

USAID INVEST + Haiti



MOBILIZING PRIVATE INVESTMENT TO ELECTRIFY NORTH-EAST HAITI



PROBLEM

The U.S. and other donors constructed a power utility to electrify an industrial park in North-East Haiti, as part of the country's reconstruction after the 2010 earthquake. USAID currently finances the management of the plant and grid, but wants to find a private operator for long-term sustainability.



INVEST SOLUTION

INVEST is supporting the public procurement process launched by the Government of Haiti to find a private investor to operate and expand the power utility. INVEST identified and brought on board financial and legal advisors who are working directly with the Government to award a concession to a private-sector entity.



OUTCOMES TO DATE

INVEST defined and structured the transaction to award the concession and developed the documents required for the Government of Haiti to launch the tender. During this work, the Government expressed its intention to award additional power-grid concessions across the country. INVEST's process and tender documents will inform the work to attract private investment to regions throughout Haiti.



LESSONS TO DATE

Launching public-private partnerships require transaction advisors who are aware of the political climate. By quickly adapting to changing policy priorities and constraints, the team supported the original tender and the Government's broader objective of electrifying the country. Investors are commonly averse to long-term capital commitments in frontier markets, given market volatility and the lack of hedging and other de-risking instruments. Transaction advisors must employ alternatives to reduce risk and increase certainty for investors.