

# Background Note: Haiti

(Document Prepared by the U.S. Department of State)



## PROFILE

### OFFICIAL NAME:

[Republic of Haiti](#)

### Geography

Area: 27,750 sq. km. (10,714 sq. mi.); about the size of Maryland. Ile de la Gonave and Ile de la Tortue comprise Haiti's principal offshore territories.

Cities: *Capital*--Port-au-Prince (pop. 2 million). *Other cities*--Cap Haitien (pop. 600,000).

Terrain: Rugged mountains with small coastal plains and river valleys, and a large east-central elevated plateau.

Climate: Warm, semiarid, high humidity in many coastal areas.

### People

Nationality: *Noun and adjective*--Haitian(s).

Population (2001 est.): 8.1 million.

Annual population growth rate: 1975-2001, 1.9%; 2000-2015 (est.): 1.3%.

Ethnic groups: African descent 95%, African and European descent 5%.

Religions: Roman Catholic 80%, Protestant 16%, voodoo (voodoo) practices pervasive.

Languages: French (official), Creole (official).

Education: *Years compulsory*--6. *Adult literacy* (2001 est.)--50.8%.

Health: *Infant mortality rate*--79/1000. *Life expectancy*--49.1 yrs.

### Government

Type: Republic.

Independence: January 1, 1804.

Constitution: March 1987.

Branches: *Executive*--President. *Legislative*--Senate (27 Seats), Chamber of Deputies (83 seats). *Judicial*--Court of Cassation.

Administrative subdivisions: Nine departments (a law creating a 10th department, approved by Parliament and signed by then-President Aristide, was awaiting publication to become law in November 2003).

Political parties and coalitions: Fanmi Lavalas (FL), Struggling People's Organization (OPL), Open the Gate Party (PLB), Christian Movement for a New Haiti (MOCHRENHA), Democratic Consultation Group (ESPACE), Popular Solidarity Alliance (ESKANP), several others. The Democratic Convergence is a coalition of most leading opposition parties formed to protest the results of May 2000 legislative and local elections.

Suffrage: Universal at 18.

### Economy

GDP (FY 2002): \$3.5 billion.

Real GDP growth rate (FY 2002): -0.9%.

Per capita GNP (FY 2002): \$425.

GDP by sector (2002): *Agriculture*--27%; *industry*--14%; *services*--52%; *indirect and import taxes*--7%.

Inflation (2002 CPI yearly): 14.8%.

Natural resources: Bauxite, copper, calcium carbonate, gold, marble.

Agriculture (27% of GDP): *Products*--coffee, mangoes, sugarcane, rice, corn, cacao, sorghum, pulses, other fruits and vegetables.

Industry (15.5% of GDP): *Types*--apparel, handicrafts, electronics assembly, food processing, beverages, tobacco products, furniture, printing, chemicals, steel.

Services (52% of GDP): Commerce, government, tourism.

Trade (2002): *Total exports f.o.b.*--\$248 million: apparel, mangoes, leather and raw hides, seafood, electrical. *Major market*--U.S. (\$244 million). *Imports*--\$870 million c.i.f. From U.S. \$674 million--grains, soybean oil, motor vehicles, machinery, meat, vegetables, plastics, petroleum.  
Note: There are serious problems with national accounts in Haiti, including incomplete coverage and the questionable accuracy of raw data.

## PEOPLE

Although Haiti averages about 290 people per square kilometer (748 per sq. mi.). Its population is concentrated most heavily in urban areas, coastal plains, and valleys. About 95% of Haitians are of African descent. The rest of the population is mostly of mixed Caucasian-African ancestry. A few are of European or Levantine heritage. About two-thirds of the population live in rural areas.

French is one of two official languages, but it is spoken by only about 10% of the people. All Haitians speak Creole, the country's other official language. English is increasingly used as a second language among the young and in the business sector.

The dominant religion is Roman Catholicism. Increasing numbers of Haitians have converted to Protestantism through the work of missionaries active throughout the country. Much of the population also practices voodoo (voodoo), recognized by the government as a religion in April 2003. Haitians tend to see no conflict in these African-rooted beliefs coexisting with Christian faith.

Although public education is free, the cost is still quite high for Haitian families who must pay for uniforms, textbooks, supplies, and other inputs. Due to weak state provision of education services, private and parochial schools account for approximately 90% of primary schools, and only 65% of primary school-aged children are actually enrolled. At the secondary level, the figure drops to around 20%. Less than 35% of those who enter will complete primary school. Though Haitians place a high value on education, few can afford to send their children to secondary school and primary school enrollment is dropping due to economic factors. Remittances sent by Haitians living abroad are important in paying educational costs.

Large-scale emigration, principally to the U.S.--but also to Canada, the Dominican Republic, The Bahamas and other Caribbean neighbors, and France--has created what Haitians refer to as the Tenth Department or the Diaspora. About one of every eight Haitians lives abroad.

## HISTORY

The Spaniards used the island of Hispaniola (of which Haiti is the western part and the Dominican Republic the eastern) as a launching point from which to explore the rest of the Western Hemisphere. French buccaneers later used the western third of the island as a point from which to harass English and Spanish ships. In 1697, Spain ceded the western third of Hispaniola to France. As piracy was gradually suppressed, some French adventurers became planters, making Saint Domingue, as the French portion of the island was known, the "pearl of the Antilles"--one of the richest colonies in the 18th century French empire.

During this period, African slaves were brought to work on sugarcane and coffee plantations. In 1791, the slave population revolted--led by Toussaint L'Ouverture, Jean Jacques Dessalines, and Henri Christophe--and gained control of the northern part of the French colony, waging a war of attrition against the French.

By January 1804, local forces defeated an army sent by Napoleon Bonaparte, established independence from France, and renamed the area Haiti. The impending defeat of the French in Haiti is widely credited with contributing to Napoleon's decision to sell the Louisiana territory to the United States in 1803. Haiti is the world's oldest black republic and the second-oldest republic in the Western Hemisphere, after the United States. Although Haiti actively assisted the independence movements of many Latin American countries, the independent nation of former slaves was excluded from the hemisphere's first regional meeting of independent nations, in Panama in 1826, and did not receive U.S. diplomatic recognition until 1862.

Two separate regimes--north and south--emerged after independence but were unified in 1820. Two years later, Haiti occupied Santo Domingo, the eastern, Spanish-speaking part of Hispaniola. In 1844, however, Santo Domingo broke away from Haiti and became the Dominican Republic. With 22 changes of government from 1843 to 1915, Haiti experienced numerous periods of intense political and economic disorder, prompting the United States military intervention of 1915. Following a 19-year occupation, U.S. military forces were withdrawn in 1934, and Haiti regained sovereign rule.

From February 7, 1986--when the 29-year dictatorship of the Duvalier family ended--until 1991, Haiti was ruled by a series of provisional governments. In March 1987, a constitution was ratified that provides for an elected, bicameral parliament; an elected president that serves as head of state; and a prime minister, cabinet, ministers, and supreme court appointed by the president with parliament's consent. The Haitian Constitution also provides for political decentralization through the election of mayors and administrative bodies responsible for local government.

### **1991-1994 - An Interrupted Transition**

In December 1990, Jean-Bertrand Aristide, a charismatic Roman Catholic priest, won 67% of the vote in a presidential election that international observers deemed largely free and fair. Aristide took office on February 7, 1991, but was overthrown that September in a violent coup led by dissatisfied elements of the army and supported by many of the country's economic elite. Following the coup, Aristide began a 3-year exile in the U.S. Several thousand Haitians may have been killed during the de facto military rule. The coup contributed to a large-scale exodus of Haitians by boat. The U.S. Coast Guard rescued a total of 41,342 Haitians at sea during 1991 and 1992, more than the number of rescued boat people from the previous 10 years combined.

From October 1991 to September 1994 an unconstitutional military de facto regime governed Haiti. Various OAS and UN initiatives to end the political crisis through the peaceful restoration of the constitutionally elected government, including the Governor's Island Agreement of July 1993, failed. When the military refused to uphold its end of the agreements, the de facto authorities refused to allow a return to constitutional government, even though the economy was collapsing and the country's infrastructure deteriorated from neglect.

### **1994 - International Intervention**

On July 31, 1994, as repression mounted in Haiti and a UN-OAS civilian human rights monitoring mission (MICIVIH) was expelled from the country, the UN Security Council adopted Resolution 940. UNSC Resolution 940 authorized member states to use all necessary means to facilitate the departure of Haiti's military leadership and to restore Haiti's constitutionally elected government to power.

In the weeks that followed, the United States took the lead in forming a multinational force (MNF) to carry out the UN's mandate by means of a military intervention. In mid-September, with U.S. troops prepared to enter Haiti by force, President Clinton dispatched a negotiating team led by former President Jimmy Carter to persuade the de facto authorities to step aside and allow for the return of constitutional rule. With intervening troops already airborne, Gen. Raoul Cedras and other top leaders agreed to accept the intervention of the MNF. On September 19, 1994, the first contingents of what became a 21,000-member international force touched down in Haiti to oversee the end of military rule and the restoration of the constitutional government. By early October, the three de facto leaders--Cedras, Gen. Philippe Biamby, and Police Chief Lt. Col. Michel Francois--and their families had departed Haiti. President Aristide and other elected officials in exile returned on October 15.

Under the watchful eyes of international peacekeepers, restored Haitian authorities organized nationwide local and parliamentary elections in June 1995. A pro-Aristide, multi-party coalition called the Lavalas Political Organization (OPL) swept into power at all levels. With his term ending in February 1996 and barred by the constitution from succeeding himself, President Aristide agreed to step aside and support a presidential election in December 1995. Rene Preval, a prominent Aristide political ally, who had been Aristide's Prime Minister in 1991, took 88% of the vote, and was sworn in to a 5-year term on February 7, 1996, during what was Haiti's first-ever transition between two democratically elected presidents.

### **Political Gridlock**

In late 1996, former President Aristide broke from the OPL and created a new political party, the Lavalas Family (FL). The OPL, holding the majority of the Parliament, renamed itself the Struggling People's Organization, maintaining the OPL acronym. Elections in April 1997 for the renewal of one-third of the Senate and creation of commune-level assemblies and town delegations provided the first opportunity for the former political allies to compete for elected office. Although preliminary results indicated victories for FL candidates in most races, the elections, which drew only about 5% of registered voters, were plagued with allegations of fraud and not certified by most international observers as free and fair. Partisan rancor from the election dispute led to deep divisions within Parliament and between the legislative and executive branches, resulting in almost total governmental gridlock. In June 1997, Prime Minister Rosny Smarth

resigned. Two successors proposed by President Preval were rejected by the legislature. Eventually, in December 1998, Jacques Edouard Alexis was confirmed as Prime Minister.

During this gridlock period, the government was unable to organize the local and parliamentary elections due in late 1998. In early January 1999, President Preval dismissed legislators whose terms had expired--the entire Chamber of Deputies and all but nine members of the Senate--and converted local elected officials into state employees. The President and Prime Minister then ruled by decree, establishing a cabinet composed almost entirely of FL partisans. Under pressure from a new political coalition called the Democratic Consultation Group (ESPACE), the government allocated three seats of the nine-member Provisional Electoral Council (CEP) to opposition groups and mandated the CEP to organize the overdue elections for the end of 1999. Following several delays, the first round of elections for local councils--ASEC and CASEC, municipal governments, town delegates, the Chamber of Deputies, and two-thirds of the Senate took place on May 21, 2000. The election drew the participation of a multitude of candidates from a wide array of political parties and a voter turnout of more than 60%.

### **The Electoral Crisis**

Controversy mired the good start, however, when the CEP used a flawed methodology to determine the winners of the Senate races, thus avoiding run-off elections for eight seats and giving the FL a virtual sweep in the first round. The flawed vote count, combined with the CEP's failure to investigate alleged irregularities and fraud, undercut the credibility of that body. The CEP President fled Haiti and two members eventually resigned rather than accede to government pressure to release the erroneous results. Nonetheless, on August 28, 2000, Haiti's new Parliament, including the contested Senators accorded victory under the flawed vote count, was convened.

Through a number of diplomatic missions by the OAS, the Caribbean Community (CARICOM), and the United States, the international community had sought to delay Parliament's seating until the electoral problems could be rectified. When these efforts were rebuffed, Haiti's main bilateral donors announced the end of "business as usual." They moved to re-channel their assistance away from the government and announced they would not support or send observers to the November elections. Concurrently, most opposition parties regrouped in an alliance that became the Democratic Convergence. The Convergence asserted that the May elections were so fraudulent that they should be annulled and held again under a new CEP. Elections for President and nine Senators took place on November 26, 2000. All major opposition parties boycotted these elections in which voter participation was estimated at 5%. Jean-Bertrand Aristide emerged as the easy victor of these controversial elections, and the candidates of his FL party swept all contested Senate seats. On February 6, 2001, the Democratic Convergence named respected lawyer and human rights activist Gerard Gourgue as provisional president of their "alternative government." Gourgue called the act "symbolic," designed to protest flawed elections. On February 7, 2001, Jean-Bertrand Aristide was inaugurated as President. Notwithstanding the previous year's electoral controversy, the inauguration marked the first time in the country's history that a full-term president peacefully transferred power to an incoming president.

It did not, however, put an end to the political stalemate. OAS-mediated negotiations began in April 2001 to find a resolution, focusing on the possible makeup of a new electoral council, a timetable for new elections, security for political parties, and other confidence-building measures. These negotiations made some progress, but were suspended in mid-July without a final agreement. On July 28, 2001, unknown gunmen attacked police facilities in Port-au-Prince and the provinces. A subsequent government crackdown on opposition party members and former soldiers further increased tensions between Lavalas and Convergence. On December 17, 2001, unidentified gunmen attacked the National Palace in Port-au-Prince. Following the assault, pro-government groups attacked the offices and homes of several opposition leaders. One opposition member was killed. Negotiations between FL and Democratic Convergence, already on hold following the July violence, were suspended indefinitely.

In January 2002, the OAS Permanent Council adopted Resolution 806 on Haiti that called for government action to address the political stalemate, growing violence, and deterioration in respect for human rights. It also authorized OAS establishment of a Special Mission in Haiti to support implementation of steps called for in Resolution 806.

The OAS Special Mission began operations in March 2002, working with the government on plans to strengthen Haiti's democratic institutions in security, justice, human rights, and governance. Nevertheless,

the climate of security deteriorated and a rapidly weakening economy created risks of a humanitarian disaster.

The OAS Permanent Council adopted Resolution 822, September 4, 2002, which set a new course for resolving the crisis by: committing the Haitian government to a series of steps leading to an improved climate of security for free and fair elections in 2003; supporting Haiti's resumption of normal relations with the International Financial Institutions; and strengthening the mandate of the OAS to monitor as well as support GOH efforts to comply with OAS resolutions. It also conferred new mandates related to conduct of elections and disarmament.

Protest strikes and attacks on opposition demonstrations by government-supported gangs between November 2002 and February 2003 hardened attitudes on both sides. The opposition issued a public call for Aristide's removal and announced plans for a transitional government. In March, 2003, a high-level joint delegation of the OAS and Caribbean Community (CARICOM) presented specific demands to President Aristide to restore public security and create confidence necessary to move toward elections: select new leadership for the Haitian National Police in consultation with the OAS; arrest Amiot Metayer, a notorious gang leader; and disarm the security forces used by government politicians to intimidate opponents.

Since then, a new police chief, appointed June 9 in consultation with the OAS, resigned and fled the country June 23 after being ordered to give up his authority over budget and personnel; government-paid thugs violently disrupted a civil society public ceremony July 12 in Cité Soleil; police attacked civil society marches in Cap Haitien August 30 and September 14 and prevented an opposition march scheduled for October 5. Amiot Metayer was murdered September 21 (it is widely believed the government ordered the murder to prevent release of compromising information). The government announced August 13 that it was re-activating a defunct CEP in what many have interpreted as a move toward holding elections outside the framework of OAS Resolution 822 .

The OAS and other foreign observers, including the U.S., have denounced these steps. To re-invigorate the process envisioned in Resolution 822, the OAS designated a Special Envoy for Dialogue in Haiti, Terence Todman, a retired U.S. Career Ambassador. Todman, a native of the U.S. Virgin Islands, undertook three negotiating missions to Haiti in September-October 2003.

Political instability grew throughout fall 2003. In Gonaives, Metayer's followers, hitherto pro-Aristide, led a violent rebellion against government authorities in the city. Government-sponsored repression of opposition protests reached a nadir when on December 5 pro-government gangs entered Haiti's state university campus and broke the legs of the Rector.

Following a meeting with Aristide at the Summit of the Americas in January 2004, Caribbean Community leaders proposed a plan to resolve the political crisis. President Aristide stated he accepted the plan at a meeting January 31. However, as the plan remained unimplemented, a high-level international delegation came to Haiti February 21 to obtain agreement on specific implementation timetable. President Aristide agreed, but the opposition "Democratic Platform" group of political parties and civil society expressed reservations.

Meanwhile, the violence in Gonaives culminated February 5 in the former Cannibal Army, now called the Artibonite Resistance Front, seizing control of the city. Other armed groups opposed to the Aristide government quickly emerged and succeeded in seizing control of many towns, mostly with little resistance from government authorities. By February 28, a rebel group led by a former police chief, Guy Philippe, had advanced to within 25 miles of the capital.

#### **A New Government Following the Departure of Aristide**

On February 29, 2004 Aristide submitted his resignation as President of Haiti and flew on a chartered plane to the Central African Republic. Boniface Alexandre, President (chief justice) of Haiti's Supreme Court, assumed office as interim President in accordance with Haiti's constitution. On recommendation from the Council of Elders, the President chose Gerard Latortue as interim Prime Minister.

#### **International Presence 1995-2004**

After the transition of the 21,000-strong MNF into a peacekeeping force on March 31, 1995, the presence of international military forces that helped restore constitutional government to power was gradually ended.

Initially, the U.S.-led UN peacekeeping force numbered 6,000 troops, but that number was scaled back progressively over the next 4 years as a series of UN technical missions succeeded the peacekeeping force. By January 2000, all U.S. troops stationed in Haiti had departed. In March 2000, the UN peacekeeping mission transitioned into a peace-building mission, the International Civilian Support Mission in Haiti (MICAH). MICAH consisted of some 80 non-uniformed UN technical advisers providing advice and material assistance in policing, justice, and human rights to the Haitian Government. MICAH's mandate ended on February 7, 2001, coinciding with the end of the Preval administration. The OAS Special Mission has some 25 international police advisors who arrived in summer 2003; in addition to observing and reporting Haitian police performance, they provide limited technical assistance.

#### **International Presence 2004-Present**

At the request of the interim government and the UN, the U.S.-led Multilateral Interim Force, made up of troops from the U.S., Canada, France, and Chile, arrived in Port-au-Prince to ensure stability until the arrival of a UN peacekeeping force.

In April 2004, the United Nations Security Council adopted Resolution 1542, which created the UN Stability Mission in Haiti (MINUSTAH). The Stability Mission is authorized at 6,700 troops and 1,622 civilian police.

#### *Principle MINUSTAH Officials*

Special Representative of the Secretary General--Juan Gabriel Valdes (Chile)  
Deputy Special Representative of the Secretary General--Adama Guindo (Mali)  
Force Commander--Lieutenant General Augusto Heleno Ribero Pereira (Brazil)  
Police Commissioner--Dave Beer (Canada)

#### **GOVERNMENT AND POLITICAL CONDITIONS**

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#### **Principal Government Officials**

President--Boniface Alexandre (interim)  
Prime Minister--Gerard Latortue  
Minister of Foreign Affairs--Yvon Simeon  
Ambassador to the U.S.--Raymond Josephe, Chargé d'Affaires  
Ambassador to the OAS--Duly Brutus, Chargé d'Affaires  
Ambassador to the UN--Leo Mérores, Chargé d'Affaires

The Embassy of Haiti is located at 2311 Massachusetts Ave., NW, Washington, DC 20008 (tel. 202-332-4090).

#### **ECONOMY**

Haiti remains the least-developed country in the Western Hemisphere and one of the poorest in the world. Comparative social and economic indicators show Haiti falling behind other low-income developing countries (particularly in the hemisphere) since the 1980s. Haiti now ranks 150th of 175 countries in the UN's Human Development Index. Haiti's economic stagnation is the result of earlier inappropriate economic policies, political instability, a shortage of good arable land, environmental deterioration, continued reliance on traditional technologies, under-capitalization and lack of public investment in human resources, migration of large portions of the skilled population, a weak national savings rate, and the lack of a functioning judicial system.

The 1991 coup and the irresponsible economic and financial policies of the de facto regime resulted in a sharp economic decline from 1991-94. Following the coup, the United States adopted mandatory sanctions, and the OAS instituted voluntary sanctions aimed at restoring constitutional government. International sanctions culminated in the May 1994 UN embargo of all goods entering Haiti except humanitarian supplies, such as food and medicine. The assembly sector, heavily dependent on U.S. markets, employed nearly 80,000 workers in the mid-1980s. During the embargo, employment fell below 17,000. Private domestic and foreign investment has returned to Haiti slowly. Since the embargo's end, assembly sector employment has gradually recovered to about 30,000, but further growth has been stalled by investor concerns over safety and political instability.

Under President Préval (1996-2001), the country's economic agenda included trade/tariff liberalization, measures to control government expenditure and increase tax revenues, civil service downsizing, financial sector reform, and the modernization of two out of nine state-owned enterprises through their sale to private investors, the provision of private sector management contracts, or joint public-private investment. Structural adjustment agreements with international financial institutions (IFIs) intended to create conditions for private sector growth proved only partly successful, however.

Haiti's real GDP growth turned negative in FY 2001 after six years of growth. Real GDP fell by 1.1% in FY 2001 and 0.9% in FY 2002. Macroeconomic stability was adversely affected by political uncertainty, the collapse of informal banking cooperatives, high budget deficits, low investment, and reduced international capital flows, including suspension of IFI lending as Haiti fell into arrears with the Inter-American Development Bank (IDB) and World Bank.

Haiti's economy stabilized in 2003. Although FY 2003 began with the rapid decline of the gourde due to rumors that U.S. dollar deposit accounts would be nationalized and the withdrawal of fuel subsidies, the government successfully stabilized the gourde as it took the politically difficult decisions to float fuel prices freely according to world market prices and to raise interest rates. Government agreement with the International Monetary Fund (IMF) on a staff monitored program (SMP), followed by its payment of its \$32 million arrears to the IDB in July, paved the way for renewed IDB lending. The IDB disbursed \$35 million of a \$50 million policy-based loan in July and began disbursing four previously approved project loans totaling \$146 million. The IDB, IMF, and World Bank also discussed new lending with the government. Much of this would be contingent on government adherence to fiscal and monetary targets and policy reforms, such as those begun under the SMP, and Haiti's payment of its World Bank arrears (\$30 million at 9/30/03).

The IMF estimates real GDP was flat in FY 2003 and projects 1% real GDP growth for FY 2004. However, GDP per capita-- \$425 in FY 2002-- will continue to decline as population growth is estimated at 1.3% p.a. While implementation of governance reforms and peaceful resolution of the political stalemate are key to long-term growth, external support remains critical in avoiding economic collapse. The major element is foreign remittances, reported as \$931 million in 2002, primarily from the U.S. Foreign assistance, meanwhile, was \$130 million in FY 2002. Overall foreign assistance levels have declined since FY 1995, the year elected government was restored to power under a UN mandate, when over \$600 million in aid was provided by the international community.

Workers in Haiti are guaranteed the right of association. Unionization is protected by the labor code. A legal minimum wage of 70 gourdes a day (about U.S. \$1.70) applies to most workers in the formal sector.

## **FOREIGN RELATIONS**

Haiti is one of the original members of the United Nations and several of its specialized and related agencies, as well as a member of the Organization of American States (OAS). It maintains diplomatic relations with several dozen countries.

The international community rallied to Haiti's defense during the 1991-94 period of de facto military rule. Thirty-one countries participated in the U.S.-led multinational force (MNF) which, acting under UN auspices, intervened in September 1994 to help restore the legitimate government and create a secure and stable environment in Haiti. At its peak, the MNF included roughly 21,000 troops, mostly Americans, and more than 1,000 international police monitors. Within 6 months, the troop level was gradually reduced as the MNF transitioned to a 6,000-strong peacekeeping force, the UN Mission in Haiti (UNMIH). UNMIH was charged with maintaining the secure environment which the MNF had helped establish as well as nurturing Haiti's new police force through the presence of 900 police advisers. A total of 38 countries participated in UNMIH.

To spur Haiti's social and economic recovery from decades of misrule before that, international donors pledged in 1994 to provide more than \$2 billion over five years in total assistance. Most bilateral assistance is now channeled through non-governmental organizations. Major bilateral donors are led by the United States, with the largest program, and include Canada, the EU, France, Germany, Japan, and Taiwan. Cuba provides highly visible, low-cost medical and technical experts. Multilateral aid is provided by the Inter-American Development Bank (IDB), International Monetary Fund, World Bank, and the UN and its agencies. All aid is coordinated informally by the World Bank.

In July 2004, \$1.085 billion was pledged through 2006 at the World Bank Donors' Conference. Donors include the U.S., Canada, the EU, France, Sweden, Spain, Germany, Japan, Switzerland, Greece, Norway, Mexico, and Ireland. The IDB and the World Bank pledged multilateral aid.

### **U.S.-HAITI RELATIONS**

U.S. policy toward Haiti is designed to foster and strengthen democracy; help alleviate poverty, illiteracy, and malnutrition; promote respect for human rights; and counter illegal migration and drug trafficking. The U.S. also supports and facilitates bilateral trade and investment along with legal migration and travel. U.S. policy goals are met through direct bilateral action and by working with the international community. The United States has taken a leading role in organizing international involvement with Haiti. The United States works closely with the Organization of American States (OAS; see "[Key OAS Issues](#)"), particularly through the Secretary General's "Friends of Haiti" group (originally a UN group that included the U.S., Canada, France, Venezuela, Chile, Argentina which was enlarged in 2001 to add Germany, Spain, Norway, Mexico, Guatemala, Belize, and The Bahamas), the Caribbean Community (CARICOM), and individual countries to achieve policy goals.

Maintaining good relations with and fostering democracy in Haiti are important for many reasons, not least of which is the country's geographical proximity to the continental United States. In addition to the many Haitians who receive visas to immigrate into the U.S. (averaging over 13,000 annually in FY 1999-2003), there is a flow of illegal migrants. Over 100,000 undocumented Haitian migrants were intercepted at sea by the U.S. Coast Guard in the past two decades, particularly during the 1991-94 period of illegal military rule when more than 67,000 migrants were interdicted. Since the return of the legitimate government in 1994, the interdiction of illegal migrants by U.S. Coast Guard vessels has decreased dramatically, averaging fewer than 1,500 annually. Neighboring Caribbean countries, particularly The Bahamas, continue to interdict Haitian migrants as well. The prospect remains, however, for the renewal of higher flows of illegal migrants, particularly under conditions of political unrest or further economic downturn.

### **U.S. Economic and Development Assistance**

Political insecurity and the failure of Haiti's governments to invest in developing the country's natural and human resources has contributed significantly to the country's current state of underdevelopment. U.S. efforts to strengthen democracy and help build the foundation for economic growth aim to rectify this condition. The U.S. has been Haiti's largest donor since 1973. Between FY 1995 and FY 2003, the U.S. contributed more than \$850 million in assistance to Haiti. These funds have been used to support programs that have addressed a variety of problems. Among the programs are:

- Food assistance (P.L. 480 Title II) for nutritional well-being and food security, especially children under five and nursing mothers.
- Health: A US-supported network of over 30 local organizations serves 2.5 million Haitians. In US-assisted areas, child immunization rates are nearly double the national average. Child malnutrition rates fell from 32% to 22% in 1995-2000. The national percentage of women seeking prenatal consultation increased from 68% to 79%. The national contraceptive use rate increased as part of our expanded AIDS prevention program.
- Democracy: Programs increase political party professionalism, strengthen independent media and civil society organizations, promote judicial reform and human rights, and support independent election observation groups. Public diplomacy programs bring Haitian government officials, journalists, and academics to the U.S. to learn about U.S. public policies and programs.
- Education: Programs increase pass rates for second, third, and fourth grade students through training for teachers, school directors and parent-teacher associations, improved instruction in math and Creole reading, provision of books, teaching aids, and curriculum guides.
- Economic Growth: Programs increase income for the poor through small business loans to urban micro-entrepreneurs; assistance to small farmers in marketing valuable export crops such as coffee, cacao, and mangos; and help to Haitian artisans to find niche export markets. Beneficiaries include small entrepreneurs (80% women), 25,000 hillside farmers, and 2,000 artisans.

In 2004, the U.S. pledged \$230 million in aid through fiscal year 2006. These funds will be provided in a variety of areas:

- Job Creation and Economic Growth: \$22 million
- Budget Support and Technical Assistance to Haitian Government Ministries: \$45 million

- Security Improvement: \$26 million
- Health, Nutrition and Education: \$122 million
- Elections: \$15 million.

In addition to financial support, the U.S. provides human resources. U.S. [Peace Corps](#) volunteers are largely focused on health- and income-generation programs in Haiti's rural areas. Many private U.S. citizens travel regularly to Haiti or reside there for extended periods to work on humanitarian projects.

Haiti has been plagued for decades by extremely high unemployment and underemployment. The precipitous decline in urban assembly sector jobs, from a high of 80,000 in 1986 to fewer than 17,000 in 1994, exacerbated the scarcity of jobs. To revitalize the economy, U.S. assistance attempts to create opportunities for stable sustainable employment for the growing population, particularly in rural areas. More recently, programs that help to increase commercial bank lending to micro-enterprises, especially in the agricultural sector, have helped to create a significant number of jobs. U.S. assistance is channeled primarily through private voluntary agencies and contractors to ensure efficient implementation of U.S. assistance programs.

### **Combating Drug Trafficking**

Haiti is a major transshipment point for South American narcotics, primarily cocaine, being sent to the United States. To counter this threat, the U.S. has taken a number of steps, including signing a counternarcotics letter of agreement with the Government of Haiti in May 2002, vetting and training the counternarcotics division of the Haitian National Police, providing material assistance and training to the Haitian Coast Guard for drug and migrant interdiction, and obtaining the expulsion of several traffickers under indictment in the United States. Although Haiti did not meet counternarcotics certification criteria the past three years, the country was provided a waiver of any sanctions on grounds of vital national security interest.

### **U.S. Business Opportunities**

The U.S. remains Haiti's largest trading partner. Port-au-Prince is less than 2 hours by air from Miami, with several daily direct flights. A daily flight also connects Port-au-Prince with New York, and a new Port-au-Prince-Fort Lauderdale flight started in 2003. Both Port-au-Prince and Cap-Haitien on the north coast have deepwater port facilities. Many Haitian entrepreneurs conduct business in English, and U.S. currency circulates freely in Haiti. A number of U.S. firms, including commercial banks, telecommunications, airlines, oil and agribusiness companies, and U.S.-owned assembly plants are present in Haiti.

Further opportunities for U.S. businesses include the development and trade of raw and processed agricultural products; medical supplies and equipment; rebuilding and modernizing Haiti's depleted infrastructure; developing tourism and allied sectors--including arts and crafts; and improving capacity in waste disposal, transportation, energy, telecommunications, and export assembly operations. Haiti's primary assembly sector inputs include textiles, electronics components, and packaging materials. Other U.S. export prospects include electronic machinery, including power-generation, sound and television equipment, plastics and paper, construction materials, plumbing fixtures, hardware, and lumber. Benefits for both Haitian and American importers and exporters are available under the Caribbean Basin Trade Partnership Act (CBTPA)-- which provides for duty-free export of many Haitian products assembled from U.S. components or materials-- the successor program to the Caribbean Basin Initiative.

U.S. export opportunities also exist for four-wheel-drive vehicles, consumer electronics, rice, wheat, flour, animal and vegetable fats, meat, chicken, vegetables, and processed foodstuffs. The Government of Haiti seeks to reactivate and develop agricultural industries where Haiti enjoys comparative advantages, among which are essential oils, spices, fruits and vegetables, and sisal. The government encourages the inflow of new capital and technological innovations. Additional information on business opportunities in Haiti can be found at the Country Commercial Guide for Haiti.

### **Establishing a Business**

Individuals wishing to practice a trade in Haiti must obtain an immigrant visa from a Haitian Consulate and, in most cases, a government work permit. Transient and resident traders must also have a professional ID card.

Property restrictions still exist for foreign individuals. Property rights of foreigners are limited to 1.29 hectares in urban areas and 6.45 hectares in rural areas. No foreigner may own more than one residence in the same district, or own property or buildings near the border. To own real estate, authorization from the Ministry of Justice is necessary.

Hurdles for businesses in Haiti include poor infrastructure, a high-cost port, an irregular supply of electricity, and Customs delays. The government places a 30% withholding tax on all profits received. There is little direct investment.

Foreign investment protection is provided by the Haitian Constitution of 1987, which permits expropriation of private property for public use or land reform with payment in advance. American firms enjoy free transfer of interest, dividends, profits, and other revenues stemming from their investments, and are guaranteed just compensation paid in advance of expropriation, as well as compensation in case of damages or losses caused by war, revolution, or insurrection. The U.S. and Haiti have a bilateral agreement on investment guarantees that permits the U.S. Overseas Private Investment Corporation to offer programs in Haiti. The two governments also signed a bilateral investment treaty in December 1983, but it was not ratified.

Additional information on establishing a business in Haiti can be found at [www.usatrade.gov](http://www.usatrade.gov), then to market research, then Country Commercial Guide.

#### **Principal U.S. Officials**

Ambassador--[James B. Foley](#)  
Deputy Chief of Mission--Douglas M. Griffiths  
Consul General--Jay T. Smith  
Public Affairs Officer--Mara Tekach-Ball  
USAID Director--David Adams

The [U.S. Embassy](#) in Haiti is located on 5, Harry Truman Blvd., Port-au-Prince.

#### **Contact Information**

U.S. Commercial Service does not have a separate office in Haiti. Commercial matters are handled by the Embassy economic section.

Tel: (509) 223-1477  
Fax: (509) 223-9038  
Cell: (509) 409-1441

Overseas Private Investment Corporation (OPIC)  
1615 M Street, NW  
Washington, DC 20527  
Tel: (202) 457-7200  
Fax: (202) 331-4234

U.S. Department of Commerce  
14th and Constitution Ave., NW  
Washington, DC 20230

Office of Latin America and the Caribbean  
Tel: (202) 482-0704  
Fax: (202) 482-0464  
Caribbean/Latin American Action  
1818 N Street, NW, Suite 310  
Washington, DC 20036  
Tel: (202) 466-7464  
Fax: (202) 822-0075

*Association des Industries d'Haiti (ADIH)*  
Bldg. Le Triangle Delmas 31, #139  
Port-au-Prince  
Tel: (509) 246-4509/4510 or 2211

*Centre Pour la Libre Entreprise et la Democratie (CLEDE)*

37, Avenue Marie-Jeanne,

No. 8 B.P. 1316

Port-au-Prince

Tel: (509) 244-0901 or (509) 245-6039

Fax: (509) 222-8252

*Chambre de Commerce et d'Industrie d'Haiti*

P.O. Box 982

Port-au-Prince

Tel: (509) 222-0281 or (509) 222-2475

Haitian-American Chamber of Commerce and Industry (AMCHAM)

Rue Oge, A-5

Petionville

Republic of Haiti

Tel: (509) 511-3024, fax not available

### **TRAVEL AND BUSINESS INFORMATION**

The U.S. Department of State's Consular Information Program provides Consular Information Sheets, Travel Warnings, and Public Announcements. **Consular Information Sheets** exist for all countries and include information on entry requirements, currency regulations, health conditions, areas of instability, crime and security, political disturbances, and the addresses of the U.S. posts in the country. **Travel Warnings** are issued when the State Department recommends that Americans avoid travel to a certain country. **Public Announcements** are issued as a means to disseminate information quickly about terrorist threats and other relatively short-term conditions overseas which pose significant risks to the security of American travelers. Free copies of this information are available by calling the Bureau of Consular Affairs at 202-647-5225 or via the fax-on-demand system: 202-647-3000. Consular Information Sheets and Travel Warnings also are available on the Consular Affairs Internet home page: <http://travel.state.gov>. Consular Affairs Tips for Travelers publication series, which contain information on obtaining passports and planning a safe trip abroad are on the internet and hard copies can be purchased from the Superintendent of Documents, U.S. Government Printing Office, telephone: 202-512-1800; fax 202-512-2250.

Emergency information concerning Americans traveling abroad may be obtained from the Office of Overseas Citizens Services at (202) 647-5225. For after-hours emergencies, Sundays and holidays, call 202-647-4000.

The National Passport Information Center (NPIC) is the U.S. Department of State's single, centralized public contact center for U.S. passport information. Telephone: 1-877-4USA-PPT (1-877-487-2778). Customer service representatives and operators for TDD/TTY are available Monday-Friday, 8:00 a.m. to 8:00 p.m., Eastern Time, excluding federal holidays.

Travelers can check the latest health information with the U.S. Centers for Disease Control and Prevention in Atlanta, Georgia. A hotline at 877-FYI-TRIP (877-394-8747) and a web site at <http://www.cdc.gov/travel/index.htm> give the most recent health advisories, immunization recommendations or requirements, and advice on food and drinking water safety for regions and countries. A booklet entitled Health Information for International Travel (HHS publication number CDC-95-8280) is available from the U.S. Government Printing Office, Washington, DC 20402, tel. (202) 512-1800.

Information on travel conditions, visa requirements, currency and customs regulations, legal holidays, and other items of interest to travelers also may be obtained before your departure from a country's embassy and/or consulates in the U.S. (for this country, see "Principal Government Officials" listing in this publication).

U.S. citizens who are long-term visitors or traveling in dangerous areas are encouraged to register at the Consular section of the U.S. embassy upon arrival in a country by filling out a short form and sending in a copy of their passports. This may help family members contact you in case of an emergency.

**Further Electronic Information**

**Department of State Web Site.** Available on the Internet at <http://www.state.gov>, the Department of State web site provides timely, global access to official U.S. foreign policy information, including [Background Notes](#) and [daily press briefings](#) along with the directory of [key officers](#) of Foreign Service posts and more.

[Export.gov](#) provides a portal to all export-related assistance and market information offered by the federal government and provides trade leads, free export counseling, help with the export process, and more.

[STAT-USA/Internet](#), a service of the U.S. Department of Commerce, provides authoritative economic, business, and international trade information from the Federal government. The site includes current and historical trade-related releases, international market research, trade opportunities, and country analysis and provides access to the [National Trade Data Bank](#).