



DELICIOUS FRUITS S.A. — DRIED FRUIT PROCESSING

Dried Fruit Processing Investment in Haiti

Dried Fruit Processor, Delicious Fruits S.A., is planning to modernize and expand its production facilities to meet demand for its export markets. Founded in 2004 by two US educated chemical engineers, the company processes mangoes, coconuts, pineapple, figs and other fruits and is organic certified. Over the past few years the company has expanded through building new facilities in Haiti as part of social partnerships. These include a fruit drying plant in Saint-Michel de l'Attalaye and plants in the rural cities of Mirebalais and Gros Morne. The company produces 15,000 to 20,000 lbs of product per month and primarily exports to the US and Canada.

The company has been approached by buyers who are seeking to deal in large volumes, which cannot be met by the company's current production capacity. A US\$400,000 investment is being sought to increase production and capitalise on these business opportunities. The investment includes a land lease, equipment acquisition, construction of a larger production area, and working capital for orders and purchasing raw materials.

Haiti's Agri-Business Environment

❖ Haiti is currently undergoing a period of redevelopment which is creating lucrative opportunities for investment. Its strategic location, large workforce of young adults, pro-business government and support from the international community have positioned the country for future growth and development.



- ❖ The agri-business sector in Haiti is one of significant importance and growth potential for the economy. Haiti is currently experiencing strong domestic demand and has significant potential to expand into export markets. Its close proximity to the US and Caribbean countries ensures that products get to markets quickly. The country is also an ACP (African, Caribbean and Pacific) member and has duty-free and quota-free preferential access to the European Union markets for most products. Haiti's free access to international markets is also facilitated by Generalized System of Preferences (GSP) and the Bali Accord.
- ❖ Haiti is particularly well suited to fruit production and processing. The market for Haitian mangoes has been especially lucrative, with exports of both dried and fresh mangoes reaching nearly 11,000 tons in 2013¹. The county has approximately 10 million mango trees, yet there is still vast potential for additional growth in production of both fresh and dried product. Currently, only around 10 percent of production is the export-quality Madame Francis variety. The country is taking steps to increase production and meet growing international demand, including the upgrading of existing Haitian mango trees through grafting, the introduction of new varieties of commercial trees and improved transportation.

¹ CFI Haiti

Incentives

Haiti offers a wide range of incentives to investors in the agri-business sector. Under the 2002 Investment Code, qualifying businesses may benefit from a tax holiday on the corporation tax and all local taxes other than the Patent for up to 15 years. Certain capital investments also qualify for accelerated depreciation for tax purposes. For agricultural investments there are a number of exemptions and incentives including:

- ❖ Exemption from payroll taxes and all other direct internal taxes for a period, which shall not exceed 15 years.
- ❖ Exemption from the security deposit provided for by the Customs Tariff Code for temporary entry imports.
- ❖ Customs duty and tax relief on import of equipment goods and materials necessary for the establishment and operations of the enterprise, including: 1) Tractors, two-wheel tractors, fishing boats and outboard motors and any other equipment necessary for the enterprise's operations, 2) Seed, fry, fertilizer, pesticides, plants, fungicides and all other agriculture, stockbreeding and fishing inputs 3) Nets, traps and other fishing equipment 4) Devices and equipment used in the construction of hothouses, incubators for the production of poultry, 5) Spare parts and tools used in equipment maintenance, 6) Post-harvest machines, tools and equipment such as gins, pulpers, grain threshing machines, 7) Packaging, preserving and processing materials and all equipment deemed necessary in company production.

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