



Telecommunications Services and Equipment A Top Export Prospect for Haiti

September 2014

Overview

	2011	2012	2013
Total Market Size	196.6	60	64
Total Local Production	0	0	0
Total Exports	0	0	0
Total Imports	196.6	60	64
Imports from the U.S.	47.5	27.2	23

** : Not available Figures in million USD. All figures derived from the U.S. Census Bureau and the International Trade Center.

The government's telecommunications regulatory agency, Conseil National des Telecommunications (CONATEL -- equivalent to the FCC) regulates the telecommunications sector. CONATEL assigns frequencies and issues operating licenses to all telecommunication companies. By June 2015, all local TV stations are mandated to cease analog television and transfer to digital television.

Prior to the earthquake in 2010, Haiti's fixed-line penetration was only 1.8 percent - the lowest in Latin America and the Caribbean, while Internet penetration remained below 1 percent. The opening of a third private cellular phone company in 2007 allowed Haiti to reach a mobile density of around 350 telephones per 1000 people. Between 2000 and 2008, total investment from three major wireless companies (Digicel, Comcel, and Haitel) reached approximately USD 380 million. In May 2010, Vietnam's largest mobile operator, Viettel, acquired 60 percent of the state-owned telecoms company Teleco, bringing in an initial USD 59 million to the market. CONATEL reported that in 2013 the number of cell phone users was estimated at 7 million people. Haiti's main suppliers for telecommunications services and equipment are the U.S., China and Sweden. In 2013, U.S. exports of telecommunications equipment reached USD 23 million, representing a 15 percent decline from 2012.

The telecommunications market is highly concentrated in Port-au-Prince and its suburbs, and to a lesser extent in other major cities. The private sector expects that it will expand in the interior of the country at a rate of approximately 25-30 percent a year over the next five years.

Since 2000, more than 200 cyber cafés have opened in Haiti, of which 85 percent are in Port-au-Prince. The cyber cafés offer access to low speed Internet connections for long distance communications and Internet browsing.

In June 2011, the Government of Haiti began collecting a 5 cents/minute fee on all international calls into Haiti to finance a free compulsory education program across the country. The levy on international phone calls with Digicel and Natcom has raised USD 53 million.

Sub-Sector Best Prospects

The telecommunications sector is growing at a steady pace. The rapid expansion of the telecommunications market has been accompanied by a growing demand for diversified telecommunications services. Approximately 10 firms offer Internet access and data transmission services, which are leading to the growth of a computer culture. According to CONATEL, in FY 2013 Internet penetration reached 13 percent with 1.5 million Internet users.

NATCOM provides fiber optic cable Internet, which facilitates improved Internet connection speeds and allow for Voice over Internet Protocol (VoIP). Even with little Internet penetration, Haitians take advantage of apps such as Google Voice, Skype, Viber and Whatsapp to keep in touch with loved ones or to simply conduct their daily business.

Opportunities

The existence of two GSM cellular companies in the telecommunications market opens opportunities for other investors, which may result in higher competition. With the introduction of 3G services, providers will have an opportunity to quickly launch faster mobile Internet access speeds. Thus, an expanded market for internet services is becoming a viable opportunity.

Web Resources

CONATEL
4, Ave Christophe, B.P. 2002,
Port-au-Prince, HAITI
Tel: (509) 2511-3940
<http://www.conatel.gouv.ht>

Access Haiti:
www.accesshaiti.com

Natcom:

www.natcom.com.ht

Digicel:

www.digicelhaiti.com

For More Information

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