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UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

AGENCY FOR INTERNATIONAL DEVELOPMENT

MISSION TO HAITI

For U.S. MAIL:

USAID / HAITI

Department of State

Washington, D.C. 20520

For INTERNATIONAL MAIL:

USAID / HAITI

P.O. Box 1634

Port-au-Prince, Haiti, W.I.

MAR 29 1983

Mr. Robert Tippenhauer, President - Elect
Haitian-American Chamber of Commerce
ScotiaBank Building
Port-au-Prince, Haiti

Dear Mr. Tippenhauer:

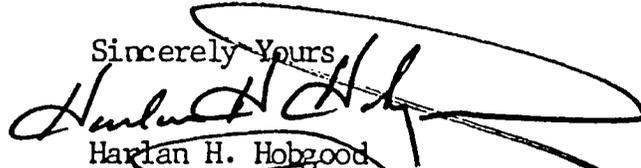
Subject: Cooperative Agreement No. 521-0169-A-00-3044-00
Caribbean Basin Initiative Supplemental Appropriation

Pursuant to the authority contained in Section 531 of the Foreign Assistance Act of 1961, as amended, and Chapter VI of the Supplemental Appropriations Act of 1982 (PL 97-257), the Agency for International Development (hereinafter referred to as "AID" or "Grantor") hereby provides to the Haitian-American Chamber of Commerce (hereinafter referred to as "HAMCHAM" or "Recipient") the sum of Seventy-Five Thousand United States Dollars (\$75,000) to provide financial assistance for the purpose of assisting the Haitian private sector in the development of an investment promotion project, as more fully described in Attachment 2, entitled "Program Description".

This Cooperative Agreement is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Recipient in furtherance of program objectives through the estimated completion date of December 31, 1983.

This Grant is made to the Recipient on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1, the Schedule, Attachment 2, the Program Description, and Attachment 3, the Standard Provisions, which have been agreed to by your organisation.

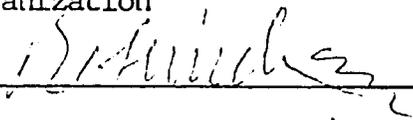
Please sign the original and seven (7) copies of this letter to acknowledge your acceptance of this Grant, and return the original and six (6) copies to this office.

Sincerely Yours

Harlan H. Hobgood
Mission Director, USAID/Haiti

Attachments:

- 1. Schedule
- 2. Program Description
- 3. Standard Provisions
- 4. Assurance of Compliance

ACKNOWLEDGED:

HAMCHAM
 Name of Organization
 By: 
 Title: Robert Tippenhauer, President - Elect
 Date: MAR 29 1983

Fiscal Data:

Project Number : 521-0169 (5)
 Appropriation : 72-112/31037
 Allowance : LES2-83-25521-KG13
 Total Grant Amount : 75,000
 Amount Obligated : 75,000
 PIO/T Number : 521-0169 (5)-3-30042
 Funds Available : 75,000 AFR
 Date : 3/29/83

SCHEDULE

A. Period of Agreement

1. The effective date of this Cooperative Agreement (CA) is the signature date by the Mission Director as shown on the cover letter, and the estimated completion date is March 31, 1985.
2. Funds obligated hereunder are available for program expenditures for the estimated period from the effective date of this agreement until the estimated completion date.

B. Amount of Agreement and Payment

1. AID hereby obligates the amount of \$75,000 for the purposes of this CA.
2. Payment will be made to the Grantee in accordance with the procedures set forth in Attachment 3--Standard Provision entitled "Payment--Periodic Advance".

C. Financial Plan

1. The following is the Financial Plan for this CA. A detailed Financial Plan is appended as Annex A to Attachment 2 of this CA. Revisions to this plan shall be made in accordance with the Standard Provision entitled "Revision of Financial Plans".

	<u>Cost Element</u>	<u>Obligated Amount</u>
1.	Technical Assistance	50,750
2.	Administrative Staff	6,000
3.	Other Expenses	18,250
	TOTAL	75,000

2. The Grantee may not exceed the obligated amount set forth, nor may the Grantee adjust the costs for any individual line item by more than 15% of such line item, unless prior written approval is accorded by USAID/Haiti.

D. Reporting and Evaluation

1. The Grantee shall submit the following reports, in English, at the time and in the quantities specified:

a. Technical reports. Grantee shall submit the following reports to USAID's office of Private Enterprise Development according to the following timetable:

4/15/83 - Initial workplan for period 4/16 - 6/3, including selection and agenda for short-term technical assistance.

6/18/83 - First draft Comprehensive Plan.
- Workplan for balance of project.

8/16/83 - Revised draft Comprehensive Plan.

9/1/83 - Final Comprehensive Plan.

9/30/83 - Final detailed Program Implementation Plan.
- Final Project Report including a summary of project activities, an evaluation of the participation of the various organizations, consultants and other individuals involved, and an assessment of the extent to which the project achieved stated objectives.

b. Financial reports. Grantee shall submit to the responsible AID Controller all reports required under the Standard Provision entitled "Payment--Periodic Advance".

E. Alterations and Additions to the Standard Provisions

1. Of the attached Standard Provisions, the following will be deleted: 8A, 8B, 9A, 12B, 15B, 15C.

Program Description

I. Purpose

The purpose of this Cooperative Agreement is to assist the Haitian private sector through the Haitian American Chamber of Commerce (HAMCHAM) in the development of an investment promotion project.

The project will develop the ability of the Haitian business community to disseminate information and gain access to resources to promote investment in Haiti.

HAMCHAM's position as the only international business organization in Haiti with formal ties to public and private business organizations in the United States and Latin America makes the organization the natural focal point for this project activity.

II. General Description

Given the current momentum generated by the CBI, the primary focus of the project strategy will be to develop the ability to disseminate information and access resources to promote investment in Haiti. This strategy is based on the following assumptions:

- Significant new employment opportunities will be primarily found in the so called re-export industries.
- New investment in re-export industries will require foreign participation (capital, technology, know-how, etc.).
- The expansion of existing firms will also contribute to the creation of new employment opportunities.
- Active promotion of foreign investment will be required to sustain and expand the current level of activity (and employment generation) in Haiti's industrial sector.
- Effective and credible efforts to promote foreign investment require the active participation and leadership of the private sector, and a competent, reliable local facility to assist prospective investors.
- The most effective way to stimulate domestic investment and develop local entrepreneurial and management capabilities is to facilitate collaborative ventures with foreign companies.

In order to achieve the project strategy USAID/Haiti will provide a grant to HAMCHAM to:

A. cover the costs of a six-month program-development effort in cooperation with other local business associations and appropriate private and public trade and investment promotion organizations in Haiti and the United States;

B. assist HAMCHAM to take the lead role in organizing a task force representing a broad spectrum of interests in the local business community which would serve as the core working group for this program development effort; and

C. provide funds for one full-time technical advisor and various short-term special consultants to provide the necessary technical assistance.

Project management will be undertaken by a temporary, parallel organization to HAMCHAM working in coordination at all levels. This organization will be composed of an executive steering committee, the technical advisor, and four committees for planning, promotion and marketing, information and training, and communications/public relations. The executive steering committee will be under the direction of HAMCHAM, ADIH, AIHE, and other participating organizations.

III. Description of Activities:

A. Survey and Assessment of Potential Resources

1. The Grantee will establish and develop a plan for maintaining a comprehensive file of information, resources, special concessions, and opportunities afforded by the CBI.
2. The Grantee will assess the key private and public organizations involved in the CBI, and develop a plan for building and maintaining a mutually beneficial network of organizations to support trade and investment promotion for Haiti, especially with the U.S. Department of Commerce, the U.S. Chamber of Commerce, and AACCLA.
3. The Grantee will survey and assess resources available from a wide range of public and private organizations and develop a plan for selecting and integrating the appropriate resources into a coordinated trade and investment promotion program.
4. The Grantee will develop mechanisms for the ongoing collaboration of the local business associations in the trade and investment promotion effort, and coordinate this effort with appropriate public organizations in Haiti.

B. Trade and Investment Promotion Services

1. The Grantee will assess the advantages and disadvantages of establishing a permanent promotional office in the U.S. as part of an ongoing private sector trade and investment promotion program. This assessment will include an analysis of various organizational options, locations, and staffing patterns for such a facility, as well as a recommended implementation plan.
2. The Grantee will prepare a detailed 12-month program and implementation plan for at least six (6) investment promotion seminar/workshops and four (4) trade/marketing missions to major cities in the U.S., including clearly defined targets, program formats, proposed participants and collaborating host organizations, as well as appropriate procedures and logistical arrangements.
2. The Grantee will establish a promotion and reception office in Haiti and develop recommendations for operating such a facility, including mutually agreed upon procedures for coordinating this private sector effort with the ongoing programs of public organizations in Haiti.

C. Investment Information Services

1. The Grantee will develop a plan for maintaining a range of information that will be accessible to both local and potential foreign investors.
2. The Grantee will establish a resource file on local and foreign firms and institutions which could provide management consulting, technical assistance, and manpower training services.
3. The Grantee will design 12 monthly workshops to promote and facilitate participation in the trade and investment promotion program by a broad spectrum of domestic and foreign representatives from the Haitian business community.
4. The Grantee will work with INCAE to develop a short (2-day) seminar which has been proposed to USAID/Haiti.

D. Communications Services

1. The Grantee will develop a program to elicit participation from a cross section of the Haitian business community in the trade and investment promotion program that will include the dissemination of information to potential U.S. investors about Haiti's attractive trade and investment opportunities.

2. The Grantee will develop designs, formats and an implementation plan for the production of various printed materials such as annual investment guides, regularly published newsletters for U.S. and local investors, and other audio-visual promotional materials.

E. Staff Development and Related Training

1. The Grantee will identify the training needs for the key staff of the various private and public organizations that will be involved in implementing the proposed trade and investment promotion program, and develop a coordinated training program to provide the necessary technical background and skills to support effective program implementation.

F. Comprehensive, Integrated Implementation Plan

1. The Grantee will prepare a comprehensive two-year implementation plan which integrates the end-products outlined in A-E, above, and presents the following options:
 - a. A trade and investment promotion program that HAMCHAM and the other private and public collaborating organizations would implement without any supplemental funding from USAID, and;
 - b. An expanded version of this basic program which anticipates USAID funding.
2. The Grantee will establish benchmarks and procedures for an evaluation of the program at the end of year-one to provide the basis for appropriate modifications and improvements in the program and plans for year-two.

IV. Substantial Involvement Understanding

The following AID established criteria must be met under this Agreement:

- A. USAID/Haiti will review and approve all contracts for short and long-term technical assistance.
- B. USAID/Haiti will participate in program development and appoint representatives to each working committee.
- C. USAID/Haiti will monitor the involvement of various other organizations in the project to ensure the broadest participation from Haitian and U.S., private and public organizations.

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ATTACHMENT 2, ANNEX A - FINANCIAL PLAN

A. TECHNICAL ASSISTANCE

One (1) Full-Time Technical Advisor

20 days/mo. x 6 mos. @ \$220/day	=	\$26,400	
Housing Allowance: 6 mos.	=	6,000	
Vehicle Rental: 6 mos. @ \$500/mo	=	3,000	
Travel:		<u>1,275</u>	
Total			\$36,275

T.A. for Trade & Investment

12 days @ \$220/day	=	2,640	
12 days @ \$75/per diem	=	900	
Travel (4 R.T. Puerto Rico/Haiti)	=	<u>460</u>	
Total			\$ 4,000

T.A. for Investment Information

15 days @ \$220/day	=	<u>3,300</u>	
Total			\$ 3,300

T.A. for Communications

10 days @ \$220/day	=	2,200	
10 days @ \$75/per diem	=	750	
Travel (2 R.T. Florida/Haiti)	=	<u>850</u>	
Total			\$ 3,800

T.A. for Training

10 days @ \$220/day	=	2,200	
10 days @ \$75/per diem	=	750	
Travel (4 R.T. Puerto Rico/Haiti)	=	<u>460</u>	
Total			\$ 3,375

B. ADMINISTRATIVE STAFF

One (1) Executive Director

6 mos. @ \$500/mo. (Salary Supplement)		\$ 3,000
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One (1) Full-time Executive Secretary

6 mos. @ \$500/mo		\$ 3,000
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C. OTHER EXPENSES

Travel and Per Diem (11 trips, \$800/trip)	\$ 8,800
Telephone, Telex and Postage	\$ 3,000
Word Processor	\$ 3,500
Miscellaneous (copying, office supplies & expenses)	<u>\$ 2,915</u>

TOTAL USAID Grant \$75,000