

# Towards a New Public Opinion

## Free-Zones-based border development

Joseph Harold PIERRE

Ouanaminthe, March 2023

# Population

North Corridor Population				
	Nord	Nord-Ouest	Nord-Est	Total
2015	1,050,000	616,000	393,967	2,059,967
2020	1,125,587	660,344	445,737	2,231,669
2030	1,293,477	758,840	570,582	2,622,898
2040	1,486,408	872,026	730,393	3,088,828

Nord-Est population broken down						
	Fort-Liberté	Ouanaminthe	Trou-du-Nord	Vallières	Total	Ouanam/Total
2000	49,074	30,160	32,924	58,155	170,313	18%
2015	60,632	146,484	115,000	71,851	393,967	37%
2020	64,997	178,220	123,279	77,023	443,519	40%
2030	74,692	263,809	141,667	88,512	568,679	46%
2040	85,832	390,502	162,797	101,714	740,846	53%

# Poverty and Infrastructures

- **Poverty**

- Nord-Ouest and Nord-Est are the poorest regions of Haiti.
- Six of the ten poorest municipalities are in the North Corridor **with poverty level exceeding 86% of the population.**
  - Capotille and Sainte Suzanne in the North-East
  - Borgne, Bahon and Bas-Limbé in the North
  - Baie-de-Henne in the North-West
- Unemployment is 85% of labor force.

- **Infrastructure: education, health and energy**

- General lack of infrastructure (roads, ports and airports) and services (drinking water, waste management, health, etc.)
- In 2015, the Ministry of Public Health and Population (MSPP) counted 214 health institutions in the Corridor North, **three fourths (3/4) of which are dispensaries and health centers without beds.**
  - There are no well-equipped hospitals in the entire region, not even the Justinien University Hospital in Cap-Haitien.

# Issues analysis

- **What explains this exponential demographic growth of Ouanaminthe?**
- **What are the big issues of the North Corridor and of Ouanaminthe, especially?**

- **JOB CREATION**
- Population reduction



# **JOB and Growth**

## **Driving Sectors**

# Aspects to consider and sectors

- Aspects to consider

- Investments availability
- Job creation capacity of economic sectors
- Labor force availability

- Sectors identified

- Agriculture
- Mining
- Free zones

# Agriculture

- Investment

- Only 1.2% of bank loans go to this sector
- very low Return because multiple factors such as
  - rudimentary practices and absence of mechanization
  - Minifundia
  - deforestation and climate issues (drought, hurricanes, and so on).

- Job creation and labour availability

- Greenhouse and employment issues



# Mining

- Indications – not proof – of gold, silver and copper deposits in the North Corridor
- Investment issues
- Labor availability
- Job creation issues

# Free Zones

## ● Investment

- Orientation of international financial institutions (**IMF, World Bank and IDB**) to support the garments industry.
- These IFIs have identified the export processing sector as a **potential driver of the Haitian economy**, particularly in terms of **job creation** and therefore increased purchasing power.
- They invested millions of dollars to support the garment sector.

## ● **US support through HOPE and HELP Acts**

- About 93% of Haitian exports to the US are duty free.
- HOPE, adopted in 2006, provides duty-free entry into USA for garments manufactured in Haiti.
- HELP expands the types of goods eligible for duty-free treatment to over 5,000 types of clothing and footwear

# Job creation and...

- Free zones are labor intensive
- Impact of free zones
  - communities will be able to afford better schooling and health services for their kids.
  - with more educated people, there will be less delinquency and a higher social cohesion
  - Transporting/commuting to go work as well as food on the workplaces.
  - Motorbikes, bus and cars, which create jobs for drivers and mechanics.
  - People's living conditions betterment will lead to new and repaired housing, which will provide job for masons, painters, and so forth.

# Job creation and... (2)

- **Free zones are labor intensive**
- **Impact of free zones**
  - communities will be able to afford better schooling and health services for their kids.
  - with more educated people, there will be less delinquency and a higher social cohesion
  - Transporting/commuting to go work as well as food on the workplaces.
  - Motorbikes, bus and cars, which create jobs for drivers and mechanics.
  - People's living conditions betterment will lead to new and repaired housing, which will provide job for masons, painters, and so forth.
- **PSDH regional perspective**
  - create new urban centers such as Chabert/Trou du Nord and Carrefour Chevry/Fort-Liberté to accommodate over 100,000 inhabitants could be achieved.
  - This would solve many issues such as drinking water, sanitation, and electricity.

# Criticisms of free zones

- **Low wage**

- Minimum wage logic

- In Haiti, the minimum wage is currently 685 gourdes (US\$ 6.58) which is paid at the PIC while CODEVI's lowest daily payment is 815 gourdes (US\$ 7.83).

- **Poor working conditions**

- Trade unions and Human rights organizations

- **TO WHICH EXTENT THESE CRITICISMS ARE TRUE**

# CODEVI IMPACTS

- Both CODEVI and/or PIC are involved into education, health, energy, waste water facilities, solid waste disposal, reforestation, and infrastructure beneficial to their surrounding communities
- The PIC electricity centre provides energy for the neighbouring communities such as Caracol, Trou-du-Nord, Terrier Rouge, and Limonade, and other boroughs.
- CODEVI ZABOKA energy project promoting the consumption of liquefied petroleum gas (LPG) for cooking is likely to avoid the felling of 75,600 trees from 2021 to 2023.

**Muchas gracias**

**Merci**

**Mèsi anpil**

# **Towards a New Public Opinion**

## **Free-Zones-based border development**

**Joseph Harold PIERRE**

**Ouanaminthe, March 2023**