



Will Haiti Break Ties with Taiwan in 2019 and Opt for China?

OE Watch Commentary: Haiti's weak economy, lack of jobs and inability to attract foreign investors are just a few reasons that the country has looked at all potential financial opportunities offered to them in the past two years. While the Haitian government has continuously asserted that its intentions are to maintain diplomatic ties with Taiwan, it has not ruled out that if the deal is right, it is open to working with other countries that may be more financially advantageous (many assert China) according to the accompanying excerpted article from *Diario Libre*. This is of interest as over the last decade, China has successfully poached many of Taiwan's diplomatic partners in the Caribbean, Central and South America; the most recent being the Dominican Republic and Panama in 2018. However, throughout 2018, Haiti has kept its word to Taiwan in maintaining diplomatic ties and accepting foreign aid from them.

One example of fidelity is Haitian President Jovenel Moïse's visit to Taiwan along with parliamentarians, business owners and other members of his administration in mid-2018. However, despite this trip, Moïse's (now former) chief of staff, Wilson Laleau, noted that Haiti is not closing the door to other potential partnerships, including China, as indicated by the excerpted article from *PV Latam*.

The *PV Latam* article also discusses how Taiwan offered the Haitian government a loan of \$150 million to provide electricity to all of Haiti during negotiations that began in May 2018. There are questions that the loan will materialize, and if so, whether Taiwan can keep its promise to provide Haiti with continued electricity. At the same time, the Taiwanese offer pales against the \$4.7 billion which China offered Haiti in the summer months of 2017 to completely overhaul Port-au-Prince's crumbling infrastructure, from roads and bridges to electrical grids and water systems as discussed in the excerpted article from *Haiti Libre*. Despite the amount of cash offered by China in 2017 and the subsequent smaller amount offered by Taiwan in 2018, this article simply provides an overview of past events and is a topic that is of interest in the region given the large number of former diplomatic partners China has poached from Taiwan in recent years. **End OE Watch Commentary (Fiegel)**

“The initial infrastructure investment is estimated at \$ 4.711 billion, whose terms and conditions of financing are still unknown.”

Source: “Haiti mantiene su fidelidad con Taiwán pese a ofertas de China (Haiti Remains Faithful to Taiwan Despite Offers from China,)” *Diario Libre*, 2 May 2018. <https://www.diariolibre.com/actualidad/internacional/haiti-mantiene-su-fidelidad-con-taiwan-pese-a-ofertas-de-china-LL9782508>

With all external financial offers presented to Haiti by both Taiwan and China, the country has opted to choose carefully. According to an unnamed Haitian official, Haiti sees Chinese money as money for tomorrow whereas they see Taiwanese money that would potentially be available more expeditiously which would help Haiti find some relief so that they can govern. At this time, Haiti appears more willing to deny China's most recent offer, but there is an intent to shift and accept Chinese aid.

Source: “Haiti recibirá un préstamo de \$ 150 millones de Taiwán (Taiwan Grants Haiti US\$150 Million Loan to Build Electricity Grid),” *PV Latam*, 6 June 2018. <https://www.pv-magazine-latam.com/2018/06/01/haiti-recibira-un-prestamo-de-150-millones-de-taiwan/>

Taiwan offered to lend Haiti \$150 million for infrastructure development aimed at developing rural power grids in the impoverished Caribbean nation that is still recovering from a devastating 2010 earthquake. The same offer allegedly serves as an attempt in a bid to shore up relations amid a renewed diplomatic onslaught by rival China that has stripped it of two foreign allies in the past month. According to the Foreign Ministry spokesman Andrew Lee, a deal of this nature with Taiwan “provides a win-win situation to help a diplomatic ally with a major infrastructure development project and also creates overseas business opportunities for Taiwanese companies.”

Source: “Chinese interested in the renovation of Port-au-Prince,” *Haiti Libre*, 12 August 2017. <https://www.haitilibre.com/en/news-21936-haiti-reconstruction-chinese-interested-in-the-renovation-of-port-au-prince.html>

...This very general draft contains proposals for water and drainage works, road improvements, environmental protection, drainage and sanitation, a communication network and the reconstruction of the old town of Port-au-Prince; The initial infrastructure investment is estimated at \$ 4.711 billion, whose terms and conditions of financing are still unknown, as this proposal has not yet officially reached the gates of the Central Government or borrowed the official channels of bilateral cooperation...