



SUCCESS STORY

Mobile Money Increases Access to Financial Services and Allows Haitian Businesses to Grow



A rural branch location of Dlo Haiti, a water purification business that has implemented LajanCash's mobile payment platform for its employee payroll, reducing the risk and inefficiency of carrying cash and providing greater access to financial services (Photo credit: HIFIVE).



An employee at Dlo Haiti displays a cup of "Ovive," the purified mineral water produced by the business. Dlo Haiti expects to add 14 more locations, thanks, in part, to the added security and efficiency brought by implementing the mobile payroll payment platform (Photo credit: HIFIVE).

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In Haiti, mobile money has the potential to expand access to financial services to the unbanked and provide greater efficiency and reach for small businesses. Businesses making cash payments to the unbanked are exposed to a high risk of theft and encounter high overhead costs, among other challenges. A company called HaitiPay is seeking to establish a more viable mobile money system in Haiti by leveraging existing financial networks and by establishing a recurring mobile wallet user base. Through a grant from HIFIVE¹, HaitiPay is working to increase the number of mobile money users by encouraging employers to disburse payroll via its mobile payment platform, LajanCash. In addition, HaitiPay is working to ease the adoption and integration of mobile money services by MFIs and credit unions, which are reluctant to adopt mobile money due to the high cost of infrastructure and low capacity to develop the merchant networks necessary for mobile money's success.

Through the HIFIVE grant, HaitiPay is working to develop networks of merchants and agents in targeted communities in order to allow users to directly pay for products and services using their mobile money accounts. Additionally through the grant, the company has developed a mobile money service specifically for MFIs, credit unions and VSLAs to provide a low entry cost, reduce risk, increase efficiency and expand financial services. Dlo Haiti, a water purification business, has reported dramatic improvements since adopting a mobile money system for its payroll through LajanCash. As explained by Dorsainville Sainville, Dlo Haiti's manager, using a cash payroll system was risky and inefficient. The business has six locations in Port-au-Prince and outlying regions, with five staff members and two drivers for each branch. Drivers had to regularly travel long distances to pick up cash in Port-au-Prince and bring it to rural Arcahaie to pay the company's employees. They risked attack and theft while transporting these significant amounts of cash, and the business also lost precious staff time and transportation expenses because of the frequent trips. Since implementing LajanCash's mobile payroll system, Sainville reported a dramatic improvement in efficiency as well as security. The company expects to expand from 6 to 20 locations in the next six months, employing many more people and dramatically expanding the amount of purified water it provides in rural communities.

The next step in building the mobile money ecosystem serving Dlo Haiti is to increase the concentration of enterprises that accept mobile money payments. Employees will then be able to use their payroll accounts to pay their children's school fees, as well as purchase food and other goods and services. As stated by Mr. Sainville, this "would encourage people not to cash-out" and "would be a huge step toward change for Arcahaie and Dlo Haiti". In a well-developed mobile money system, businesses can expand and individuals can gain access to financial services for the first time, improving their livelihoods and reducing their economic vulnerability. Through the HIFIVE grant, HaitiPay expects to increase the number of LajanCash mobile money users from 12,203 to 36,353 during an 8-month period.

¹ HIFIVE (Haiti Integrated Finance for Value Chains and Enterprises) is a USAID-funded program implemented by World Council of Credit Unions and FHI 360 that works to expand financial inclusion through improved access to financial products and services and encourages the use of technology to expand outreach.