

# PORT MODERNIZATION FACT SHEET

August 2019



### **BACKGROUND**

The Cap-Haïtien Port, on the northern coast, is one of Haiti's three international seaports, second only to Port-au-Prince. It provides direct access to markets in the northern departments of the country that are geographically separated from the capital city. The Cap-Haïtien Port serves approximately 10 percent of the country's 10 million people. Its central position in the Caribbean Basin enables direct shipping services to the United States and the opportunity for single connections to hubs throughout the region.

# **KEY CHALLENGES**

Haiti's access to U.S. markets is a key factor for its economic growth, but entrepreneurs and investors are unable to capitalize on the country's location. Haiti ranks only 86 out of 190 in "trading across borders" and 182 of 190 in "ease of doing business" in the World Bank's global Doing Business Report 2019. Increased capacity in the port sector, including in a second major transport hub outside of Portau-Prince and along with private investment, are required to capitalize on this strategic advantage and increase the flow of goods in and out of Haiti.

## **USAID STRATEGY & ACTIVITIES**

USAID is increasing the effectiveness of existing U.S. Government trade preferences, as well as other USAID and U.S. Government investments in the agriculture and manufacturing sectors, through support to the Government of Haiti (GOH) to modernize infrastructure and operations at the Cap-Haïtien Port. In addition to port infrastructure, USAID supports the Haitian government's implementation of ongoing national port-sector institutional and regulatory reforms, focusing on the National Port Authority at the Cap-Haïtien Port. USAID's Customs Support Project is also helping to streamline and modernize Haiti's customs service processes for revenue collection, movement of goods, and traveler processing.



#### **IMPROVE PORT INFRASTRUCTURE:**

USAID/Haiti's planned port infrastructure activities will help improve the port's efficiency and security, and ensure compliance with U.S. Coast Guard and Department of Homeland Security safety and security standards. Improvements will lower transport costs, increase the volume of goods passing through the port, and increase the attractiveness of northern Haiti to private investors. These measures can also help the port meet criteria for Customs Trade Partnership Against Terrorism (CTPAT) certification, which is a DHS/Customs and Border Patrol (CBP) program for importers.

Following a comprehensive analysis, USAID decided to prioritize investing in a set of infrastructure upgrades on the landside of the port. The following activities were prioritized during consultations in 2018 and 2019 with the GOH's National Port Authority (APN):

- Demolition of unused or derelict vertical structures.
- Establishing a larger container yard to facilitate more efficient movements, stacking of containers, and general organization.
- Improving the electricity system within the port, connecting the port to the Cap-Haïtien grid, and ensuring an adequate back-up generation system when city power is down.
- Improving lighting, upgrading perimeter security, and upgrading fire systems.
- Improving services to visiting ships including sanitary facilities and potable water supply.
- Building and renovating office facilities for the National Port Authority.
- Continuing to work with the GOH to establish a new, competitively awarded contract for port operations.

The proposed upgrades will contribute to the transparency and efficiency of customs operations, freight handling, and other government revenue streams.

### **KEY ACCOMPLISHMENTS**

USAID's regulatory, customs, and initial security-related support contributed to a 2018 determination that Haiti's National Port Authority is complying with the ISPS code.

USAID provided broad advisory services to the National Port Authority to better regulate and manage port operations, including development of tools for port tariff regulation, contracts management and licensing, and regulation of environmental, safety, and security matters. USAID also assisted with delineation of regulatory and administrative functions as part of ongoing national port reform. Through the Customs Support Project, USAID has trained more than 575 officers nationwide. Training for Haitian customs at the Cap-Haïtien Port has included communication, risk management, investigation, vessel containment, and container examination. Equipment and facilities contributed by USAID include electrical lines, security wall upgrades, a pilot boat, and a security card machine.

