



## Haiti main beneficiary of Caribbean trade programme

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The Caribbean Basin Economic Recovery Act (CBERA) continues to have a "small but positive impact" on exports, a new report has found, with Haiti's apparel sector one of the main beneficiaries.

The latest biennial update from the US International Trade Commission (USITC) found total imports under the trade preference programme declined 43.2% in 2016 to \$875.5m, from \$1.5bn in 2015. The decline was driven primarily by declining imports of energy products, specifically crude petroleum and methanol, from Trinidad and Tobago.

However, CBERA provisions for Haiti have had a strong, positive effect on export earnings and job creation in Haiti's apparel sector, meaning US imports of textiles and apparel increased if imports under the HOPE and HELP Acts are taken into account.

Textiles and apparel, supplied mainly by Haiti (not including imports under HOPE/HELP), accounted for 34.9% of imports under CBERA in 2016.



Textiles and apparel from Haiti accounted for 35% of imports under CBERA in 2016

The CBERA programme, which has been in operation since 1984, gives preferential tariff treatment to most products imported into the US from 17 designated beneficiary Caribbean countries (Antigua and Barbuda, Aruba, Bahamas, Barbados, Belize, British Virgin Islands, Curacao, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, St Kitts and Nevis, St Lucia, St Vincent and the Grenadines, Trinidad and Tobago). It was modified by the Caribbean Basin Trade Partnership Act of 2000 (CBTPA), and the HOPE and HELP Acts.

The report publication '*Caribbean Basin Economic Recovery Act: Impact on US Industries and Consumers and on Beneficiary Countries, Twenty-third Report, 2015-16*,' also found that investment for the near-term production and export of CBERA-eligible products is not likely to result in imports that would have a measurable economic impact on the US economy generally and on US producers.

It also found CBERA has a negligible effect on US consumers.

Exporting CBERA-eligible goods is a challenge for many CBERA beneficiaries because of supply-side constraints, including inadequate infrastructure and an increasing focus on the export of services.

Separately, the expiry of the Caribbean Basin Trade Partnership Act (CBTPA) in three years' time is causing concern for US apparel and footwear retailers and importers, especially those who source from Haiti.

### **CBTPA expiry raises concerns for Haiti apparel sourcing**

While a separate review of the Earned Import Allowance Program (EIAP) designed to boost US imports of apparel from the Dominican Republic has also found it is still not providing enough incentives to make a difference.

### **Dominican Republic apparel scheme still fails to lift exports**

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