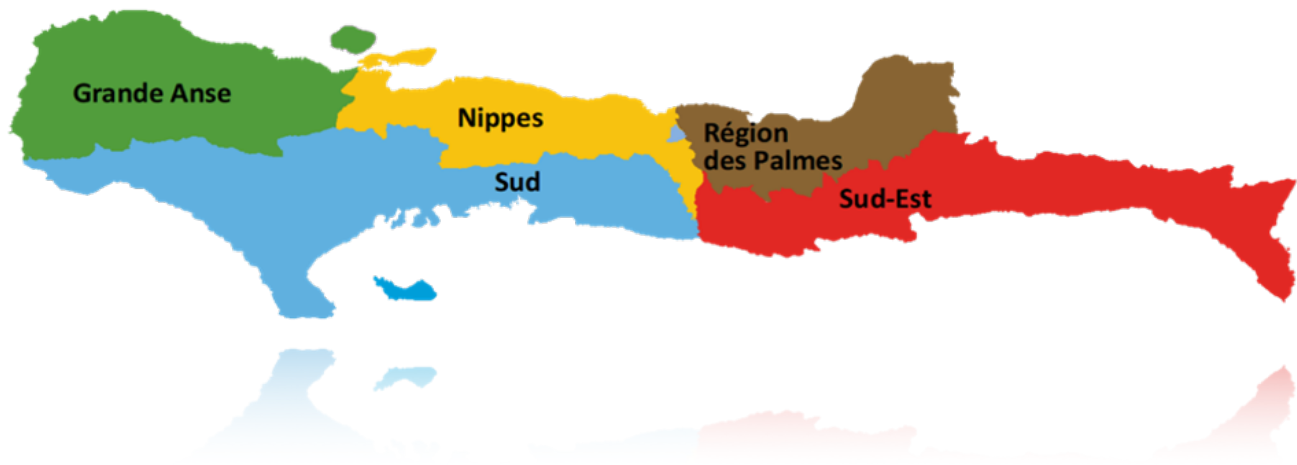


# An Inevitable Peninsula



Engineering confidence in Haiti's future ...



# THE PENINSULA PILOT PROJECT

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November 4, 2023

Les Cayes, Haiti



*The vision...*

*The Southern Peninsula as a regional economic pole ...*

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## THE PENINSULA PILOT PROJECT

### 1. A NEAR-SHORING DESTINATION AND INDUSTRIALIZATION FLOOR

The August 14th, 2021, earthquake is a cataclysm that the inhabitants of Haiti's southern peninsula will never forget. In less than a minute, more than 2200 people died, countless became homeless, and the entire region sustained total damages up to 20% of GDP. Yet, out of this unimaginable tragedy, opportunity arises to build back both the peninsula's physical infrastructure and social fabric with focus on competitiveness that will create prosperity for all. According to early estimates, new investments over the next five years are needed in the following areas:

- Renewable Energy generation.
- Airports, seaports, and roads.
- Industrial infrastructure.
- Agriculture and Agro-industry.
- Agribusiness and Seafood industry.
- Tourism, Housing and Urban Development

It is estimated these investments could generate hundred thousand direct new jobs and create at least a threefold increase in annual revenues of these industries. Many of these opportunities are best suited to Haitian businesses, particularly SMEs. However, international businesses have a catalytic and complementary role to play, given their access to international markets, world-class skills, and financial resources that can unlock the potential. Credible players have the environmental, health, and safety policies, as well as business codes of conduct necessary to ensure that economic growth is achieved in a socially responsible and environmentally sustainable way.

Peninsula Advisory Global Support Team (PAGST), a group of recognized renewable energy design infrastructure, investment banking professionals, information technology, and prominent Haitian, Caribbean and American scholars and businesspeople, have teamed up to provide unique resources, talents, and experiences to start major planning activities needed for Haiti's southern peninsula. PAGST aims to ensure that such development is conducted in conformity with the requirements of sustainable maximization of the peninsula's potential. The fundamental concept of pole of growth for the sustainable development of a region is a viable path towards a more balanced national economy. PAGST believes that a multidisciplinary framework is a key element to any plan undertaken. PAGST calls for the creation of the Peninsula Development Authority and the Peninsula Economic Zone to carry out the mission of transforming the southern region of Haiti into a Near-shoring Destination and Industrialization Floor.

### 2. THE PENINSULA COMPREHENSIVE PLAN

PAGST envisions a Peninsula Development Authority (PDA) to implement a pilot project where public and private sectors will perform their respective roles efficiently, such that people have equal access to opportunities, resulting in gender equity and achieving zero poverty in an eco-friendly economic zone. PDA will formulate continuing, coordinated, and fully integrated socioeconomic policies, plans, and programs to empower the southern region as a Near-shoring Destination and an Industrialization Floor.

## THE PENINSULA PILOT PROJECT

PDA will create the right packages as incentives to attract relocating and vertically integrated companies to the Peninsula Economic Zone that will encompass the South, South-East, Grande-Anse, Nippes departments and the Palms region (Léogane, Gressier, Grand-Goâve and Petit-Goâve). This territorial arrangement will allow a more effective administrative and economic organization.

Attracting relocating companies and promoting local industries provides several advantages: employment creation, import reduction, and saving in foreign currency that reduces the pressure on foreign reserves. The goal is to change the economic structure by gradually reducing dependence on foreign goods. Several traditional clusters of economic activity in the peninsula will be prioritized as sectors of economic growth. But first, these sectors will have to be supported by substantial investments in renewable energy generation and infrastructures such as an International Airport and Transshipment Ports, Jérémie Regional Airport and Seaport, Miragoâne Seaport, and modern roads will link the peninsula's sub-regions and metropolitan hubs to the rest of the country.

*“Near-shoring refers to an organization's transfer of certain business operations, in particular its own manufacturing capability or a key supplier, to a nearby country closer to the demand location for its manufactured products”.*



Figure 21. Caribbean Sea-Lanes

Proximity, a driving force...

Since the beginning of 2020, the pandemic has caused major global supply chain disruptions. Particularly in the areas of consumer goods, this has led to shortages and jump in prices. To anticipate further disruption, companies must relocate to geographically closer regions. In the case of the world's largest market, U.S. companies are rethinking their supply chain strategies and looking to new attractive close areas, including the Caribbean and Central America. For that reason, near-shoring is a big opportunity for Haiti.

“UNCTAD (United Nations Conference on Trade and Development) did a study in 2019, which looked at trade diversion that occurred from China to other countries between that summer of 2018 and around September of 2019 – 14 months. And it found a trade diversion of \$21 billion”.

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The U.S. is leading considerable decoupling efforts to mitigate its reliance on China. Because of its proximity to the United States, Haiti's southern peninsula is poised precisely to play a key role in becoming a prime nearshoring destination. Relocation of highly innovative and technically advanced industries will strengthen strategic partnership and stimulate economic development. For context, nearshoring offers a practical path towards a permanent and sustainable solution to the migrant crisis. This could be a win-win solution that will not only address the root causes that drive immigration but also mitigate the shipping crisis affecting the U.S. pacific coast, especially California. Proximity often allows for real time collaboration and faster solutions to problems.

The Southern Peninsula of Haiti as a Near-shoring Floor will offer the following benefits:

- o Lower labor costs.
- o Greater speed to market.
- o Time zone compatibility and Cultural Affinity
- o Protection of intellectual property.

The widening of the Panama Canal and the lack of harbors to handle the new size container ships have made the deep-water harbors as ideal locations for a Caribbean transshipment terminal on the peninsula's southern coastline.

ATTRIBUTES: geolocation ... geolocation ... between Jamaica, Florida, Central and South Americas.

Situated at the southwest of Haiti, the peninsula's topography is characterized by acres of flat lands, plateaus and hills with scenic beachfront areas, dominated by the La Hotte and La Selle mountain systems. Sitting next to the busiest existing shipping lanes from the Panama Canal, the peninsula has the following key strategic attributes:

- o Water Resources:
  - Rivers, Lakes, Lagoons
- o Natural deep water ports capability:
  - Baie des Flamands
  - Baie du Mesle
  - Baie de Paillant
  - Baie de Petit-Goave
- o Demographics:
  - Low population Density; young, diverse, educated and upwardly mobile.
- o Education:
  - Universities and Colleges
  - Vocational Schools

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- Incentives:
  - Excellent quality of life and low cost of living
  - Low housing and transportation costs
  
- Near-shoring floor of the Americas:
  - The quality of the labor force cheaper than China can quickly improve and become yet again one the best in the world, due to the strong agro-industrial experience in sugar refineries, distillery, essential oils production, etc.
  - A potential workforce of over a million of young and vibrant people, eager to work, represent a strong and stable labor pool for new, expanding and relocating companies.
  - A steady, ready, and seasoned workforce in the diaspora who speak English, French and Spanish is a pool of affordable talents with strong work ethics.
  
- Utilities:
  - On July 12th, 2022; SpaceX received authorization from CONATEL, Haiti's top regulator to deploy a two-year test pilot program. Starlink complements the existing Telecom and Internet operators. Effective communication is essential to any successful business venture. Up-to-date technology is crucial in running productive and profitable businesses. With sophisticated and advanced telecommunications equipment, competitive carriers serve the area. Cellular phone companies are evolving to become full-service technology networks, combining the functions of today's telephone, cable television, video conferencing and data communications networks into one system. The availability of fiber-optic cable throughout the peninsula will contribute to this telecommunications revolution through its ability to deliver communications between people and businesses anywhere at any time.
  
- Taxes:
  - Low Personal Income Tax, Low Sales Tax, Low Personal Property Tax
  
- Quality of Life / Recreation / Entertainments:
  - Low Crime Rate
  - Restaurants, Nightclubs, Hotels and Accommodations
  - White Sandy Beaches, Snorkeling, Surfing Caves, Water cascades, etc.
  
- Medical:
  - General Hospitals, Specialty Hospitals and Healthcare Clinics.

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- o Size:
  - Surface Area: 9,571.2 square kilometers
  - Six (6) Offshore islands
  - Approximately 87% of the island of Jamaica

### APPROACH:

Despite the challenges, Haiti is poised for sustained growth. Haiti can achieve *double digit GDP* growth for the next decade, given the right public policies, positive engagement of the private sector, the right mechanisms to leverage the diaspora's revenues and savings, and sustained support from the international community. Investing in Haiti may present some risks, but it also promises significant rewards. The country is equipped with the basic conditions to proceed on a path of shared growth and prosperity. The August 14<sup>th</sup>, 2021, earthquake offers an impeccable timing to overcome the obstacles in testing and offering a pilot to the country. To generate a vibrant, resilient national economy there is a need to build on the established foundation of dialogue, partnerships and actions between innovative investors, the diaspora, the private sector, the international community, etc.

*"The Biden administration is looking at how it can apply its plan to tackle root causes of migration to the hemisphere, like matching people to jobs where there are labor shortages in the region, a senior administration official told CNN".*

For many countries, the main challenge is to find *key concepts, instruments and tools of socioeconomic development*. Haiti's domestic market is anemic because import cannot create enough jobs to reverse growth inertia and the elevated level of unemployment. Industrialization is the obvious solution to such problems. Heavy reliance on import is not sustainable and makes the country vulnerable to external shocks. To that respect, Haiti needs to reverse the negative country risk rating and kick-off a new *industrialization wave and technology transfer era*. Recent successes of poles of economic growth have contributed in other countries to improving the overall investment environment, lowering transaction costs for FDI activities, increasing the ease of doing business and streamlining administrative procedures to set up operations. The implementation and relocation of vertically integrated industries will reduce reliance and promote economic diversification.

In a diversified economy, the dominant sectors' volatility is reduced by expanding activities, products, customer base and markets in renewable energy production, infrastructures, and services. The new business regime and environment in the Southern Peninsula will be a catalyst for investments, companies' relocation, local firms' integration to the global value chains, and jobs' creation. For those reasons among others, the timing is impeccable to kick off an *industrialization era* to enable economic growth through *employment diversification, production, diversification and income diversification*. Haiti needs moderate industrialization to generate employment and tackle poverty. Emerging economies are looking to reduce their dependence on developed countries, with the goal to reach industrialization and eventually become self-sufficient.

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## THE PENINSULA PILOT PROJECT

As some production will eventually be leaving China, Haiti should stand to benefit from the disruption in

*“Import substitution industrialization (ISI) is an economic policy that favors the development of domestic industries and the reduction of reliance on manufactured foreign imports”.*

the global supply chain. Every country is positioned to win the US-China trade war except Haiti. Vietnam and Taiwan are benefiting mostly from more exports to the U.S., while Chile, Malaysia and Argentina are gaining by selling more to China.

“Tech Companies Slowly Shift Production Away from China Worried about geopolitical tensions and stung by pandemic shutdowns, Google, Apple and others are moving some work to nearby countries”.

The opportunity for the Southern Peninsula to become a prime near shoring destination is clearly within our reach. Haiti should focus on attracting high-productivity automated manufacturing to the Peninsula Economic Zone. The Peninsula Development Authority overseeing the Peninsula Economic Zone will position Haiti to emerge as the largest and fastest growing economies in the Caribbean.

The incubation of the Peninsula Development Authority and the creation of the Peninsula Economic Zone will herald a new investment era. The implementation of the peninsula pilot project will involve the following keys elements:

- Sustainable Funding and Financial engineering.
- Public Private Partnerships.
- Reforms and Legislations.
- Zoning and Planning.
- Organization and Management Structures.

### PILLARS OF SUSTAINABILITY:

#### \* Economy

The Economic Pillar looks to create an environmentally sustainable model that ensures fair distribution and efficient allocation of the resources to position the peninsula as a prime near-shoring destination and an industrialization floor. Formalizing productivity and distribution will increase jobs, incomes, and public revenues. Employment generation will tap into the significant informal and underground economy employing most of the workforce. This will ensure a healthy balance that will improve the prosperity of the peninsula by achieving double digit Gross Domestic Product (GDP) growth rate by 2030. Within the Short-Term Plan 2025-2030, the priority sectors that have the potential to generate employment related activities and create jobs will be targeted.

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### \* Social

This pillar will support initiatives like reducing poverty and gender gaps. The aim of the social pillar is to invest in the people to improve the quality of life. In this regard, gender equity will be targeted in key areas, namely: opportunities, empowerment, capabilities, and vulnerabilities. Women are at a disadvantage in the job market and productive resources. They are also under-represented in social and political leadership. The capabilities of women have also not been developed to full potential due to limited access to capital, education, training, and health care. Women are exposed to vulnerabilities from civil and domestic violence, economic shocks, and environmental hazards. Given that women play a critical role in the socio-economic development of any nation, there is an urgent need to remove all obstacles that hinder their contribution to national development. Under the social pillar, specific policy and measures will be taken to correct gender gaps in access to and control of resources and economic opportunities.

### \* Environment

This pillar supports initiatives like renewable energy, reducing fossil fuel consumption and emissions, sustainable agriculture and fishing, organic farming, tree planting and reducing deforestation, recycling, and better waste management. The southern peninsula is the most disaster-prone region of Haiti. Recent events like Hurricane Matthew in 2016, the August 14<sup>th</sup>, 2021, earthquake followed one day after by Hurricane Grave and El Niño phenomenon have shown that natural disasters can erode economic gains made in any country. Insulating development from natural hazards is therefore a priority under the peninsula pilot project. The environment pillar is inspired by the principle of sustainable development supported by the need for gender equity in access to the benefits of a clean environment. The focus will be on the following:

Conservation of strategic natural resources (forests, rivers, lakes, wildlife sanctuaries and marine ecosystems) will be a priority without compromising economic growth. Specific actions and measures will be taken and adopted to promote bio-friendly activities and products.

Pollution and waste management are correlated to GDP; in general, countries with high GDP levels tend to generate more pollution and waste than those countries with low GDP levels. This trend, however, is currently being reversed in many advanced economies, such as Singapore, through environmentally friendly policies and practices. The peninsula pilot project will progressively apply measures to guard against the adverse effects of increased pollution and waste production.

Environmental planning and governance will promote and support institutional capacity to improve the overall management of the environment. Policy framework will harmonize environment-related laws and institutions and promote collective enforcement of environmental standards.

### \* Political

Effective Decentralization will disperse decision-making business and economic governance closer to the people and/or citizens. Decentralization is anchored on transformation of political governance across strategic areas such as the implementation of the Peninsula Development Authority and its agencies, the creation of the Peninsula Economic Zone. A democratic decentralization of resource management and allocation will consider the local business needs and economic priorities. Under the pilot project, a

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## THE PENINSULA PILOT PROJECT

peninsula free from danger and fear revolution will take place across the following key areas: rule of law; transparency and accountability; and security.

Rule of Law will create a modern, market-based economy that promotes human rights. Specific strategies will align the peninsula pilot project legal framework with the needs of a market-based economy, human rights, and gender equity commitments. A culture of compliance with laws and ethics will cultivate and promote civism and patriotism.

Transparency and Accountability will promote an ethical, and a results-oriented Peninsula Development Authority and agencies. Specific strategies will involve strengthening the legal framework for anti-corruption, ethics, and integrity; promoting results-based management; and encouraging public access to information and data.

Security and Peace aim at security of all persons and properties. Key strategies will involve the promotion of public-private cooperation and civilian/community involvement for improved safety and security; permanent inter- community dialogue to build harmony through the rule of law; promoting peace to improve conflict management and ensure sustained stability; and nurturing a culture of respect of human life.

### \* Catalysts and Macroeconomic Enablers

The strategy is to build key infrastructures and undertake reforms in key sectors that are the foundation of economic growth. These catalysts are anchored in macroeconomic stability, governance decentralization reforms, enhanced gender equity, and wealth creation opportunities.

### OBJECTIVES:

The creation of the Peninsula Development Authority and the Peninsula Economic Zone have the following main goals:

- o To establish the Southern Peninsula as a prime nearshoring floor and destination.
- o To launch an Industrialization for export era.
- o To train the workforce through skills development.
- o To develop the peninsula's industrial infrastructure facilities.
- o To harness natural resources to generate renewable energy.
- o To promote gender equity.
- o To secure a sustainable eco-friendly environment.

It is estimated that the Peninsula Economic Zone will trigger a large flow of foreign and domestic investments in productive role, leading to generation of added economic activity and creation of employment opportunities.

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## THE PENINSULA PILOT PROJECT

### THE PILOT:

The purpose of the pilot is to outline a long-term vision for the Southern Peninsula and to define the opportunities for private sector investments. Among the goals of the pilot are:

- To create the Peninsula Development Authority and the Peninsula Economic Zone
- To generate renewable energy.
- To attract relocating and vertically integrated companies
- To launch an industrialization era.
- To establish the peninsula as a logistic hub and platform.

The pilot is to be implemented in (3) successive 5 years Medium-Term Plans (MTP), with the first such plan covering the period 2025 - 2030. While the renewable energy flagship project is expected to take the lead in generating rapid and widely shared growth, it is by no means the only project to be implemented.

### PUBLIC PRIVATE PARTNERSHIP:

A Public-Private Partnership (PPP) is a contractual agreement between a public agency and a private sector entity. Through this agreement, the skills, and assets of each sector (public and private) are shared in delivering a service or facility for the use of the public. In addition to the sharing of resources, each party shares in the risks and rewards potential in the delivery of the service and/or facility. Haiti already has a successful history of public-private partnerships, as proven by the privatizations of the cement plant La Cimenterie, the flour mills La Minoterie, and more recently, Natcom (Former State Owned Teleco S.A.M. and Viettel, Vietnam based) fixed-line telecoms. These successes were made possible thanks to the legal and institutional framework adopted in 1996. Based on this law, new partnerships can now be launched in the renewable energy generation and infrastructures sectors.

### THE RIGHT BALANCE:

- Attracting Investors:
  - Political stability: Political instability, be it (i) currency inconvertibility and non-transfer; (ii) expropriation & breach of contract; (iii) war and civil disturbance; and (iv) non-honoring of sovereign financial obligations, is a key factor that may derail the successful implementation and completion of a PPP. Solutions include risk-transfer mechanisms such as political risk insurance (PRI), especially PRI from multilaterals that are among the largest financial partners of the country and derive strong leverage from that position.

- o Conducive legal framework through a solid PPP legislation:
  - Lenders are interested in actual and enforceable security package.
  - Lenders view stepping rights as crucial when the project company does not perform.
  - Compensation on termination: For instance, if project company is assessed financial penalties and charges, before the project is terminated, lenders want to ensure recoverability.
  - Clear attribution of responsibility for availability payment in type II PPP, which are not based on demand risk, or where the government pays a consideration for the availability of the assets (schools, hospital, prisons): Who is the ultimate public authority guaranteeing the payment: Central Bank, Ministry of Finance, technical ministry, regional authority, municipality? Are they likely to be solvent? Are they typically sufficiently endowed?
  - Adequate contract duration: To allow investor to recoup investment and make an attractive overall return on investment. The adequate duration depends, of course, on the sector: Where a 20-year concession can be sufficient to attract investors in a toll-bridge project, it may take 35 years to attract investors in a port construction and management project.
  
- o Generating value for the public sector:
  - Done through critical PPP legislation that must strike a balance between setting the conditions to protect the interests of the public sector and being attractive and friendly to investors. In particular, the team drafting the legislation must be mindful not to mortgage the revenues of future generations without an adequate counterparty.
  - Transparent and selective awarding procedure: Competition in the financial offers is beneficial for the public sector, although one must be able to identify a proposal that does not make sense because too low.
  - PPP knowledge and excellence: The public sector must be able to rely on a knowledgeable PPP unit, highly skilled and constantly trained and aware of industry best practices. At the onset, when starting to use the PPP instrument, a country must be willing to resolutely invest in the establishment of such unit and the development of excellence. Assistance from the international financial partners, including technical assistance and other means seems necessary in some cases.
  - External assistance as a measure of objectivity: In any PPP project, assistance from external advisors at an early stage to assess the prospects. They have the knowledge, a reputation to lose, and the necessary distance to make objective determinations. This is a routine practice for some governments that have been phenomenally successful in the domain of PPPs.

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## THE PENINSULA PILOT PROJECT

- Strict monitoring of contract implementation and application of penalty regime: In particular, in the Type II PPP, consideration paid by the government for the availability of the assets must be based on performance. Not only should the project company bear the risks stated in the concession, but also it should incur and pay penalties if it does not.

### FUNDING:

Peninsula Advisory Global Support Team proposes funding through:

- Direct Public Offerings
- Private Equity Fund
- International Finance Institutions and Development Banks
- Foreign Direct Investments
- Future Revenues Flow & Remittances Securitization

### DELIVERABLES:

- The Core Elements:
  - Data mining and Market Sizing
  - Environmental Impact Studies.
  - Economic Impact Studies.
  - Supporting - Feasibility Studies.
  - Forecasting, Financial and Econometric Modeling.
  - Capital Formation and Funding Strategy.
  - PPP & Joint-Ventures' management structures.
- The Peninsula Econometric Model:

Our vision calls for a regional econometric template that will include forecasting and policy appraisal of sustainable economic development within the southern peninsula. We emphasize not only internal structures and relationships, but also interregional interrelationships. For regional economic analysis, our model will consider the dynamics of income, demand, supply, the impact of investments in renewable energy generation, financial markets reforms, the layout of facilities and infrastructure and the flows of people, commodities, and resources. The increasingly importance of econometric regional models for economic development support strongly the case for a southern peninsula pole of growth.

Application of regional econometric models offers a practical and realistic approach for Haiti's economic growth and sustainable development through the conception and estimation of a prototype regional model for the Southern Peninsula. The main goal is to estimate the importance of our model's building blocks such as industry demand and output, labor demand and the role of capital, labor supply, migration, population, and investments. The southern peninsula econometric model will highlight the role performed by inter-municipal spatial spillovers, the regional gross value added regressed against a group

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## THE PENINSULA PILOT PROJECT

of variables which will reflect the contribution of the catalysts and macroeconomic enablers as determinants for the fifty-nine municipalities of the Southern Peninsula of Haiti.

### 3. HISTORY, ADVISORY & CONSULTING

Peninsula Advisory Global Support Team (PAGST), formerly known as *Xaragua Advisory Group*, was created after the January 10<sup>th</sup>, 2010, earthquake. It serves the mission of promoting capital market reforms, financial engineering, infrastructures building and master planning for Haiti's Southern Peninsula. Among other flagship projects such as the expansion of Antoine Simon airport to an international passenger and cargo hub, the Haitian National Securities Exchange business (HNSE) was developed and proposed to the Central Bank of Haiti (BRH). Led by its founder Alin L Hall, MScFin,

CFP®, PAGST brings together stakeholders and seasoned professionals with credentials, and experience in financial engineering, renewable energy, large scale infrastructures, banking, financial services, and urban planning. In light of the August 14<sup>th</sup>, 2021, 7.2 magnitude earthquake, PAGST's founders reconvened to create the Southern Peninsula Economic Forum (SPEF) to promote its economic vision for the Southern Peninsula, *a sustainable growth model to recover from the lost decade (January 10<sup>th</sup>, 2010 – August 14<sup>th</sup>, 2021)*.

#### Peninsula Advisory Global Support Team:

- Local and International Team of both Experts and stakeholders to find the potentials and deliver the promises.
- Recognized renewable energy design infrastructure, information technologies and investment banking professionals, central bankers, and prominent scholars and businesspeople that are laser focus on creating a sustainable Southern Peninsula alternative as a model for the other regions of Haiti.

#### Southern Peninsula Economic Forum - SPEF (FEPS in French and Creole):

- The voice of the Southern Peninsula regrouping:
  - the civil society,
  - the diaspora,
  - the private sector,
  - the universities, and
  - the syndicate of the fifty-nine municipalities of the Southern Peninsula.
- Non-profit organization made up of professionals, entrepreneurs, members of civil society and the diaspora who work together to build and promote the Southern Peninsula as a pole of growth.
- Membership-based organization promoting the Peninsula Pilot Project (PPP).

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## THE PENINSULA PILOT PROJECT

- o SPEF's Vision: the Southern Peninsula as a regional pole of growth
- o SPEF's Mission: a new ecosystem and legal framework to decentralization
- o SPEF's Objectives:
  - The Peninsula Development Authority.
  - The Peninsula Economic Zone.

SPEF is the Southern Peninsula leading provider of business networking, connectivity, trade, and investments facilitation. SPEF aims at engineering confidence in the Haitian economy.

For more information, visit SPEF's website at [www.peninsulesud.ht](http://www.peninsulesud.ht)

## 4. THE PILOT CONCEPT PLAN

### OVERVIEW

The plan will outline the extraordinary POTENTIAL of the southern peninsula of Haiti. Its purpose is to reinforce the core beliefs that creating Autonomous Economic Zones and proving the Peninsula Economic Zone are the only effective ways to decentralization and sustainable development. To be relevant, the planning process will identify and address not only contemporary issues of concern to the people, workers, property owners, and businesspeople, but also the emerging issues that will be important in the future. It will figure out community issues by involving various community leaders, community organizations, and ordinary citizens.

### Legal Basis

The basis for comprehensive planning comes from the government's ability to care for its citizens. The power for local governments to plan comes from state authorities fostering and enabling legislation. To provide the legal framework necessary, the provision for comprehensive planning will come from the enforcement of the existing ZONING LAWS, which will lay the foundation, competences of a development authority to engage in land use planning.

### Development Authority Legislation

This legislation aims to set forth legal basis, structure and governance. The provision for comprehensive planning will come from the Southern Economic Zone and Public Private Partnership legislations and, the Standard City Planning Act, which will provide the Peninsula Development Authority with the framework to engage in land use planning. Similar models already exist such as the Tennessee Valley Authority (TVA), the Port District of Oregon, the Puerto Rico Infrastructure Financing Authority, and the Chaguaramas Development Authority (CDA) in Trinidad and Tobago.

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## THE PENINSULA PILOT PROJECT

### Southern Economic Zone Legislation

This legislation aims to signal Haiti's commitment to a stable Southern Economic Zone policy regime. This comprehensive SEZ bill will provide rules for:

- Procedures for development, operation, and maintenance of the Southern Economic Zones and for setting up units and conducting business in SEZs.
- Single window clearance for setting up a unit in the Southern Economic Zone.
- Simplified compliance procedures and documentation.
- Approval mechanism and administrative set up of SEZs

### PPP Legislation

At its core, a public-private partnership is an alternative procurement method in which a public agency partner with a private-sector entity to use private resources and ability through the transfer of risk. PPPs are agreements that allow private companies to take on traditionally public roles in infrastructure projects, while allowing the public sector to continue to ensure accountability to the population.

PPPs take this approach one step further by allowing for the combination of construction, financing, and maintenance phases. PPPs enable the private sector to engage not only private sector capital/debt to help government pay for the upfront planning, design and construction but also enables the private sector to hold the long-term operations and maintenance responsibilities.

### Principles

Specific interventions and solutions will depend entirely on the needs of each subregion in the peninsula, but the plan at the peninsula macro level will look to:

- Resist development in flood plains and along earthquake faults and use these areas as parks, or unimproved farmland.
- Designate transportation corridors using hubs and considering major new infrastructures.
- Provide directives into the various 'role's settlements in the region may play, for example some may be administrative, with others based upon manufacturing or transport.
- Spot essential nuisance land use's locations, including waste disposal.
- Identify Green belt lands to resist settlement amalgamation and protect the environment.
- Set regional level policy and zoning which encourages a mix of housing values and communities.
- Enforce building codes, zoning laws and policies that encourage the best use of the land.

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## THE PENINSULA PILOT PROJECT

### PRELIMINARY INVESTMENT STRATEGY

The Peninsula Land Use Plan is the first step in assessing the profit and revenue potential of the peninsula. The build-out projections will assume the land will be sold outright, leased or part of a joint-venture. In addition, key economic drivers such as renewable energy will lay a solid foundation for first developers to fund the needed infrastructures.

### LAND DESCRIPTION

#### Geolocation:

- \* The southern peninsula is located on the southwest part of Haiti, between Jamaica, Cuba, South and Central America. (Map 1). At its western end, the Windward passage separates the peninsula from Cuba and Jamaica. Most of its residents live along the coast, with over a quarter concentrated in the urban centers of Jacmel, Aquin, Les Cayes, Jérémie, Miragoâne, Petit-Goâve and Léogane. The Plan Area includes the South, South- East, Grande-Anse, Nippes departments. It also includes Palms' region of Petit-Goâve, Grand-Goâve, Léogane, Gressier and the offshore islands of Grosse and Petite Caye, Ile-à-Vâche and the Cayemites Islands.

#### Physical Geography, Climate and Ecology:

- \* The peninsula's physical features are characterized as coastal plains, the “Massif de la Hotte” and “Massif de la Selle” mountains chains running along its east-west axis western end. The climate is tropical and warm. The average annual temperatures range from 25°C to 31°C, with a mean annual temperature of 29°C. Average annual precipitation ranges from 140 to 200 centimeters. Most of the precipitation occurs in May through Early November, which sometimes creates flooding. The Peninsula's western part is one of the wettest places in Haiti. Numerous large rivers flow to the coasts through plains and valleys and end in extensive deltas and estuary complexes. Many of the Peninsula's smaller streams are contained in steep and narrow valleys, reflecting rugged topography, particularly on the western side.

#### Mineral and Energy Resources:

- \* The peninsula holds rich and diverse mineral and a variety of energy resources. Hydroelectric energy has been developed through the existing Saut-Mathurine power plant located on the Cavaillon river. Additional energy needs are supplied by high voltage transmission and diesel-electric generation. Oil Refinery Development has potential and gasoline is shipped to Haiti via oil tankers going around the peninsula to reach the “Republic of Port-au-Prince”.

#### Fish and Wildlife Resources:

- \* The ecosystem types support a rich diversity of fish and wildlife, although settlement and human activities have changed populations and distribution of species. There are indigenous mammals (excluding marine mammals) and bird species. Most of these species are forest dwellers, many requiring specific habitat elements to support all or part of their annual life cycle. Many waters have fisheries values that support the fishing industry as well as sustenance fishing. Past human activities

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## THE PENINSULA PILOT PROJECT

have resulted in destruction of spawning and rearing habitats, while changing biophysical conditions and increasingly efficient fishing techniques in the open ocean have all impacted the number of fishes returning to spawn.



Map 1: Peninsula Location Map

### Fresh Water Resources:

- \* Water resources include numerous small lakes, extensive stream systems, wetlands, and ground water. Water availability supports hydroelectric projects, community water use, irrigation, and fisheries flow enhancement. Groundwater use is common for agricultural, rural residential and some commercial/industrial purposes.

### Agricultural Resources:

- \* The soils, climate and terrain of the southern peninsula support a range of agricultural activities. Currently, mango is the only fruit that is exported on a high scale. Most agricultural activity is currently in the form of diversified mixed farming and market gardening for local food self-sufficiency. Most agricultural activity now takes place on small holdings. Major commodities produced include large variety of tropical fruits and produces such as mango, banana, pineapple, avocado, orange, vegetables coffee, rice, sugar cane and derivatives such as molasses, vetiver oil, lime oil. Livestock and dairy production account for approximately 50 % of the production found in Haiti. Tubers can also be an agricultural priority, given their strong food security and niche export potential. For example, yams are in demand in the US market. Cacao and Coffee have strong potential for agribusiness development. Haiti exports 20,000 bags of coffee per year, half of which is produced by the southern peninsula. Approximately 100,000 farmers depend on coffee as their main source of income, but local farmers' associations lack access to capital that could allow them to meet international and local demand.

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### Essential Oils:

- \* Vetiver is cultivated for the fragrant essential oil distilled from its roots. Worldwide production is estimated at about 250 tons per annum. Due to its excellent fixative properties, vetiver is used widely in 90% of all western perfumes. The characteristics of the oil can vary significantly depending on where the grass is grown and the climate and soil conditions. The oil distilled in the peninsula has a more floral quality and is considered of higher quality than the oil from Java which has a smokier scent. The peninsula is the leading producer of vetiver in the world. The culture of Vetiver has also the potential of contributing to sizable energy production with the biomass wastes produced by the distillation process.

### Coastal Resources:

- \* The coastal resources of the plan area are extensive and have historically played a significant role in the social, cultural, and economic development of adjacent communities. The coastal zone holds a diverse array of marine habitats.

### Recreation, Tourism and Visual Resources:

- \* The southern peninsula offers a diverse range of tourism and recreational opportunities that have received international attention and acclaim. Such opportunities include cultural features, built amenities such as 100%-green resort hotels on Ile-à-Vâche, Iles Cayemites, etc., and adventures on land and at sea. Benefiting from a tropical climate, accessibility and a reputation for unexplored natural surroundings, the Peninsula's tourism industry has the potential to be a major employer and generator of economic activity.

## ECONOMIC IMPACT STUDIES

Economic Impact Studies will estimate the total dollars, jobs, and household income generated due to the new economic activities. It is an important analysis tool to measure strategic goal achievement and to complement the analysis of efficiency (benefit-cost) analysis and financial feasibility. Economic impact studies use four metrics: employment, household earnings, economic output, and value added.

The proposed pilot will open the peninsula to the Caribbean community and Haiti to the world. The Peninsula Pilot Project will become an economic model and econometric template for the country. The Major Economic Generators are:

- o Renewable Energy Generation:
  - Hydro, Solar, Bio- Mass, Waste-to-Energy, etc.
- o Oil & Gas, Cement Plant:
  - The Peninsula Coastline is at 942 kilometers or 585 miles or 508 nautical miles from South America. Same as for Oil, South and Central America are major reliable sources of superior quality bulk cement to build the infrastructures.
- o Trans-shipment / Industrial / Free Port (s):

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- The peninsula is strategically located at the crossroads of major global sea lanes and is the closest to the Caribbean community, the Panama Canal, Central and South America and Asia. Existing ports can be upgraded to sustain a throughput of 4M of TEU's with adequate berthing dock, equipment, and yards.
- International and Regional Airports:
  - In the aftermath of the August 14h,2021 earthquake, emergency supplies and first responders were delayed because the closest international airport in Port-au-Prince could not handle the traffic. Also, there is a huge opportunity to tap into the 1.5 million among the four million Haitian living in the Diaspora who visit every year and are looking to reconnect with their homeland as an alternative to other Caribbean islands.
- Cabotage Ports and Ferry System:
  - Jérémie Regional Airport and Seaport will continue to operate and link the western tip of the peninsula to the other regions. Jacmel, Les Cayes, Jérémie, Miragoâne, and Petit-Goave Seaports are ideally located to become major agricultural exchange hubs to link the peninsula's sub-regions. A cargo ferry and trucking system will connect the agricultural hubs to the agricultural hubs of Saint-Marc, Gonaives, Port-de-Paix, Hinche and Cap-Haitien.
- Industrial & Commerce Parks:
  - Proximity is a driving force. The parks will house Nearshoring facilities to relocating and vertically integrated companies.
- Agricultural Land Reserves (ALR):
  - Livestock, Cereals, Tuber Crops, Coffee, Cocoa, Fruits and Vegetables.
- Restoration and exploitation of Arid and Semi-arid lands (ASAL):
  - unlock the potential.
- Green Belts:
  - Similar concepts are greenways or green wedges which have a linear character and may run through an urban area instead of around it.
- Housing and Urban Development:
  - Mixed use developments blend retail, commercial, and residential communities; walkable neighborhoods will link retail shopping centers, thematic parks, and public spaces.

## PENINSULA DEVELOPMENT AUTHORITY

The Peninsula Development Authority (PDA) is a Government Sponsored Entity (GSE). To provide the legal framework necessary, the provision for comprehensive planning will come from the Peninsula Development Authority and the Peninsula Economic Zone Acts, which will provide PDA with the institutional and political legitimacy to engage in planning, building, financing, operating, and maintaining major infrastructures for the peninsula sustainable development. PDA is envisioned to have, joint venture (PPP), leasing and bond issuing authority through its Finance Agency (Peninsula Finance Agency). PFA will be a bonding agency issuing "Double Barreled" Revenue Bonds for industrial, hospitality, educational, medical, technology and other related investments. To improve the risk profile and mobilize

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## THE PENINSULA PILOT PROJECT

developers and equity investors, PDA will have the ability to levy its own taxes as a backstop to support MIGA and US DFC political risk commitments in addition to the direct backing of the Haitian Government.

### PENINSULA ECONOMIC ZONE

The main goal is to transform the Southern Peninsula into a Nearshoring Destination and an Industrialization Floor. The pilot aims at bypassing the negative country risk rating by creating a pro-business environment semi- autonomous pole of growth. The southern peninsula will emerge as an engine for economic growth supported by the right incentives and regulations such as quality infrastructure complemented by an attractive fiscal package. It is expected that the Peninsula Economic Zone (PEZ) will trigger a large flow of foreign and domestic investments in infrastructure and productive capacity, leading to generation of added economic activity and creation of employment opportunities.

### MASTER PLANNER AND DEVELOPMENT ADVISOR

Peninsula Advisory Global Support Team, as part of the Advisory Committee, is the advisor to the PDA Board performing the comprehensive planning and the feasibility studies.

### KEY ASSUMPTIONS AND HIGHLIGHTS

#### Assumptions:

- \* Scarcity: wants are unlimited, but resources are limited.
- \* Self-Interest: Everyone acts in their own self-interest and make choices to maximize their satisfaction.
- \* Trade-Offs: Due to scarcity, choices must be made. Every choice has a cost.
- \* Costs and Benefits: every choice motivated by marginal costs vs marginal benefits.
- \* Supply and Demand: interaction between suppliers and buyers.

However, those traditional assumptions fall short of recognizing people's overconfidence in their own abilities, loss aversion and control to pursue their own self-interest in terms of short-term than long-term benefits. The consensus is underdeveloped economies tend to grow faster than mature ones. This implies that economies with lower levels of per capita GDP grow at rapid rates. Countries with low capital intensity grow faster (convergence).

#### Highlights

The first phase built-out of this plan is estimated to take 5 years. Each Land use should be in line with the project assumptions. The assumption is based on the development of a territory 80% the size of the island country of Jamaica. Detailed business cases, feasibilities, environmental and economic impact studies will be an integral part of the plan with all the projections.

### FINANCE PLAN AND FUNDING KEY ELEMENTS

#### 1) Peninsula Advisory Global Support Team proposes funding through:

##### Peninsula Investment Fund:

###### Summary of Proposed Investment Project Description

Peninsula Investment Fund, LP (the “Fund”) will be a private equity fund to help capitalize the Peninsula existing private sector. The Fund will make significant investments in major infrastructures, small and medium enterprises (SMEs), targeting priority sectors such as renewable energy, food production and distribution, affordable housing, and tourism. The Fund aims to raise money primarily from IFIs, foundations, impact investors and high net worth individual investors. A \$5 million Technical Assistance facility will be sought from donors as grants for feasibility studies.

###### Sponsor and Major Shareholders

Peninsula Capital Partners, L.P will be the General Partner of the Fund and Peninsula Capital Ltd, the Investment Manager. The Fund will be managed by a separate, dedicated on-site investment team. Peninsula Advisory Global Support Team’s experienced investment professionals and operations staff will provide oversight and assistance and promote cross-border knowledge transfer across teams.

The investment team managing Peninsula Investment Fund LP will combine local operational experience and deal sourcing capabilities with international financial expertise. Most or all of team will be based in Haiti and the team will include resident Haitians, members of the Haitian Diaspora, and long-term expatriate residents. The investment team will be supported and guided by (1) Peninsula Advisory Global Support Team; (2) a Technical Advisory Council (with industry experts); and (3) a Limited Partner Advisory Board representing strategic investors and IFIs.

###### Cost

The Fund will seek to raise \$ 4 billion of committed capital from investors.

###### Location and Description of Site

The Fund Manager’s investment team will be based in Les Cayes, Haiti. The Fund will invest in infrastructures, renewable energy generation and vertically integrated businesses in the Peninsula, with the exception that up to 5 % of the Fund may be invested in companies operating in Haiti that have a significant link to the Peninsula.

###### Anticipated Development Impact

The Fund will deliver strong development impact through:

- o supporting undercapitalized SMEs in the Peninsula with funding, managerial guidance, and technical assistance.

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## THE PENINSULA PILOT PROJECT

- o demonstrating successful private equity investing in the Peninsula,
- o building confidence amongst institutional investors to invest in Haiti; and
- o mobilizing co-investment from strategic international investors.

Private equity-sponsored companies must adopt management practices in financial control, cost accounting, quality control, corporate governance, formalized legal structure and tax reporting that are compliant with IFRS accounting standards. If the Fund is successful and delivers developmental and financially positive returns for its investors, the investment manager may be able to launch successor funds. Examples of successful and well-run private enterprises will contribute to a vibrant and sustainable private sector, improving employment, trade balance and public finances.

- \* **Capacity Development Loans** through International Finance Institutions and Development Banks.
- \* **Direct Public Offerings: Equity & Debt**
- \* **Foreign Direct Investments:** Revenue Flows Securitization, “Take Out” Financing upon stabilization of eligible infrastructures and rewarded with “Off-Take Agreements” will attract and reimburse Foreign Direct Investors and Developers
- \* **Sub National Finance Program:** The Sub National Finance Program is a joint initiative of the World Bank and the International Finance Corporation that provides states, provinces, municipalities, and their enterprises with financing and access to capital markets, without sovereign guarantees. On a selective basis they also provide financial support to nationally owned enterprises operating in natural monopoly infrastructure sectors.
- \* **Syndicated Loans:** to mobilize funds through i) Syndicated "B" Loans, ii) Coordinated and/or syndicated parallel loans, and iii) A Loan Participations (ALPs). The providers of funds under the B Loan Program are commercial banks, while the providers of funds for parallel loans are development finance institutions (DFIs).

To enhance the risk profile, mobilize investors and attract developers, guarantees will be provided through the World Bank Multilateral Investment Guarantee Agency (MIGA) and the U.S. International Development Finance Corporation (DFC). Investors and lenders in today's dynamic investment climate understand the potential benefits of investing in emerging markets. They also understand the critical importance of addressing the political risks that may go with an investment in such markets. MIGA and DFC can help investors and lenders deal with these risks by insuring eligible projects against losses relating to:

- o Expropriation
- o War, terrorism, and civil disturbance
- o Breach of contract
- o Non-honoring of sovereign financial obligations
- o Currency inconvertibility and transfer restriction

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## THE PENINSULA PILOT PROJECT

MIGA and DFC provide political risk insurance (guarantees) for projects in a broad range of sectors in developing member countries, covering all regions of the world. DFC guarantees are available for US Investors while World Bank guarantees are available to all countries eligible for borrowing from the International Bank for Reconstruction and Development (IBRD) or the International Development Association (IDA). Bank Guarantees do not cover equity investments, risks of a purely business or commercial nature, or minimum government revenue mechanisms. The Bank offers only partial guarantees, meaning that risks are shared between the Bank and private lenders on the project supported by the guarantee.

Guarantees cover private debt against a government's (or government entity's) failure to meet specific obligations to a private or public project. Regarding the choice and typical use of specific guaranteed instruments, partial credit guarantees (PCGs) are used to support public investment projects involving sovereign borrowings while partial risk guarantees (PRGs) are used to support private sector projects. Policy based guarantees (PBGs) are applicable only for sovereign borrowings.

- \* **Take-out Financing:** To pay-off Investors and retire debts, PFA acting as International Bond Agency will issue “Double Barreled” Revenues Bonds. PDA will have the ability to levy its own taxes within the Peninsula boundaries as a backstop in addition to the direct backing of MIGA and US DFC. Revenues will be generated, and sources could come from industrial infrastructures, sales tax within the peninsula economic zone, Ad Valorem Taxes, TIF, fees on cruise ships and passengers’ flights, usage fees assessed on utilities built by PDA.
- \* **IPOs** on Jamaica Stock Exchange and /or Haitian National Securities Exchange as an Exit Strategy to attract diaspora and FDIs (foreign direct investments)
- \* **Future Revenues Flow & Remittances Securitization.**

**2) The Peninsula Finance Authority (PFA)** is a key element in the formation of the PDA. This Platform will create interest and attract equity investors and infrastructure banks. PFA will oversee the MLA (Mandated Lead Arranger) Selection Process and other components that will assist in “Monetizing” the projects.

- o **Developers:**

- Developers selected by PDA to develop the required infrastructure

- o **MLA:**

- The Mandated Lead Arranger (MLA) has the leading role in this financing stage of a project. He often underwrites the financing, then handles syndication or builds up a group to underwrite the full amount and syndicate. As a requirement of its mandate from the project sponsor, the MLA will be committed to raise the complete debt financing, which for a major project could be many hundreds of millions of dollars. But commercial lenders typically do not want to take more than about US\$50 million of debt for a particular project and will want to pass some of the debt, and hence some of the risk, to other lenders.

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- **Syndication:**
  - The process of selling the debt is called syndication. A syndicated loan is one that is provided by a group of lenders and is structured, arranged, and administered by one or several investment banks known as arrangers.
- **Off-Take Agreement:**
  - An agreement between a producer of a resource and a buyer of a resource to purchase/sell portions of the producer's future production. An off-take agreement is normally negotiated prior to the construction of a facility such as a mine to secure a market for the future output of the facility. If lenders can see the company will have a purchaser for its production, it makes it easier to obtain financing to construct a facility.
- **Major Users Companies:**
  - PDA will attract and recruit Major Infrastructure Operating Companies with the ability to fund their own projects.
- **Take Out Financing:**
  - A commitment to provide permanent financing following construction of a planned project. The takeout commitment is predicated upon specific conditions, such as a certain percentage of unit sales or leases, for the permanent loan to “takeout” the construction loan.

## LEGISLATIONS & REFORMS

- \* Peninsula Development Authority Legislation
- \* Peninsula Economic Zone Legislation
- \* Public Private Partnership Legislation
- \* Capital Markets Reforms:
  - Securities Exchange Commission Legislation
  - Haitian National Securities Exchange.

## FLAGSHIPS PROJECTS

### Peninsula Investment Fund

- \* **Overview:**
  - The Fund aims to raise money primarily from IFIs, foundations, impact investors, the Haitian Diaspora and high net worth individual investors. The Fund looks to mobilize funding from strategic international, multilateral and bilateral institutions and to build confidence amongst institutional investors to invest in Haiti.
- \* **Objectives:**
  - To provide funding for flagship projects to make significant investments in major infrastructures, to target priority sectors such as renewable energy, food production and distribution, affordable housing, and tourism,

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## THE PENINSULA PILOT PROJECT

- \* **Benefits:**

- o To prove successful private equity investing and a sustained flow of capital to fund the Peninsula Economic Model

- \* **Components:**

- o Peninsula Capital Partners, L.P will be the General Partner of the Fund and Peninsula Investment Capital Ltd, the Investment Manager. Peninsula Advisory Global Support Team's experienced investment professionals and operations staff will provide oversight and assistance and promote cross-border knowledge transfer across teams.

### Peninsula Development Bank

- \* **Overview:**

- o To support the development and improvement of rural areas. To provide an easier path to affordable financing with preferred rates and better loan terms to Farmers, Small and Medium Size Business Owners.

- \* **Objectives:**

- o to provide working capital and funding for small and medium business owners who would not otherwise qualified, to offer special equipment, machinery and inventory financing.

- \* **Benefits:**

- o to support SMEs in the Peninsula with funding, managerial guidance, business training, one-one-counseling to help entrepreneurs start and grow businesses, to provide specialized resources to women

- \* **Components:**

- o Farm and Agricultural
- o Small Business
- o Commercial
- o Business & Residential Construction
- o Equipment & Machinery

### Peninsula Development Authority

- \* **Overview:**

- o A semi-autonomous Government Sponsored Entity responsible for the promotion and enhancement of economic development in the Peninsula.

- \* **Objectives:**

- o To bypass the negative country risk rating. To initiate major planning activities for the Peninsula Economic Zone in accordance with the vision

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## THE PENINSULA PILOT PROJECT

- \* **Benefits:**

- o Effective Decentralization will open the South of Haiti to the Caribbean community and the Peninsula to the world. The Peninsula will become an economic model that could be cloned for the other “economic poles” of the country.

- \* **Components:**

- o The Peninsula Finance Agency, the Peninsula Economic Development Commission, the Peninsula Industrial Park Development Corporation, the Peninsula Small Business Development Agency, and the Peninsula Enterprise Zone Commission.

### Peninsula Economic Zone

- \* **Overview:**

- o Undertaking the regrouping of the Palms’ region, the South-East, the Nippes, the Grand-Anse and the South geographical departments under the umbrella of the Peninsula economic zone.

- \* **Objectives:**

- o To generate additional economic activity, promote investments from domestic and foreign sources, create employment opportunities along with the development of infrastructure facilities.

- \* **Benefits:**

- o To bypass the negative country risk rating. To attract investments and provide an internationally competitive hassle-free environment for exports. To level playing field to enable the domestic enterprises and manufacturers to be competitive globally.

- \* **Components:**

- o Palms’ region, South-East, Nippes, Grand-Anse, South departments including off-shore islands.

### Renewable Energy Generation at Competitive Price

- \* **Overview:**

- o To improve power availability to meet industrial and domestic demand.

- \* **Objectives:**

- o To increase power generation, supply the energy needed to accelerate growth and mobilize private sector capital for generation of electricity from renewable energy.

## THE PENINSULA PILOT PROJECT



✳ **Benefits:**

- o Reducing hydrocarbon dependency with renewable energy initiatives.

✳ **Components:**

- o Biomass, Waste to Energy, Hydro, Solar, etc.

### Lower Saut - Mathurine (LSM) Power Plant

**Location:** Downstream of the existing Saut - Mathurine power plant located on the Riviere Cavillon, there exists the possibility of constructing a hydropower station of the run of the river type.

**Description:** The LSM project will consist of a 2-meter-high dam that will store and divert the flow to a silt trap and a forebay connected to a 2,360 meters long glass reinforced pipe (GRP) penstock of 1,219 mm in diameter. The penstock will bifurcate into a two branches manifold that will provide the necessary flow to drive two Francis type turbines rated at 625 KW each. The proposed power plant will be connected to an existing 23 KV line via a high-tension line of the same less than 200 meters long.

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## THE PENINSULA PILOT PROJECT

**Estimated Energy Production:** The hydraulic and hydrologic analyses have been performed for this project and the installed capacity has been estimated at 1,250 KW. The minimum yearly energy production is estimated at 6,069,748 KWH, and the maximum at 10,522,938 KWH.

**Construction cost:** The construction cost has been estimated at \$8,600,000 which also includes cost on financing and contingencies. The project preliminary studies have been performed and the feasibility verified both by the United Nations Environmental Program (UNEP) and Norwegian engineers. The environmental impact studies have been completed, and submitted to the Ministry of Environment, and the Ministry of Agriculture. Following the approval of the environmental impact studies, the developer has applied and obtained the water usage permit.

### Ravine du Sud (RDS) Power Plant

**Location:** the possibility of a hydro power station of the run-off the river type exists on the Ravine du Sud (RS).

**Description:** The RS project will consist of a Tyrollean dam that will divert the flow to a silt trap and a fore-bay connected to a 3,000 meters long glass reinforced pipe (GRP) penstock of 1,219 mm in diameter. The penstock will bifurcate into a two branches manifold that will provide the necessary flow to drive two Francis type turbines rated at 900 KW each. The proposed power plant will be connected to an existing 23 KV line via a high-tension line of the same 2,000 meters long.

**Estimated Energy Production:** The hydraulic and hydrologic analyses have been performed for this project and the installed capacity has been estimated at 1,800 KW. The minimum yearly energy production is estimated at 7,586,378 KWH, and the maximum at 14,004,862 KWH.

**Construction cost:** The construction cost has been estimated at \$9,800,000 which also includes cost on financing and contingencies. The project preliminary studies have been performed and the feasibility verified both by the United Nations Environmental Program (UNEP) and Norwegian engineers. The environmental impact studies have been completed, and submitted to the Ministry of Environment, and the Ministry of Agriculture. Following the approval of the environmental impact studies, the developer has applied and obtained the water usage permit.

### Rivière Les Anglais (RLA) Power Plant

**Location:** The Les Anglais River is in the South Department of Haiti. This river runs from the La Hotte mountain range to the Caribbean Sea.

**Description:** A preliminary study was performed to estimate the potential power and energy generating capacity of Les Anglais River. A run-of-the-river scheme was selected as the most suitable. This facility could produce a maximum power output of 2,950 KW. At the potential diversion dam location set at elevation 220 meters, the tributary basin area is 73 KM<sup>2</sup>, and the minimum flow is evaluated at 0.470 m<sup>3</sup>/s, while the maximum flow is evaluated at 4.485 m<sup>3</sup>/s. The project design flow is 3.095 m<sup>3</sup>/s. The site available gross head is 100 meters. This project intends to generate electricity for the South Department, develop Haiti's natural resources, and capitalize on the energy market.

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## THE PENINSULA PILOT PROJECT

### Rivière Acul (RA) Power Plant

**Location:** The Acul river is in the South Department of Haiti. This river runs from the La Hotte mountain range to the Bay of Les Cayes.

**Description:** A preliminary study was performed to estimate the potential power and energy generating capacity of Acul river. A run-of-the-river scheme was selected as the most suitable. This facility could produce a maximum power output of 725 KW. At the potential diversion dam location set at elevation 235 meters, the tributary basin area is 53 KM<sup>2</sup>, and the minimum flow is evaluated at 0.750 m<sup>3</sup>/s, while the maximum flow is evaluated at 1.700 m<sup>3</sup>/s. The project design flow is 1.180 m<sup>3</sup>/s. The site available gross head is 80 meters. This project intends to generate electricity for the South Department, develop Haiti's natural resources, and capitalize on the energy market.

### Rivière Glace (RG) Power Plant

**Location:** The Glace River is in the Grande-Anse Department of Haiti. This river runs from the La Hotte mountain range to a land lock depression.

**Description:** A preliminary study was performed to estimate the potential power and energy generating capacity of Riviere Glace. A run-of-the-river design was selected as a solution for the maximum power output of 2,744 KW. Riviere Glace At the potential diversion dam location set at elevation 712 meters, the tributary basin area is 29 KM<sup>2</sup>, and the minimum flow is evaluated at 0.382 m<sup>3</sup>/s, while the maximum flow is evaluated at 1.441 m<sup>3</sup>/s. The project design flow is 1.302 m<sup>3</sup>/s. The site available gross head is 285 meters. The project could be subdivided into two cascading installations to minimize the cost associated with the penstock. This project intends to generate electricity for the Grande-Anse Department, develop Haiti's natural resources, and capitalize on the energy market.

### Saut du Barril (SDB) Power Plant

**Location:** Saut du Barril is in the Nippes Department of Haiti. This river runs from the mountains of Paillant to the La Gonave Gulf.

**Description:** A preliminary study was performed to estimate the potential power and energy generating capacity of Saut du Barril. A run-of-the-river design was selected as a solution for the maximum power output of 173 KW without impacting the falls. At the potential diversion dam location set at elevation 179 meters, the tributary basin area is 2.5 KM<sup>2</sup>, and the minimum flow is evaluated at 0.05 m<sup>3</sup>/s, while the maximum flow is evaluated at 0.173 m<sup>3</sup> /s. The project design flow is 0.157 m<sup>3</sup>/s. The site available gross head is 55 meters. The project as proposed will not impact the falls. The proposed dam will be located downstream of the falls. This project intends to generate electricity for the Nippes Department, develop Haiti's natural resources, and capitalize on the energy market.

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## THE PENINSULA PILOT PROJECT

### Rivière Blanche (RB) Power Plant

**Location:** The Blanche River is in the South-East Department of Haiti. This river runs from the La Selle mountain range from the pine forest of Seguin at La Visite National Park to the Caribbean Sea near the small city of Marigot.

**Description:** A preliminary study was performed to estimate the potential power and energy generating capacity of Riviere Blanche. A run-of-the-river scheme was selected as the most suitable. This facility could produce a maximum power output of 7,730 KW. At the potential diversion dam location set at elevation 915 meters, the tributary basin area is 18 KM<sup>2</sup>, and the minimum flow is evaluated at 0.020m<sup>3</sup>/s, while the maximum flow is evaluated at 1.555 m<sup>3</sup>/s. The project design flow is 1.206m<sup>3</sup>/s. The site available gross head is 835 meters.

### Rivière Pichon (RP) Power Plant

**Location:** The Pichon river is in the South-East Department of Haiti. This river runs from the La Selle mountain range to the Caribbean Sea near the small city of Belle-Anse.

**Description:** A preliminary study was performed to estimate the potential power and energy generating capacity of Riviere Pichon. A run-of-the-river design was selected as a solution for the maximum power output of 5,339 KW. At the potential diversion dam location set at elevation 597 meters, the tributary basin area is 22 KM<sup>2</sup>, and the minimum flow is evaluated at 0.147 m<sup>3</sup>/s, while the maximum flow is evaluated at 1.486 m<sup>3</sup>/s. The project design flow is 0.9895 m<sup>3</sup>/s. The site available gross head is 770 meters.

### An Eco-friendly Sustainable Peninsula

✳ **Overview:**

- The overall goal is conservation, restoration, high-risk disasters prevention, pollution reduction, waste management and environmental planning.

✳ **Objectives:**

- To reduce deforestation by 50%. To restore Arid and Semi-arid lands (ASAL). To ensure a clean, healthy, and secure environment. To enforce regulations on the use of plastic and other hazardous products. To reduce hazards related to an unhealthy practice. To develop solid waste management systems in major municipalities in the proposed economic zone. To harness strategic natural resources.

✳ **Benefits:**

- This will include significantly improving the contribution of forest services to the economy and providing a base for the growth of the forestry sector. Wildlife conservation will aim at fully protect all ecosystems. This will sustain the expected high growth rate of the ecotourism sector.

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## THE PENINSULA PILOT PROJECT

- \* **Components:**

- o Waste management system, water management system, wildlife, and natural parks management

### International cargo and passenger hub

- \* **Overview:**

- o Undertaking of a feasibility study to facilitate the construction of an international cargo and passenger hub through Public Private Partnership with the Haitian Government providing the existing facility and the added land needed.

- \* **Objectives:**

- o To link the southern peninsula with Jamaica, the Caribbean, South and Central America and Florida, to open the development of the region and country through commercial, industrial, and value-addition activities.

- \* **Benefits:**

- o Open the peninsula to economic opportunities; Improve transit transport efficiency to and from the Caribbean; Ease congestion at the Port-au-Prince International Airport; Open up the region to social development opportunities; Provide the country with an alternative gateway for airborne traffic on the calamity in Port-au-Prince and/ or Cap - Haitian; Open up the region to social development opportunities; Creation of new industries and businesses.

- \* **Components:**

- o Aviation Related Businesses, etc.

### International Transshipment Seaports

- \* **Overview:**

- o Undertaking of a feasibility study for the construction of Transshipment and Freeport facilities through Public Private Partnership with the Haitian Government supplying the land. The project will involve the development of a new transport corridor from the new port. This will include a new road network and a railway line.

- \* **Objective:**

- o To open the development of the peninsula through commercial, industrial and value-added activities.

- \* **Benefits:**

- o Open up the coastal and neighboring regions to economic opportunities; Improve transit transport efficiency to and from emerging markets; Ease congestion at the port of Port-au-Prince; Open up the region to social development opportunities; Provide the country with an alternative gateway for seaborne traffic in the event of another calamity in Port-au-Prince; Open up the region to social development opportunities; Creation of new industries and businesses

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## THE PENINSULA PILOT PROJECT

### \* **Components:**

- Transshipment Port, Free Trade Zone, Cement Bulk Terminal, Oil and Gas with a Liquid Propane project consisting of the construction of an onshore bulk-liquid terminal for the receipt, storage, and distribution of liquefied petroleum gas, diesel fuel, gasoline, etc.

## Capital Markets Reforms and Institutions

### \* **Overview:**

- This project entails the implementation of capital markets by aligning the legal framework with the needs of a market-based economy.

### \* **Objectives:**

- To incubate a Securities Exchange and a Haitian National Securities Commission. To link and integrate Haiti to the Caribbean Capital Markets. To give Haitian corporations access to the major regional exchanges.

### \* **Benefits:**

- Development of efficient and transparent Capital Markets, to develop primary and secondary markets, to derive and enhance Haiti's country risk profile

### \* **Components:**

- Haitian Securities Commission, Haitian National Securities Exchange, Central Securities Depository

## Agribusiness: Agricultural Exchange

### \* **Overview:**

- To create at least ten wholesale hub markets across the country in support of a Haitian Agricultural Exchange. This project also involves the establishment of Producer Business Groups (PBGs) at the producer level which will in turn feed the wholesale hubs principally in rural areas.

### \* **Objectives:**

- Create at least ten wholesale hubs to improve the supply chain of small operator retail market and expand formal market outreach.

### \* **Benefits:**

- Increased wholesale agribusiness activities

### \* **Components:**

- Agricultural Exchange, Warehouses, Cargo Trucking and Ferry system, etc.

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## THE PENINSULA PILOT PROJECT

### Industrial and Commerce Parks

- \* **Overview:**
  - o This project aims to attract relocating companies, distribution centers, warehouses, manufacturing factories, R & D, BPO (Business Process Outsourcing) and ICT (Information Communication & Technology).
- \* **Objectives:**
  - o To bolster industrialization for export and provide nearshoring relocation to companies
- \* **Benefits:**
  - o To generate employment, to provide jobs and create wealth in a sustainable way.
- \* **Components:**
  - o Secure environment, telecommunications, energy, water delivery and treatment, and road, rail and air systems.

### A Gender Equity Friendly Peninsula

- \* **Overview:**
  - o To promote gender equality as a human right. Equality between men and women correct imbalances in the distribution of influence and power. To promote awareness that women are not in the same starting position as men because of historical and social disadvantages.
- \* **Objectives:**
  - o To increase the participation of women in the economy. To address gender imbalances, and obstacles facing women by equipping them with the right set of skills to be compete with men. To aim at equal enjoyment by people of socially valued goods, opportunities, resources, and rewards. To promote family planning and birth control methods.
- \* **Benefits:**
  - o To increase GDP by closing the gender employment gap. To expand a diverse economy with more women in business leadership position.
- \* **Components:**
  - o Access to training, capital formation, and credit to women entrepreneurs

### Housing development and urbanization

- \* **Overview:**
  - o To make the peninsula more attractive and self-sufficient, city planners will provide with both residential and professional zoning.
- \* **Objectives:**
  - o Mixed use development will allow for the development of homes, shopping centers and/or light industry, as well as recreation areas such as thematic parks.
- \* **Benefits:**
  - \* Areas such as these are valuable in that they will provide with both housing and a place to work.
- \* **Components:**
  - o Planned Residential and Commercial Estate

