

**MEMORANDUM OF UNDERSTANDING**

*between*

**THE MINISTRY OF ECONOMY AND FINANCE OF HAITI**

*and*

**Sae-A Trading Co., Ltd**

*and*

**INTERNATIONAL FINANCE CORPORATION**

*and*

**THE INTER-AMERICAN DEVELOPMENT BANK**

*and*

**UNITED STATES DEPARTMENT OF STATE**

**September 20, 2010**

**MEMORANDUM OF UNDERSTANDING**

*between*

**THE MINISTRY OF ECONOMY AND FINANCE OF HAITI**

*and*

**Sae-A Trading Co., Ltd**

*and*

**INTERNATIONAL FINANCE CORPORATION**

*and*

**THE INTER-AMERICAN DEVELOPMENT BANK**

*and*

**UNITED STATES DEPARTMENT OF STATE**

**WHEREAS, THE MINISTRY OF ECONOMY AND FINANCE OF HAITI** (hereinafter referred to as the “Ministry of Economy”) is the national government agency charged with formulating and implementing economic and financial policies within the country;

**WHEREAS, Sae-A Trading Co., Ltd.** (hereinafter referred to as “Sae-A”) is a privately owned company, headquartered in Seoul, Korea, with international operations to manufacture primarily knit apparel products and committed to a business philosophy of corporate social responsibility, customer satisfaction, and strong teamwork;

**WHEREAS, THE INTERNATIONAL FINANCE CORPORATION,** (hereinafter referred to as "IFC") is an international organization established by Articles of Agreement among its member countries, including the Republic of Haiti, the purpose of which is to further economic development by encouraging, in terms and conditions normally obtained by private investors, the growth of productive private enterprises in its member countries;

**WHEREAS, THE INTER-AMERICAN DEVELOPMENT BANK** (hereinafter referred to as the "IDB") is a public international organization, the purpose of which is to contribute to the acceleration of the process of economic and social development of its regional developing member countries in Latin America and the Caribbean, individually and collectively;

**WHEREAS, THE UNITED STATES DEPARTMENT OF STATE** (hereinafter referred to as the "State Department") is the foreign relations agency of the government of the United States of America ("United States") and seeks to advance the interests of the United States through engagement, partnership, and the promotion of universal values. Using diplomatic and development tools, the United States works to forge consensus to defeat global threats, manage global challenges, and seize opportunities of the 21st century.

**CONSIDERING THAT, THE MINISTRY OF ECONOMY, Sae-A, the IFC, the IDB AND THE STATE DEPARTMENT** (hereinafter referred to as the "Participants", and individually, each a "Participant") have reached an understanding concerning the basis on which the Participants may explore opportunities for cooperation and collaboration on matters of common interest regarding the establishment of an Industrial Park in Haiti, and to render their respective activities more effective and beneficial.

**NOW, THEREFORE,** the Participants declare their intent in this Memorandum of Understanding (hereinafter referred to as the "MOU"), as follows:

## **ARTICLE 1**

### **Objective**

- 1.1 The objective of this MOU is to set forth the Participants' understanding concerning a non-exclusive framework of cooperation to facilitate

collaboration between the Participants around activities that are intended to foster employment creation through the development of a globally competitive industrial park and associated manufacturing operations in Haiti, preferably in the region just north of greater Port-au-Prince or, alternatively, in the north in an area between the cities of Cap Haitien and Ouanaminthe. This is in line with the prioritization of these two regions as poles of development in Haiti's National Action Plan of March 31, 2010. These and any other activities between the Participants are intended to be subject to the respective policies and procedures of the Participants.

## **ARTICLE 2**

### **Areas of Cooperation**

2.1 Some or all of the Participants may, in particular, explore the possibility of cooperating on a non-exclusive basis in the following areas of activity:

(a) Discussions on the terms of participation by Participants on the development of a globally competitive industrial park, including:

- i. Undertaking expeditiously the necessary feasibility and pre-investment assessments to identify the most suitable site for a competitive industrial park consistent with the strategy in the Government of Haiti's National Action Plan to establish economically viable areas;
- ii. Providing assistance for adequate supporting infrastructure, including but not limited to port facilities with sufficient capacity to meet requirements of the Participants and operators in the park; reliable access to electricity, water supply, water treatment and sewerage; access roads; housing for workers; training centers for workers; and other ancillary services for tenants in the industrial parks, including but not limited to security;
- iii. Financing of infrastructure investments for industrial park construction and effective operation and maintenance;
- iv. Undertakings and obligations by any party that plans to operate in the industrial park as tenant and locate manufacturing

operations in Haiti, including investing in building adequate factory shells as necessary and desirable;

v. Providing the operating framework and structure of tenancy agreements for the industrial park based on international standards for Haitian and foreign tenants located in the industrial park.

(b) Improving and consolidating the institutional framework in Haiti, specifically related to industrial park development and operations;

(c) Promotion of a business and operating environment enhancing the competitiveness of productive industries based in Haiti and their suppliers;

(d) Promotion of employment creation in apparel and textile operations;

(e) Showcasing Haiti's advantages as a place to do business to other potential investors to create a competitive economic cluster with a range of production facilities and support services.

2.2 The exchange of information for collaborating on the activities listed above and new areas of collaboration is intended to be subject to the Participants' policies and procedures on the disclosure of information.

2.3 Activities of Participants are intended to be subject to the respective Participants' organizational purposes and internal policies and procedures, including those policies for the appraisal and approval of financing, environmental and social standards and the hiring of consultants and other services.

### **ARTICLE 3**

#### **Mutual Arrangements of the Participants**

3.1 This MOU does not represent any commitment with regard to funding, financing, investment nor technical assistance on the part of the Participants. The Participants may enter into separate, subsequent

arrangements reflecting any such commitments. Furthermore, this MOU does not represent any commitment on the part of any of the Participants to give preferred treatment to any of the other Participants in any matter contemplated under this MOU or otherwise, and nothing in this MOU shall be construed as limiting or amending the requirements of any of the Participants and applicable laws for rigorous, transparent and impartial bidding processes.

## **ARTICLE 4**

### **Channels of Communication and Notice**

4.1 For the purpose of facilitating the implementation of the working arrangements to be established by the Participants to this MOU, the Participants may contact each other through the following channels of communication:

4.1.1 For the Ministry of Economy:

Ministry of Economy and Finance of Haiti  
Attention: Ronald Baudin  
Port au Prince  
Haiti  
Telephone: +509 2992-1027  
E-mail: ametellus@mefhaiti.gouv.ht

4.1.2 For Sae-A:

Sae-A Trading Co., Ltd  
Attention: Lon Garwood  
6<sup>th</sup> Floor, Sae-A Bldg., 946-12 Daechi-dong, Gangnam-gu  
Seoul  
Korea  
Telephone: +82-2-6252-7702  
Facsimile: +82-2-6252-7005  
E-mail: longarwood@sae-a.com

4.1.3 For the IDB:

Inter-American Development Bank  
Attention: Augstin Aguerre  
1300 New York Avenue, NW  
Washington, D.C. 20577  
United States of America  
Telephone: +1 (202) 623-1548  
Facsimile: +1 (202) 312-4219  
E-mail: JOSEA@iadb.org

4.1.4 For the IFC :

International Finance Corporation  
Attention: Paolo Martelli  
2121 Pennsylvania Avenue, NW  
Washington, D.C. 20433  
United States of America  
Telephone: +1 (202) 473-3800  
Facsimile: + 1 (202) 974-4384  
E-mail: pmartelli@ifc.org

4.1.5 For the State Department:

U.S. Department of State  
Attention: Cheryl D. Mills  
2201 C Street NW  
Washington, D.C. 20520  
United States of America  
Telephone: +1 (202) 647-5548  
Facsimile: +1 (202) 736-4535  
E-mail: millscd@state.gov

- 4.2 Any Participant to this MOU may, by notice in writing to the other Participants, designate additional representatives or substitute other representatives for those identified in this Article.

## **ARTICLE 5**

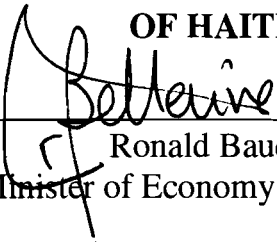
### **Effectiveness, Modification, Cessation, and Other Matters**

- 5.1 Participation under this MOU is intended to commence on the date of its signature by all Participants and is intended to cease after a period of two years from the date of the signature, provided, however, that any Participant may unilaterally and without cause cease to participate in this MOU. A Participant should endeavor to give advance notice of its intent to discontinue its participation in this MOU prior to that time.
- 5.2 It shall be acknowledged by the Participants that the continuation of participation under this MOU for Sae-A is contingent upon the existence of adequate infrastructure, labor force, labor policies, favorable access to export markets, access to sufficient funding and any other circumstances that affect the feasibility of investment by Sae-A.
- 5.3 It shall be further acknowledged by the Participants that in accordance with the IFC's organizational purpose and its Articles of Agreement, any IFC financing (debt, equity, or otherwise) granted shall be on commercial terms.
- 5.4 Modifications to this MOU may be made only by mutual arrangement of the Participants.
- 5.5 Depending on the Participants' policies and procedures with respect to the disclosure of information, the Participants may make this MOU publicly available.
- 5.6 This Memorandum of Understanding is non-binding and it does not impose, nor is it intended to impose, any commitments (legal, financial, or otherwise) on the Participants.



Signed on this twentieth day of September, 2010, by the Participants.

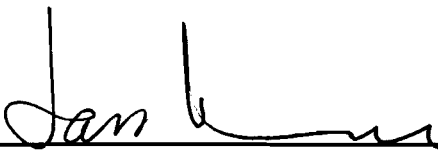
**FOR THE MINISTRY OF  
ECONOMY AND FINANCE OF  
THE GOVERNMENT  
OF HAITI:**

  
\_\_\_\_\_  
Ronald Baudin  
Minister of Economy and Finance

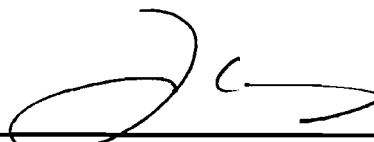
**FOR SAE-A TRADING CO.,  
LTD.:**

  
\_\_\_\_\_  
Woong Ki Kim  
Chairman


**FOR THE INTERNATIONAL  
FINANCE CORPORATION:**

  
\_\_\_\_\_  
Lars H. Thunell  
Executive Vice President & CEO

**FOR THE INTER-AMERICAN  
DEVELOPMENT BANK:**

  
\_\_\_\_\_  
Luis Alberto Moreno  
President

**FOR THE DEPARTMENT OF  
STATE OF THE UNITED  
STATES OF AMERICA:**

  
\_\_\_\_\_  
Hillary Rodham Clinton  
Secretary of State