

## Draft TC ABSTRACT

### I. Basic project data

▪ Country/Region:	Haiti
▪ TC Name:	Learning from best practices to develop export & import processes and an e-customs model in Haiti.
▪ TC Number:	HA-T1213
▪ Team Leader/Members:	Ana Arias (INT/TIU) TL/Rafael Julia (TIU/CDH), Sandra Corcuera (INT/TIU), Zaida Imana (INT/TIU) and Marc Alain Boucicault (CDH/CDH)
▪ Indicate if: Operational Support, Client Support, or Research & Dissemination.	Client Support
▪ If Operational Support TC, give number and name of Operation Supported by the TC:	
▪ Reference to Request <sup>1</sup> : (IDB docs #)	
▪ Date of TC Abstract:	May 26 <sup>st</sup> , 2015
▪ Beneficiary (countries or entities which are the recipient of the technical assistance):	Haiti
▪ Executing Agency and contact name (Organization or entity responsible for executing the TC Program) {If Bank: Contracting entity} {If the same as Beneficiary, please indicate}	INT/INT
▪ IDB Funding Requested:	USD 350,000
▪ Local counterpart funding, if any:	0
▪ Disbursement period (which includes execution period):	18 months
▪ Required start date:	June 15th, 2015
▪ Types of consultants (firm or individual consultants):	Firms and individuals
▪ Prepared by Unit:	INT/TIU
▪ Unit of Disbursement Responsibility:	
▪ Included in Country Strategy (y/n);	Y
▪ TC included in CPD (y/n):	Y
▪ GCI-9 Sector Priority:	Y

### II. Objective and Justification

- 2.1 The objective is to carry out an overview of the current obstacles and main bottlenecks derived from export and import procedures and to propose a set of recommendations and tools to address them. The specific objectives are: (i) to map the existing processes and to elaborate an online step-by-step guide for exporting and importing commercial goods; (ii) to

<sup>1</sup> A copy of the Letter of Request, Programming/Portfolio Review Mission Aide Memoire or Report requesting the TC should be submitted with the Abstract.

train public employees involved in the processes; (iii) and to elaborate an assessment and set of recommendations for the GoH (Government of Haiti), which includes best e-customs practices worldwide (such as the Korean model and others) to further improve the export and import operations.

- 2.2 External trade is of crucial importance to the Haitian economy. To a far greater extent than investment inflows, domestic consumption and exports have been the driving forces behind GDP growth in recent years. Exports of goods and services represent the 13.3% of the GDP<sup>2</sup> and imports reach the 23%<sup>3</sup>. Haiti's main export is apparel, which accounts for up to 80% of foreign exchange earnings and 92% of exports to the United States. Yet, there remains significant room for progress in terms of export growth; market access, which includes openness of the economy to foreign goods as well as the efficiency of import-export procedures; border administration; ICT, transport infrastructure; and business environment. Haiti ranks 142/189 countries in the Trading across Borders 2015 index.
- 2.3 The Bank has played a significant role of leadership in Haiti's private sector development. INT/TIU is executing HA-L1078, which aims to foster private sector development in Haiti, through investment promotion. The program strengthens the institutional capacity of the Center for Investment Facilitation (CFI) and other government entities entrusted with investment promotion, business climate policy and private sector development. Foreign trade was not included in the mentioned operation and thus, is the objective of this program, being the beneficiaries the Direction of Foreign Trade under the Ministry of Trade and Industry and the Direction of Customs under the Ministry of Economy and Finance.
- 2.4 The IDB is coordinated and aligned with other donors supporting the improvement of the customs and export processes, such as the Canadian Government and the European Union through the Caribbean Export Development Agency.
- 2.5 This TC is in line with the priority to support "Regional and Global Competitive Integration" set forth in the IDB's Report on the Ninth General Capital Increase of Resources (AB-2764) (GCI-9). This TC also contributes to tackle article 1 of the World Trade Organization (WTO) Trade Facilitation Agreement about Publication and availability of information<sup>4</sup>.

### **III. Description of activities and outputs**

- 3.1 This TC is organized in two components. The Component 1 aims to support the export and import customs processes and the Component 2 is focused in training and learning from the e-customs best practice models.
- 3.2 The Component 1: includes the following activities: an overview of the current obstacles and main bottlenecks in export and import customs processes in Haiti and the elaboration of a set of recommendations and tools to address them. Also mapping the existing processes and elaborate an online/word Step-by-Step Guide to exporting and importing commercial

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<sup>2</sup> World Bank – Oct. 2014.

<sup>3</sup> CIA fact book, 2014.

<sup>4</sup> The WTO TFA asks members to promptly publish information regarding Customs procedures, such as importation, exportation and transit procedures, applied rates of duties and taxes, and fees and charges, in a non-discriminatory and easily accessible manner. The WTO TFA requires Members to make available, and update, relevant information through the internet. The information concerned relates to importation, exportation and transit procedures, the forms and documents required, and contact information on enquiry points.

goods (English and French). The interactive guide will be hosted at Foreign Direction (MCI) webpage and the Haitian Customs (MEF).

- 3.3 The main outcomes for Component 1 are: a detailed technical assessment, a list of obstacles and bottlenecks and flowcharts, a set of recommendations to address the list and improve the business climate, an online tool available, an updated guide, a list of frequent questions and answers and concrete action to improve the business climate.
- 3.4 The Component 2: covers training to the public sector employees in the best practice models and training the public employees involved in the process. Apart from that, an assessment will be carried out and a set of recommendations to the GoH (Government of Haiti) will be arisen.
- 3.5 The main outputs for Component 2 are a set of recommendations, an action plan elaborated to customize the model to Haiti and the public employees trained.

#### IV. Budget

Activity/ Component	Description	IDB/Fund Funding	Counterpart Funding -USD	Total Funding - USD
<b>Component 1:</b> Supporting to export and import customs processes	- Overview of the current obstacles and main bottlenecks in export and import customs processes in Haiti -Elaboration of a set of recommendations and tools to address them. -Map the existing processes -Elaborate an pdf and online Step-by-Step Guide for exporting and importing commercial goods(English and French)	<b>235,000</b>	<b>0</b>	<b>235,000</b>
<b>Component 2:</b> Training and learning from a best practice model	- Train the public employees involved in the processes - Carry on an assessment and elaborate a set of recommendations to the GoH to customize a best practice model in e-customs to Haiti.	<b>85,000</b>	<b>0</b>	<b>85,000</b>
Monitoring, administration and logistics		<b>30,000</b>	<b>0</b>	<b>30,000</b>
<b>TOTAL</b>		<b>350,000</b>		<b>350,000</b>

#### V. Executing agency and execution structure

- 5.1 The TC is being executed by the IDB.

#### VI. Project Risks and issues

- 6.1 The principal implementation risk is associated with the weak institutional capacity of the Customs Authority and the Foreign Trade Directorate.

#### VII. Environmental and Social Classification

- 7.1 This operation does not present environmental and social risks. It was classified as Category C in the Environmental and Screening Classification. [IDBDOCS-#39646571-Safeguard Screening Form](#)