

**Haitian Hemispheric Opportunity
through Partnership Encouragement
Act of 2008**

**2025 USTR Annual Report on the Implementation of the Technical
Assistance Improvement and Compliance Needs Assessment and
Remediation (TAICNAR) Program and Assessment of Producer Eligibility**

INTRODUCTION

The Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2008 (HOPE II) affords preferential treatment for imports of apparel, textiles, and certain other goods from Haiti. To be eligible for preferential treatment under HOPE II, Haiti must first have: (i) implemented the Technical Assistance Improvement and Compliance Needs Assessment and Remediation (TAICNAR) program; (ii) established a Labor Ombudsperson’s Office; (iii) agreed to require producers of articles for which preferential tariff treatment may be requested to participate in the TAICNAR program; and (iv) developed a system to ensure participation by such producers, including by establishing a producer registry. On October 16, 2009, President Obama certified to Congress that Haiti had taken these actions. Further, to remain eligible for preferential treatment, Haiti must also have established or be making continual progress towards establishing the protection of internationally recognized worker rights.¹ On June 29, 2015, President Obama signed the Trade Preferences Extension Act of 2015, which included the extension of Haiti’s preferential tariff treatment until September 30, 2025.

HOPE II calls for the President to transmit to Congress an annual report on the implementation of the TAICNAR program by June 18. The President has delegated the production and transmittal of this report to the United States Trade Representative (USTR).² The report is to include: (i) an explanation of the efforts of the Government of Haiti, the President, and the International Labor Organization (ILO) to carry out the TAICNAR program; (ii) a summary of reports prepared by the ILO, as the operator of the TAICNAR program, during the preceding one-year period; and, (iii) on a biennial basis, a list of the producers that the President has identified as failing to comply with core labor standards³ and with the labor laws of Haiti that directly relate to and are consistent with core labor standards.⁴ This report, which covers the

¹ HOPE II defines internationally recognized worker rights to include: the right of association; the right to organize and bargain collectively; a prohibition on the use of any form of forced or compulsory labor; a minimum age for the employment of children; and acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health. 19 U.S.C. § 2703a(d)(1)(A)(vi). There are also additional HOPE II eligibility requirements not directly related to the TAICNAR program.

² Proclamation 8296—To Modify Duty-Free Treatment Under the Caribbean Basin Economic Recovery Act and For Other Purposes (September 30, 2008).

³ HOPE II defines the core labor standards as follows: freedom of association, the effective recognition of the right to bargain collectively, the elimination of all forms of compulsory or forced labor, the effective abolition of child labor and a prohibition on the worst forms of child labor, and the elimination of discrimination in respect of employment and occupation. 19 U.S.C. § 2703a(a)(3).

⁴ 19 U.S.C. § 2703a(e)(5)(B).

period from June 1, 2024, to June 1, 2025, begins with a review of the main elements of Haiti’s eligibility and then describes the efforts made by the Government of Haiti, the ILO, and the U.S. Government over the past year to implement the TAICNAR program. It then provides a summary of the findings included in each ILO-produced report published under the TAICNAR program and a status report on reviews of producer-level eligibility pursuant to HOPE II.

KEY ELEMENTS OF HAITI’S ELIGIBILITY

TAICNAR program: In accordance with 19 U.S.C. § 2703a(e)(3), the TAICNAR program has coordinated with the Labor Ombudsperson and appropriate representatives of Haitian Government agencies, employers, and workers to:

- assess compliance by producers of products eligible for benefits under HOPE II (“producers”) with core labor standards and the labor laws of Haiti that directly relate to and are consistent with core labor standards, and Haitian laws on acceptable conditions of work;
- issue public reports on compliance with such worker rights;
- assist producers with addressing deficiencies in worker rights compliance;
- provide training for workers and management to promote such compliance; and
- provide assistance to Haiti’s government to improve its capacity to inspect producers’ facilities, enforce national labor laws, and resolve disputes.

The factory-level compliance assessment and assistance, as well as the public reporting requirements of the TAICNAR program, have been implemented through the ILO and the International Finance Corporation’s Better Work program, which promotes improved labor standards in global supply chains. Since 2008, the U.S. Department of Labor (DOL) has provided the Better Work Haiti program (BWH) a total of \$19.9 million to support project activities through December 31, 2025. Since the inception of the BWH program, DOL has been the only source of its funding.

On March 27, 2025, DOL notified the ILO that the grant funding the BWH program would be terminated effective immediately. On May 29, 2025, BWH announced the official conclusion of DOL funding, but that the ILO would continue to operate BWH through a reduced team until December 2025, drawing on the ILO Better Work Global revenue fund.

Labor Ombudsperson: HOPE II calls for Haiti to establish the Office of the Labor Ombudsperson within the national government to: (i) develop and maintain a registry of producers whose articles are eligible for the preferential tariff treatment; (ii) oversee the implementation of the TAICNAR program; (iii) receive and investigate comments regarding compliance with core labor standards and relevant Haitian labor laws; and (iv) assist producers in meeting the requirements of HOPE II.⁵ In addition, the Ombudsperson coordinates, with the assistance of the ILO, a tripartite committee, described below, to evaluate the progress of the TAICNAR program and consult on improving core labor standards and working conditions in

⁵ 19 U.S.C. § 2703a(e)(2).

the textile and apparel sector.⁶

Producer Eligibility: For a producer to remain eligible for preferential treatment, it must comply with core labor standards and with the labor laws of Haiti that directly relate to and are consistent with core labor standards.⁷ Every two years, the Secretary of Labor, in consultation with the USTR, is responsible for identifying any producer not in compliance with the core labor standards and related national law and providing assistance to such producer to come into compliance. If such efforts to assist fail, the President is required to withdraw, suspend, or limit that producer's benefits.⁸

EFFORTS TO CARRY OUT THE TAICNAR PROGRAM

Efforts by the Government of Haiti

Throughout the reporting period, the Government of Haiti continued to engage with BWH and with the U.S. Government in all phases of the TAICNAR program. As in previous reporting periods, Haiti's efforts were significantly hindered by several factors. Civil unrest, political instability, and security concerns primarily driven by gang activity have persisted throughout the reporting period, disrupting many aspects of factory operations as well as the ability of government agencies to function, including those agencies supporting and regulating the apparel sector. Additionally, uncertainty about reauthorization of HOPE-HELP has impacted the sourcing decisions of brands and retailers importing apparel from Haiti. The economic situation in Haiti remains dire, with overall inflation at over 27 percent as of May 2025, inflation for food products at 28.2 percent, reduced purchasing power with the devaluation of local currency, and rising unemployment. During the past year, the number of factories participating in BWH declined from 29 to 22, and nearly 15,000 jobs have been lost in the sector since the previous report. Overall, U.S. textile and apparel imports from Haiti decreased by about 24 percent in 2024 relative to 2023, with only \$584 million in imports from the sector.

The Office of the Labor Ombudsperson (*Bureau de la Médiatrice Spéciale du Travail*, BMST) and the Ministry of Labor and Social Affairs (*Ministère des Affaires Sociales et du Travail*, MAST) remain the key institutions representing the Government of Haiti in its efforts to effectively implement the requirements of HOPE II. Dithny Joan Raton has served as the Ombudsperson since January 2022, and BMST staff have remained active in resolving disputes in the sector. The BMST has produced quarterly reports with details on cases received and mediations conducted, as well as a description of any other activities undertaken by the Office. The BMST reported that it received 43 complaints from workers from 19 factories during the reporting period. These cases covered a range of issues, including wage disputes, failure to pay healthcare and pension benefits, and allegations of unlawful dismissals or suspensions of trade unionists. The BMST facilitated mediation and conciliation between the parties, where applicable, and transferred three cases to MAST for follow up. The BMST was also increasingly

⁶ 19 U.S.C. § 2703a(e)(2)(B)(v).

⁷ 19 U.S.C. § 2703a(e)(4)(B)(i).

⁸ 19 U.S.C. § 2703a(e)(4)(B)(ii).

active in responding to over 250 requests for consultations from workers and employers. Most often, stakeholders contacted the BMST for clarification of national labor law on a wide range of topics, including trade union rights, severance pay, social benefits programs, and paid leave. The BMST also tracks daily factory operations in terms of closures and reported attendance percentages, which assists institutions monitoring the sector in identifying operation disruptions, whether due to security, reduction of orders, or other events.

The BMST (with the assistance of the ILO) continued to maintain an electronic case management system. The system, launched in 2023, has helped the BMST to identify priority issues generating disputes within the sector, to track whether certain factories have higher rates of complaints, and to efficiently transfer case information to MAST if the matter is not resolved through mediation.

As contemplated by HOPE II, the Ombudsperson coordinated, with the assistance of BWH, a tripartite committee composed of three representatives from the Government of Haiti, as well as three representatives each from sectoral employer and worker organizations. This nine-member Project Advisory Committee (PAC) was designed to assist BWH in a consultative role, ensuring that relevant national partners are fully involved in the BWH program and promoting coordination of the project with other initiatives in the sector. The PAC held quarterly meetings throughout the year. These meetings provided opportunities for stakeholders to review compliance reports and to discuss sector-wide issues, such as security challenges, factory closures, compensation and benefits, and the development of a policy related to sexual harassment.

The PAC was particularly engaged in stakeholder efforts to lobby for the renewal of the HOPE legislation, forming a subcommittee to develop a workplan in support of reauthorization. The proposal, signed by tripartite representatives in October 2024, committed the Government of Haiti to take further steps to enforce compliance with social benefits programs. Employer and trade union representatives also committed to work with their members to improve social dialogue and to engage in negotiations for a potential sectoral collective bargaining agreement.

The key national authority mandated to enforce labor law in Haiti's formal sector, MAST, continued to be limited in its activities, primarily due to the security situation in Haiti, particularly in and around Port-au-Prince. However, MAST officials have continued to collaborate with the Ombudsperson and BWH in joint efforts to assess and remediate potential violations of labor standards. In response to several factory closures, MAST has continued to assist in the calculations of severance payments due to workers.

MAST inspectors continued to assist with BWH assessments throughout the reporting period and have participated in numerous ILO trainings. This included a three-day training session for 28 labor inspectors in the North and Northeast regions. Inspectors from regional offices in Fort Liberte, Ouanaminthe, and Cap Haitien participated in sessions focused on inspection methodologies, fundamental rights, and industrial relations.

On May 6, 2025, the Superior Wage Council (Conseil Supérieur des Salaires, CSS), the tripartite body tasked with reviewing wage rates on an annual basis, submitted its first wage

recommendations since its members were appointed in February 2024. The CSS submitted its wage recommendations to MAST, proposing 950 gourdes (approximately \$7.26) per day in the apparel export sector. However, the Government of Haiti has not yet formally adopted any of the recommendations, and the minimum wage for the apparel sector remains at 685 gourdes per day (approximately \$5.24).⁹

Efforts by the ILO

Capacity Building and Program Support

The ILO continued to provide a wide range of support to Haitian stakeholders within the context of implementing HOPE II, mainly through BWH. During the reporting period, BWH indicated that core services to apparel producers continued to be impacted by deteriorating security conditions. BWH continuously worked on improving remote delivery of services, followed up on non-compliance issues, investigated workers' complaints, and provided guidance to factories virtually or through a hybrid model, with the support of MAST labor inspectors.

Through BWH, the ILO continued its work to improve industrial relations in Haiti's apparel sector, which has over 50 enterprise-level unions (affiliated with eleven confederations) present in nearly all of the factories registered with the program. BWH continued to liaise with national partners to strengthen social dialogue and to promote greater compliance with freedom of association issues, which remain key challenges in the industry. BWH continued to promote effective labor-management committees called Performance Improvement Consultative Committees (PICCs) within the factories. The PICCs provide a mechanism to promote social dialogue at the factory level, supporting improvement priorities outlined in BWH remediation plans.

Compliance Assessment Process

HOPE II requires the TAICNAR program to assess producers' compliance with core labor standards and the labor laws of Haiti related directly to those standards and to ensure acceptable conditions of work with respect to minimum wages, hours of work, and occupational health and safety. BWH continued to implement this aspect of the TAICNAR program during the past year, reporting on non-compliance findings and remediation efforts on a biannual basis, as required by HOPE II.

BWH assessed factory compliance using a compliance assessment tool that comprises indicators for four categories based on "core labor standards," as defined in HOPE II, and four categories based on national law. The former refers to freedom of association and the effective recognition of the right to bargain collectively; the elimination of all forms of forced or compulsory labor; the effective abolition of child labor and a prohibition on the worst forms of child labor; and the

⁹ When HOPE II was passed in 2008, the national daily minimum wage in Haiti was 70 gourdes per day. With the passage of a new minimum wage law in 2009 and subsequent increases recommended by the CSS, the minimum wage for export industries, including the apparel sector, has risen over time to 685 gourdes, where it has remained since 2022. With fluctuations in the value of the Haitian gourde, the daily minimum wage has historically remained close to \$5.00 per day.

elimination of discrimination in respect of employment and occupation. The national labor law issues cover the Haitian standards on compensation, contracts and human resources, health and safety at work, and working time. In cases where national law is not consistent with core labor standards, BWH assesses whether there is compliance with the latter.

The findings from each factory's annual assessment are reported in one of the two synthesis reports issued by BWH each year. The other synthesis report includes information gathered through regular engagement and follow up contacts with the producer, especially regarding remediation efforts by the factory undertaken in response to prior non-compliance findings. This annual cycle provides factories with additional opportunities to work with the BWH Enterprise Advisors on long-term solutions for weak management systems, which are usually the root cause of recurrent non-compliance issues.

During the past year, BWH conducted assessments of all participating factories, with the support of the labor inspectors from MAST. They were able to conduct occupational safety and health factory assessments and interview workers and managers onsite. BWH also continued to focus on persistent non-compliance regarding social benefits programs (*e.g.*, health insurance and pension schemes), conducting a thorough analysis of the situation at each factory and working closely with Haitian authorities to improve compliance in this key area.

Compliance Assistance

BWH Enterprise Advisors worked with individual factories to advise and assist in prioritizing specific improvements when instances of non-compliance were identified. In terms of findings from previous reporting, BWH continued to assist factories in applying their zero tolerance policies for sexual harassment. Other key advisory services provided in the past year focused on issue areas with the highest number of non-compliance findings. These included occupational safety and health (including chemical storage and emergency preparedness), as well as a continued focus on proper payment of paid leave and social benefits (including social security and maternity insurance).

During the past year, BWH provided advisory services on multiple occasions to all participating factories, covering a wide range of topics aimed at improving working conditions, including improving occupational safety and health management systems; improving industrial relations; and ensuring proper human resources procedures were followed in cases of employee dismissals due to reductions in production.

In addition to factory assessments and advisory work, the ILO, through BWH, provided a wide range of services for stakeholders in the apparel sector, including:

- Conducting seminars and trainings on a variety of topics, including emergency preparedness, industrial relations, occupational safety and health, and Haitian labor law related to suspensions and dismissals.
- Continuing a series of training modules on sexual harassment awareness and prevention and developing tools that can be shared with all stakeholders in the sector.

- Assisting the BMST in coordinating the tripartite discussions on improving compliance with pension and health benefits programs.

Efforts by the U.S. Government

During the past year the U.S. Government continued efforts to work with the Government of Haiti and other national and international stakeholders to promote the viability of Haiti's apparel sector; to facilitate producer compliance with labor-related eligibility criteria under HOPE II; and to ensure full implementation of the TAICNAR program in accordance with the provisions of HOPE II. As noted above, DOL terminated its funding for the BWH program in March 2025.

As previously discussed, this reporting period has been marked by continued disruptions due to security concerns, which have restricted efforts on the ground. DOL staff were able to make one visit to the CODEVI Park on the Dominican-Haitian border in August 2024. This visit allowed DOL staff to meet with representatives of the Government of Haiti, employers, and workers to discuss critical issues in the sector and verify remediation of previously identified non-compliance findings. DOL has continued to consider the reports of BWH and has conducted remote follow-up on cases of non-compliance with both BWH and involved parties. State Department officials based at the U.S. Embassy in Haiti have continued to raise the importance of complying with labor standard requirements under HOPE II with interlocutors within Haiti during this review period.

SUMMARY OF BIENNIAL REPORTS UNDER THE TAICNAR PROGRAM

HOPE II requires the ILO-administered TAICNAR program to publish biennial reports identifying the producers that are complying with core labor standards and the labor laws of Haiti that relate directly to those standards and to acceptable conditions of work. The reports also include the names of producers that have deficiencies with respect to those standards and laws and that have failed to remedy such deficiencies. Regarding the deficient producers, HOPE II requires a description of the deficiencies identified, specific suggestions for remediation, a description of any remediation efforts, and the time elapsed between the initial identification of deficiencies and the report's publication. The ILO, through BWH, has published its biennial reports generally in October and April of each year, as specified by HOPE II.¹⁰ The U.S. Government must consider these reports in identifying non-compliant producers under HOPE II.¹¹

BWH's [twenty-seventh biennial report](#) was released in September 2024. Because of delays in conducting and validating assessments (due to security conditions and intermittent factory closures), this report covered factory findings from July 2023 to July 2024. The document presents an overview of both the results of assessments, as well as advisory and training services provided to the 29 participating factories. Each of the factories was assessed at least once during

¹⁰ 19 U.S.C. § 2703a(e)(3)(D).

¹¹ 19 U.S.C. § 2703a(e)(4)(B)(iv).

the reporting period, before July 2024.¹² The BWH report included new findings of non-compliance regarding the core labor standards as defined in HOPE II. At one industrial park in northeastern Haiti, BWH found that all eleven factories were not in compliance with one or more articles of the park’s overarching collective bargaining agreement. The ILO, through BWH, worked with the management of the industrial park, the trade unions, and the BMST to remediate the findings.

BWH also had two updated findings concerning freedom of association. Both cases involved dismissals following strike activity that had been cited in previous BWH reporting. In both cases, dismissed trade unionists had been reinstated by the factories, and in one case, workers received eight months of back pay.

BWH’s [twenty-eighth biannual report](#) was released on May 13, 2025, and included the results of assessments conducted between July and December 2024. For this report, BWH conducted eight new assessments—five virtual and three hybrid—with support from MAST inspectors. BWH did not find evidence of core labor standards violations during formal assessments. However, BWH enterprise advisors received two complaints of unlawful trade union dismissals. BWH conducted reviews of both cases and concluded that the dismissals were not justified and, therefore, recommended reinstatement of the two individuals who had been dismissed. DOL and the BMST will be engaging with the parties to discuss remediation efforts prior to December 31, 2025, and DOL will conduct a separate review to determine whether the cases merit a formal identification of non-compliance under HOPE II.

IMPLEMENTATION OF THE PRODUCER-LEVEL LABOR ELIGIBILITY PROVISIONS OF HOPE II

Summary of Relevant HOPE II Provisions

HOPE II requires the President to identify on a biennial basis “whether a producer ... has failed to comply with core labor standards and with the labor laws of Haiti that directly relate to and are consistent with core labor standards.”¹³ The statute further provides that the President “shall seek to assist” any non-compliant producers “in coming into compliance with core labor standards” and with directly related Haitian labor laws that are consistent with those standards. In turn, “[i]f such efforts fail, the President shall withdraw, suspend, or limit the application of preferential treatment ... to articles of such producer.”¹⁴ HOPE II requires the President to consider BWH reports in making determinations of producer non-compliance, though it does not limit the President to that source of information.¹⁵

¹² The total number of participating factories is subject to change for each BWH reporting cycle as new factories are established and others close down operations. Since the release of the previous USTR Annual Report in June 2024, employment figures in the sector have continued to decline. As of March 2024, the ILO reported that employment in the apparel sector had dropped below 40,000 workers after several factory closures and reductions in orders at other facilities. As of June 2025, the ILO reports that there are approximately 26,000 workers in the sector.

¹³ 19 U.S.C. § 2703a(e)(4)(B)(i).

¹⁴ 19 U.S.C. § 2703a(e)(4)(B)(ii).

¹⁵ 19 U.S.C. § 2703a(e)(4)(B)(iv).

Haiti has ratified the eight ILO Conventions covering the core labor standards that are included in HOPE II: freedom of association and the effective recognition of the right to collective bargaining (Conventions 87 and 98); the elimination of all forms of compulsory or forced labor (Conventions 29 and 105); the effective abolition of child labor (Conventions 138 and 182); and the elimination of discrimination in respect of employment and occupation (Conventions 100 and 111). Pursuant to the Haitian Constitution, once international treaties or agreements are approved in the manner stipulated by the Constitution, they become part of Haitian legislation and abrogate any laws in conflict with them.¹⁶ As such, these eight core ILO conventions are part of Haitian law.

Identifications of Non-Compliant Producers

In 2008, President Obama delegated the function of identifying non-compliant producers on a biennial basis to the Secretary of Labor, in consultation with the United States Trade Representative.¹⁷ At the same time, President Obama delegated to the Secretary of Labor the task of assisting non-compliant producers to come into compliance with HOPE II's labor requirements.¹⁸

As noted above, DOL site visits during the two-year identification period have been limited due to the operating environment in Haiti. As a result, DOL staff have been conducting most follow up reviews of BWH non-compliance findings with regard to core labor standards remotely. DOL intends to continue working closely with the ILO, the Office of the Ombudsperson, and other relevant parties to ensure that any potential cases of non-compliance are fully reviewed prior to the Secretary of Labor's December 31, 2025 deadline for any formal identifications under HOPE II, in the event that HOPE-HELP is reauthorized beyond September 30, 2025.

¹⁶ See 1987 Constitution of Haiti, Art. 276-2.

¹⁷ Presidential Proclamation 8296 (September 30, 2008).

¹⁸ *Id.*