

US Embassy in Haiti Issues Cable Regarding Pioneers of Prosperity Program

SUMMARY

1. NGO Pioneers of Prosperity (PoP) has awarded prizes worth USD 90,000.00 to three Haitian Small and Medium Enterprises (SME) who participated in their local contest. The top two winners will now compete at the Regional contest level against other Caribbean SME's. End Summary

The Contest

2. July 23, 2009, was a day of celebration, recognition, and affirmation in Port-au-Prince. U.S. based NGO PoP announced the Haitian country level winners of their 2009 Caribbean competition that was held for SMEs. PoP was founded on the idea that innovation and dynamic business models can exist even in the most challenging environments and that these firms can serve as role-models of success. The organizations hopes to inspire a new generation of entrepreneurs by rewarding and showcasing firms that point the way to greater prosperity and connecting these firms to networks of other entrepreneurs, technical expertise and financial capital.

The Winners

3. This award program recognizes dynamic Caribbean businesses and in Haiti two country winners were identified. Alternative Insurance Company (AIC) was established in 2001 by insurance agent Olivier Barrau in frustration over the lack of insurance products adapted to the Haitian market. Today the AIC portfolio includes automobile, health, commercial, homeowners, and life insurance products. AIC also offers funeral insurance to accommodate Haitians earning less than USD 4.00 per day. Solutions SA was started in 2001 by Kurt Jean-Charles to provide customized software and database solutions. For example, Solutions SA developed a banking text messaging service that alerts customers when a remittance transfer had been credited to their account.

The Prizes

4. Finalists were selected from each region based on the company's ability to meet the award selection criteria with distinction. Winners were awarded a finalist grant from the Multilateral Investment Fund of the Inter-American Development Bank (IDB) of USD 40,000 to invest in training and technical infrastructure for the company. They are also automatically entered in the regional competition for a chance to win an additional USD 60,000 and the prestigious title of Pioneers of Prosperity Caribbean.

Against All Odds

5. PoP Director Julie Kennedy told Econoffs that she was pleasantly surprised to get over 50 good applicants for the contest. She worked through a cadre of local partners (Capital Bank, SOGESOL, The Haitian Chamber of Commerce and Industry, The Haitian Association of Industries, The American Chamber of Commerce in Haiti, and the USAID Marche Project) and the media. Ms. Kennedy said that

all of the applicants, from the simplest to the most sophisticated, showed a true commitment to entrepreneurship and a concern for the economic future of their country.

Eligibility and Requirements

6. The companies had to be based in Haiti; b. for-profit; c. employing between five and 250 full time staff; d. earning USD 1,000,000 – USD 5,000,000 in revenues per year; and e. not relying on donor grant financing.

7. Selection Process Round 1 – Applicants completed an application survey that established their basic eligibility and introduced their business. Round 2 – Quarter finalists were asked to provide supplementary information through an in-depth survey focused on the company's sustainable contribution to their primary stakeholders: customers, owners, workers, and future generations. Round 3 – Semi-finalists were interviewed by PoP staff and asked to provide financial materials. Round 4 – Finalists opened their doors to PoP staff for one day on-site visits and evaluations. Round 5 – Finalists were presented to a panel of competitiveness and entrepreneurship experts, who selected the winners.

8. Winners were chosen based on their ability to: a. create unique value for customers through innovative products and/or services; b. generate a sustainable profit for the owners/shareholders commensurate with the risks taken by investing in them; c. invest in their employees through training, safe working conditions, and by high and rising salaries; and d. protect the future by strengthening local and global environments and communities.

Better Than All the rest

9. Kennedy stated that "Haitian firms in general are quite sophisticated. They have a better sense of corporate governance than other firms across the region, and have a more developed and sophisticated product and service. Perhaps because of the level of corruption and the lack of infrastructure there is a cadre of business leaders who are taking the lead in creating change. They are doing so by demonstrating good corporate behavior and engaging in the future of the country in a different way than we see elsewhere. As a result, the finalists in Haiti were of such high quality that it is one of only three countries that are sending two country winners to the regional competition in Jamaica in September."

Comment

10. Haiti is a country with an abundance of entrepreneurial spirit (one has only to observe the number of informal merchants on the streets to understand this statement). It is important to recognize the invaluable contributions in economic growth and stability that these companies have in emerging markets like Haiti. This contest has facilitated the highlighting of the formalized SME success stories in the country. It also allows them to serve as role models for others interested in formalizing their businesses. Through the assistance that the PoP will give to the winners in connecting them to networks of technical expertise, potential investors and other entrepreneurs on the local, regional and global level, everyone involved wins. End Comment.