



A Catholic Campaign Against Global Poverty



Take Action!

June 22, 2006

Urge the Administration to Actively Support Trade Preferences for Haiti

WHY THIS ISSUE IS IMPORTANT: While legislative proposals to offer Haiti preferential access to the U.S. market for goods made in Haiti have stalled in the past, key members of Congress have recently declared their willingness to support legislation that would offer preferential access to the United States, especially for Haitian textile and apparel goods. This agreement would be modeled on the Africa Growth and Opportunity Act (AGOA) that has helped stimulate growth in some of the poorest countries in sub-Saharan Africa. The U.S. Conference of Catholic Bishops (USCCB) and Catholic Relief Services (CRS) support this effort.

However, the Bush Administration has yet to endorse officially such a measure. USCCB and CRS recently wrote to U.S. Secretary of State Condoleezza Rice and U.S. Trade Representative Rob Portman urging them to actively work with Congress to secure passage of important trade preferences for Haiti. For a copy, visit:

<http://www.usccb.org/sdwp/international/HaitilettertoSecRice2006Final.pdf> and
<http://www.usccb.org/sdwp/international/HaitilettertoAmbPortman2006Final.pdf>

BACKGROUND: In support of our mission to follow the Gospel's call to alleviate human suffering and promote justice worldwide, CRS joins USCCB in promoting the *Catholic Campaign Against Global Poverty* www.usccb.org/globalpoverty. Our campaign is rooted in our Church's teaching to uphold human dignity, which we believe should be reflected in U.S. programs that address the needs of the poorest and most vulnerable people around the world. The Campaign has three major pillars: debt relief, effective foreign assistance and promoting an equitable international trade system.

Your advocacy efforts have resulted in the Senate currently considering \$40 million to support urgent humanitarian and development needs in Haiti as part of the FY 2006 supplemental appropriations bill. Meanwhile, we continue to pursue debt relief for Haiti with the World Bank and the Inter-American Development Bank. While debt relief and foreign assistance help remove onerous burdens and respond to immediate needs, stimulating Haitian trade offers a sustained path towards economic growth and poverty alleviation.

- **Meaningful Trade Preferences:** Haitian exports currently have duty free access to the U.S. market under the Caribbean Basin Initiative trade program. However, there are restrictions placed on the materials Haitian companies can use in exporting their goods duty free. Because of these restrictions, there is little or no incentive for U.S. distributors to favor Haitian exports over those from more efficient countries such as the Dominican Republic or China. By passing meaningful trade preference legislation, Haitian businesses could reduce the costs of their goods and offer more favorable exports to US distributors. This would offer the economic kick-start Haiti needs to attract investment, create jobs and continue on the path of political and social stability.
- **The Threat of CAFTA:** Without trade preferences for Haiti, the recently enacted US-Dominican Republic-Central American Free Trade Agreement (DR-CAFTA) will continue to weaken the already debilitated Haitian apparel industry. In the past year, 23 textile factories have been forced to close because of competition from Asia. CAFTA compounds this threat. It is patently unfair that the Dominican Republic gains favorable access to the US for its exports, meanwhile Haiti's needs for economic growth are ignored and further jeopardized. Fairness demands that Haiti not be left worse off because of the passage of CAFTA.

TAKE ACTION NOW! Visit the CRS Action Center <http://actioncenter.crs.org/> today to contact Secretary of State Rice and the US Trade Representative Portman and urge them to help Haiti toward stability and development by strongly endorsing meaningful, AGOA-like trade preferences for Haiti. **Tell them that fairness demands that Haiti not be worse off because of CAFTA.**

For more information, contact:

Tina Rodousakis, CRS Legislative Network Specialist, 1-800-235-2772 x 7462; troudousa@crs.org

Fr. Andrew Small, USCCB Policy Advisor, International Economic Development, (202) 541-3153; asmall@usccb.org