cap Haïtien Port Rehabilitation and Public-Private Partnership Project. USAID support to the GOH will enable the Cap Haïtien Port to provide modern container and bulk cargo services in an efficient, well-regulated, and transparent manner that serves Haiti’s vision of a modern economy and valued trade partner.

IMPROVE PORT INFRASTRUCTURE: Port rehabilitation is occurring in two phases:

Phase I: Landside infrastructure improvements include utility upgrades; construction of a new administrative building and warehouses; demolition of unused or derelict vertical structures; paving of roads and storage areas; installation of refrigerated storage; and installation of navigational aids,

communications, and security equipment. Phase I is being implemented through a grant between USAID and the United Nations Office for Project Services (UNOPS).

Phase 2: Specialized marine construction includes engineering design and construction leading to the repair and replacement of the Port's quays as well as dredging of the berth areas and turning basin. An implementer for Phase 2 will be selected through a transparent, open, and competitive bidding process.

STRENGTHEN PORT REGULATION & IMPROVED CUSTOMS PROCESSING

USAID is providing support to Haiti's National Port Authority (APN) and National Customs Agency (AGD) to improve the Cap Haïtien Port's administrative, management, and regulatory functions and to streamline customs processing. Technical support to APN at the Port has been developed to align with the Haitian government's ongoing national-level port regulatory reform program. Using a competitive bidding process, USAID will award contracts to implementers to provide technical assistance to both APN and AGD.

IMPROVE PORT OPERATIONS & MAINTENANCE

USAID is supporting the GOH to implement a public-private partnership (PPP) transaction through a transparent, open, and competitive bidding process leading to the award of a contract between the GOH and a private entity for operations and maintenance at the Cap Haïtien Port. Through a Public International Organization grant agreement between USAID and the International Finance Corporation (IFC), the IFC serves as lead transaction advisor to APN and the Ministry of Economy and Finance. USAID's goal is to support the GOH in leveraging the Agency's financial contribution for port infrastructure improvements by reorganizing port facilities and operations to accommodate growth-oriented cargo segments, reducing costs associated with the use of the port, and applying international best practice to improve port service quality and increase throughput volumes.

ACCOMPLISHMENTS

USAID's Cap Haïtien Port Rehabilitation and Public-Private Partnership Project will enable the GOH to improve the Cap Haïtien Port's infrastructure and ensure the sustainability of those assets, reduce port costs for users, and streamline customs processing. Through these improved conditions, the Cap Haïtien Port will be positioned to capture additional market shares and contribute to economic growth in the northern Haiti market region.