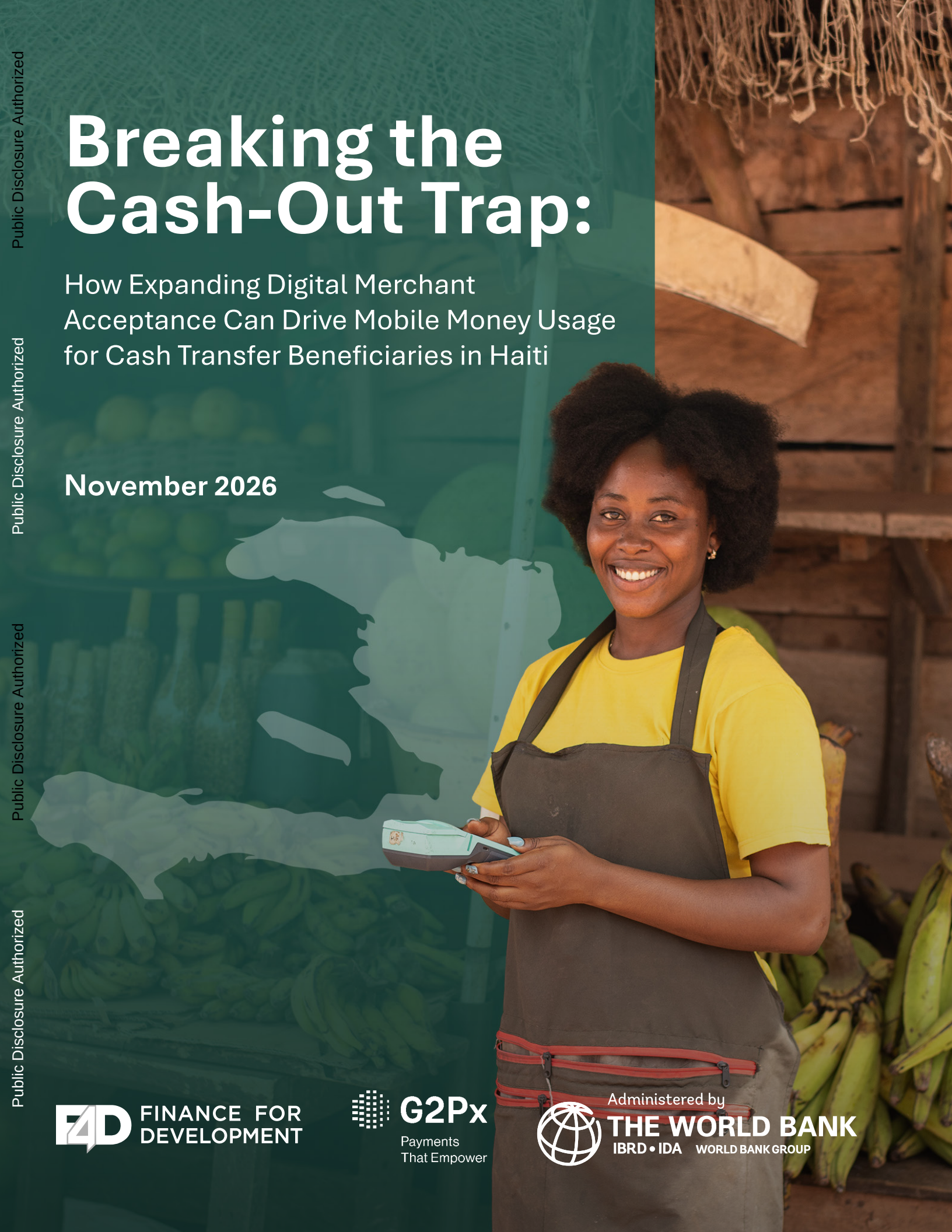
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Breaking the Cash-Out Trap:

How Expanding Digital Merchant Acceptance Can Drive Mobile Money Usage for Cash Transfer Beneficiaries in Haiti

November 2026



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The G2Px initiative, part of the DPI & Services Trust Fund, brings global knowledge and expertise across sectors to contribute to the broader agenda of improving government-to-person (G2P) payments through digitization so that it accelerates critical development outcomes such as financial inclusion and women's economic empowerment. Find out more at https://www.worldbank.org/en/programs/g2px/overview

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Acronyms

ACH	Automated Clearing House
AML/CFT	Anti-Money Laundering/Countering the Financing of Terrorism
API	Application Programming Interface
ASPIRE	Adaptive Social Protection for Increased Resilience
ATM	Automated Teller Machine
B2B	Business to Business
B2C	Business to Customer
BIN	Bank Identification Number
BNC	*Banque Nationale de Crédit*
BNDA	*Banque Nationale de Développement Agricole*
BNPL	Buy Now, Pay Later
BPH	*Banque Populaire Haïtienne*
BRH	*Banque de la République d'Haïti* (Central Bank of Haiti)
BUH	*Banque de l'Union Haïtienne*
CARE	Cooperative for Assistance and Relief Everywhere
CCIGA	*Chambre de Commerce et d'Industrie de la Grand'Anse*
CDD	Customer Due Diligence
CEC	*Caisse d'Épargne et de Crédit* (Savings and Credit Cooperative)
CGAP	Consultative Group to Assist the Poor
CINU	*Carte d'Identité Nationale Unique* (Unique National Identification Card)
EDH	*Electricité d'Haïti*
e-KYC	Electronic Know Your Customer
FAES	*Fonds d'Assistance Économique et Sociale* (Economic and Social Assistance Fund)
FATF	Financial Action Task Force
FCV	Fragility, Conflict, and Violence
FGD	Focus Group Discussion
FSP	Financial Service Provider
FSPE	*Fournisseur de Services de Paiement Électronique* (Electronic Payment Service Provider)
G2P	Government-to-Person
GDP	Gross Domestic Product
GPS	Global Positioning System
ICT	Information and Communication Technology
IMF	International Monetary Fund
IPS	Instant Payment System
KII	Key Informant Interview

KNFP *Konsèy Nasyonal Finansman Popilè* (National Council of Popular Financing)
KYC Know Your Customer
LAC Latin America and the Caribbean
MAS Merchant Acceptance Survey
MAST *Ministère des Affaires Sociales et du Travail* (Ministry of Social Affairs and Labor)
MEF Ministry of Economy and Finance
MFI Microfinance Institution
MFI-NM *Institutions de microfinance non mutualistes* (Non-Mutual Microfinance Institutions)
MMO Mobile Money Operator
MNO Mobile Network Operator
MoC Ministry of Commerce
MSMEs Micro, Small, and Medium Enterprises
MTO Money Transfer Operator
MuSo *Mutuelle de Solidarité*
NFIS National Financial Inclusion Strategy
NGO Nongovernmental Organization
NINU *Numero d'Identité Nationale Unique* (Unique National Identification Number)
NPL Nonperforming Loan
ONI *Office National d'Identification*
P2P Person-to-Person
PDM Post-Distribution Monitoring
POS Point of Sale
PRONAP *Processeur National de Paiements*
PSARA *Projet de Protection Sociale Adaptive pour une Résilience Accrue*
PSP Payment Service Provider
RAMSA *Rasanbleman Madan Sara d'Ayiti*
ROPAGA *Réseau des Organisations de Producteurs/Productrices Agricoles de la Grand'Anse*
RPW Remittance Prices Worldwide
RSP Remittance Service Provider
RTGS Real-Time Gross Settlement
SIMAST *Système d'Information du MAST* (Information System of the Ministry of Social Affairs and Labor)
SPIH *Système de Paiement Interbancaire d'Haïti*
TPM Third-Party Monitoring
USAID United States Agency for International Development
USSD Unstructured Supplementary Service Data
VSLA Village Saving and Loan Association
WBG World Bank Group
WFP World Food Programme



Executive Summary

Context

Haiti faces a paradox at the heart of its digital financial inclusion agenda. Mobile money adoption has expanded at a remarkable pace over the past decade, driven in part by the digitization of government-to-person (G2P) social transfers and the growing volume of international remittances, which reached US$4.1 billion in 2024,[1] equivalent to roughly 16.9 percent of gross domestic product (GDP).[2] Survey data from the *Projet de Protection Sociale Adaptive pour une Résilience Accrue* (PSARA)[3] cash transfer program show an increase in formal financial account ownership from 30 to 49 percent between 2022 and 2024, largely driven by the digitization of cash transfers through mobile money accounts.

Yet this impressive growth in account ownership has not translated into meaningful usage of digital payments in daily economic life. The fundamental challenge is that mobile money in Haiti functions predominantly as a cash delivery mechanism rather than a medium of exchange. Beneficiaries receive transfers digitally and immediately convert them to cash, with 89 percent of PSARA beneficiaries withdrawing their full benefit at the first available opportunity. Only 11 percent report using mobile money to make purchases. This behavior (commonly described as the 'cash-out trap') reflects not a preference for cash per se but the near-total absence of an ecosystem in which digital funds can be spent. With 76–82 percent of beneficiaries (depending on the dataset) reporting that no merchants in their vicinity accept mobile payments, the demand for digital spending exists, but the supply side has not kept pace.

This report examines the structural, regulatory, and behavioral constraints that have prevented the expansion of merchant acceptance of digital payments in Haiti, with a particular focus on the Grand'Anse department, which exemplifies the structural, infrastructural, and behavioral constraints that define digital financial inclusion challenges across Haiti's rural and peri-urban areas. It is also the primary implementation site for the PSARA project. The report draws on a robust mixed-methods evidence base, including longitudinal impact evaluation surveys covering nearly 11,000 beneficiary households, third-party monitoring (TPM) data, post-distribution monitoring (PDM) across three disbursement cycles, a purpose-built quantitative merchant survey of 341 merchants, and 42 stakeholder interviews across 17 organizations.

1 World Bank. 2025. "Personal Remittances, Received (Current US$), Haiti." World Bank Open Data, based on IMF Balance of Payments data and World Bank staff estimates. https://data.worldbank.org/indicator/BX.TRF.PWKR.CD.DT?locations=HT.

2 World Bank. 2025. "Personal Remittances, Received (% of GDP), Haiti." World Bank Open Data, based on IMF Balance of Payments data and World Bank staff estimates. https://data.worldbank.org/indicator/BX.TRF.PWKR.DT.GD.ZS?locations=HT.

3 In English: Adaptive Social Protection for Increased Resilience (ASPIRE) Project.

Key findings

1. **Account ownership has matured; usability has not**. Accounts remain largely dormant outside disbursement events, and the utility of the mobile wallet for everyday transactions is severely constrained. The digital financial ecosystem has matured in reach but remains underdeveloped in depth. PSARA survey data[4] show that 86 percent of mobile money use is withdrawal, 83 percent receiving money, and only 5 percent savings; data from specific cash transfer cycles[5] show that 89 percent withdraw their full balance immediately.

2. **The merchant side is the critical missing link**. In areas serving Grand'Anse, over 90 percent of merchants surveyed held a personal mobile money account, but fewer than 9 percent had a formal merchant account. This gap does not reflect disinterest: 73 percent of merchants expressed a desire to upgrade to a merchant account. The barrier is administrative. Under current regulatory interpretations, merchants are required to present proof of address (typically a utility bill or formal lease agreement) to open a merchant account. In a context where 89 percent of micro, small, and medium enterprises (MSMEs) operate informally[6] and formal address documentation is largely inaccessible, this requirement alone effectively excludes most of the merchant population. Only 9 percent of merchants surveyed in Grand'Anse, for instance, have a proof of address and 5 percent have a valid business license (*patente*), making most firms unable to provide necessary documentation to open a merchant account.

3. **Fee structures distort incentives and erode trust.** While official person-to-person (P2P) transaction fees are relatively low for higher-value transfers, they can reach 2 percent on small-value transactions (the kind most common among low-income merchants and beneficiaries), making them far from negligible in practice. Beyond official rates, unauthorized practices by mobile money agents further erode the system's credibility. Mobile money agents (the primary interface between the digital and physical cash economy) frequently charge unauthorized withdrawal fees, generally ranging from HTG 300 to HTG 500 and occasionally up to HTG 1,000 per transaction, well above official fees. These informal surcharges disproportionately affect the poorest beneficiaries, for whom transaction costs represent a nontrivial share of transfer value, and contribute to a rational preference for immediately cashing out the full account balance. PSARA data show that 77 percent prefer money in hand, and 29 percent must repay debts to parties that do not accept e-wallets. At the same time, a regressive flat fee of US$1.50 per international transfer, established under Circular No. 98 (2011), penalizes small-value remittance recipients and discourages digital retention.

4 2024 PSARA endline survey data.
5 2024 PSARA TPM dataset.
6 FinScope 2023.

4. **Fragmented infrastructure limits effective competition and ecosystem functionality.** The national payment architecture remains siloed. The absence of open and accessible interoperability between mobile money operators (MMOs), particularly for P2P and business-to-business (B2B) transactions across platforms, limits the utility of any given wallet and prevents the emergence of a closed-loop digital economy. Access to the national payment switch (*Processeur National de Paiements*, PRONAP) remains restricted to licensed banks, excluding MMOs and fintechs from the infrastructure that would enable true interoperability. Compounding this, Grand'Anse faces acute physical infrastructure constraints: Network outages lasting three to five days are common, only 8 percent of MSMEs in Grand'Anse have access to reliable electricity, and gang-related insecurity has disrupted the physical transport of cash, generating frequent agent liquidity shortages. PSARA data reveal that among beneficiaries who experienced difficulties cashing out, 40 percent[7] cited agent liquidity shortages as the primary obstacle, while 21 percent reported being forced to make partial withdrawals due to insufficient funds at the agent level.[8]

5. **Safety is a key driver of merchant interest in digital payments.** The research reveals an important and underexploited behavioral insight: Merchants (unlike consumers) are not primarily motivated by convenience when considering mobile money. Their dominant motivation is safety. Handling large volumes of physical cash in an insecure environment poses significant personal risk, and merchants widely identify digital payments as a means of reducing their exposure. This safety narrative represents a compelling and underutilized entry point for onboarding campaigns and communication strategies.

6. **Women are disproportionately affected at both ends of the value chain.** Women constitute the primary recipients of PSARA transfers and represent a significant share of the informal merchant population, particularly among Madan Sara (women traders), who play a critical intermediary role in the local agricultural and food value chain. Their financial inclusion is therefore central to both the demand and supply sides of the merchant acceptance equation. Yet they face compounded barriers: lower rates of national ID coverage, greater informality, and heightened exposure to insecurity.

7 2024 PSARA TPM Dataset.
8 2024 PSARA PDM Dataset.

Regulatory, policy, and market constraints

The analysis identifies several interconnected gaps that collectively prevent the transition from access to usage:

1. At the time of writing this report, regulatory ambiguity around know your customer (KYC) requirements for merchant accounts created inconsistent application across operators and effectively excluded informal businesses in some areas. The 2023 anti-money laundering/countering the financing of terrorism (AML/CFT) decree, while necessary for financial integrity, was sometimes interpreted in ways that overburdened the merchant onboarding process. Importantly, the findings and recommendations of this report contributed to a productive policy dialogue with the Central Bank of Haiti (*Banque de la République d'Haïti*, BRH), which has since issued Circular No. 129-1 (February 2026), providing a strengthened AML/CFT framework with clarifications on simplified due diligence for low-risk customers (including alternative proof-of-address options) to facilitate account opening for previously underserved merchants. While this represents a significant regulatory step forward, its full impact will depend on consistent operationalization by financial service providers (FSPs).

2. While Circular No. 129-1 represents a significant step toward simplified due diligence, the absence of a fully operationalized, risk-based tiered KYC framework appropriate to the Haitian context means that regulators and operators still lack a proportionate and consistently applied framework for managing low-value, low-risk merchant accounts.

3. There has been limited operationalization of recent legal reforms, including the 2025 decree on electronic signatures, which formally recognizes the legal validity of electronic signatures and documents and could eliminate the need for physical documentation during onboarding but has not yet been applied in practice by FSPs.

4. High concentration in the banking sector (where three institutions control more than 80 percent of assets) and the exclusion of nonbank entities from PRONAP create structural barriers to competition, innovation, and financial inclusion.

5. Inadequate visibility of merchant acceptance points means that even when merchants are digitally enabled, beneficiaries are unaware of where they can spend their mobile money, undermining the network effects necessary for ecosystem growth.

6. Despite the consumer protection framework established under Circular No. 131, no effective market conduct supervision mechanism currently exists to monitor and enforce compliance with official fee schedules at the agent level, leaving beneficiaries and merchants systematically exposed to unauthorized surcharges that significantly erode the real value of digital transactions.

Recommendations

The report puts forward a set of targeted recommendations organized across three levels of intervention.

At the regulatory and policy level, the BRH should

- Prioritize the development of a National Instant Payment System (IPS) as a core piece of national infrastructure, enabling real-time, interoperable transfers across banks, MMOs, and other licensed FSPs; the IPS should complement existing systems such as *Système de Paiement Interbancaire d'Haïti* (SPIH) and PRONAP by introducing a dedicated layer for low-value, high-frequency retail payments;
- Open access to the PRONAP national payment switch to licensed nonbank entities, including MMOs, to enable full interoperability;
- Build on Circular No. 129-1 to formally adopt a comprehensive tiered, risk-based KYC framework that systematically authorizes alternative forms of proof of address (such as global positioning system (GPS) coordinates, photographs of business premises, or community attestations) for low-tier merchant accounts, ensuring consistent operationalization across all FSPs;
- Operationalize the 2025 electronic signature decree to enable fully digital merchant onboarding;
- Review and reform Circular No. 98 to introduce proportional, value-based fees on international transfers in place of the current regressive flat fee;
- Establish and operationalize a dedicated market conduct supervision function to enforce compliance with Circular No. 131 on financial consumer protection, including active monitoring of agent fee practices and sanctions against operators whose agents systematically charge above official tariffs; and
- Update the National Financial Inclusion Strategy (NFIS 2014) to reflect the current state of the ecosystem and establish measurable targets for merchant acceptance and usage.



At the market and operator level, MMOs should

- Deploy their existing agent networks as active merchant onboarding channels, providing financial incentives for successful registrations, while strengthening risk management systems to mitigate consumer protection risks inherent in this channel, including agent misconduct, unauthorized fees, and data privacy concerns;
- Invest in greater visibility for merchant acceptance points through branded materials, signage, and market-level communication campaigns that leverage the safety narrative resonant with merchants;
- Develop B2B payment platforms that allow merchants to pay suppliers digitally, reducing systemic demand for cash further upstream in the value chain; and
- Design tailored digital financial products for Village Savings and Loan Associations (VSLAs), building on their existing role as trusted community financial institutions.



At the program level, a targeted intervention in Grand'Anse could be piloted to test two complementary hypotheses, in coordination with relevant government ministries, MMOs, and development partners. First, simplified onboarding (supported by agent-led registration and risk-based KYC), can materially increase the number of active merchant accounts; second, a high-visibility social marketing campaign, deployed at public markets and PSARA disbursement points, can shift beneficiary behavior away from immediate cash-out and toward digital spending. This pilot would generate rigorous evidence to inform the scale-up of a national merchant digital payment acceptance strategy.



Background and Introduction

With a population of 11.9 million, Haiti is the poorest country in the Western Hemisphere and faces overlapping fragility, conflict, and violence (FCV) challenges. Worsening governance, entrenched gang violence, and chronic economic instability have deepened vulnerability, while recurrent natural disasters, weak infrastructure, and accelerating climate risks compound the pressures. Taken together, these dynamics make Haiti one of the region's most exposed countries to environmental shocks and disruptions.

Rural dwellers, women, and persons with disabilities experience heightened exposure to risks and deprivation. Haiti's sociopolitical trajectory has contributed to prolonged underinvestment in essential infrastructure, such as water supply, electricity, information and communication technology (ICT), and roads, reinforcing chronic poverty and limiting opportunities for inclusive growth. Recognizing that inclusive financial markets are key to poverty reduction and economic resilience, the Central Bank of Haiti (*Banque de la République d'Haïti*, BRH) drove its financial inclusion agenda through the National Financial Inclusion Strategy (NFIS) issued in 2014. A decade-long assessment published by the BRH in August 2024 (*Stratégie Nationale d'Inclusion Financière - 10 ans après*) reviewed progress made since the strategy's inception, acknowledging significant advances in account ownership and financial service point expansion while highlighting persistent challenges (including regional disparities and financial exclusion).

Despite progress in access to digital financial services, particularly the rapid expansion of mobile money accounts, effective *use* of these accounts remains severely constrained. A growing share of Haitians, including beneficiaries of social protection programs and recipients of domestic and international remittances, now receive funds digitally, yet in practice these funds are often unusable for everyday transactions. Limited merchant acceptance of mobile money, weak interoperability, liquidity constraints, and fee distortions mean that most recipients are compelled to cash out immediately, undermining the intended efficiency, safety, and inclusion benefits of digital payments. This dynamic poses a structural challenge for both social protection delivery and remittance corridors, including those from key source countries such as the US (which represents the largest remittance corridor to Haiti) and Canada, where the digital journey of remittances ends upon arrival (funds arrive electronically but must be converted to cash to be of any practical use). Against this backdrop, this report focuses on how to make mobile money and digital payments *usable*, with a particular focus on utility within social cash transfer programs and an emphasis on expanding and strengthening merchant acceptance so that digital transfers received by households can circulate within the local economy rather than immediately reverting to cash.

World Bank Group social protection programs in Haiti

In response, the government and development partners, including the World Bank, have worked to strengthen Haiti's social protection system and financial sector to strengthen resilience. Since March 2021, the Ministry of Social Affairs and Labor (*Ministère des Affaires Sociales et du Travail*, MAST) in partnership with the World Bank and United Nations World Food Programme (WFP) has implemented the Klere Chimen[9] program (funded through the World Bank *Projet de Protection Sociale Adaptive pour une Résilience Accrue* [PSARA] project, P174111), a cash-based safety net in the Grand'Anse department that supports 22,400 most vulnerable households, including those with children under five years old, pregnant women, and persons with disabilities, through monthly cash transfers and complementary measures promoting health, nutrition, and financial inclusion. In addition, the PSARA project finances the establishment of a tailored information system and payment platform for MAST to enable efficient and transparent delivery of social transfers. Despite the project's intent to route Klere Chimen cash transfers through digital channels (especially mobile wallets) whenever possible, early implementation faced significant hurdles, as many beneficiaries preferred cash. At program launch in April 2022, only 3 percent of beneficiaries chose digital payments, even when they already had an e-wallet. This low uptake was not incidental but reflected structural barriers on both the demand and supply sides of the digital financial services ecosystem. A World Bank diagnostic study published in 2023[10] documented these constraints, identifying demand-side barriers including limited digital literacy, low trust in mobile money platforms, insufficient mobile phone ownership, and inadequate identification documentation, the latter exacerbated by restrictive know your customer (KYC) requirements that effectively excluded many low-income users from formal financial services. On the supply side, the study highlighted the absence of products designed for low-income users and a weak, geographically sparse cash-in/cash-out agent network as critical bottlenecks.

In response to these findings, MAST pursued a deliberate shift from physical cash distribution to mobile e-wallets payments, operationalizing key recommendations from the 2023 report. Targeted interventions, including beneficiary training on financial services and digital payments tools and national identification registration drives for beneficiaries without ID, helped address some of the binding barriers to digital uptake. The results have been substantial: According to program administrative data, the share of Klere Chimen beneficiaries receiving transfers digitally rose from 3 percent in 2022 to 76 percent in 2026.[11] In the absence of such measures, beneficiaries frequently endure long travel, additional costs, and heightened security risks to

9 In Haitian creole, Klere Chimen means brighten or lighten the path.

10 World Bank. 2023. *Constraints to Digital Financial Inclusion of Beneficiaries of PSARA Cash Transfer Program in Haiti - A Demand-Side Analysis and Recommendations*. Social Protection and Jobs Discussion Paper 2306, World Bank Group. https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099090423102033227

11 Manigat, Ailo Klara. 2026. *Disclosable Version of the ISR - Adaptive Social Protection for Increased Resilience Project - P174111 - Sequence No: 11 (English)*. Washington, DC: World Bank Group. http://documents.worldbank.org/curated/en/099040626091039647.

access their transfers in person. These measures were complemented by World Bank support to the BRH through the *Strengthening Digital Payments and Remittances Project* (P179567), which aims to develop and reinforce the enabling environment for digital payments in Haiti.

A closer examination of how beneficiaries interact with their mobile wallet reveals that the shift to digital transfers has moved the point of liquidity from a physical distribution site to a mobile wallet, but it has not yet translated into broader digital economic participation. While 76 percent of Klere Chimen beneficiaries receive their transfers through mobile wallets, the vast majority immediately convert these funds to cash upon receipt: 89 percent of PSARA beneficiaries withdraw their full benefit at the first available opportunity, and only 11 percent report using mobile money to make purchases directly. Demand for digital spending exists among beneficiaries, but the supply-side conditions necessary to meet that demand, including merchant adoption, and a diversified ecosystem of digital use cases, remain critically underdeveloped. This distinction between access to digital payments and their active, sustained use is central to the challenge this report seeks to address.

Objectives of the report

This report focuses on the usability of mobile money and digital payments, with particular emphasis on expanding and strengthening utility of social protection payments and remittances through merchant acceptance. It aims to

1. Review Haiti's financial sector, digital financial services ecosystem, and the financial inclusion of individuals and merchants;
2. Assess key barriers limiting individuals' usage of digital payment in Haiti, leveraging (as a proxy) mobile money behaviors of Klere Chimen cash transfer program recipients;
3. Assess why access to mobile money has not translated into meaningful usage and constraints faced by merchants in accepting digital payments;
4. Assess incentives and ecosystem interventions to increase the usability of digital payments in Haiti, with a focus on expanding and strengthening merchant acceptance networks; and
5. As part of an annex, outline an implementation plan to increase merchant acceptance of digital payments in Haiti.

Given the depth of information analyzed to develop these conclusions, technical details are available in the annexes.

Methodology

This report draws on a comprehensive mix of administrative data, large-scale quantitative surveys, and original qualitative and merchant-level research (conducted by the report authors) to assess the usability of digital financial services in Haiti.

The analysis draws on a robust mixed-methods evidence base, combining four complementary quantitative data sources with in-depth qualitative data collected in the Grand'Anse region:

1. **The PSARA impact evaluation baseline and endline surveys**, collected in the second half of 2022 (baseline) and 2024 (endline).

2. **The PSARA third-party monitoring (TPM) surveys**, which tracked beneficiary behaviors and payment experiences through monthly data collection over an 11-month period from 2023 to 2024, offering high-frequency longitudinal insights into program dynamics.

3. **The PSARA post-distribution monitoring (PDM) surveys** conducted across three disbursement cycles (covering both cash and digital payments in December 2022, February 2023, and February 2024), whose findings are brought together and synthesized for the first time in this report.

4. **New primary quantitative merchant-level data collected specifically for this study**, consisting of a survey of **341 merchants** implemented in collaboration with the World Bank and mobile network operators (MNOs), with support from Digicel and HaitiPay.

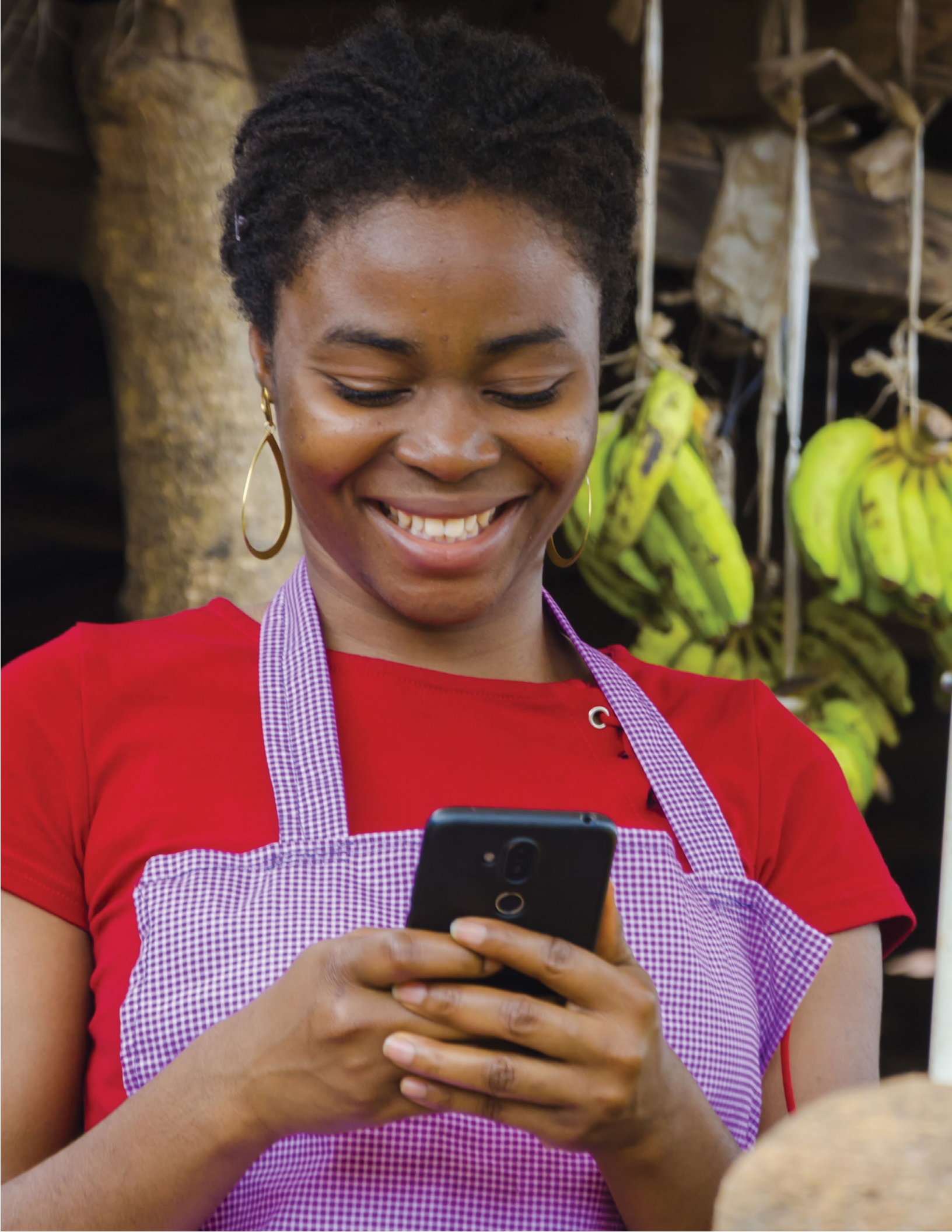
5. **New primary qualitative merchant-level data collected specifically for this study,** consisting of semi-structured interviews with over 23 merchants by World Bank staff, and extensive interviews with key stakeholders and industry participants, further enriching the analysis and recommendations.

The survey results presented in this report are unweighted. While the primary data used in the report were collected in Grand'Anse, the findings and recommendations derived from the analysis are not specific to that region. Grand'Anse was selected precisely because it exemplifies the structural, infrastructural, and behavioral constraints that characterize digital financial inclusion challenges across Haiti's rural and peri-urban areas, and the policy recommendations put forward are accordingly framed at the national level.

This analysis builds on prior work by the World Bank, namely the 2023 discussion paper *Constraints to Digital Financial Inclusion of Beneficiaries of the PSARA Cash Transfer Program in Haiti: A Demand-Side Analysis and Recommendations* (Social Protection and Jobs Discussion Paper No. 2306[12]), which established the demand-side evidence base on which the present report expands.

Full methodologies for these surveys are provided in Annex 1.

12 World Bank 2023. https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099090423102033227



Chapter I:
Haiti's Financial Sector and Digital Financial Inclusion

Understanding Haiti's financial landscape (its institutions, its infrastructure, and its deep structural vulnerabilities) is essential to diagnosing why digital financial services have proliferated in reach but not in use. Haiti's retail financial sector comprises the Central Bank (BRH), eight commercial banks,[13] one agricultural development bank,[14] four licensed microfinance institutions[15] (MFIs) with 179 service points nationwide, 74 CECs, five licensed electronic payment service providers (*Fournisseurs de Services de Paiement Électronique*, FSPEs),[16] five money transfer operators (MTOs), three foreign exchange bureaus[17] and at least 10 fintechs. Despite persistent power outages and security-related disruptions (including the partial relocation of back-office functions), most providers remain operational, though with reduced service reliability in high-risk areas.

The banking system is highly concentrated[18]—the three largest banks control over 80 percent of system assets. This level of concentration raises significant competition concerns. Market dominance creates structural disincentives to innovate and to extend services to low-income and rural populations, whose small transaction sizes and higher service costs make them commercially unattractive in the absence of meaningful competitive pressure. Credit unions remain a systemically important segment, accounting for about 18 percent of total financial sector assets at end-2024 and playing a critical role in geographic and low-income outreach. The broader ecosystem also includes informal lenders and dense remittance channels, reflecting households' reliance on alternative financial services and diaspora inflows.

13 According to the BRH (BRH. 2024. *Stratégie Nationale d'Inclusion Financière (SNIF): 10 ans après*), Haiti has eight licensed commercial banks: Citibank N.A. (CBNA), Unibank, Sogebank, *Banque Nationale de Crédit* (BNC), Capital Bank, *Banque de l'Union Haïtienne* (BUH), *Banque Populaire Haïtienne* (BPH), and SOGEBEL. However, as of the date of publication of this report, the number of active commercial banks has effectively reduced to seven following Citibank N.A.'s announcement on July 8, 2024, of the voluntary surrender of its banking license in Haiti, citing diminished international activity and lower institutional client demand.

14 *Banque Nationale de Développement Agricole* (BNDA).

15 The BRH distinguishes between two categories of microfinance entities: (a) *Institutions de Microfinance non mutualistes* (MFI-NM), governed by the August 25, 2020 decree, of which four are formally licensed (*agréées*) by the BRH as of June 2024, and (b) savings and credit cooperatives (*Caisses d'Épargne et de Crédit*, CECs), mutualist CECs governed by the June 2002 law, of which 74 are regulated.

16 FSPEs are nonbank entities licensed by the BRH under Circular No. 121 (December 2021) to issue e-money and provide mobile payment services in Haiti.

17 BRH 2024.

18 This section combines sources from the IMF 2024 article IV consultation - press release. staff report, and statement by the executive director for Haiti; May 2024 credit note; and the 2024 Update to the financial inclusion strategy. Data were limited as the relevant annual reports have not been updated since 2021/2022.

According to the BRH, as of 2025, the five licensed FSPEs are HaitiPay S.A. (LajanCash), Société Nationale Telecom S.A./NATCOM (NatCash), Unigestion Holding S.A. (MonCash), *Société Générale Haïtienne de Banque* S.A./Sogebank (MAGO), and Kiskeya Technologies Group S.A. (KashPaw). A related fintech, Mannitoks, functions as a transaction aggregator and offers a cash-wallet solution. Additional MTOs also provide digital and cash payout rails.

Formal brick-and-mortar financial access points are limited,[19] in part due to security concerns, compared to the large telecom-linked agent networks exceeding 37,000, including direct and indirect agents[20] (approximately 30,000 for Natcom and 7,000 for Digicel).

See Annex 2 for more details on the market share and business operations of nonbanks.

Despite some depth, Haiti's financial sector is fragile, and financial stability has been deteriorating since 2023.[21] For instance, nonperforming loans (NPLs) in the banking sector rose sharply (peaking at 14.17 percent of gross loans in June 2025 before declining to 8.77 percent by December 2025), reflecting significant but temporary portfolio deterioration amid the ongoing security and economic crisis.[22] In some credit unions and non-mutualist MFIs, NPL ratios have risen significantly above the central banks' 5 percent good practice threshold, with sector averages reaching 9.5 percent as of September 2023 and continuing to deteriorate in the context of the ongoing security crisis.[23] Interest rate spreads have widened to among the highest in the region (reaching 10.95 percent on HTG-denominated operations and 8.83 percent on foreign currency operations by end-September 2024),[24] compressing credit access and discouraging borrowing. The bank intermediation ratio declined from 26.7 percent in Q3 to 23.67 percent by end-September 2024[25] and further to 21.18 percent by December 2025,[26] signaling continued retrenchment in lending. Credit demand from the private sector remains severely subdued, with only 14 percent of micro, small, and medium enterprises (MSMEs) having access to formal banking services and 13 percent accessing informal credit in 2023,[27] leaving the vast majority without any form of external financing.

19 The report *BRH SNIF 10 ans après* (June 2024) reports 2.62 commercial bank branches per 100,000 adults as of 2020 (a figure described as having 'practically stagnated' due to population growth) with 63.3 percent of branches concentrated in Port-au-Prince. Other formal access points include 179 IMF service points, 74 CECs, and 288 ATMs.

20 In the context of Haiti, an agent refers to an individual or business authorized by a mobile money provider or financial service provider (FSP) to perform basic financial transactions on behalf of customers. These typically include cash-in, cash-out, bill payments, and person-to-person (P2P) transfers. Direct agents operate under contract with the provider, while indirect agents often work under a master agent or aggregator and may have more limited float or liquidity. Agents play a critical role in extending access to financial services, especially in underserved and rural areas, but face operational constraints such as limited physical cash liquidity and infrastructure challenges.

21 This results against a backdrop of deepening macroeconomic stress. Haiti's economy contracted by an estimated 4.2 percent in 2024 (its seventh consecutive year of negative growth), with inflation remaining elevated at approximately 26 percent in 2024 and 28–32 percent through 2025 (World Bank 2025).

22 BRH 2024–2025.

23 DGA (Dave Grace & Associates. 2026. *Assistance Technique à la BRH : Supervision Basée sur les Risques des CECs et IMFs Non Mutualistes*. Rapport Final, March 2026

24 BRH. 2024. *Monetary Policy Report, 4th Quarter, Fiscal Year 2023–2024 (July-September 2024)*. Bank of the Republic of Haiti. brh.ht

25 BRH 2024.

26 BRH. 2026. "*Statistics" Report and Financial Indicators – Quarterly Banking System Data, Q1 2026*. Provisional Version.

27 MEF/BRH. 2023. "FinScope MSME Haiti 2023."

Similarly, availability of financial access points is fragile depending on security situations. For instance, agent availability can be volatile due to security risks, cash-in-transit constraints, and liquidity management challenges (for example, shortages of notes and coins).

1.1 Overview of financial inclusion of individuals in Haiti[28]

Haiti's socioeconomic challenges limit financial inclusion, particularly outside urban centers. With an estimated 37.6 percent of the population projected to be living on less than US$2.15 per day in 2025[29] (up from 29.2 percent in 2012), access to formal financial services remains limited. Traditional banking infrastructure is underdeveloped, especially in rural areas, leading to heavy reliance on cash, which is inefficient, risky, and costly. Branch and Automated Teller Machine (ATM) density remain critically low by regional and global standards. The IMF's 2020 Financial Access Survey shows only 2.6 bank branches per 100,000 adults in Haiti (compared to 10.2 for Caribbean small states and 10.4 globally) while the 2019 survey records only 3.81 ATMs per 100,000 adults in Haiti, roughly 10 times lower than both the Caribbean small states average (40.28) and the world average (40.26). These figures underscore the depth of Haiti's physical financial infrastructure deficit and its structural constraint on financial inclusion.

Mobile money is the biggest driver of financial access. Global Findex data show that account ownership rose from 19 percent in 2014 to 32.6 percent in 2017, driven predominantly by an increase in mobile money account ownership, which rose from 4 percent in 2014 to 14 percent in 2017. Overall, ownership levels remain significantly below the 2017 Latin America and the Caribbean (LAC) average (excluding high-income countries). The 2018 FinScope survey found that 44 percent of Haitians had access to formal financial services, with only 11 percent using banks and the remainder using formal nonbank institutions, predominantly mobile money. At the same time, 19 percent relied on informal mechanisms (with some overlap with the formally included population) and 46 percent were excluded from the financial sector entirely.

According to data from the Financial Capability and Inclusion Survey (2017), exclusion is not evenly distributed across the population. Women are less likely to hold a formal financial account than men (25.7 percent versus 29.2 percent), with the gender gap most pronounced for bank accounts (18.5 percent versus 24.3 percent). Rural residents face substantially lower account ownership than urban dwellers (16.7 percent in rural areas compared to 37.6 percent

28 Note on data availability: The latest available nationally representative data on financial inclusion in Haiti date to the Global Findex 2017. Haiti has not been included in subsequent Findex rounds (including the 2021 and 2024 editions), leaving a significant gap in the recency of the evidence base. Where possible, this chapter draws on the latest available Global Findex data (2017), the 2023 FinScope MSMEs Survey, program-level survey data from PSARA, and available data from the BRH to complement and update the Findex baseline. Figures cited above should therefore be interpreted with this data limitation in mind.

29 World Bank. 2025. *Haiti Poverty & Equity Brief*."

in urban areas).[30] Rural dwellers and women therefore experience heightened exposure to financial exclusion and deprivation.

Financial inclusion in Haiti has been the subject of extensive research and assessment over the past decade. The following reports offer useful references: (a) the 2017 World Bank and BRH report on financial inclusion and financial capability of adults in Haiti; and (b) the 2018 FinMark Trust - FinScope Consumer Survey on financial inclusion.

Payments are the primary drivers of mobile money usage, with limited incoming transfers. According to Findex 2017, common use cases include paying any bill (6.8 percent), receiving government payments (3.8 percent), or paying utility bills (2.4 percent). The relatively low proportion of received payments, including government and person-to-person (P2P) transfers, indicates that e-money is not yet a conventional payment instrument, though usage is growing with support from donors and national cash transfer programs. The latest available nationally representative data on mobile money account ownership in Haiti date from Global Findex 2017, which recorded that 14 percent of Haitian adults held a mobile money account. Haiti has not been included in subsequent Findex rounds, leaving a significant data gap. Program-level data suggest higher penetration among targeted populations, with 49 percent of PSARA beneficiaries holding a mobile money account as of 2024, though this reflects a population actively targeted by financial digitization efforts and cannot be extrapolated to the general adult population. Most transactions occur on analog phones via USSD (unstructured supplementary service data). The ecosystem is dominated by two main operators, Digicel and Natcom.

Women face additional hurdles in adopting and using digital financial services. Barriers such as lower mobile phone ownership, limited digital literacy, social norms restricting mobility and decision-making power, and concerns about security and privacy hinder women's engagement with mobile money and digital financial services more broadly. In addition, low financial literacy, limited trust in institutions, and infrastructural constraints, including unreliable electricity and internet connectivity, reduce the effectiveness of digital financial services and impede broader, sustained adoption across the population.

30 World Bank, and BRH. 2019. *Financial Capability and Inclusion in Haiti: Results of a Demand-Side Survey*.

1.2 Overview of financial inclusion of merchants in Haiti

The MSME sector plays a pivotal role in the Haitian economy, notably by employing a substantial share of the workforce despite facing numerous challenges**.** According to the FinScope study on MSMEs[31] published in 2023 by the BRH and the Ministry of Economy, 710,337 MSMEs were active in Haiti in 2023, accounting for 1,122,557 employees. The study reckoned a total of 660,845 business owners in Haiti (including 89 percent of individual entrepreneurs). Business owners therefore represent approximately 10 percent of the country's adult population.[32] The report also estimates that MSMEs generated a combined turnover of over US$3.7 billion, even though 60 percent of MSME owners earned less than HTG 30,000 per month (US$227), equivalent to US$2,724 per year. Haitian MSMEs are predominantly microenterprises (71 percent), followed by small enterprises (24 percent) and, to a minor extent, medium enterprises (5 percent). Overall, the key characteristics of the Haitian MSME sector are presented in Table 1, while the sectoral distribution of Haitian MSMEs is illustrated in Figure 1.

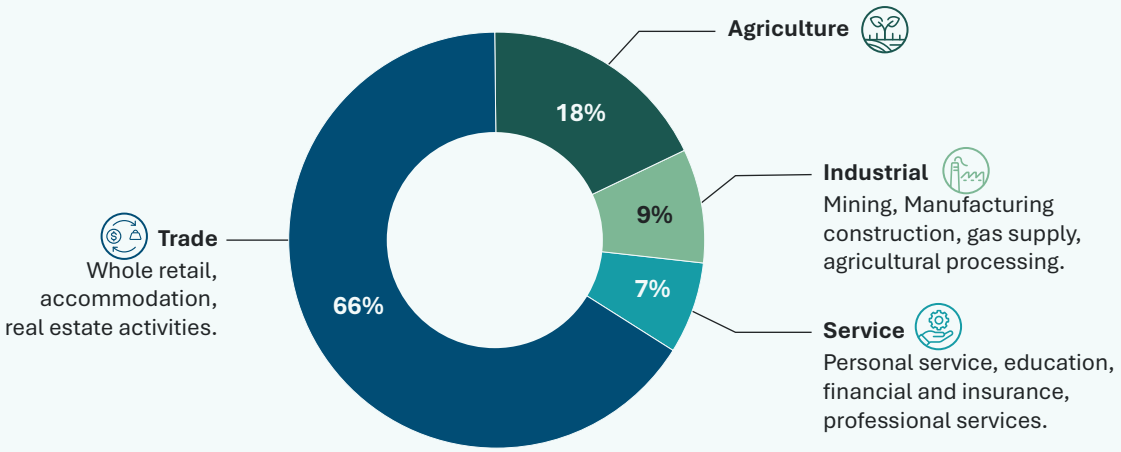
Table 1: Key characteristics of the MSME sector in Haiti

Business category	Annual turnover (HTG)	Employees	Distribution (%)	Enterprises
Micro enterprise	Less than 2.5 million (US$18,975)	1 to 5	71	505,405
Small enterprise	2.5 million to 20 million	5 to 20	24	169,771
Medium enterprise	20 million (US$151,800) to 50 million	20 to 100	5	35,162

Source: FinScope MSMEs Survey Highlights, Haiti 2023.

31 The FinScope study 2023 used a sample of over 5,000 formal and informal businesses in Haiti.
32 According to FinScope MSMEs Survey 2023, Haiti's adult population is estimated at 7 million inhabitants.

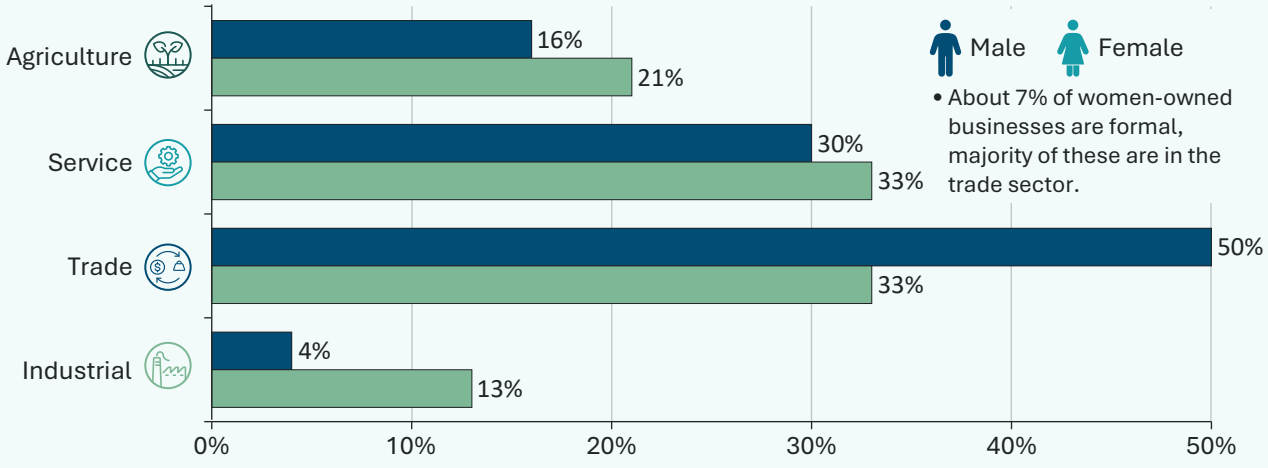
Figure 1: Sectoral distribution of Haitian MSMEs



Source: FinScope MSMEs Survey Highlights, Haiti 2023.

Haitian MSMEs are primarily women-led (Figure 2), concentrated in the trade sector, and located in urban areas and in the Artibonite, Ouest, and Sud regions. In terms of gender, women owners represent 67 percent of MSMEs (including 87 percent of micro enterprises). Overall, the trade sector has the highest representation of MSMEs (66 percent), followed by agriculture (18 percent), industry (9 percent), and services (7 percent). The Artibonite, Ouest, and Sud departments host the largest concentration of MSMEs, followed by the Grand'Anse and Nord-Est departments. MSMEs in Haiti are mainly located in urban areas (65 percent).

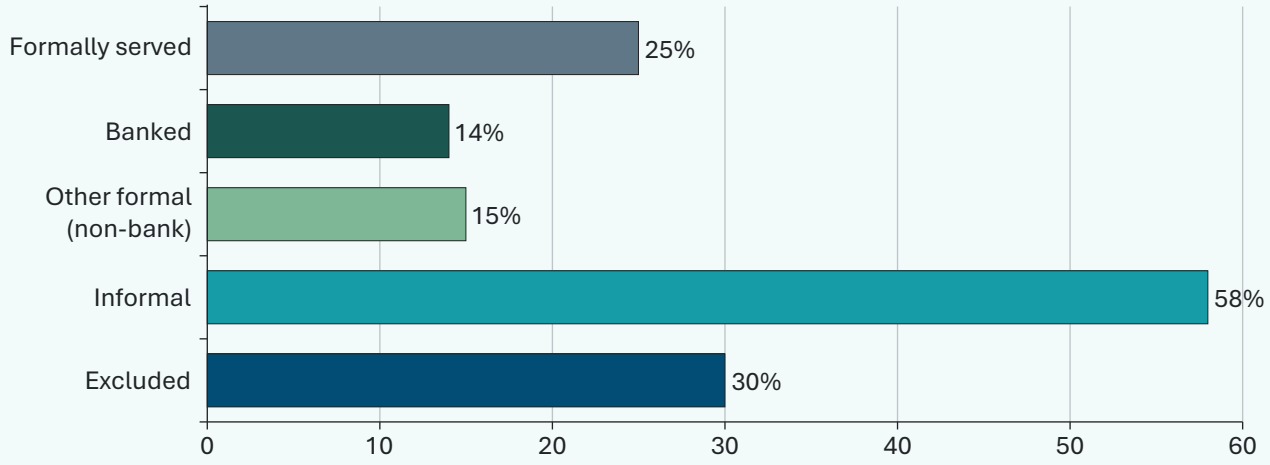
Figure 2: Gender representation of Haitian MSMEs by sector



Source: FinScope MSMEs Survey Highlights, Haiti 2023.

MSMEs remain cash-based with limited engagement in formal finance. The 2023 FinScope study found that although 11 percent of MSMEs are formally registered, 99 percent receive payments in cash, only 14 percent have a bank account, and 30 percent are excluded from any form of financial services, indicating constrained access for small businesses. Figure 3 provides an overview of the degree of financial inclusion of Haitian MSMEs (including overlaps):

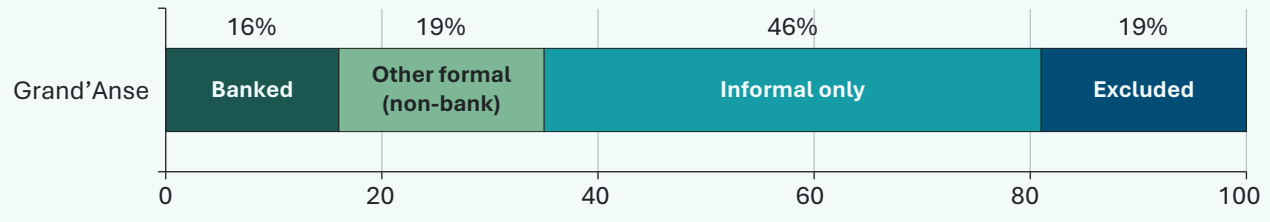
Figure 3: Financial inclusion levels, overlaps, and MSME access strand in Haiti



Source: FinScope MSMEs Survey Highlights, Haiti 2023

The majority of MSMEs in Haiti are served by informal services. For instance, as per the FinScope 2023 survey, 46 percent of MSMEs in the Grand'Anse region are served exclusively by informal services such as Village Saving and Loan Associations (VSLAs), farmer associations, private money lenders (or 'loan sharks'), or other nonregulated entities. While 16 percent of MSMEs have access to banks, 19 percent have access to other regulated (nonbank) financial entities. Overall, 19 percent of MSMEs in the region remain totally excluded from the financial sector. Figure 4 provides an overview of the degree of financial inclusion of MSMEs located in the department of Grand'Anse (where PSARA beneficiaries are located).

Figure 4: Financial inclusion in the Grand'Anse department in Haiti



Source: FinScope MSMEs Survey Highlights, Haiti 2023.

1.3
Remittances in Haiti

Haiti is among the most remittance-dependent countries globally (as illustrated in Figure 5). According to the latest available data, in 2024, remittances represented 16.9 percent of Haiti's GDP (down from 22.5 percent in 2020)[33] and were the largest source of foreign exchange.[34] Haiti's diaspora has long played a central role in supporting the country's economy and social fabric. In 2025, the number of Haitians living abroad was equivalent to 16 percent of the country's population[35] and approximately 35 percent of Haitian adults either sent or received remittances (with 22 percent periodically receiving and 17 percent periodically sending).[36] In 2025, most of the diaspora resided in the US, followed by the Dominican Republic and Canada. In 2025, the US was the primary source of remittances to Haiti, accounting for nearly half of all inflows. Roughly 97 percent of remittance inflows originate from seven countries, mainly from the US, the Dominican Republic,[37] and Canada, followed by Chile, France, Brazil, and the Bahamas. Personal remittances received rose from 12 percent of GDP in 2012, peaking to 22.5 percent in 2020 and declining to 16.9 percent in 2024, reaching an estimated US$4.1 billion in 2024.[38] This amount originated largely from Haitian migrants working in the US.[39] However, a significant portion of transfers from the Dominican Republic may pass through informal or unregulated channels, complicating measurement and limiting consumer protection. According to UN DESA, the Haitian diaspora population is estimated at 2 million, having grown from 1.76 million in 2020.[40]

Remittances represent a vital and resilient source of income for Haitian households and the broader economy. The Haiti - COVID-19 LAC High Frequency Phone Survey 2023, Wave 4 indicates that roughly 59 percent of Haitians received domestic or international remittances in 2023 (Figure 6). Nearly half (48 percent) reported receiving international transfers in the previous 12 months, and about 20 percent continued to receive domestic remittances (from friends or family within Haiti), consistent with pre-pandemic trends. Remittances represented approximately 16.9 percent[41] of Haiti's GDP in 2024, remaining one of the country's most stable external financing sources. These inflows help offset declining foreign direct investment and official development assistance while also supporting household consumption and poverty reduction.

33 World Bank. 2025. "Personal Remittances, Received (% of GDP), Haiti." The data presented in Figure 5 reflect estimates available at the time of data collection, according to which remittances to Haiti represented 18.7 percent of GDP in 2024. Revised estimates available at the time of publication indicate a figure of 16.9 percent of GDP for the same year.

34 https://tradingeconomics.com/haiti/remittance-inflows-to-gdp-percent-wb-data.html

35 World Bank, and INURED (Interuniversity Institute for Research & Development). 2026. *Haitian International Migration : Transforming Crisis-Driven Mobility into Development Potential*.

36 World Bank. 2019. *Financial Capability and Inclusion in Haiti*. https://documents1.worldbank.org/curated/en/607661578039258981/pdf/Financial-Capability-and-Inclusion-in-Haiti-Result-of-a-Demand-Side-Survey.pdf

37 However, a significant portion of transfers from the Dominican Republic may pass through informal or unregulated channels, complicating measurement and limiting consumer protection.

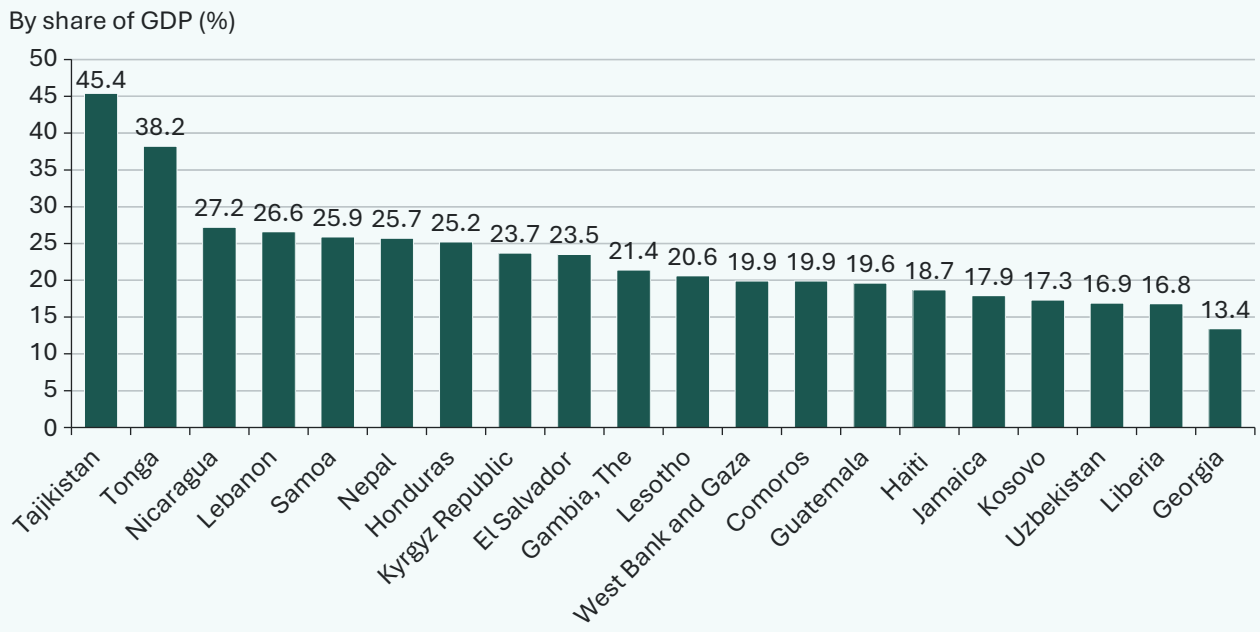
38 World Bank. 2025. "Personal Remittances, Received (% of GDP), Haiti."

39 IDB (Inter-American Development Bank). 2025. *Remittances to Latin America and the Caribbean in 2025: Adaptations in a Context of Uncertainty.*

40 UN DESA (United Nations Department of Economic and Social Affairs). 2024. *International Migrant Stock 2024*. New York: United Nations. https://www.un.org/development/desa/pd/content/international-migrant-stock.

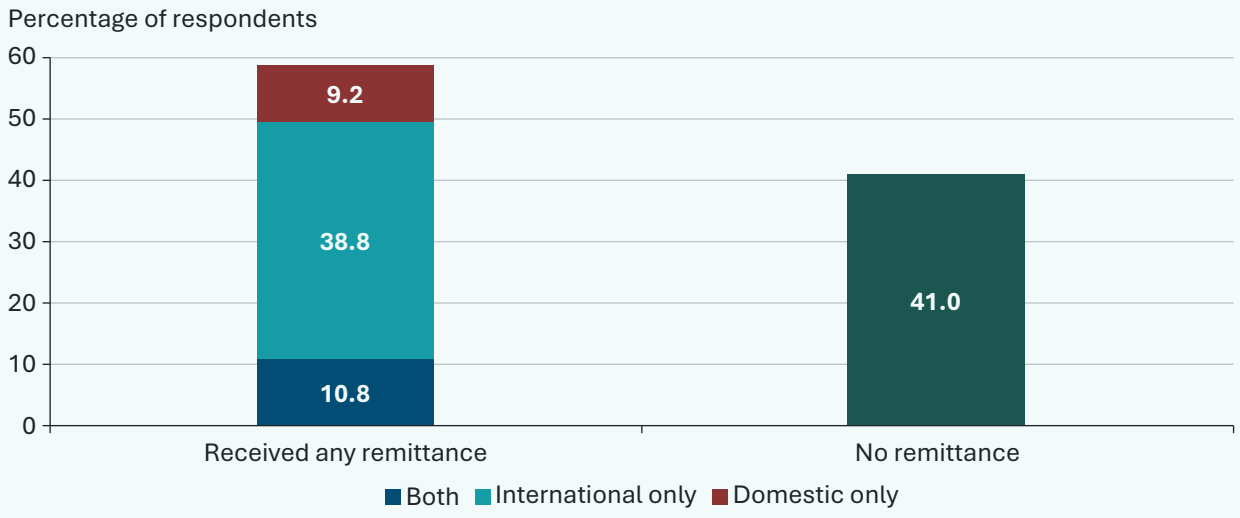
41 World Bank Open Data, 2025, https://data.worldbank.org/indicator/BX.TRF.PWKR.DT.GD.ZS?locations=HT.

Figure 5: Top recipients of remittances among low- and middle-income countries in percentage of GDP, 2024



Source : https://blogs.worldbank.org/en/peoplemove/in-2024--remittance-flows-to-low--and-middle-income-countries-ar.

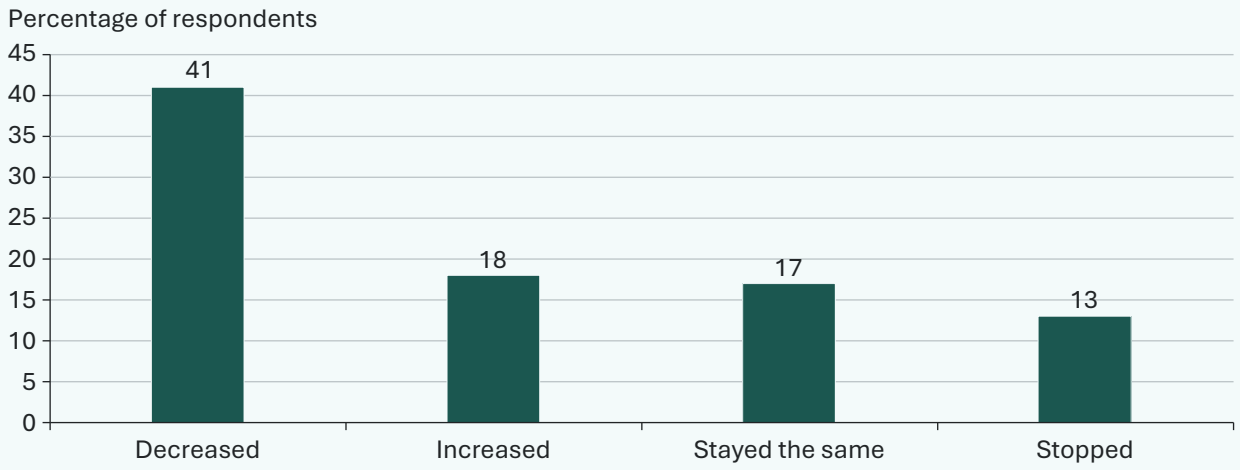
Figure 6: Remittance receipt among Haitians in 2023



Source: Haiti - COVID-19 LAC High Frequency Phone Survey 2023, Wave 4.

Total remittance inflows to Haiti proved resilient during the COVID-19 period, reaching approximately US$4.0 billion in 2021, the highest level recorded at the time. However, this growth reversed in subsequent years, with inflows declining to US$3.8 billion in 2022 and US$3.75 billion in 2023, before recovering to US$4.1 billion in 2024,[42] reflecting both the critical importance of diaspora support and the vulnerability of remittance flows to external shocks. The COVID-19 crisis disrupted migration patterns, global labor markets, and household incomes in key diaspora destinations. The Haiti - COVID-19 LAC High Frequency Phone Survey 2023 reported that only 18 percent of remittance-receiving households received higher transfers compared to pre-pandemic levels, while 17 percent saw no change. In contrast, as illustrated in Figure 7, 41 percent reported substantial declines, and 13 percent experienced a complete cessation of remittances. Remittance receivers cited worsening financial conditions abroad as the primary reason for the reduction, with 68 percent indicating that their senders struggled more economically. Another 7 percent reported increased difficulty in sending money, reflecting both regulatory pressures and market disruptions.

Figure 7: Change in international remittances received by Haitians



Source: Haiti - COVID-19 LAC High Frequency Phone Survey 2023.

Despite a global trend of declining remittance costs, Haiti remains one of the most expensive corridors in LAC. According to the World Bank Remittance Prices Worldwide (RPW) database, sending US$200 globally cost 6.2 percent on average in Q2 2023, a slight increase from 6.0 percent recorded in Q2 2022.[43] In LAC, the average cost was 6.1 percent in Q2 2023, up from 5.6 percent in the same period a year earlier, considerably narrowing the gap with the global average compared to previous years. Remittance costs include both transfer fees and foreign exchange margins, with fees typically representing the dominant share of total costs,

42 World Bank Open Data, 2025, https://data.worldbank.org/indicator/BX.TRF.PWKR.CD.DT?locations=HT.
43 World Bank. 2023. *Remittance Prices Worldwide (RPW) Quarterly*. Issue 47, RPW Quarterly Report.

though this proportion differs across service providers and corridors. Although transfer fees have dropped in recent years, these gains are often offset by rising foreign exchange margins, particularly among traditional cash-based providers. The picture for digital transfers is more nuanced: In the US-Haiti corridor, the most competitive digital providers can offer costs as low as 3.16 percent, with no foreign exchange margin applied,[44] a genuine cost advantage over cash. In the Canada-Haiti corridor, however, lower foreign exchange margins offered by digital providers are partially offset by higher service fees, resulting in only a modest overall cost difference compared to cash-based options.

Transfer amounts vary widely by corridor. *Maisons de Transfert* data show that senders in the Dominican Republic typically remit about US$50, compared to US$300 from France. Most transactions fall between US$100 and US$250, with a typical value of about US$125 per transfer. Given high unemployment and pervasive informality among recipients, these funds often constitute the household's primary income source.

The remittance ecosystem also remains cash-dominant and fragmented. Despite the magnitude of flows, 90 percent of remittances in Haiti are still paid out in cash.[45] Some banks and mobile money providers (often through partnerships) have introduced basic transaction accounts that support domestic P2P transfers. However, these services remain non-interoperable, preventing scale and ecosystem integration. Remittance beneficiaries, as well as beneficiaries of cash transfers in general, tend to cash out funds immediately rather than store funds digitally.

1.4 Key policies for digital payments and remittances

Haiti launched a National Financial Inclusion Strategy (NFIS) in 2014, which facilitated notable gains in inclusion; however, the enabling environment for remittances and digital payments remains constrained in Haiti by the legal, regulatory, and policy environment. Remittances are central to Haiti's economy, have extensive rules governing how these flows are processed, priced, and accessed, which influence whether recipients can meaningfully use digital financial services.

44 Inter-American Dialogue, mystery shopping collected in late March 2024.

45 This figure is estimated from MAS25 (2025) using social transfer cash-out behavior as a proxy, in the absence of nationally representative data on remittance payout modalities. Consistent with FinScope MSME Haiti 2023, which found that 99 percent of MSMEs receive payments exclusively in cash.

Key policies are listed below:

- Circular No. 98, issued on May 20, 2011, applies to money transfer services and banks handling international transactions. It establishes three key requirements:

  i. All international transfers must be processed through the BRH's central payment platform.

  ii. Banks and *Maisons de Transfert* must offer customers an electronic option for receiving funds.

  iii. A fixed fee of US$1.50 must be applied per transfer.[46]
  This flat fee structure is regressive in nature (representing 1.5 percent of a US$100 transfer but only 0.3 percent of a US$500 transfer) disproportionately burdening low-income recipients for whom remittances constitute a vital share of household income. In a market where remittance costs are trending toward low fixed-cost structures, maintaining a uniform fee without minimum thresholds penalizes the most vulnerable users.[47]

- There is no formal prohibition on exclusivity agreements, though market trends are shifting toward open arrangements. Haitian law does not explicitly prohibit exclusivity arrangements between international MTOs and their agents or sub-agents. Although recent market developments have moved toward nonexclusive partnerships, with many agents now offering multiple providers, exclusivity clauses still exist and can limit market access. A positive development is that major *Maisons de Transfert*, including PRISM and Western Union, are now integrated into mobile wallet ecosystems. This allows remittances to be delivered directly into digital accounts, increasing the potential for funds to circulate electronically as e-money rather than being cashed out.

- Circular No. 121, issued in December 2021, significantly modernized the regulatory environment by

  i. Allowing nonbank entities to issue e-money directly to customers;

  ii. Governing electronic payment services, including cards, mobile money, and online payments;

46 This fee is payable to the BRH, and its collection mechanism varies by remittance service provider (RSP). For inbound transfers, the fee may either be added to the sender's total cost or deducted from the amount received. In both cases, RSPs are required to remit the total collected fees to the BRH monthly, based on transaction volumes.

47 Cross-country evidence supports the behavioral impact of fee structures on digital payment usage. In Ghana, the introduction of a 1.5 percent e-levy on mobile money transactions in May 2022 resulted in a 25 percent reduction in mobile money usage over nine months (GSMA. 2023. "The E-Levy Impact in Ghana: Economic Impact Assessment."). In Senegal, despite mobile money account ownership reaching 45 percent of adults by 2021, merchant payments remain limited, illustrating that wallet access alone does not translate into digital payment usage at the merchant level (CGAP. 2022. "Digital Finance Consumer Risks - Senegal National Study."). Together, these cases suggest that fee structures directly (and rapidly) influence transaction behavior and that reform is a necessary though not sufficient condition for driving meaningful behavioral change.

iii. Authorizing the use of agents (*agents de distribution*); and

iv. Requiring compliance with Haiti's anti-money laundering (AML) framework. This framework opens opportunities for fintech participation, competition, and innovation.

- The Haitian 2023 decree on 'Sanctioning Money Laundering, the Financing of Terrorism, and the Financing of the Proliferation of Weapons of Mass Destruction in Haiti' defines requirements for KYC verification.[48] Article 35 stipulates that all customers must be identified, and Article 36 clarifies which information is needed and which documents can be used for verification. The Revised Circular 129 published in February 2026 provides additional clarifications that facilitate interpretation and implementation of simplified due diligence measures for low-risk customers.

- By the time of publication of this report,[49] Circular No. 129-1 (February 2026) had come into force, superseding Circular No. 129 and governing the anti-money laundering/countering the financing of terrorism (AML/CFT) preventive measures framework for all financial institutions in Haiti, including banks, credit unions, money transfer services, and electronic payment providers. Key requirements include implementing a risk-based prevention program, identifying beneficial owners, conducting ongoing customer due diligence (CDD), providing employee training, and designating a compliance officer. Critically, Circular 129-1 clarifies simplified due diligence for low-risk customers (including alternative proof-of-address options such as global positioning system (GPS) coordinates, photographs of premises, or community attestations), a significant step toward enabling informal merchants to open digital payment accounts. Haiti has remained under Financial Action Task Force (FATF) increased monitoring since 2021, and Circular 129-1 reflects the BRH's commitment to strengthening its AML/CFT regime, though moderate shortcomings in the consistent application of a risk-based approach remain.

- By the time of publication of this report, Circular No. 131 had come into force.[50] It establishes minimum standards for the protection of consumers of financial products and services, with the explicit objectives of ensuring equitable, transparent, and nondiscriminatory treatment of all users of the financial system.

48 Before the decree, Digicel's e-money mini wallet was accessible to millions of individuals including the most vulnerable without an official form of identification in 2015. To minimize risks of Money Laundering (ML), Financing of Terrorism (FT), and Proliferation Financing (PF) ML/FT/PF, the mini wallet had a limit of HTG 10,000 (~US$75). When the decree came into force requiring that a valid ID with photo be used to validate the identity of a person, Digicel discontinued the mini wallet and requested all customers to comply to access the full-size wallet limited at HTG 100,000 (~US$158).

49 Circular No. 129-1 came into force on March 2, 2026, after the drafting process of this report had commenced. It was therefore not yet in force at the time research and data collection for this report were conducted.

50 Circular No. 131 was published on February 6, 2026, and came into force on March 2, 2026, after the drafting process of this report had commenced. It was therefore not yet in force at the time research and data collection for this report were conducted.

- Circular No. BRH/IMF/2026/3 (published February 11, 2026, effective April 1, 2026) establishes minimum capital requirements for MFIs, distinguishing between two categories: (i) microfinance companies (*Sociétés de microfinance*), required to maintain a minimum regulatory capital ratio of 13 percent plus a conservation buffer of 2.5 percent (total: 15.5 percent); and (ii) microcredit enterprises (*Entreprises de microcrédit*), required to maintain a minimum ratio of 6 percent plus a 1 percent buffer (total: 7 percent). Existing MFIs have one year from the publication date to comply. This circular aligns Haitian microfinance regulation with international prudential standards and is particularly relevant in the context of the report's findings on VSLA formalization and the expansion of regulated microfinance services in underserved areas such as Grand'Anse.

- Circular No. 10 on CEC Governance (BRH) mandates that CECs adhere to specific good governance practices. Key provisions include requirements for board composition, internal controls, and audit functions, which are directly relevant to the sustainability of cooperative-based financial service delivery in rural departments such as Grand'Anse, where CECs play a critical role in financial intermediation.

- The NFIS (2014) remains the foundational policy framework for Haiti's financial inclusion agenda. The BRH's review of the *NFIS - 10 ans après* (2024) provides an updated assessment of progress and gaps, underscoring the need for renewed policy ambition and measurable targets for merchant acceptance and digital payment usage.

Taken together, Haiti's regulatory framework for digital payments has advanced considerably in recent years, with the BRH playing a central role in shaping the enabling environment, notably through a series of landmark circulars. However, the effectiveness of this framework will also depend on coordination that extends beyond the BRH's mandate alone. The digitalization of merchant acceptance intersects with business licensing under the Ministry of Commerce (MoC), digital identity under ONI, telecommunications infrastructure under CONATEL[51], and law enforcement for fraud and data protection, each representing a distinct regulatory jurisdiction. In the absence of structured coordination across these institutions, regulatory progress in one area risks being undermined by persistent gaps in another, constraining the coherence and reach of Haiti's digital payment ecosystem.

51 Conseil National des Télécommunications (CONATEL), the official public agency and regulatory body for telecommunications in Haiti.

Box 1: Circular No. 131: Haiti's New Financial Consumer Protection Framework

Issued by the BRH on February 6, 2026 (effective March 2, 2026), Circular No. 131 establishes minimum standards for the fair and responsible treatment of consumers of financial products and services, repealing Circular No. 109-1 (2019). It applies to all licensed financial institutions and their agents and sub-agents and is grounded in G20/OECD Principles on Financial Consumer Protection and World Bank good practices.

The key provisions of the circular cover consumer rights, fee transparency, agent conduct,[52] digital financial services, complaint handling, over-indebtedness and debt collection, data protection, fraud protection and error management, and sanctions.

The circular's full impact will notably depend on

i. Establishing a dedicated market conduct supervision function within the BRH (including supervisory manuals, inspection protocols, and enforcement capacity), which does not yet exist in structured form;

ii. Strengthening interagency coordination between the BRH, the ICT regulator, and law enforcement to address fraud, scams, and data protection violations that span multiple regulatory jurisdictions;

iii. Ensuring that complaint mechanisms are effectively accessible to low-income and digitally inexperienced users; and

iv. Clarifying guidance from the BRH on whether the fee schedule display obligation under Section 6.2.5 explicitly extends to agent outlets and merchant payment acceptance points, given FSPs' responsibility for agent conduct under Article 7.14.4. This would ensure that fee information is visibly accessible to customers at all points of interaction, including in remote and underserved areas where agent networks are the primary access channel.

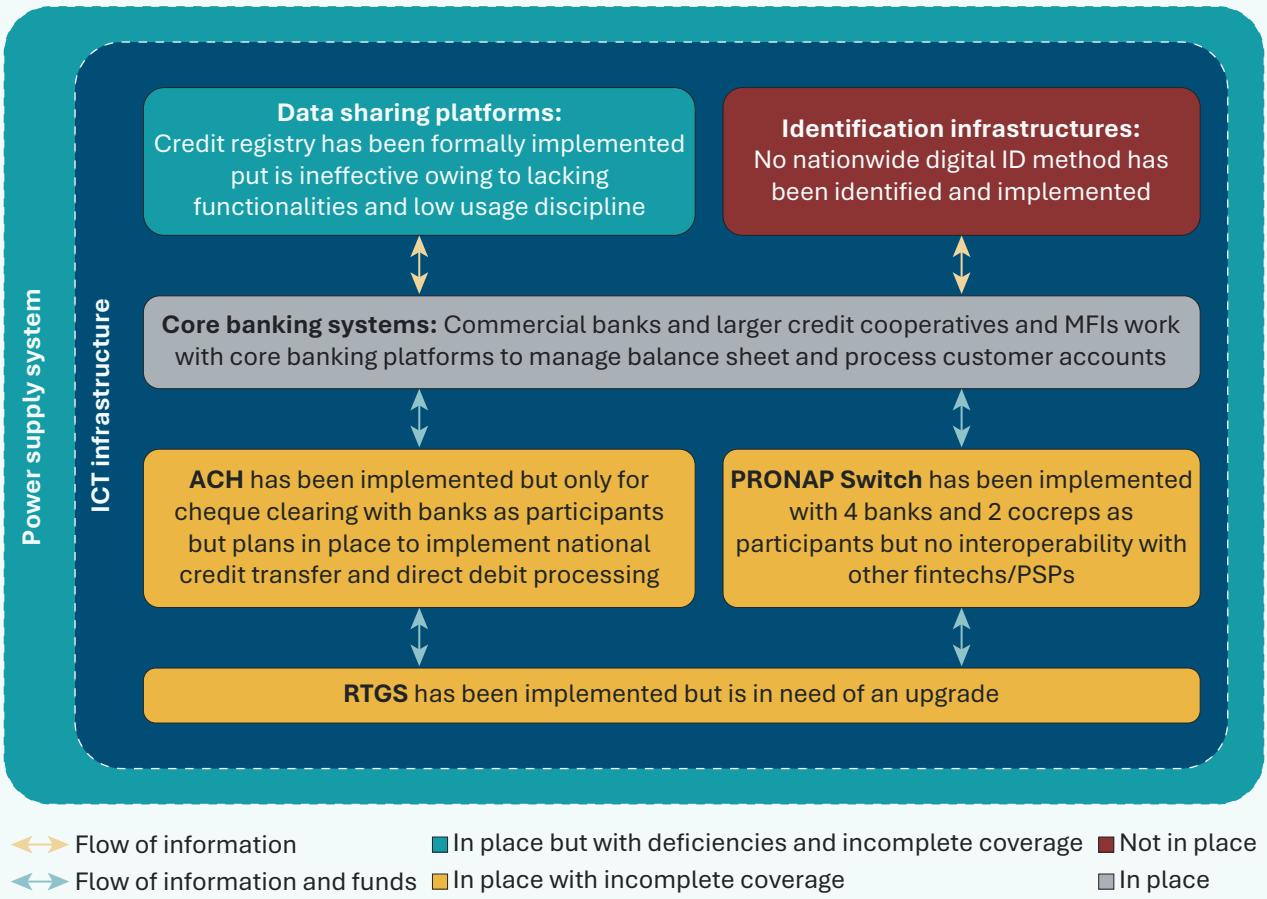
1.5 Key infrastructures for digital payments and remittances

Haiti's core payment infrastructure comprises the *Système de Paiement Interbancaire d'Haïti* (SPIH), which provides both real-time gross settlement (RTGS) and automated clearing house (ACH) services, and the national card switch, *Processeur National de Paiements* (PRONAP) (Figure 8). Both are operated by the BRH.[53]

52 The section on agent conduct notably includes explicit FSP responsibility for the conduct of agents and sub-agents (Article 7.14.4);

53 These services are hosted across two data centers—one located at the BRH's main office and a secondary backup site at a separate location to ensure operational continuity.

Figure 8: Overview of Haiti's financial infrastructure



Source: World Bank Analysis.

Direct participation in the RTGS is limited to commercial banks and a small number of credit unions and MFIs. The RTGS platform, supplied by Montran in 2008, is being upgraded to add capabilities such as bulk payments and to increase throughput and settlement speed. Haiti's ACH system facilitates electronic funds transfers between commercial bank accounts, which enables both businesses and individuals to conduct secure transactions within 24 hours.

PRONAP (established in 2015 and operated by the BRH) runs on ACI Worldwide's Postilion platform. It currently connects four commercial banks: Unibank, Sogebank, BNC, and Capital Bank, with BUH in the process of onboarding. Two card-issuing credit cooperatives also connect to the platform. PRONAP facilitates domestic ATM and point-of-sale (POS) transactions for debit cards and supports credit card transactions, which are authorized, cleared, and settled via the VISA and Mastercard networks. HaitiPay participates indirectly

through its partnership with BNC (the banking partner for its LajanCash wallet). No other payment service providers (PSPs), fintechs, or mobile money operators (MMOs) currently participate in PRONAP, limiting interoperability across the sector.[54]

PRONAP experienced significant technical malfunctions in June 2023, disrupting both the national card switch and SPIH. While the BRH indicated that remediation efforts were under way, the platform's full restoration to normal operations has not been publicly confirmed. Notably, ATM and debit card interoperability across participating banks has continued to function (cardholders can use cards issued by one bank at another participating bank's ATM network), a model the BRH is actively seeking to replicate for mobile payments. As of June 2024, Haiti had 288 ATMs and 5,678 POS terminals nationwide,[55] representing significant progress from 53 ATMs and 695 transfer points in 2011, though terminal density remains among the lowest in the region.

Although mobile wallet networks in Haiti are not fully interoperable, some connectivity exists, most notably between Digicel and Sogebank, and between HaitiPay and eight financial institutions. Additionally, some MFIs and credit cooperatives serve as Super Agents, primarily to inject liquidity into agent networks. These agent relationships are generally nonexclusive, allowing providers to expand their reach across various segments of the population.

The BRH has identified the development of a National Instant Payment System (IPS) as a strategic priority, envisioning a platform that would require all FSPs (banks, FSPEs, and fintechs) to interconnect through a single regulated platform, enabling real-time transfers across the entire ecosystem. Rather than relying on bilateral arrangements between individual providers, which are viewed as insufficient to ensure the level of regulatory oversight and systemic coordination required for a fully inclusive digital payments ecosystem, the IPS model is designed to allow digital money to circulate throughout the economy without reverting to cash. The BRH is benchmarking international models (such as Pix in Brazil and Ghana's instant payment system) to identify an approach suited to Haiti's context. A steering committee for the Digitalization of Payments project is in place and operational, and the BRH has indicated that preparatory work for the procurement of the IPS is under way, though as of the time of writing this report, no public call for tenders has been published. A phone number portability project with mobile operators is also being pursued as a complementary mechanism to facilitate wallet-to-wallet transfers across providers. The BRH is also evaluating the technical feasibility of offline payment solutions (enabling transactions to be processed and reconciled without real-time internet connectivity) as a practical response to connectivity outages that can last three to five days in departments such as Grand'Anse.

With respect to digital ID, the *Office National d'Identification* (ONI) has made considerable progress in rolling out the Unique National Identification Card (*Carte d'Identité Nationale Unique*, CINU) to the adult population. The new electronic version of the card was procured in

54 These two mobile wallet networks remain non-interoperable. This lack of interoperability and platform connectivity presents a significant barrier to the broader adoption and scaling of digital financial services in Haiti.

55 BRH 2024, NFIS - 10 years later.

2018, with delivery beginning in 2019, and approximately 6.5 million people were enrolled in the identification register between 2019 and 2025. Estimated CINU ownership among living adults now stands between 4.4 million[56] and 4.7 million,[57] representing approximately 67 percent of the adult population (a significant improvement from earlier years). Nevertheless, an estimated one in three adults, roughly 2.5 to 3 million people, still lacks a valid CINU. This gap is compounded by logistical challenges: As of May 2025, about 656,000 cards (approximately 11 percent of total cards produced) remained undelivered, largely because card printing is centralized in Port-au-Prince.[58] Notably, the CINU serves as the sole usable credential for voting, making the coverage gap a concern that extends well beyond identification to civic participation. In December 2025, the Council of Ministers adopted a decree to modernize Haiti's civil status system, mandating that all children receive a birth certificate and Unique National Identification Number (*Numéro d'Identité Nationale Unique*, NINU) at birth, an important step toward universal identification. While ONI operates a digital verification portal (DELIDOC platform) that allows online validation of CINU credentials, its capabilities remain significantly underused and no widely accessible application programming interface (API) currently exists for real-time credential validation by FSPs, meaning that even when a merchant holds a valid CINU, automated digital identity verification during onboarding is not yet possible in practice.

56 USAID 2023.
57 World Bank. 2026. *ID4D Diagnostic for Haiti* (Forthcoming)
58 World Bank 2026.


Kotis
Doli
VINAIGRE - VINEGAR
Vinaigre Bi Meune !
Boules Miel
Netto
boules choco
Bisstroll
Oléor
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Pour les Fêtes
DANO
Arla
MARQUE DES FERMIERS

Chapter II:
Digital Payment Behaviors: Evidence from Haiti's Klere Chimen Program

Between 2022 and 2024, the Klere Chimen program, financed by the PSARA project, successfully shifted a large share of cash transfers delivery modality from traditional in-person cash distribution to mobile wallets, once again proving that rapid digital financial inclusion is possible when cash transfer programs are linked with digital accounts. Digital payment uptake among Klere Chimen beneficiaries has risen markedly, from under 5 percent at program launch to 76 percent of beneficiaries receiving transfers via electronic wallets as of March 2026.

Klere Chimen also includes a structured set of accompanying measures designed to complement its monthly unconditional cash transfers to vulnerable households and address the behavioral and informational barriers that limit the impact of income support alone. These measures are organized into two main streams: health and nutrition and financial inclusion.

The financial inclusion accompanying measures are built around two core pillars. The first is beneficiary training on financial inclusion, delivered through a six-module curriculum covering financial literacy and digital payment practices. Sessions are delivered every six weeks over a year through community-based modalities. This modality was designed to reach beneficiaries in familiar, accessible settings and to allow for iterative learning and reinforcement over time. The second pillar focuses on the strengthening and creation of VSLAs, which have strong community precedent in Haiti and serve as the primary vehicle for promoting savings, credit, and broader financial resilience among beneficiaries. Through both group training sessions and VSLA support, the Klere Chimen program actively promotes the use of e-money among beneficiaries, equipping them with the practical knowledge and skills needed to navigate digital financial services. By 2024, 12,500 people, 60 percent of whom were women, had participated in group training sessions. In addition, 180 VSLAs had been supported in the Grand'Anse region, bringing together a total of 5,245 members 72 percent of whom were women.

Despite this success, evidence from PSARA demonstrates that while most beneficiaries receive digital payments, the majority withdraw their transfers immediately after receipt. This 'cash-out' behavior is not primarily a demand-side preference; it reflects a rational response to an ecosystem in Haiti in which digital money cannot be easily spent on everyday needs.

This chapter analyzes digital payment and cash-out behaviors of socioeconomically vulnerable Haitians, leveraging data from the PSARA project as a proxy to understand mobile money use and binding constraints that help explain cash-out preferences of Haitian adults.

To do so, the analysis in this chapter draws on four main quantitative and qualitative data sources, with methodologies further detailed **in Annex 1**:

- PSARA impact evaluation baseline and endline surveys (2022, 2024)[59]
- Third-Party Monitoring (TPM) surveys (2023–2024)
- Cash transfers Post-Distribution Monitoring (PDM) surveys (2023–2024)
- Qualitative interviews (2024).

2.1 Access to digital financial services by beneficiaries

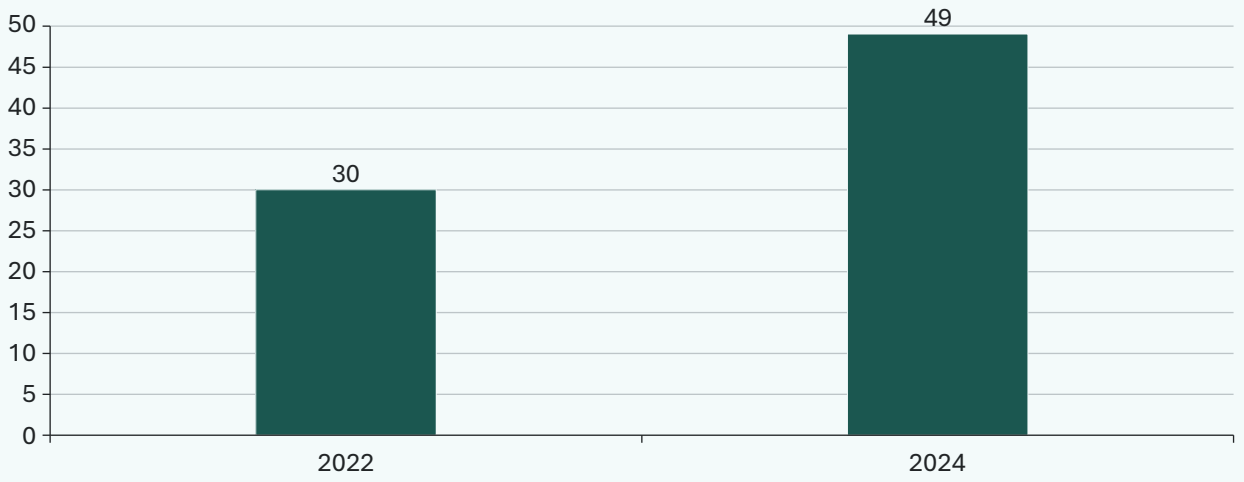
Between 2022 and 2024, financial inclusion among Klere Chimen cash transfer beneficiaries improved significantly. In 2022, ahead of the programmatic shift toward digital transactions, only 30 percent of surveyed beneficiaries (female respondents) had an account at a financial institution (Figure 9). Among adults who owned an account, 13 percent held accounts at banks, MFIs, or credit unions. The majority of account holders had a mobile money account, with 87 percent overall. In contrast, participation in VSLA accounts was moderate, at 28 percent overall.

By 2024, account ownership among beneficiaries increased from 30 percent to 49 percent (Figure 9). Among the 49 percent of beneficiaries with financial accounts, the vast majority identified MonCash as their financial institution (97 percent overall).[60] In contrast, traditional bank account ownership declined sharply to under 1 percent, highlighting a shift toward mobile money as the primary formal financial service. There was a notable gender gap in mobile money usage in 2024, with 72 percent of male respondents reporting use versus 48 percent of female respondents.

59 Survey data were collected at both household and individual levels, with all household members completing demographic questions and heads of household providing information on financial service access and usage. All women in each household answered a dedicated questionnaire on financial inclusion. To avoid duplication, female heads of household only responded to relevant sections once. Data analysis pooled all beneficiary responses without distinguishing between multiple respondents from the same household. Given Klere Chimen's emphasis on women, most reported figures and comparisons between baseline and endline surveys focus on female respondents.

60 MonCash is the exclusive distributor of mobile/digital cash transfers under the Klere Chimen program. Fewer than 1 percent indicated having a commercial bank account, while less than 2 percent reported holding financial accounts with other types of institutions, such as cooperatives/credit unions, microcredit institutions, NatCash, or LajanCash.

Figure 9: Formal financial account ownership



Source: PSARA impact evaluation baseline (2022) and endline (2024) survey data.

Barriers to financial account ownership among respondents

Analysis of the impact evaluation baseline (2022) and endline (2024) datasets reveals a notable reduction in constraints to accessing mobile accounts, particularly among PSARA beneficiaries.[61] Nevertheless, lack of access to a mobile phone remains a significant barrier to financial account ownership, irrespective of account type. Survey respondents consistently identified the absence of a mobile phone as a primary obstacle to owning an account with a formal financial institution, including mobile money account, and one of the main reasons for non-ownership. This barrier has gained prominence as digital payments have become the predominant channel for Klere Chimen cash transfers, and as mobile money accounts increasingly serve as a key mechanism for advancing financial inclusion.

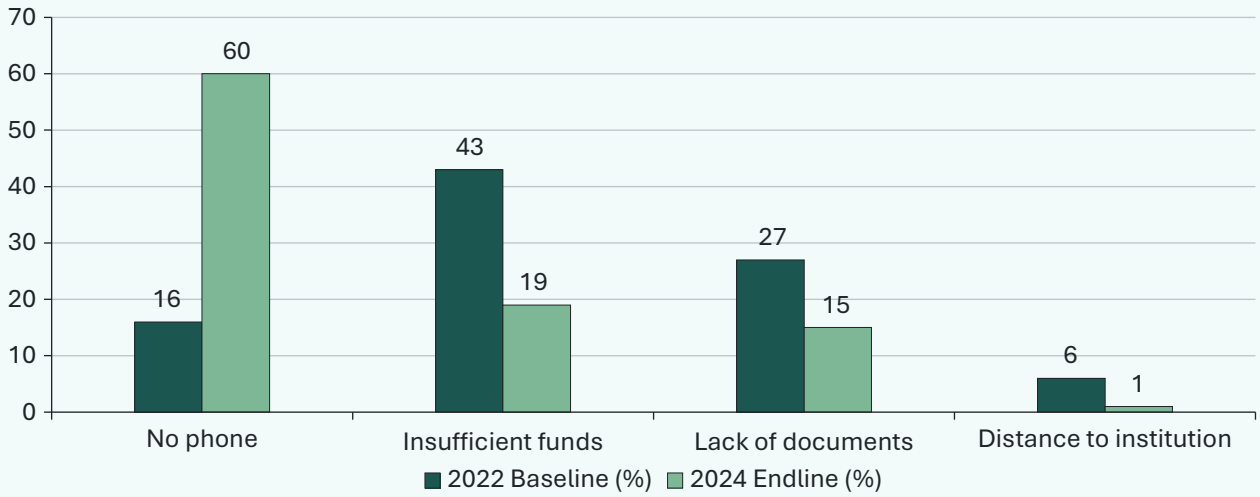
The 2022 baseline survey identified several factors limiting financial account ownership. At that time, as illustrated in Figure 10, 16 percent of respondents cited lack of a phone as the reason for not owning an account with a financial institution. Other constraints were more pronounced, including insufficient funds (43 percent), lack of required documentation (27 percent), distance to financial institutions (6 percent), and lack of interest in opening formal accounts (4 percent).

By 2024, the landscape of barriers had shifted. Notably, the proportion of respondents citing lack of a mobile phone as the principal reason for not having a financial service account

61 The baseline and endline surveys interviewed PSARA beneficiaries and comparable households not enrolled in the Klere Chimen program (control group).

(including mobile money) increased sharply to 60 percent, compared to 16 percent in 2022 (Figure 10). Despite expectations that this barrier would diminish for beneficiaries, given the Klere Chimen program's distribution of SIM cards to enable mobile money account creation and benefit receipt, it appears that respondents may differentiate between possession of a SIM card and ownership of a mobile phone, with the latter still perceived as a barrier.

Figure 10: Financial account ownership constraints



Source: PSARA baseline (2022) and endline (2024) survey data.

While the barrier of not owning a phone has intensified, other significant impediments have evolved. The proportion of respondents citing 'insufficient funds' as a barrier declined markedly from 43 percent at baseline to 19 percent at endline, likely reflecting the positive impact of the Klere Chimen cash transfer program. The lack of required documentation is a challenge, affecting 15 percent of respondents at endline, down from 28 percent at baseline. This issue has been exacerbated by new regulations introduced in December 2022, which increased KYC requirements and mandated a national ID or equivalent for the opening of new mobile money accounts, potentially excluding vulnerable segments of the population who lack such documentation. At the same time, data reveal an encouraging foundation for digital financial inclusion: 71 percent of respondents reported being able to read, pointing to relatively high levels of literacy that could support broader uptake of digital financial services.

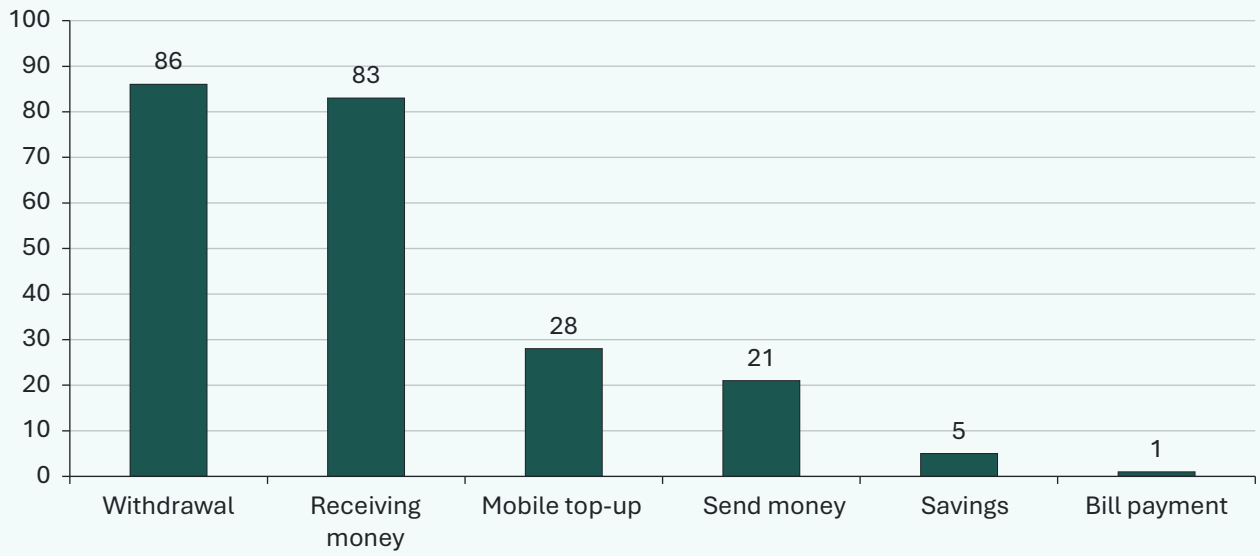
2.2
Usage of digital financial services by cash transfer beneficiaries

Usage among beneficiaries remains limited

At the household level, both the baseline and endline surveys reveal that mobile money usage among beneficiaries remained concentrated around basic transactions: primarily withdrawals and receiving money. According to the 2022 PSARA baseline survey, 66 percent of respondents used mobile money for withdrawals and 59 percent for receiving money, while peer-to-peer transfers were used by 38 percent. Engagement in other financial operations, such as saving (10 percent) and bill payments (negligible), was limited, highlighting that beneficiaries were not fully using the broader capabilities of digital financial services.

By the endline, these patterns persisted, with withdrawing and receiving money remaining the most common activities, reported by 86 percent and 83 percent of respondents, respectively (Figure 11). While sending money declined to 21 percent, a notable shift was the emergence of mobile top-up services, used by 28 percent of respondents. Despite these changes, savings via mobile money remained low at 5 percent (Figure 11). The comparison between baseline and endline data reflects both continuity in core usage and modest diversification, but the broader potential of digital financial services was still underutilized overall.

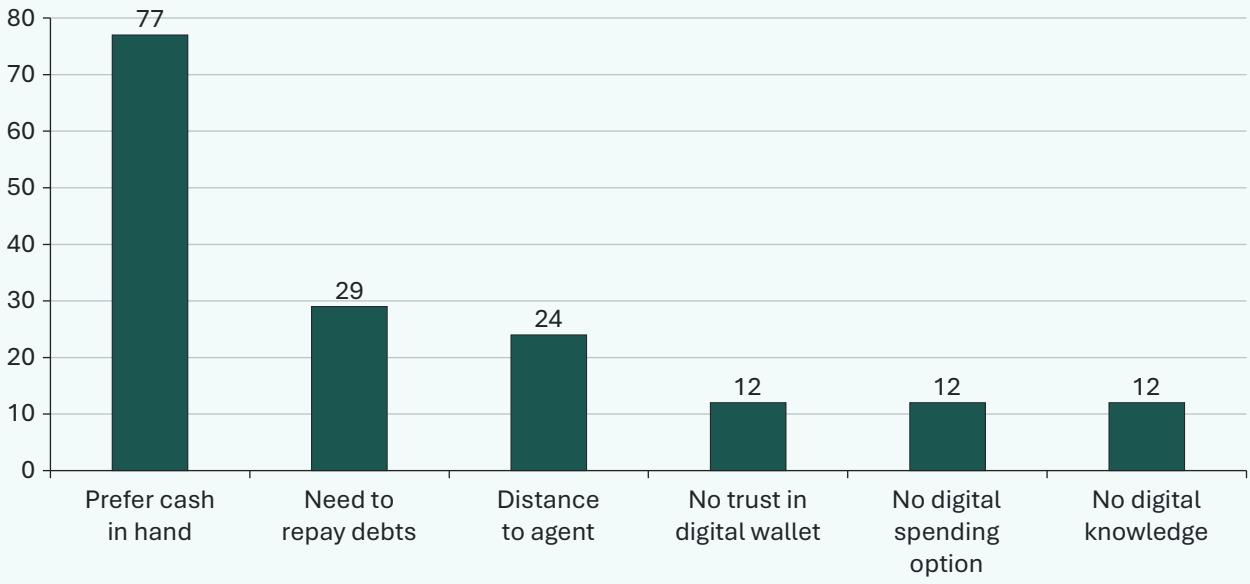
Figure 11: Mobile money usage among beneficiaries (2024)



Source: PSARA endline survey dataset.

Analysis of TPM data provides insights into the underlying factors driving beneficiaries' decisions to withdraw their program benefits in cash. Most respondents (77 percent) indicated a strong preference for money in hand (Figure 12), pointing to entrenched cash dependency and limited trust in, or familiarity with, digital financial instruments. Other notable factors included the need to repay debts (29 percent) and the physical distance to MonCash agents (24 percent), and hence the need to withdraw resources at once. Additionally, concerns about the reliability of digital wallets (12 percent), limited availability of digital transaction options (12 percent), and insufficient knowledge about the use of digital wallets (12 percent) were also reported as contributing reasons for cash withdrawals (Figure 12). Beyond single-withdrawal behavior, among those who made multiple withdrawals, the most frequently cited reason was insufficient funds to withdraw the full transfer at once (41 percent) a finding that reflects liquidity constraints at the agent level. Voluntary partial withdrawals (26 percent) and a desire to save (22 percent) also accounted for some cases, suggesting nascent saving behavior. Agent-imposed requirements were cited by 18 percent of respondents, pointing to gaps in service delivery and agent network management.

Figure 12: Cash-out reasons among beneficiaries

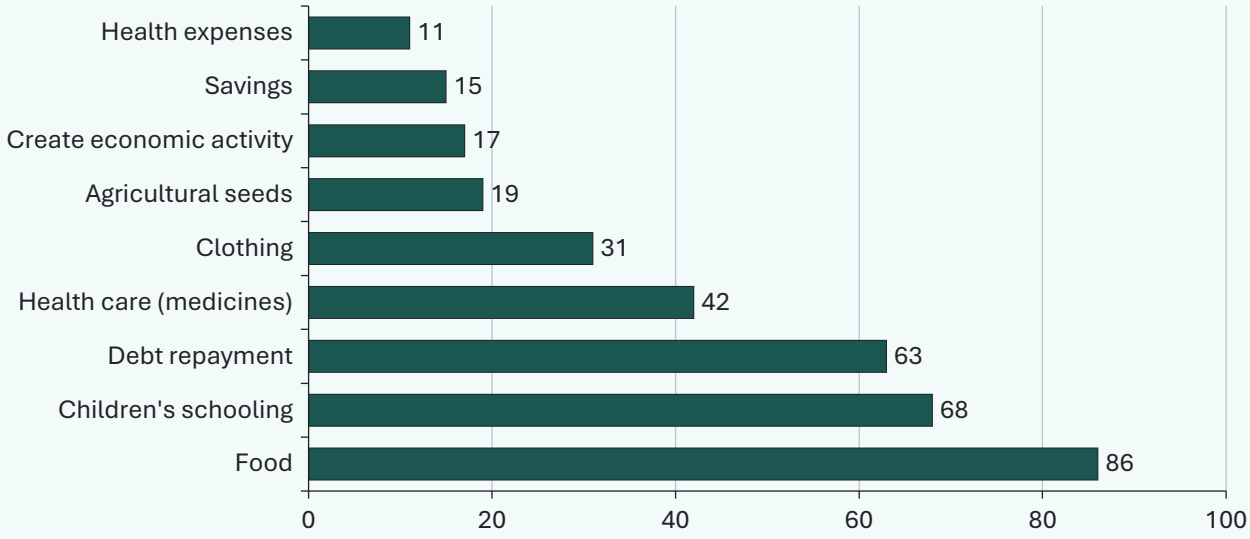


Source: TPM Survey Data 2024.

According to the TPM survey data, most Klere Chimen program beneficiaries spent their benefits on food (86 percent), their children's school payments (68 percent), repayment of debts (63 percent), and health care (42 percent). Other expenditures include clothing purchases (31 percent), agricultural seed purchases (19 percent), investment in income-generating activity (17 percent), saving purposes (15 percent), small livestock purchases (chickens, goats, and so on), and payment for health expenses (11 percent) as shown in Figure 13. Notably, 55 percent

of beneficiaries reported that transfers have contributed to asset accumulation since the start of the program, suggesting progress toward diversification of productive activities, household resilience, and economic stability.

Figure 13: Cash transfer expenditures among beneficiaries



Source: TPM Survey Data (2023–2024).

In general, the disparity between transaction behaviors and mobile money usage indicates a significant mismatch: high consumer demand for local goods and services (such as food, education, and health care) but insufficient merchant acceptance and infrastructure to support digital transactions. This is further evidenced by the limited diversification of MonCash usage: 51 percent of beneficiaries report using the platform exclusively for withdrawals with no engagement in any additional services. Among those who use additional services, debt repayment (27 percent), purchase of airtime minutes (21 percent), payment for goods and services (16 percent), and money transfers to family members (9 percent) are the most common.

Saving and storing money in mobile money account

According to PSARA impact evaluation, the proportion of beneficiaries saving via mobile money declined sharply from 25 percent at baseline in 2022 to a mere 5 percent at endline, a trend that warrants cautious interpretation. This decline may suggest that the large cohort of beneficiaries, onboarded primarily to receive transfers, views the mobile wallet as a transactional pass-through for funds rather than a place to save. This reading is reinforced by the endline data, which show that beneficiaries clearly differentiate between formal digital accounts, which they use for transfers and withdrawals, and VSLAs, which they trust for

savings, credit, and managing financial shocks. According to the endline dataset, 36 percent of respondents participated in a VSLA in the past 12 months, and among those, 86 percent held an active account or balance, compared to only 5 percent saving via mobile money. Therefore, the low mobile money savings rate does not reflect an absence of saving behavior among beneficiaries, but rather a low use of formal financial services compared to community-based saving groups.

The PDM data further indicate that 21 percent of beneficiaries who left funds in their mobile money accounts did so involuntarily because the agent lacked funds to complete the full cash-out transaction, a form of forced saving that risks undermining the beneficiary trust in the platform. Among those who retained funds in their wallets by choice, 57 percent did so for future use, 15 percent to cover unforeseen events expenses, and 13 percent intended to use the funds to pay for goods or services. This last finding suggests that, among the minority of beneficiaries who engage more actively with the platform, a latent demand for digital transactions exists but remains constrained by ecosystem limitations, particularly the lack of merchant acceptance and reliable agent liquidity. This finding corroborates other research highlighting agent liquidity management as a significant challenge, particularly in rural areas during mass payment cycles.

Reasons for borrowing are shifting slightly from urgent needs to longer-term educational and entrepreneurial investments

The 2024 PSARA endline survey shows that the proportion of respondents who borrowed increased to 33 percent, with reliance on informal credit networks, such as VSLAs, accounting for 85 percent of borrowing sources. Other sources, grouped under a generic category ‘Other’, accounted for 13 percent, while nongovernmental organizations (NGOs) emerged minimally at 1 percent. This deep-rooted preference for informal credit channels highlights a significant gap in formal financial market access. The VSLA model, built on community trust and accessible terms, thus remains the most critical source of credit.

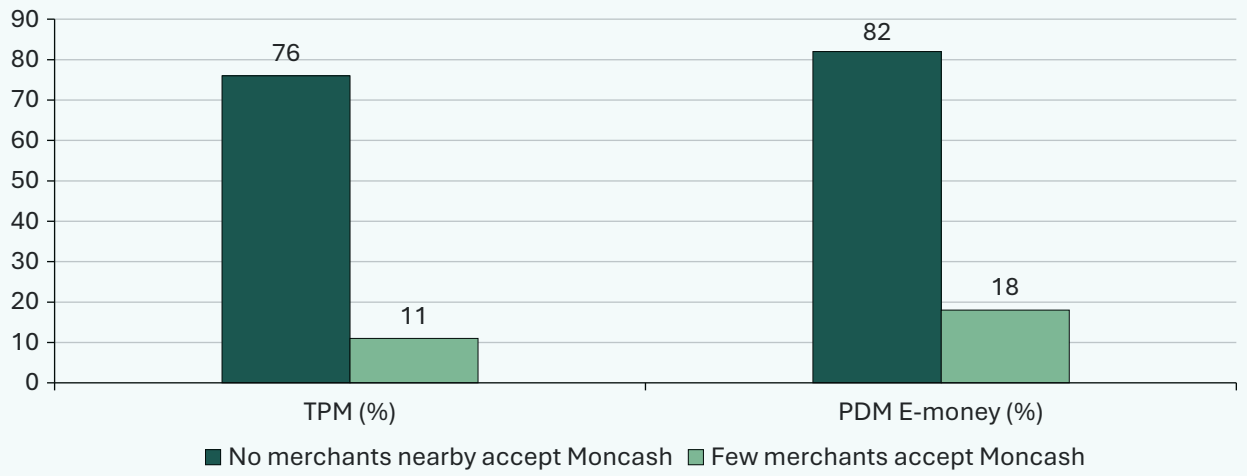
A comparison of borrowing motivations between the 2022 PSARA baseline and 2024 endline surveys reveals an encouraging and noticeable shift in the underlying drivers of credit demand. At baseline, borrowing to ‘cope with hard times’ was a primary driver (37 percent), a pattern associated with vulnerability to debt cycles and financial distress. By endline, this figure had declined to 24 percent across all respondents, and a key divergence emerged. Borrowing for educational expenses increased considerably, rising from 9 percent in 2022 to 28 percent in 2024. Medical-related borrowing and agricultural loans remained relatively unchanged. This evolution suggests that the income stability conferred by regular cash transfers may be enabling beneficiaries to engage with credit more strategically, redirecting borrowing away from immediate consumption needs and toward longer-term investments in human capital. This is a promising signal of program impact, indicative of a gradual transition from crisis-driven financial coping toward more forward-looking economic activity.

Barriers to usage of digital financial services

Lack of merchant acceptance points

A major constraint for PSARA beneficiaries is their limited ability to pay for goods and services with their MonCash accounts due to lack of access to merchants that accept mobile money payments. Across all surveys used for the analysis, especially the TPM and PDM (e-money) surveys, respondents consistently reported either not having or not knowing merchants in their municipality that accept mobile money payments. In the TPM dataset, roughly 76 percent of beneficiaries reported that no nearby merchants accepted mobile money payments, while an additional 12 percent were unaware of any such option (Figure 14). Only 1 percent of beneficiaries reported that many merchants in their area accepted MonCash, while 11 percent indicated that some, though not many, merchants accepted it, and 12% were unsure (TPM Dataset). This is corroborated by the PDM e-money survey, in which 82 percent of respondents reported that no merchants in their municipal section accepted MonCash payments, and only 11 percent of beneficiaries reported having ever used MonCash to pay directly for goods or services.

Figure 14: Proximity to merchants accepting mobile payments



Source: TPM and PDM Survey Datasets 2024.

Operational difficulties with MonCash itself also constrain usage. According to the TPM dataset, 42 percent of beneficiaries reported encountering difficulties when using MonCash. Among those who experienced problems, network connectivity failures were by far the most prevalent issue (85 percent), followed by agent liquidity constraints (40 percent), lack of nearby agents (38 percent), fees perceived as too high (24 percent), and repeated unavailability of agents (22 percent). Loss of SIM card or device (8 percent) and forgotten PIN (6 percent) were also reported.

The PDM e-money survey adds further nuances: Among beneficiaries who attempted to withdraw their transfers, 23 percent reported doing so with difficulty and 2 percent were unable to complete the transaction at all. The most common difficulties encountered were long queues (79 percent of those experiencing difficulties), followed by having to share their PIN with the agent to complete the transaction (32 percent), and difficulty handling the phone independently (16 percent). Among those whose transactions did not work, lack of agents in the area (57 percent) and network problems (52 percent) were the primary causes. While substantial progress has been made toward account ownership and digital transfer receipt, addressing the structural deficit of merchant acceptance and broader ecosystem development remains a critical priority for advancing effective digital financial inclusion in Haiti.

Transaction fees and lack of liquidity

Irregular transaction fees associated with mobile money withdrawals present another significant barrier. According to the PDM survey data, nearly four in ten respondents (39 percent) reported paying fees to withdraw their digital cash transfers while TPM data show a substantially higher figure, with 79 percent of beneficiaries reporting withdrawal fee payments. Among these respondents, the majority (61 percent) reported paying HTG 0–250 per withdrawal, while a substantial share (31 percent) incurred fees ranging from HTG 250 to HTG 500. A further 6 percent paid HTG 500–1,000, and 1 percent paid over HTG 1,000. A smaller but noteworthy proportion of beneficiaries paid even higher fees (exceeding HTG 500) to access their own funds. These cash-out fees are alarming given the amounts typically withdrawn (Klere Chimen cash transfer benefits of US$40; approximately HTG 5,000) and MonCash's officially published fee structure, under which cash-out fees for program beneficiaries should not exceed HTG 200–275. The gap between official fee structures and amounts charged to beneficiaries points to a pattern of overcharging at the agent level that warrants regulatory attention.

By design, the Klere Chimen program front-loads the basic withdrawal fee, enabling beneficiaries to withdraw their full monthly benefit amount without incurring additional charges. However, this provision is rarely honored in practice. PDM e-money survey data show that 39 percent of respondents reported paying fees beyond the standard MonCash service charge. Moreover, TPM data indicate that 41 percent of beneficiaries making multiple withdrawals cited insufficient funds as the reason for doing so, suggesting that repeated withdrawals may generate cumulative fee burdens. The uncertainty about agent cash availability, combined with inconsistent fee application, reinforces the urgency beneficiaries feel to withdraw their transfers as quickly as possible upon receipt. This behavioral dynamic, in turn, exacerbates agent liquidity shortages, particularly during peak transfer periods. TPM data further illustrate this dynamic: 77 percent of beneficiaries cited a preference for money in hand as their primary reason for immediate cash-out, and 29 percent cited the need to repay debts to parties that do not accept e-wallets.

Lack of proximity to mobile money agents

Beyond agent-specific actions, systemic issues contribute significantly to the problem. PDM e-money data show that 33 percent of beneficiaries rely on motorcycle taxis or public transport to reach their nearest MonCash location, and 25 percent report walking 30–60 minutes. A further 42 percent of beneficiaries report that no other MonCash service point exists in their area beyond the one they currently use, leaving them with no alternative in the event of agent unavailability, liquidity shortfalls, or illegal fee charges. TPM data similarly show that 38 percent of beneficiaries who experienced difficulties cited lack of nearby agents as a contributing factor. The financial cost of accessing agents is also important. TPM data indicate that 49 percent of beneficiaries pay for motorcycle transport to collect their transfers, while 53 percent travel on foot. Reported travel costs range from HTG 0 to over HTG 1,000, with 47 percent reporting no travel cost (walking), 22 percent paying HTG 250–500, and 15 percent paying HTG 500–1,000. These transport costs directly erode the value of transfers received by beneficiaries.

Network connectivity

Recurrent disruptions in the Digicel network lead to intermittent signal coverage and frequent service unavailability across communes, constituting a pervasive technical barrier to digital financial service use. According to TPM data, 85 percent of beneficiaries who experienced difficulties attributed them to Digicel network failures, making poor connectivity a commonly reported obstacle. The structural nature of this challenge, rooted in telecommunications infrastructure gaps rather than individual behavior, underscores the need for systemic investments, coordination, and regulations between relevant public entities and network operators to ensure reliable service delivery.

Digital literacy and training

Many beneficiaries lack the digital literacy and financial capability required to use the MonCash application effectively. The PSARA endline survey dataset indicates that 29 percent of respondents cannot read, and PDM e-money data show that 32 percent of beneficiaries with transaction difficulties shared their PIN with an agent to complete their withdrawal, a behavior that reflects dependency and exposes beneficiaries to risks. Additionally, TPM data reveal that only 66 percent of beneficiaries received any MonCash training, leaving 34 percent without formal onboarding support. Addressing these gaps through targeted, accessible training remains essential.

2.3 Perceived quality: Digital financial services and cash transfer beneficiaries

Overall favorable view of digital payments

MonCash is the current digital FSP used by the Klere Chimen safety net program in Grand'Anse. Beneficiary perceptions regarding the quality of MonCash services continue to be highly positive, consistent with previous reports. Among the 1,409 respondents to the relevant question in the PDM survey, an overwhelming majority (93 percent) expressed a favorable view of receiving their Klere Chimen benefit payments digitally, with 72 percent reporting a very favorable view and 21 percent a somewhat favorable one.

Additionally, among beneficiaries currently receiving Klere Chimen payments digitally, approximately 62 percent reported using their mobile money accounts to receive other payments (unrelated to the safety net). Overall, 95 percent of digital beneficiaries reported being satisfied or very satisfied with their MonCash experience.

These findings underscore continued beneficiary approval and confidence in cash transfers, digital payment services, and MonCash services, highlighting its potential role in expanding broader digital financial inclusion and use beyond immediate cash transfer receipt.

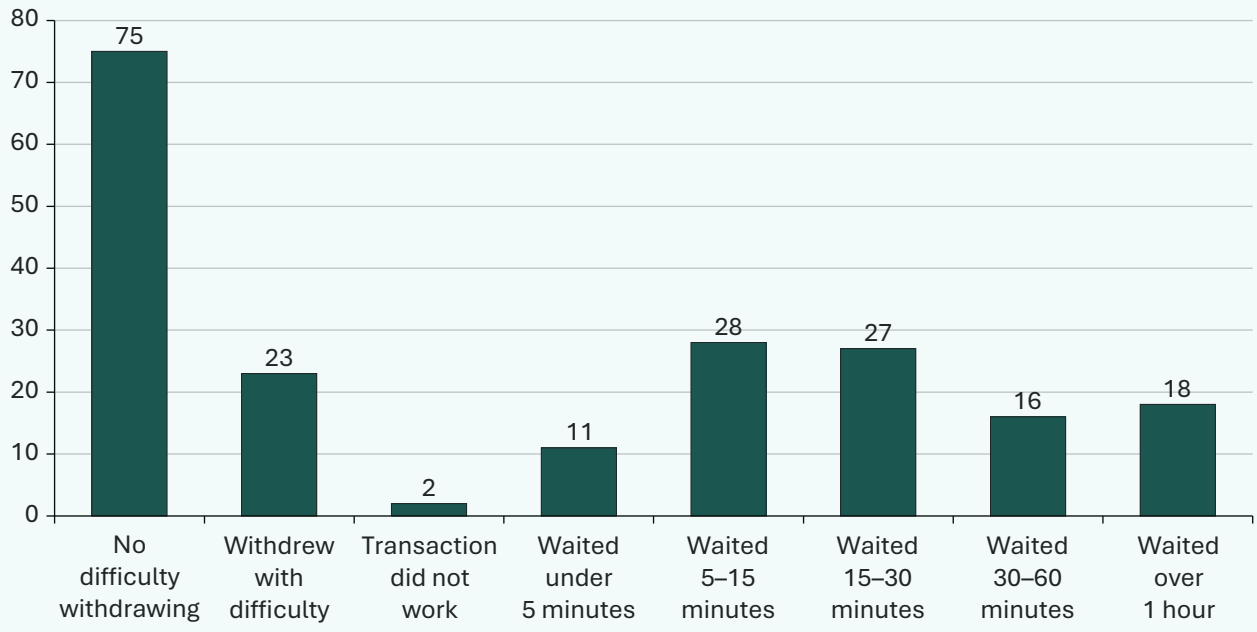
Difficulties faced by beneficiaries when withdrawing cash

According to the PDM data, the overall experience of beneficiaries withdrawing funds from MonCash locations remains largely positive. Three-quarters (75 percent) of beneficiaries reported withdrawing their money without any difficulty, while 23 percent indicated experiencing some difficulty, and only 2 percent reported that transactions did not work at all (Figure 15).

Beneficiaries generally reported receiving high-quality customer service, with 89 percent rating the service at MonCash locations positively. Additionally, 27 percent of beneficiaries indicated receiving direct assistance from MonCash agents, 16 percent reported the agent explained the transaction to them, and 11 percent had the agent complete the transaction on their behalf.

Importantly, these positive experiences were consistently reported across gender lines, indicating that both male and female beneficiaries generally encountered comparable levels of service quality.

Figure 15: Experience with MonCash withdrawals



Source: PDM Survey Data.

Fewer cash-out points is leading to longer wait and travel times for beneficiaries

Long wait times and limited agent availability represent an intensifying challenge. PDM data show that 42 percent of beneficiaries reported not having a single agent nearby, a situation that concentrates demand on a smaller number of service points and contributes to overcrowding. Among beneficiaries who experienced difficulties, 79 percent identified long queues as the primary obstacle, a notable increase from 62 percent in previous reports. Other issues include reluctance or difficulty in providing their secret PIN to agents (32 percent) and trouble navigating mobile phones (16 percent). The causes of failed or incomplete transactions were predominantly structural: 57 percent of affected beneficiaries cited a lack of agents, 52 percent reported network problems, 35 percent identified agent-related issues, and 21 percent of those who were unable to fully cash out attributed this to insufficient funds at the agent site.

In terms of withdrawal times, PDM data indicate that only 11 percent of beneficiaries completed their withdrawal in under 5 minutes, 28 percent in 5–15 minutes, 27 percent in 15–30 minutes, 16 percent in 30–60 minutes, and 18 percent waited more than one hour. This increased wait time highlights potential deficiencies in the availability or capacity of mobile money agents, particularly in rural areas where demand outstrips supply. It is important to

note that the broader deterioration of the security situation in Haiti has reduced liquidity availability across the country, with significant implications for the financial sector and the effective functioning of mobile money agent networks.

The convergence of extended wait times, increasing travel distances, and rising transportation costs underscores a critical shortfall in the number and accessibility of mobile money agents, particularly in rural areas. This situation significantly limits the effective utility and convenience of digital payments. **Expanding merchant acceptance points and increasing the density of MonCash agent networks are essential steps in encouraging broader and more sustained usage of mobile money services beyond immediate cash-outs.**

2.4 Conclusions from adoption to usage of mobile money: The case for wider merchant acceptance networks

Over the past four years, Haiti's Klere Chimen social safety net program has made significant progress in promoting financial inclusion among vulnerable populations. This transformation was enabled by delivering accompanying measures focused on financial literacy, encouraging beneficiaries to enroll in VSLAs, and introducing program procedures that require beneficiaries with valid IDs to receive safety net benefits through MonCash mobile wallets, supported by coordinated interventions to assist those lacking national IDs and to facilitate SIM card provision. These efforts have collectively positioned mobile money as the dominant formal financial service channel within the program.

Access

The program's success in driving account ownership and digital transfer receipt represents a significant institutional achievement. However, this success has not translated into progress on one of the primary barriers beneficiaries report to using digital financial services: the lack of a mobile phone. The endline PSARA dataset indicates that 60 percent of unbanked respondents cite lack of a mobile phone as the primary barrier, and 43 percent of all respondents report having no phone of their own. These figures carry an important strategic implication: The next frontier of financial inclusion in the Klere Chimen program is no longer primarily about account opening or digital onboarding. It is about ensuring that beneficiaries possess the basic tools required to participate meaningfully in the digital economy.

Usage

Despite near-universal access to mobile wallets among enrolled beneficiaries, their usage remains overwhelmingly confined to a single transaction—cashing out. PDM data consistently

show that 89 percent of beneficiaries withdraw their entire benefit immediately upon receipt. This behavior does not indicate a lack of understanding on the part of the beneficiaries but a rational response to a dysfunctional ecosystem in which there are virtually no opportunities to spend digital funds directly. TPM data show that 76 percent of merchants do not accept MonCash; PDM e-money data show that 82 percent of beneficiaries report no merchants accepting MonCash in their area; and only 11 percent of PDM e-money respondents have ever used MonCash to pay for goods or services. In this context, retaining funds in a digital wallet offers little practical advantage and, given the fee structures associated with repeated withdrawals, may actively penalize beneficiaries who do not cash out in full at the first opportunity.

Structural and logistical barriers further reinforce this dynamic. A combination of exploitative fee practices, geographic distance to cash-out points, unreliable agent liquidity, and network connectivity failures results in a substantial erosion of cash transfer value, undermining the intended impact of social assistance programs. TPM data show that 77 percent prefer money in hand and 29 percent must repay debts to parties who do not accept digital payments. Under these conditions, there is little incentive for a mobile money account holder to leave money in an account, as another cash-out experience would incur additional fees.

However, there are nascent positive trends. A small but notable minority (11 percent) voluntarily retain funds in their accounts for future use, a signal of growing, if fragile, trust in the platform. This emerging behavior, while modest in scale, points to latent demand for digital financial engagement that a more supportive ecosystem could cultivate and expand.

Quality

Beneficiary sentiment toward digital transfers remains strikingly positive at the aggregate level. PDM data show that 93 percent of respondents expressed a favorable view of receiving their benefits digitally, and 95 percent reported being satisfied or very satisfied with the assistance received. This high satisfaction reflects genuine appreciation for the core attributes of mobile money, particularly the speed and security of digital transfer receipt, relative to prior cash-based modalities. However, this goodwill is being actively eroded by a poor ‘last-mile’ experience driven by systemic service delivery failures that compromise the quality of the on-the-ground service. TPM data show that 42 percent of beneficiaries encountered difficulties using MonCash, PDM e-money indicate that 39 percent paid unauthorized fees, and 79 percent of those who experienced difficulties identified long queues as a primary obstacle.

For many beneficiaries, uncertainty about agent cash availability, inconsistent and often unauthorized fee imposition, and the fixed travel costs required to reach distant cash-out points collectively diminish the user experience and create additional pressure to withdraw transfers immediately. PDM e-money data show that 24 percent of beneficiaries cite distance to their nearest agents as a reason for immediate cash-out, underscoring the extent to which infrastructure gaps drive behavioral outcomes.

A way forward: Merchant acceptance networks

The evidence assembled across program surveys points to a clear and coherent strategic priority for the next phase of the Klere Chimen program and for Haiti's broader digital financial inclusion agenda: the expansion of merchant acceptance networks. Given the high access to mobile money wallets, the binding constraint on meaningful digital financial inclusion is no longer account ownership but the absence of viable use cases for digital funds in beneficiaries' daily economic lives. A well-functioning merchant acceptance ecosystem would address multiple dimensions of the current system's dysfunction simultaneously. When beneficiaries are able to spend their digital funds directly with local merchants, those merchants can in turn use the same funds to pay suppliers, purchase inventory, or meet business obligations, enabling money to circulate digitally within the local economy, reducing the strain on cash-out agents, and lowering the overall demand for physical cash. This closed-loop dynamic would reduce the volume of cash-out demand concentrated on a small number of agents, alleviate agent liquidity pressures, shorten queues, and lower the reliance on physical currency. Strengthening merchant acceptance is therefore not merely a matter of improving convenience. It is a foundational prerequisite for the long-term sustainability and efficiency of Haiti's digital financial ecosystem and for ensuring that the substantial public and donor investment in mobile money infrastructure translates into meaningful gains in household welfare and economic resilience. The urgency of this agenda is further underscored by PDM cash data showing that only 40 percent of cash-in-hand recipients are willing to switch modality and receive their next assistance digitally, suggesting continued digital hesitancy that improvements in merchant acceptance could help address.



Chapter III: Merchant Acceptance of Digital Payments

In Haiti, mobile money providers offer several types of merchant accounts designed to accommodate MSMEs with different levels of formality, transaction volumes, and operational needs.

Box 2: Overview of Haiti's Typical Tiered Merchant Mobile Money Accounts

Entry-level merchant accounts are typically accessible to individuals and microentrepreneurs without formal business registration documents. Compliance with KYC procedures requires a valid official document with photo and a document serving as proof of address (depending on the provider). They are designed to support small-scale merchants conducting low-value, high-frequency transactions, such as market vendors or small retail shops.

Intermediate merchant accounts are intended for formally registered businesses. In addition to personal identification and proof of address, these accounts typically require documentation such as business registration, tax identification numbers, and other documents specified in the AML/CFT regulatory framework. These accounts offer higher wallet limits and greater transaction capacity, and, in many cases, allow merchants to transfer funds to commercial bank accounts.

Advanced merchant accounts are designed for larger enterprises that maintain commercial bank relationships. In addition to the full set of corporate documentation, some MMOs require a business bank account. They offer the highest transaction limits and are often integrated with banking systems to facilitate transfers between mobile wallets and bank accounts. Cash-out through agent networks may be restricted, with funds instead settled directly to a linked bank account.

Merchant accounts offer a few advantages compared to personal accounts: (a) customers do not incur transactions fees but the merchant does to stimulate digital payments (as in the case of credit card networks); (b) merchants do not pay transaction fees when paying suppliers if those suppliers also have merchant accounts; (c) lower cash-out fees—in the case of MonCash, for example, merchant cash-out fees are fixed at 1.5 percent, while cash-out fees can reach 6 percent for small-value transactions from individual wallet; (d) merchant accounts can be linked to bank accounts; (e) reporting functionalities and dashboards can facilitate cashflow management and financial reconciliation; and (f) e-commerce tools such as 'button' can be used to facilitate mobile payments on website and social media platforms such as WhatsApp.

While the regulatory framework does not impose transaction limits on paying or receiving payments for the purchase of goods and services, MMOs impose different wallet limits, which can affect the amount of e-money that can be maintained in the account. The AML/CFT regulations impose limits only on cash withdrawals and deposits.

Overall, the current supply of merchant accounts in Haiti reflects an attempt by providers to serve both informal micro-merchants and larger formal businesses, but barriers related to documentation, fee structures, interoperability, and liquidity management continue to influence the level of adoption and effective use of these products.

Annex 4 includes a breakdown of Digicel's various merchant account offerings.

Despite the supply of tiered merchant accounts, adoption and merchant acceptance of digital payments is low. This chapter explores constraints leading to merchants' limited adoption of mobile money and why the utility of digital payments has remained constrained (as highlighted in the previous chapter), reinforcing persistent cash-out behaviors.

The analysis leverages new primary qualitative and quantitative data collected from merchants on concerns or challenges they face in accepting digital payments to identify potential solutions and incentives that can encourage adoption. The focus on merchants involved in the food supply chain in Grand'Anse aimed at targeting cash transfer and remittance beneficiaries. The data collection involved Haitian retailers, wholesalers, distributors, suppliers, and importers of consumer goods typically purchased by vulnerable households in the PSARA Klere Chimen program. The key sources of information include the following:

1. **New primary quantitative merchant-level research conducted specifically for this study**, consisting of a quantitative survey of **341 merchants** implemented in collaboration with the World Bank and MNOs, with support from Digicel and HaitiPay.

2. **New primary qualitative merchant-level research conducted specifically for this study,** consisting of semi-structured interviews with over 23 merchants by World Bank staff, and extensive interviews with key stakeholders and industry participants, further enriching the analysis and recommendations.

Together, this chapter refers to the survey and research findings as Merchant Acceptance Surveys (2025), referred to as MAS25 for the remainder of the report.

The methodology for these data sources is available in Annex 1.

3.1 Merchant perspectives on accepting digital payments (MAS25)

According to MAS25, while many merchants have a personal mobile money account, very few own a merchant account.

Box 3: Merchant Onboarding Drive by WFP and Digicel

In 2023, the WFP, acting under its contract with MAST within the framework of the PSARA project, initiated a merchant onboarding campaign in Grand'Anse in collaboration with Digicel. The initiative, designed to expand the acceptance of mobile money payments within the Klere Chimen program's operational area, targeted informal merchants within 10 local markets. This intervention aimed at educating merchants on the processes, advantages, and practical considerations involved in adopting mobile payments, particularly in the context of serving beneficiaries of the Klere Chimen program. Remarkably, within just five days, a team of four garnered interest of 145 merchants to sign up for a merchant account, 82 percent of whom were women. Among this group, 84 percent then applied for Bronze merchants and the remaining 16 percent for Gold merchants. However, in the end, 89 percent of these accounts were not activated by Digicel, mainly due to a lack of official proof of addresses.

This experience illustrates strong interest among merchants but also highlights access constraints beyond their control in the Haitian context, where alternative methods for address verification are necessary.

Most believe the value of a digital payment account to be centered around reducing cash handling for safety reasons, convenience, and possibly getting additional customers. HaitiPay's social transfer program focused on food security using mobile payment generated more sales for a food supplier and increased efficiency in the system. Mobile wallet users received a digital voucher that they could redeem at selected merchants. One of them explained:

> *"This program worked very well. People came in large numbers and bought what they needed. I got reimbursed through a check in my bank account, and my sales definitely increased. With more sales, I can rent trucks and procure supplies more efficiently." - Quote from a supplier interviewed (MAS25).*

Unlike social cash transfer beneficiaries, who generally feel more secure with cash in hand, merchants consistently reported feeling vulnerable when handling and leaving the place of work with significant amounts of cash, exposing themselves to risks of theft and violence. The urgency of addressing these safety and liquidity concerns has become even more pressing given the increased instability and worsening economic challenges in Haiti over recent years. These findings align with previous comprehensive merchant acceptance studies conducted in Haiti. For instance, a 2015 study by the Bill & Melinda Gates Foundation and the United States Agency for International Development (USAID) surveying 526 merchants nationwide similarly underscored safety as a leading perceived benefit of mobile financial services. According to the Bill & Melinda Gates Foundation survey, in response to the question regarding perceived benefits of adopting mobile financial services, 44 percent of merchants specifically highlighted "improved safety" as their primary motivation. This was followed, at a considerable

distance, by "making transactions and purchases easier," selected by only 14 percent of respondents. Moreover, approximately 82 percent of informal merchants reported lacking any secure means of protecting or storing their cash revenues at the end of each business day. This systemic lack of secure storage further exacerbates their risk exposure, highlighting a daily vulnerability that mobile money could significantly mitigate.

Responses from the MAS25 survey quoted in Box 4 illustrate these concerns and highlight the convenience aspect of mobile payments from the merchant's perspective:

Box 4: Reflections from MAS25: Merchants Want to Accept Digital Payments and Understand the Benefits

"I opened an account with MonCash for P2P transactions and I love it because I can save money in it and access it later. Agents are open much later than banks so I can access my money at night if I need to."

– Quote from a Madan Sara.

"If they can pay me with their mobile phone, they wouldn't have to walk all the way back to pay me later. Perhaps I would get paid faster!"

"I used to have a bank account but I much prefer MonCash. The last time I went to the bank, I waited hours in line and when I reached the cashier to get money, I was told they didn't have cash. At least with MonCash if I have an emergency, I can always find an agent to get cash"

– Quote from a Madan Sara.

"[I must provide credit to my customers because] they need to eat but they don't always have cash to pay, it would be better to get paid remotely when my customers get their money on the phone."

Lack of knowledge to operate a mobile wallet for accepting digital payments, a commonly expressed explanation for merchants' limited adoption of digital payments, is not entirely accurate. Most merchants, including all Madan Saras[62] interviewed in MAS25, had experience using personal wallets for peer-to-peer transactions. That said, most merchants are not always aware of the numerous features attached to merchant accounts, particularly management tools tailored to business needs. These include features (depending on the type of account) such as itemized receipts for payments made to suppliers and daily transaction summaries to ease reconciliation across channels such as USSD, QR code, or e-commerce platforms. Given that only 8 percent of Haitian MSMEs maintain any type of financial records, merchant features can improve their ability to manage cashflows and improve operational efficiency.

62 Madan Saras are women traders typically buying agricultural products directly from rural farmers, transporting them to markets, and distributing them to urban and rural merchants. See Annex 3 for more details.

The question raised by a small wholesaler interviewed in the MAS25 study below illustrates the lack of awareness of basic features such as digital receipt stamped with the date and time of transaction, recipient number, transaction reference number.

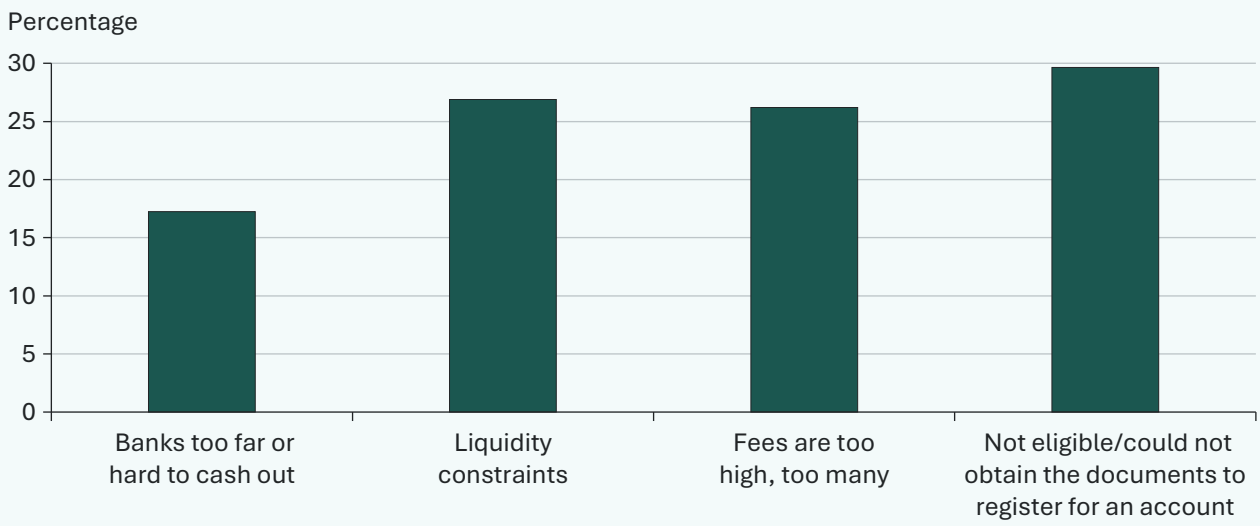
> *"The most important challenge for merchants in Grand'Anse is to procure supplies from Port-au-Prince. To access the goods, I must first get cash and make a deposit at the bank of the supplier. Then give the bank receipt to the truck driver who collects the items. If I pay with mobile wallets, how will the delivery people and supplier know that the payment was made?"*

Merchant accounts can also enable access to a broader range of financial services, including credit scoring, microloans, and buy now, pay later (BNPL) solutions. This becomes increasingly important as MSMEs grow and seek additional services such as credit, insurance, and savings or investment products. While demand for digital financial services is strong, merchant accounts remain a foundational prerequisite for unlocking these opportunities.

3.2 Key challenges slowing merchant acceptance of digital payments

Several structural challenges limit uptake of digital payments among MSMEs. As illustrated in Figure 16, primary reasons as per the MAS25 survey are reported as (a) documentation requirements for higher-tier mobile money accounts, (b) high fees and liquidity constraints, and (c) lack of proximity to financial institutions (Figure 16). Documentation in particular excludes informal businesses that lack formal registration or tax identification numbers, as well as those unable to renew their official documents annually. While informal microenterprises can open a merchant account to conduct mobile transactions, access to entry-level merchant accounts has been challenging when mobile operators require an official document as proof of address. In rural areas where formal addressing systems are not fully developed and utilities are not readily available, obtaining an official document to validate an address is very difficult.

Figure 16: Key barriers for MSMEs to opening a mobile money merchant account



Source: MAS25.

3.2.1 Documentation and onboarding barriers for merchant accounts

Haiti has incomplete coverage of a national identity system, making it difficult to always comply with documentation requirements for opening of mobile money accounts. In some communities, nearly 30 percent of the Haitian population do not have any forms of identification. While efforts are under way to roll out a biometric digital ID system,[63] full-scale implementation has been slow.

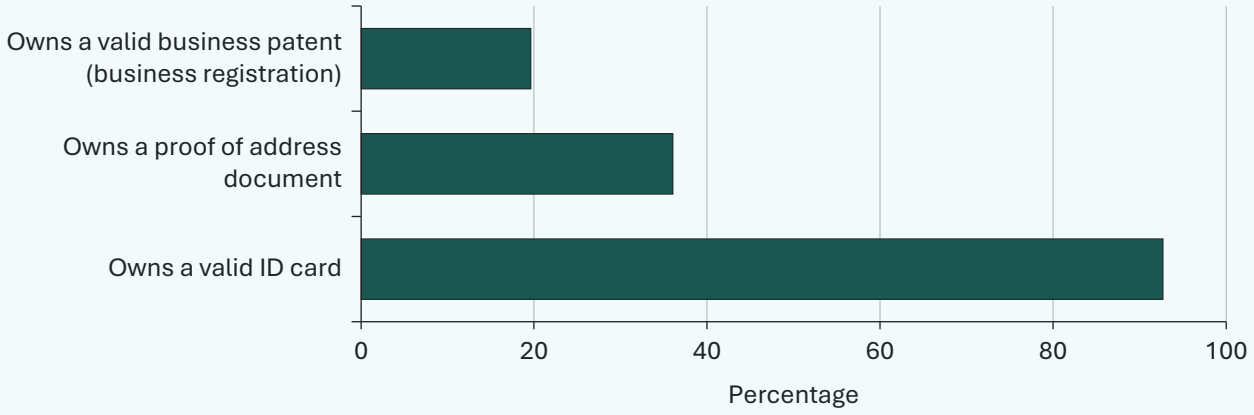
For MSMEs, formal identification does not seem to be a problem. According to the MAS25 survey, the overwhelming majority of merchants interviewed owned an official ID card (Figure 17). Among one of the merchant groups interviewed in Grand'Anse, the majority (81 percent) owned a national ID card and a minority owned a passport (6 percent). Obtaining an official proof of address, on the other hand, is a larger challenge for opening a merchant account with mobile payment providers. In Haiti, 89 percent[64] of MSMEs operate informally and lack proof of address. These MSMEs are unable to upgrade from a personal account to a merchant account in many cases. The MAS25 survey highlights that approximately

63 The ONI, established under the Ministry of Justice and Public Security in 2005, was mandated to deliver biometric ID cards to all Haitian adults. While the system was intended to ensure universal identification from birth and eventually replace voter cards, implementation has been slow. As of 2022, only about 60 percent of adults received a valid national ID card, an improvement from 2020, but still leaving an estimated 40 percent of the adult population without a formal identity document.

64 FinScope MSMEs Haiti 2023 Survey.

91 percent of merchants in Grand'Anse lack official documentation to verify their address. When including more urbanized areas, roughly 40 percent of merchants have a proof-of-address document.

Figure 17: Valid documentation owned by merchants



Source: MAS25.

Given the challenges of obtaining an official document to prove an address, financial regulators in Haiti began to encourage the use of alternative means to validate addresses in the principal legislation on AML/CFT (Decree 2023, Article 36): "The verification of the address is carried out through the presentation of a document providing proof thereof, or by any other means."

The application of flexible KYC approaches during onboarding remains uneven across providers. While some MMOs accept alternative forms of address verification—such as GPS coordinates, photographs, or local landmarks—these practices have not been consistently adopted.

For formal MSMEs seeking to open a mobile wallet account in the name of their business, the requirement to provide (a) a valid business registration called *patente*, (b) a copy of the Tax Registration Card, and (c) an official authorization from the MoC and Industries have been identified as major constraints for access. In some regions, particularly rural and conflict-affected areas, government offices are often nonfunctional or subject to long delays because of administrative backlogs, underfunding, insecurity, and fuel shortages. Merchants and microentrepreneurs seeking to obtain (or renew) their ID, *patente*, or proof of address may face long delays or are simply unable to complete the process. As a result, many legitimate businesses not involved in illicit activities are unable to join and benefit from the formal digital payment system.

Haiti's AML/CFT framework already provides significant flexibility for onboarding low-risk, informal merchants. Under the 2023 decree and subsequent guidance, simplified CDD may be applied, allowing providers to rely on basic identification and flexible forms of address verification, including alternative methods such as geolocation, photographs, or attestations from local authorities. In addition, most MSMEs in Haiti operate as sole proprietors and are therefore legally treated as natural persons rather than formal legal entities. As a result, they are not required to provide business registration documents such as a *patente*, tax identification number, or authorization from the MoC to open a mobile money account.

However, evidence from MAS25 and stakeholder consultations suggests that some MMOs continue to apply more stringent documentation requirements than those envisaged under the risk-based approach. In practice, this has limited the ability of informal merchants to open or upgrade to merchant accounts, particularly where alternative forms of address verification are not consistently accepted. This implementation gap highlights the need for clearer guidance and consistent application of simplified due diligence measures, in line with recent efforts by the BRH to clarify acceptable verification methods and promote financial inclusion while maintaining AML/CFT safeguards.[65] It also calls for heightened oversight of the sector, since regulation without supervision and monitoring tends to have less impact.

Another constraint to merchant account activation is the limited use of electronic signatures by MMOs. Although Haiti recognized e-signatures as legally binding in 2017, implementation has lagged due to gaps in the legal and security framework. A draft law under review as of March 2025 is expected to operationalize e-signatures by strengthening legal validity, trust infrastructure, and oversight—facilitating faster merchant onboarding, particularly outside Port-au-Prince.

In the interim, ambiguity regarding the enforceability of electronic signatures for mobile account contracts has led some MMOs to require physical signatures at designated locations. In practice, merchants may be required to mail signed forms or travel to a physical point of service before their accounts can be activated. Agent networks, which are more widely distributed across communities, are generally not leveraged to collect signatures or facilitate merchant onboarding. In addition, limited awareness of available merchant registration locations contributes to high rates of registration abandonment. This reflects insufficient outreach as well as challenges for merchants in accessing and navigating onboarding processes.

3.2.2 Liquidity shortages

Liquidity shortage in remote areas has been a recurrent problem that has worsened since the state of emergency. The financial institutions and MMOs can no longer provide the same type of pre-funding services due to security and access issues in various departments and communes across the country. The absence of payment integration along supply chains

65 Author note: Due to the research in the report, the BRH provided additional guidance and circulars to MMOs to support low-tier onboarding.

exacerbates the problem. Most merchants report being unable to use e-money received from customers to restock their goods. According to the MAS25 survey, roughly 33 percent of merchants who were not interested in a merchant account reported the major reason being worried agents will not have enough when they need to cash out.

This challenge is particularly acute in remote areas, where suppliers often need to place bulk orders to compensate for irregular transport and limited market access. These transactions typically require larger, upfront payments. When merchants and suppliers must rely on agents to cash out significant amounts, liquidity shortages become a binding constraint. As a result, MSMEs are reluctant to accept e-money, reinforcing a cycle of cash dependency.

Addressing this constraint requires a systemic approach that reduces reliance on cash-out. Ensuring that suppliers across the value chain accept digital payments, alongside enabling seamless transfers between mobile wallets and bank accounts, would allow larger transactions to be settled electronically. This would alleviate liquidity pressures at the agent level, reduce transaction friction, and strengthen trust in the mobile money ecosystem.

The following quotes (Box 5) from the MAS25 research reflect the importance of strengthening the digital payment ecosystem given the liquidity shortage.

Box 5: Reflections from MAS25: Liquidity Shortages and Impacts on Merchants

"If I need HTG 10,000 (~US$76), agents always say it's too much, so I have to withdraw less and go to multiple agents to access my money."

– Quote from a Madan Sara

"Cash-out is the biggest problem because agents don't have cash most of the time and when they do, they charge different fees each time depending on what it costs them to get the cash from their own agent. That's why suppliers (wholesalers) refuse to take e-money from me. They cannot cash out either."

– Quote from a Madan Sara

"It's not just agents that lack cash. I used to have an account at a bank, but it didn't have enough liquidity to give me the amount I needed. When I wanted to cash out HTG 150k, they would only give me 50k, so I had to do three visits to get access to my money."

– Quote from an informal medium-size producer of diverse agricultural products.

3.2.3 High costs of remittances and digital payment fees

According to merchants interviewed in MAS25, many were not interested in signing up for a mobile money merchant account due to concerns over transaction and cash-out fees.

For digital retail payments to a merchant account, MMOs typically charge a fee on incoming payments, placing the cost of digital transactions on merchants rather than consumers. However, most merchants who currently accept mobile payments do so through their personal account, which is not subject to incoming transaction fees—meaning they only incur costs when cashing out. While fee structures of this kind are common globally and are designed to encourage customer adoption of digital payments, merchants in Haiti often pass cash-out fees on to customers, especially because they currently rely on cash to pay suppliers.

Fees perceived as high or unpredictable discourage the adoption of digital payments, particularly in low-income, low-margin environments. In the current context, customers have limited financial incentives to pay with mobile wallets for two main reasons. First, MSMEs often pass on cash-out fees to customers when payments are made digitally. One of the MAS25 merchants interviewed mentioned,

> *"When a customer asks to pay with MonCash which happens rarely, I add the cash-out fees. If the customer owes me HTG 100, I add HTG 10 for fees for example."*

Second, customers bear transaction fees because most MSMEs use individual wallets rather than merchant accounts. P2P transaction fees vary by MMO and, in some cases, are tiered by transaction value. For example, MonCash fees range from HTG 5 for a transfer of HTG 250 (2 percent) to HTG 130 for a transfer of HTG 100,000 (0.13 percent). Cash-out fees for the same amounts range from HTG 15 (6 percent) to HTG 1,600 (1.6 percent). Cash-out fees are significantly higher than P2P fees, even before accounting for informal surcharges imposed by agents.

Aligning incentives requires enabling both merchants and their suppliers to access merchant accounts. In this model, customers would avoid P2P fees (0.13–2 percent), while merchants would incur a fee of approximately 0.5 percent on payments received. If this shift leads to increased sales and enables merchants to use digital receipts to pay suppliers within the ecosystem, thereby avoiding additional transaction fees, overall costs can decline and reliance on cash-out can be significantly reduced across the supply chain.

The lack of clear, predictable, and accessible information about transaction limits and fee structures deters adoption and merchants' full participation in the digital payment ecosystem. One of the merchants interviewed during MAS25 described this situation in her own words:

"I don't mind receiving payments through mobile wallet because I can charge more to include the cash-out fees. The problem is every time I go see an agent to cash out, they charge me more!"

For most merchants who use their personal mobile wallet, inconsistent and high cash-out fees are unavoidable. Unless mobile payments offer a clear **financial** advantage over cash, they will not scale organically. Another merchant in the same MAS25 survey expressed the following concern:

"We need to better understand the fees and the process for paying suppliers with mobile wallets."

Addressing both actual and perceived cost barriers related to merchant accounts for (a) cashing out, (b) P2P and business-to-customer (B2C) transaction fees, and (c) business-to-business (B2B), that is, paying suppliers will be essential to unlocking broader adoption. Better fee transparency and clear communication of cost advantages for both consumers and MSMEs must be central to any strategy promoting mobile money use at the retail level.

Fee subsidization is a common incentive[66] deployed around the world to increase the acceptance of digital payments by merchants, enabling consumers to use their digital devices to make purchases. In Argentina, Uruguay, Mexico, Poland, Indonesia, Malaysia, and India,[67] governments, donors, and mobile money networks provided subsidies for certain merchants or transaction types, thereby lowering the barriers to entry while expanding the digital payment ecosystem to reach the last mile.

3.2.4 Limited incentives and use cases for using digital payments

Mobile wallets in Haiti remain significantly underutilized due to a lack of practical use cases. Most PSARA beneficiaries are compelled to cash out their digital transfers because few merchants accept mobile money. The limited acceptance of mobile payments among merchants constrains the ecosystem, as suppliers and wholesalers typically require cash payments. The lack of digital integration across the supply chain means merchants must immediately convert e-money to cash, incurring fees and reinforcing reliance on physical currency. Without expanded B2B payment options and a broader range of digital transaction opportunities, mobile money in Haiti risks remaining a one-way cash delivery mechanism rather than fostering deeper financial inclusion and participation.

66 World Bank Group. 2022. *Incentives for Electronic Payment Acceptance: Electronic Payment Acceptance Packag*e. Financial Inclusion Global Initiative (FIGI). Washington, DC: World Bank. https://documentsinternal.worldbank.org/Search/33820515.

67 World Bank Group 2022.

Box 6: Reflections from MAS25: Limited Use Cases and Incentives for Merchants to Adopt Digital Payments

While mobile money in Haiti offers clear potential use cases—including merchant payments, bill payments, and loan repayments—these are not yet widely used in practice. Limited merchant acceptance, low visibility of available payment options, and weak incentives or understanding of the value proposition for both customers and merchants constrain everyday usage. As a result, e-money is primarily used as a temporary store of value before being cashed out rather than as a means of payment within the local economy. The reflections below illustrate how these constraints shape user behavior and highlight missed opportunities to embed digital payments into routine transactions.

"Cashing out is necessary because I don't know where to spend my e-money otherwise. Most businesses do not accept mobile money as payments because of cash-out fees."

"I see the value of mobile transactions, but we are getting exploited by agents when cashing out because there are no places to use e-money."

Similarly, an informal shop owner selling staple goods like rice and pasta expressed openness to mobile payments but underscored the importance of targeted incentives to make them worthwhile. Given the volume of her monthly revenues,[68] she prefers to avoid using e-money due to cash-out fees, which are often passed on by merchants and can be substantial. She indicated that promotional incentives, such as consumer discounts or merchant rewards tied to digital payments, could be a key driver of adoption in informal retail environments.

"Sometimes I take MonCash payment when clients ask but most of them don't know I accept it because I don't have a sign. If I had a sign, this would be better."

"It would be useful if I could pay the Mutuelle (microfinance institution) with mobile money because I have to pay in cash every 8 days."

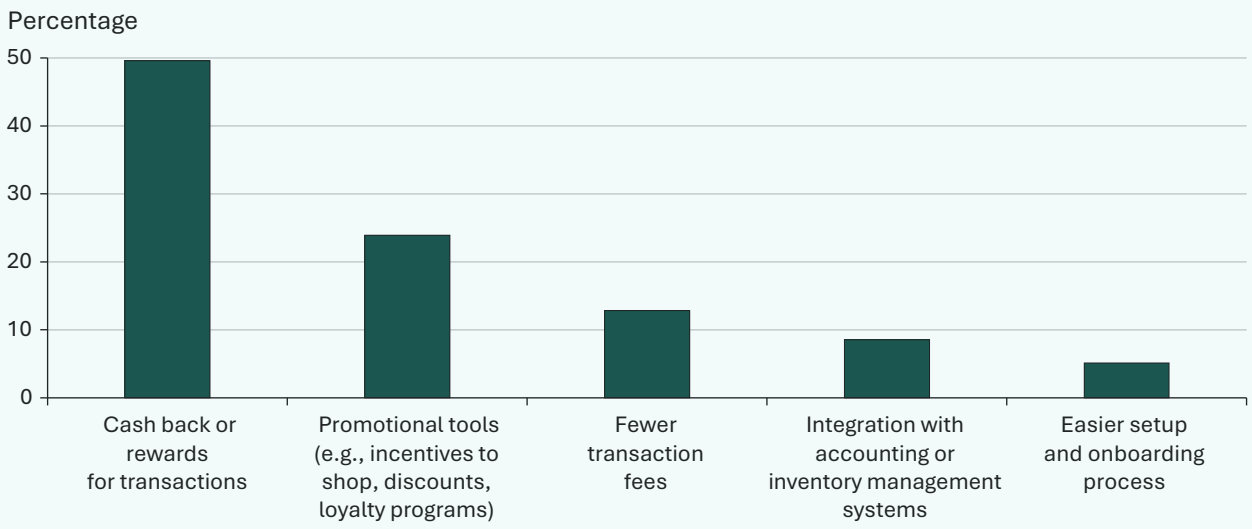
"Every time I need to make a payment on my loan, I need to close my shop two hours earlier, rent a moto-taxi all to the way to the place. I got five minutes late one day because of traffic. This is too stressful."

While digital payments are increasingly used for receiving transfers, they are far less common as a means of payment for goods and services. Beyond the lack of awareness about the value proposition for digital payments, a key reason is the absence of compelling use cases and incentives for both consumers and merchants to transact digitally.

68 Reported as HTG 30,000–40,000 and supplier payments ranging between HTG 150,000 and HTG 200,000.

According to the MAS25 survey, the majority of merchants indicated that they would be encouraged to use mobile money more with the right incentives such as cash back, discounts, or rewards for transactions (Figure 18). Globally, some type of loyalty rewards,[69] such as cash-back programs, are linked to an increase[70] in usage. Since the penetration of mobile wallets is relatively high among end users in Haiti, especially in Grand'Anse, cash-back programs represent an important opportunity to stimulate and increase adoption and usage among both customers and merchants.

Figure 18: Incentives preferred by merchants



Source: MAS25.

However, sometimes these programs see initial success in boosting transaction volumes but drop back to baseline levels once discontinued. Some instances in Haiti demonstrated that users artificially inflate transaction volumes[71] to maximize rewards.

69 World Bank Group 2022.
70 Agarwal et al. 2010; Carbo-Valverde and Linares-Zegarra 2011; Ching and Hayashi, 2010.
71 Primarily by opening additional accounts in the names of family members and conducting numerous small transactions.

Box 7: Leveraging Raffles to Increase Merchant Acceptance: Lessons from Kenya

Raffle-based incentives can also stimulate usage,[72] for instance, in Kenya, Safaricom launched a high-impact lottery campaign in 2020 to drive usage of *Lipa Na M-Pesa*, its merchant acceptance platform. Participants earned one raffle point for every KES 100 (approximately US$1) transaction, which was used for regular prize draws.[73] Additionally, all merchants received 25 percent cash back on *Lipa Na M-Pesa* transactions during the promotion period. On the consumer side, users were entered into draws for airtime, cash rewards, three-bedroom homes (weekly), and even tractors as grand prizes. In just the first two months, US$3.3 million in rewards were redeemed, with four times that amount still pending redemption.

According to MAS25, many merchants also reported receiving promotional items that increased their visibility as an incentive for digital merchant payment adoption. Many merchants noted that, in local markets and frequently visited retail points, promotional materials that help increase their visibility and highlight acceptance of digital payments may make it easier for consumers to use mobile money when purchasing goods or services.

According to MAS25, merchants suggested inviting mobile money agents to facilitate digital payments within a VSLA setting, to increase use cases, especially for loan repayment services. In 2015, 80 percent of formal and 86 percent of informal merchants expressed that the loan repayment process is the most challenging part of managing a loan. Some progress has been made through mobile wallet integration with credit entities, but more efforts are needed to increase access. Mobile wallets can offer a simplified solution for loan disbursement and repayment through automated deductions, payment reminders, and flexible scheduling. Value-added applications can also link repayment with digital sales receipts or transaction flows. With microfinance institutions and over 1,200 VSLA groups comprising approximately 36,000 members already active across Haiti, there is a significant opportunity to scale a tailored mobile money solution that meets the specific needs of members, particularly who require credit, while expanding the overall digital finance ecosystem.

72 World Bank Group 2022.

73 Merchants had the chance to win tuk-tuks (motorized rickshaws) every two weeks, and one merchant per region won a nine-ton truck as a grand prize.

Box 8: Digicel and HaitiPay's Experience Digitizing VSLAs

In the mid-2010s, Digicel's mobile money platform, TchoTcho Mobile, developed a proposal to digitize VSLA operations in partnership with Cooperative for Assistance and Relief Everywhere (CARE). The solution was to replace the group's traditional cash lockbox with a mobile wallet—dubbed the *Sol Treasure Subscriber Account*—accessible through a main group phone number. The wallet would allow for savings contributions, loan disbursements, and digital transfers among group members. A pilot project was designed for group-level wallet registered on the TchoTcho platform. Members could register as TchoTcho full-wallet subscribers to enable P2P transfers and load wallets via nearby agents before meetings. Training and onboarding support were delivered to empower treasurers and enable quarterly reporting to monitor transactions.

However, the pilot was ultimately discontinued due to a range of operational challenges. Wallet size limits of HTG 10,000 for full wallets and HTG 4,000 for mini wallets were insufficient to support the typical transaction volumes of VSLAs. KYC requirements were also too stringent at the time, excluding many members who lacked valid identification documents. Although deposits were free, the 2 percent cash-out fee was perceived as too high for frequent group transactions, undermining the value proposition for members.

A few years later, HaitiPay invested considerable effort in digitizing VSLAs's records and management processes to facilitate lending and repayment through the mobile wallet. A product was designed to meet their needs, integrated with mobile wallets, and launched in 2025. A video describing the effort and product was published on YouTube: https://youtu.be/6cJmpQe1zak?si=PymK-ODA3kKpozOl.

3.2.4.1 Payment infrastructure: Limited Interoperability

Nonbanks in Haiti are not integrated with the national payment infrastructure such as SPIH and PRONAP, which prevents most MSMEs from transacting with each other across supply chains. Moreover, the three MMOs do not yet operate in a fully interconnected environment. As a result, mobile money users are unable to transfer funds between wallets of different providers, which significantly limits the convenience and flexibility of mobile money for both individuals and businesses.

Some progress and workarounds are being made to bridge the gap between mobile money wallets and other financial institutions. For instance, HaitiPay is interoperable with seven banks and the MonCash wallet at some level, while MonCash is currently integrated with Sogebank. Through these integrations, users can transfer funds between their bank accounts and wallets by following certain procedures. Credit unions are not currently part of integration efforts and remain excluded from the overall payment system. One major constraint is their lack of digital infrastructure, such as billing systems and payment APIs. Nonetheless, some credit unions are registered as bill collectors via MMOs, which may provide a foothold for future collaboration.

Box 9: Reflections from MAS25: Limited Interoperability Reduces Utility of Accounts - Insights from Merchants

"If my supplier has an account at my local institution, I can transfer money rather than drive all the way to pay, but most don't. My suppliers, like me, are very interested in getting paid with mobile wallets. I would save a lot of time and money because we get paid immediately and avoid many headaches. We wouldn't have to chase payment from customers. They often don't have enough cash, and it can take 15 days to get paid."

"I didn't think it was possible, but if my mobile wallet could be integrated into my bank account, I would not need to commute all the way to Jeremie to pay my suppliers."

3.2.4.2 Nonfinancial sector public infrastructure challenges

Other challenges referenced by merchants relate to the availability and accessibility of basic public infrastructures: energy, roads, and telecommunication systems.

Energy access is a major barrier to consistent digital payment usage in Haiti. According to FinScope Haiti 2023, only 8 percent of MSMEs have access to electricity, with severe disparities between urban and rural regions. In cities such as Les Cayes, electrification rates hover around 60 percent; however, many businesses rely on private generators or battery storage systems due to frequent blackouts and high electricity tariffs. In rural areas, electrification is closer to 12 percent, and merchants often depend on charging phones at nearby public buildings or paying small fees to use private generators. *Electricité d'Haïti* (EDH), the national utility, faces operational and financial challenges, outdated infrastructure, and an inability to cover costs without government subsidies. While private sector involvement in electricity generation has grown, structural bottlenecks persist, limiting merchants' ability to operate digital devices reliably. Several stakeholders suggested that deploying solar-powered battery stations in local markets could significantly improve phone-charging capacity for both beneficiaries and vendors, enhancing overall system reliability.

Relatedly, the fragility of telecommunications infrastructure in Haiti leads to frequent, prolonged network outages, which undermine the uptake of mobile money use. Although Haiti has two primary MNOs with national reach, telecommunications infrastructure remains fragile, particularly in underserved departments such as Grand'Anse. While GSM coverage theoretically extends across most populated areas, network disruptions are frequent and often prolonged. Consultations and follow-up monitoring reports from 2023 and 2024 confirm that many mobile money beneficiaries and merchants in Grand'Anse regularly experience network outages lasting three to five days, with 30 percent of surveyed users under MAS25 reporting disruptions as a key barrier to mobile money use. In some instances, these outages are caused by fuel shortages, damage to cell sites, or the inability of technicians to access the

sites due to armed groups controlling local roads. In response, MNOs have made efforts to maintain service continuity, but escalating insecurity has forced the suspension of operations at some sites nationwide. In this context, reliance on real-time mobile connectivity for digital transactions becomes a significant risk. Payment failures erode user trust, and both merchants and consumers revert to cash as the only dependable medium.

Digital financial inclusion and merchant acceptance will continue to advance slowly if efforts in the financial sector are made in isolation from broader infrastructure and governance reform.



Chapter IV: Recommendations and Incentives for the Uptake of Merchant Accounts

Despite meaningful progress in mobile money access across Haiti, merchant acceptance of digital payments remains limited. Fragmented payment infrastructure, overly conservative implementation of KYC requirements, and a weak value proposition for merchants (particularly those operating informally or in underserved areas) continue to constrain the digital ecosystem. This chapter presents a set of recommendations organized around three strategic pillars: (1) strengthening payment infrastructure and interoperability, including through the implementation of an instant payment system (IPS), (2) updating the policy and regulatory environment, and (3) piloting targeted incentives to stimulate merchant adoption and build the evidence base for scale.

4.1 Implement an instant payment system to enable a fully interoperable digital ecosystem

To accelerate merchant adoption of digital payments, Haiti can prioritize the development of an IPS as a core piece of national infrastructure. An IPS would enable real-time, interoperable transfers across banks, MMOs, and other licensed providers, allowing funds to move seamlessly across the ecosystem. For merchants, this means immediate access to incoming payments and the ability to use those funds, whether to pay suppliers, transfer them to a bank account, or manage day-to-day expenses, without needing to cash out. By reducing friction and improving liquidity, an IPS strengthens the business case for accepting digital payments.

An IPS would also address key structural barriers currently limiting adoption. It would eliminate the need for cash-out at provider boundaries, enable digital payments along supply chains, and reduce reliance on agents whose liquidity constraints often delay access to funds. In addition, interoperability would expand network effects, allowing any customer to pay any merchant regardless of provider, while also enabling remittances received digitally to be spent directly within the economy. Importantly, an IPS would complement existing systems

such as SPIH and PRONAP by introducing a dedicated layer for low-value, high-frequency retail payments, helping scale merchant acceptance and deepen digital financial inclusion.

Beyond infrastructure, an IPS would act as a structural lever for competition in Haiti's highly concentrated financial sector. By enabling any customer to pay any merchant regardless of provider, an IPS eliminates provider lock-in and reduces the market power of dominant operators (creating competitive pressure on FSPs to offer more attractive fee structures, better service quality, and stronger value propositions to merchants). In a market where the three largest banks control over 80 percent of system assets, this competitive dynamic is particularly consequential: Meaningful competitive pressure would create structural incentives for FSPs to extend services to informal merchants and low-income users whose small transaction sizes have historically made them commercially unattractive. An IPS would therefore not only expand merchant acceptance technically but also create the market conditions under which merchant acceptance becomes commercially viable for a broader range of providers and user segments.

4.2 Strengthen policies to encourage merchant acceptance of digital payments

The regulatory and policy environment plays a critical enabling role in determining whether merchants can access, trust, and sustainably use digital payment services. While recent regulatory developments (including the issuance of Circulars No. 129-1 and No. 131 and the August 2025 electronic signature decree) represent meaningful progress, significant implementation gaps remain. The recommendations in this section address five interconnected policy levers: financial consumer protection and market conduct supervision; risk-based KYC and digital verification; merchant licensing; agent network inclusion; and private sector interoperability. Together, they form a coherent policy agenda to move Haiti's digital payments ecosystem from access to active usage.

4.2.1 Establish and operationalize a dedicated market conduct supervision function

Digital payment transparency is a key pillar of Haiti's financial consumer protection framework. As part of the policy dialogue underpinning this report, the World Bank team worked with the BRH on strengthening the financial consumer protection regulatory framework, contributing to the issuance of Circular No. 131 (February 2026), which establishes clear obligations for FSPs on fee disclosure, transparency of terms, and data usage at the point of interaction. To give full effect to this framework, the BRH should establish and operationalize a dedicated market conduct supervision function (including the development of appropriate supervisory manuals, institutional capacity, and enforcement mechanisms). This function should also be in charge of active monitoring of whether FSPs

and their agent networks apply authorized fees in practice and for enforcing sanctions against operators whose agents systematically charge above official tariffs (ensuring that the formal cost of digital transactions reflects what users pay in practice).

4.2.2 Operationalize risk-based KYC and digital verification for merchant accounts

As part of the policy dialogue underpinning this report, the World Bank team worked with the BRH to address proof-of-address barriers, contributing to the issuance of Circular No. 129-1 (February 2026), which codifies acceptable alternative documentation and verification methods (including descriptions of location, community attestations, photographs at the business premises, and proximity to known landmarks) within a risk-based AML/CFT framework. While this represents a significant step forward, further operationalization is needed to ensure consistent application across all FSPs, and additional guidance from the BRH may be required to allow MMOs to activate accounts in low-risk scenarios where not all required documents are immediately available, provided that the customer file clearly indicates an agreed deadline for submitting missing documentation.

In parallel, operationalizing the decree of August 2025 on electronic signatures (which formally recognizes the legal validity of electronic documents and signatures) would further reduce reliance on physical documentation during merchant onboarding, enabling fully digital account-opening processes and significantly lowering barriers for informal merchants in remote and underserved areas.

Realizing the full potential of both Circular No. 129-1 and the 2025 electronic signature decree will also require the development of a robust electronic Know Your Customer (e-KYC) framework that enables automated, real-time identity verification during merchant account opening. A functional e-KYC framework would allow FSPs to verify merchant identities digitally (without requiring the physical presentation of documents) by drawing on authoritative data sources such as the ONI's national identification database. While ONI operates a digital verification portal (DELIDOC), no widely accessible API currently exists for real-time CINU credential validation by FSPs. Enabling API-based integration between ONI's identification systems and FSP onboarding platforms is therefore a prerequisite for e-KYC, eliminating a key remaining bottleneck to fully digital, paperless merchant onboarding and making the regulatory progress achieved through Circular No. 129-1 and the 2025 electronic signature decree fully operational in practice.

4.2.3 Facilitate merchant licensing through cross-ministry collaboration

Strengthening collaboration between the BRH and the MoC can help facilitate access to and timely renewal of business licenses *(patentes*), which are a prerequisite for opening a mobile money merchant account. Many merchants willing to adopt digital payments are unable to do so due to the cost, complexity, or inaccessibility of the business license (*patente*) renewal

process. Joint BRH-MoC guidelines could help ensure that merchants in underserved areas can obtain or renew their business license (*patente*) in a timely, secure, and cost-effective manner (removing a structural barrier to digital merchant account activation).

4.2.4 Leverage agent networks as merchant onboarding and digital literacy channels

Agent networks can be further leveraged and made more inclusive to facilitate merchant digital payment onboarding and utility. Some MMOs require a physical signature to activate a merchant account, which can be provided by mail or visiting a store during opening hours in cities. While this may be easy for merchants in urban areas, this additional step and costs involved create frictions that prevent many informal merchants from accessing the service. Instead, agents can support merchant registration by completing the process directly through collection of documents and submission of applications.

In addition, agent networks can be further leveraged as onboarding access points to extend outreach to merchants in underserved areas. Agents have already undergone the necessary due diligence to perform cash-in and cash-out operations and often serve as trusted intermediaries within their communities. For merchants who are keen to open digital payment accounts but challenged by the process, the use of agents would eliminate the need to travel to urban centers and facilitate onboarding. Moreover, merchants who lack digital financial literacy could leverage agents to learn about the functionalities and optimize their use of digital financial services.

4.2.5 Encourage private sector collaboration on interoperability and shared payment standards

From a private sector perspective, FSPs should also be encouraged to proactively embrace interoperability as a strategic priority and collaborate across the industry. Working together, bilaterally or as an industry, to establish more wallet-to-wallet and wallet-to-bank interoperability across platforms will support merchant acceptance and digital payment adoption. A focus on P2P transfers for instance can help boost initial adoption, with gradual expansion to include merchant payments, supplier payments, and so on. In addition, providers in Haiti can encourage the development and deployment of a shared QR code standard for merchant payments that any user can scan, regardless of provider. Ideally, such a shared QR code standard would be developed within the governance framework of the National Instant Payment System (Section 4.1), ensuring technical compatibility and regulatory oversight from the outset.

4.3
Pilot incentives to encourage merchant acceptance uptake

A key constraint to merchant adoption of digital payments in Haiti is the limited set of practical use cases and incentives for merchants to accept mobile money. In particular, the absence of B2B payment options, the need to cash out to restock inventory, and the lack of visible consumer demand for digital payments weaken the value proposition for merchants.

International experience[74] shows that such coordination challenges often require temporary catalytic incentives and targeted ecosystem interventions to stimulate early adoption. Measures such as simplified onboarding processes, agent-assisted merchant registration, promotional incentives, and high-visibility merchant branding have been widely used to accelerate merchant adoption and build confidence in digital payments. In Haiti, targeted incentives may therefore play an important role in bridging the gap between high mobile wallet access and low levels of digital payment usage. Interventions that reduce onboarding barriers for merchants, increase the visibility of merchants accepting digital payments in local markets, and demonstrate practical use cases for digital transactions across supply chains could help shift the ecosystem away from the current pattern of immediate cash-out toward greater digital circulation of funds.

Testing a set of targeted interventions through a structured pilot initiative could help identify which incentives or interventions can stimulate merchant adoption and usage of digital payments and could be later rolled out at scale depending on evidence. A pilot can evaluate how simplified merchant onboarding mechanisms, combined with visibility campaigns and behavioral incentives, might influence both merchant adoption of digital payment accounts and the willingness of cash transfer and remittance beneficiaries to spend funds digitally rather than withdrawing them immediately. Based on the findings of this report, and the incentives tested in the market through the MAS25 survey, a description of a proposed pilot is presented in Annex 5: Recommended Pilot Plan.

74 World Bank Group 2022.

Table 2: Summary of priority recommendations by estimated implementation horizon

Section	Recommendation	Time frame	Key stakeholders
4.1	Implement an instant payment system to enable a fully interoperable digital ecosystem	Medium to long term/Systemic enabler	BRH, MMOs, banks, development partners
4.2.1	Establish and operationalize a dedicated market conduct supervision Function	Short term	BRH
4.2.2	Operationalize risk-based KYC and digital verification for merchant accounts	Short term	BRH, ONI, FSPs
4.2.3	Facilitate merchant licensing through cross-ministry collaboration	Short term	BRH, MoC
4.2.4	Leverage agent networks as merchant onboarding and digital literacy channels	Short term	BRH, MMOs, FSPs
4.2.5	Encourage private sector collaboration on interoperability and shared payment standards	Short to medium term	MMOs, FSPs, BRH
4.3	Pilot incentives to encourage merchant acceptance uptake	Short term	World Bank, BRH, MMOs, partners

Conclusion

While Haiti and the MAST Klere Chimen cash transfer program have made significant progress in expanding access to digital financial services through mobile money, usage of these services remains constrained by a weak acceptance ecosystem, agent liquidity limitations, and regulatory onboarding bottlenecks. Despite over 76 percent of cash transfers being delivered digitally and mobile wallet ownership reaching 87 percent among program beneficiaries, 89 percent of users continue to cash out immediately upon receipt, undermining the transformative potential of digital payments for financial inclusion.

One of the primary barriers to sustained mobile money usage is the lack of merchant acceptance. Most beneficiaries have limited access to merchants who accept mobile money, and most merchants themselves remain confined to individual mobile wallets, deterred by onboarding complexities, fee structures, and documentation requirements. Supply-side constraints, such as inconsistent agent liquidity, insufficient interoperability, and high perceived costs, further limit the ability of digital funds to circulate within the ecosystem. In short, Haiti's mobile money infrastructure has matured in access but remains underdeveloped in usability.

To address these gaps, the report explored a range of provider-led and blended policy interventions. These include onboarding support through agent networks, promotional incentives such as cash back and raffles, development of merchant business tools, and tailored VSLA products to expand use cases. On the policy side, targeted fee subsidization, expanded interoperability, and regulatory clarity on proof of address and e-signatures are critical enablers for sustained merchant participation. Removing agent exclusivity clauses and expanding the reach of interoperable platforms like PRONAP will also be essential to reduce cash dependency and improve service delivery.

Annex 1: Methodology for All Research

Surveys employed targeted and random sampling, with a focus on female respondents to assess gender impacts. Data were collected at both the household and individual levels, with special attention to women's financial inclusion. Therefore, most of the figures, unless otherwise noted, in this report show progress in financial inclusion among female respondents and beneficiaries, especially those based on the baseline and endline survey data.

Table 3: Data according to sources, collection method, study population, percentage of women, and period collected

Data source	Collection entity	Sampling method	Observation count	Female share (%)	Collection period
PSARA baseline	IFOS/UGP-MAST	Targeted	11,684	65	2022
TPM	IFEPME/ UGP-MAST	Random	6,001	60	2023–2024
PDM survey - MonCash	WFP/UGP-MAST	Random	1,451	49	2023–2024
PSARA endline survey	IFOS/ UGP-MAST	Targeted	10,833	71	2024
Qualitative survey	World Bank	Targeted			2024

Source: Based on study data.

1. **The PSARA impact evaluation baseline and endline surveys**, collected in the second half of 2022 (baseline) and 2024 (endline).

2. **The PSARA TPM survey**, which tracked beneficiary behaviors and payment experiences through monthly data collection over an 11-month period from 2023 to 2024, offering high-frequency longitudinal insights into program dynamics.

3. **The PSARA PDM surveys** conducted across three disbursement cycles—covering both cash and digital payments in December 2022, February 2023, and February 2024—whose findings are brought together and synthesized for the first time in this report.

4. **New primary quantitative merchant-level data collected specifically for this study**, consisting of a quantitative survey of **341 merchants** implemented in collaboration with the World Bank and MNOs, with support from Digicel and HaitiPay.

5. **New primary qualitative merchant-level data collected specifically for this study,** consisting of semi-structured interviews with over 23 merchants by World Bank staff, and extensive interviews with key stakeholders and industry participants, further enriching the analysis and recommendations.

Internal validity and complementarity: The four quantitative data sources are designed and used to be mutually reinforcing, with their respective sampling frames, reference periods, and respondent categories enabling explicit cross-validation.

- The PSARA baseline (July–December 2022, n = 11,684) and endline (2024, n = 10,833) surveys follow the same targeted longitudinal sample drawn from the Information System of the Ministry of Social Affairs and Labor (*Système d'Information du MAST,* SIMAST) social registry around the eligibility cutoff for the Klere Chimen program, providing the only true before-and-after perspective in the analysis and anchoring findings on how beneficiary financial behaviors evolved over the program cycle.

- The TPM surveys (2023–2024, n = 6,001 randomly sampled Klere Chimen beneficiaries across 14 communes) and the PDM surveys (three disbursement cycles in December 2022, February 2023, and February 2024, n = 1,451 randomly sampled e-money and cash recipients) offer complementary high-frequency snapshots of beneficiary payment experiences, with the PDM's explicit inclusion of both cash and digital payment recipients allowing direct comparison between modalities. The TPM and PDM surveys were also conducted by two distinct and independent entities—MAST, which administered the PDM surveys, and an independent TPM firm contracted specifically to provide quality assurance and external verification. The two instruments operate on different sampling frames, questionnaires, reference periods, and data collection methodologies, which is precisely what makes their convergence analytically significant. While the PDM surveys provide structured post-disbursement snapshots tied to specific payment cycles, the TPM surveys offer higher-frequency tracking of beneficiary experiences over an 11-month period. The fact that two independent entities, working with different samples at different points in time, consistently arrive at corroborating findings— particularly regarding cash-out rates and barriers to digital merchant acceptance—substantially strengthens the robustness and credibility of the conclusions drawn in this report.

- The MAS25 complements the beneficiary-facing sources by shifting the analytical lens to the merchant side, a dimension entirely absent from the other three sources, whose respondent categories are adult women and heads of households.

- Critically, the persistent cash-out behaviors and limited digital transaction rates documented across the TPM and PDM rounds corroborate the supply-side constraints identified by the MAS25 merchant survey (March 2025, n = 341 informal and formal merchants), together confirming that the cash-out trap is driven not by beneficiary reluctance but by the near absence of viable digital acceptance points in beneficiaries' immediate commercial environment.

The survey results presented in this report are unweighted. The PDM and TPM surveys do not require weighting, as both are drawn from random samples of Klere Chimen program beneficiaries and are therefore inherently representative of the beneficiary population. The impact evaluation surveys—the PSARA baseline and endline—were drawn from households with similar vulnerability characteristics to construct a comparable treatment and control group for the Klere Chimen program evaluation. Their results are presented unweighted, as the sampling design was not intended to be representative of an underlying population but rather to establish a valid counterfactual through matched treatment and control groups.

External validity: While the primary data used in this report were collected in Grand'Anse, the findings and conclusions derived from its analysis are not specific to that region. Grand'Anse was selected precisely because it exemplifies the structural, infrastructural, and behavioral constraints that define digital financial inclusion challenges across Haiti's rural and peri-urban areas more broadly. The dynamics documented here, from limited merchant acceptance and sparse agent networks to low digital literacy and fragmented regulatory frameworks, are not peculiarities of Grand'Anse but reflect conditions common to underserved communities across the country. The policy recommendations put forward in this report are accordingly framed at the national level, with the aim of informing a broader strategy for expanding digital merchant acceptance across Haiti's rural and peri-urban landscape.

Annex 1a:
Methodology for quantitative and qualitative analysis of merchants (MAS25)

This study employed a mixed-methods approach, combining quantitative surveys and stakeholder interviews with qualitative insights from diverse MSMEs operating within supply chains of goods commonly purchased by social transfer beneficiaries. The aim was to identify key barriers to and enablers of mobile money adoption among merchants in Haiti and to inform ecosystem-wide recommendations based on ground-level experiences.

Research design and approach

A semi-structured, exploratory design was used to allow for in-depth exploration of participant experiences while maintaining comparability across interviews.

Data were collected via four methodologies:

1. **Literature review:** The research team leveraged existing literature, prior studies on financial inclusion, and ongoing stakeholder interviews to deepen understanding of merchant acceptance and digital payment adoption in Haiti. The study incorporates insights from four previous research and survey reports on financial inclusion, mobile money adoption, and merchant participation in Haiti.

2. **Stakeholder consultations**: The team undertook 42 new stakeholder interviews with a range of relevant partners across Haiti to underpin the analysis and findings of this report.

3. **Quantitative merchant survey:** The World Bank team requested support from the MMOs in Haiti to expand outreach. With the support of Digicel and HaitiPay, which facilitated the collection of quantitative data among informal merchants in remote communities, a total of 341 merchant responses were collected.

4. **Semi-structured in-depth interviews**: The team undertook 25 semi-structured in-depth interviews with merchants. The interviews were facilitated directly by World Bank staff and trained Haitian researchers who spoke English, French, and Creole. Interview guides were developed based on a conceptual framework derived from existing literature and adapted following a pilot phase.

The research was grounded in a market-based, ecosystem-level approach aimed at understanding the real-world constraints and opportunities surrounding mobile payment adoption in Haiti. The research examined the full value chain: from beneficiaries of cash transfers as end consumers to their immediate informal merchants, as well as upstream suppliers and formal wholesalers, until e-money is integrated into the digital financial ecosystem without having to be cashed out to pay for food and other essential consumer products. This approach facilitates the identification of systemic barriers that inhibit the circulation and usability of e-money in remote communities, in a context of liquidity shortage at agents and financial institutions.

Five key merchant segments were identified to guide the research methodologies and sampling approaches.

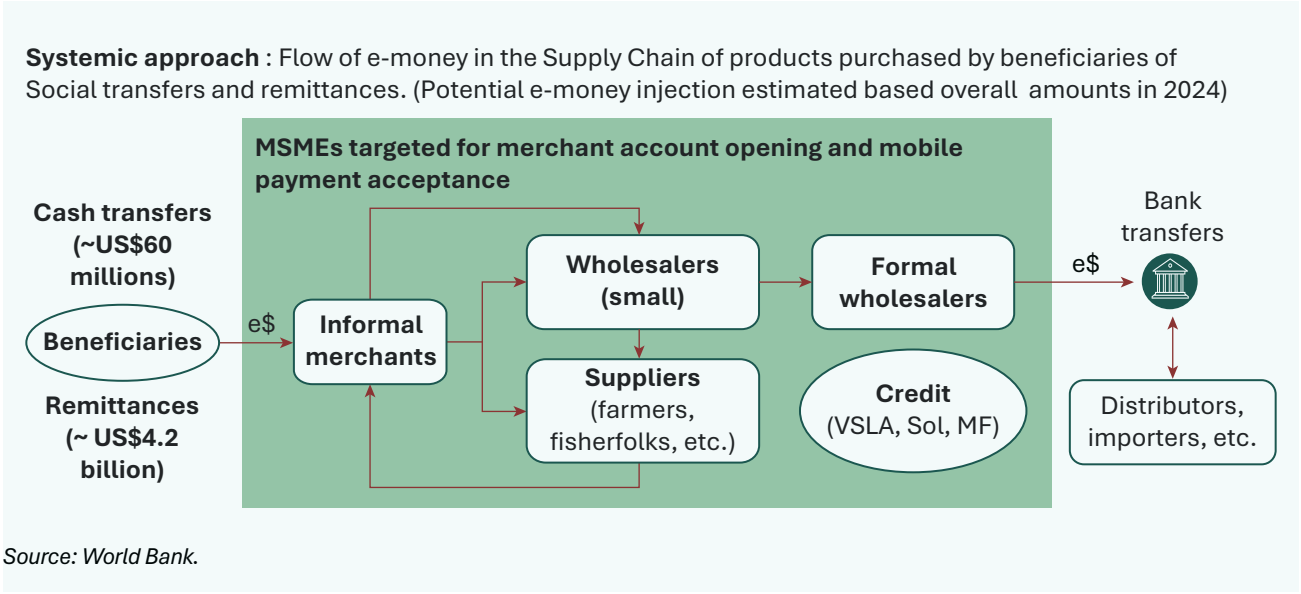
Table 4: Five merchant segments identified along the value chain to guide research design and sampling

Segment	Profile	Key challenges/opportunities
Informal merchants	Street vendors, Madan Sara, and small traders in community markets	Lacked awareness of the existence and benefits of merchant accounts. Lack requirement for onboarding merchant account with one MMO. Highly concerned about cashing out to pay suppliers.
Micro suppliers/ producers	Farmers, fisherfolk, and small-scale producers. Many are organized in cooperatives to access larger customers.	Often excluded from digital ecosystems but play a vital role in supplying local markets
Small wholesalers	Local intermediaries who sell in bulk to informal merchants	Dependent on physical cash due to upstream cash-only supply chains

Segment	Profile	Key challenges/opportunities
Formal wholesalers or distributors	Larger registered businesses with bank account that buy from importers and other companies in Port-au-Prince	Can anchor digital payment chains when mobile-to-bank transfers are enabled
Credit entities	Formal MFIs or informal groups that provide micro or small loans	Critical for enabling merchants to make digital loan repayments and manage liquidity digitally

By understanding the roles, constraints, and interdependencies among these groups, the research revealed that increasing adoption among end users requires simultaneous interventions across the value chain (Figure 19).

Figure 19: Systemic approach to circulating e-money across the supply chain: From beneficiaries to formal wholesalers



Source: World Bank.

This approach combined qualitative consultations with merchants, Madan Sara, cooperatives, and MMOs, as well as quantitative surveys with beneficiaries and market actors to capture pain points, potential incentives, and behavioral drivers across interconnected actors. Special attention was given to how cash flows through markets, and why merchants and suppliers hesitate to use mobile payments.

Methodology

1. Literature review and stakeholder consultations

The research undertook a thorough literature review and leveraged the findings and data from surveys and research that predated this report. This included the following:

- **FinScope MSME Haiti 2023**: Launched by the Ministry of Economy and Finance (MEF) and BRH, the FinScope MSMEs Survey Haiti 2022 was conducted with a sample of 5,310 business owners across the country. The report provides an assessment of size and scope, describes the levels of access to financial products and services (both formal and informal), and summarizes other valuable information.

- **Merchant Awareness and Registration Initiatives (Digicel and WFP, 2023**): During this effort in 10 fresh produce markets across seven communes in Grand'Anse, 145 micro-merchants (128 women and 17 men) were onboarded. Perceptions and constraints were documented to improve understanding of this market segment.

- **Empirical Financial Inclusion Data (CARE and ActionAid, 2022**): This dataset includes responses from 124 AVEC (Village Savings and Loan Associations, *Associations Villageoises d'Épargne et de Crédit*) groups and 550 participants, representing diverse groups such as youth, vulnerable women, people with disabilities, street vendors, community health agents, traditional practitioners, and mothers of young children. These insights provide a broader perspective on digital financial service adoption trends and barriers faced by marginalized communities.

- **2015 Mobile Money Usage Survey (Bill & Melinda Gates Foundation**): This study examined mobile money adoption among over 500 formal and informal merchants across Haiti's 10 departments, offering a valuable historical perspective on merchant behaviors and the evolution of digital payments in the country.

To supplement the literature reviews, the team conducted in-depth consultations involving key stakeholders across the digital financial services ecosystem.

2. Stakeholder interviews

The team undertook stakeholder interviews with roughly 42 stakeholders across 17 organizations to help uncover structural constraints related to regulation, infrastructure, liquidity management, and business incentives that may hinder merchant acceptance of mobile money. A stakeholder engagement framework was developed to clarify the objectives of each meeting, and the key questions were defined in an interview guide for each focus group discussion (FGD). Some of these stakeholders were consulted many times to obtain the level of details necessary.

Table 5: List of stakeholder interviews

Date(s) of Interview	Organization
Government PSARA Project Management Units and Partners	
Dec 18, 2024	MAST PSARA Project Implementation Unit (PIU)
Dec 26, 2024	MAST in Port-au-Prince
Dec 30, 2024	MAST Grand'Anse
Donors and Development Partners	
Feb 28, 2025	Inter-American Development Bank
Dec 31, 2024, Jan 8 and Feb 24, 2025	World Food Programme
Mar 20, 2025	Mercy Corps
Jan 13, 2025	World Bank - PSJET project
Government	
Multiple interviews/ consultations: 2024–2026	BRH
Feb 28, 2025	Economic and Social Assistance Fund (*Fonds d'Assistance Économique et Sociale*, FAES)
Chambers of Commerce & Business Associations	
Mar 20, 2025	*Rasanbleman Madan Sara d'Ayiti* (RAMSA)
Feb 17, 2025	*Chambre de Commerce et d'Industrie de la Grand'Anse*
Feb11, 2025	American Chamber (AMCHAM)
Feb 27, 2025	Canadian Chamber (CCIHC)
Mar 7, 2025	*Organisation pour la Promotion de l'Agroforesterie* (OPA)
Mar 7, 2025	*Réseau des Organisations de Producteurs/Productrices Agricoles de la Grand'Anse* (ROPAGA)
May 9 and Apr 18, 2025	Ecosystem Fintech Haiti (EF-Ayiti)
Financial Service Providers	
Apr 2 and 17, 2025	Digicel (MonCash)
Mar 11 and19, 2025	HaitiPay (LajanCash)
May 16, 2025	Natcom (NatCash)
Others	
Mar 18, 2025	Consultative Group to Assist the Poor (CGAP)

Limitations: Despite multiple attempts, the research team was unable to obtain certain information from key stakeholders, including some MMOs. Consequently, the analysis may not fully capture insights regarding the costs and benefits of merchant accounts.

3. Quantitative merchant survey

The World Bank team developed a survey instrument of 30 questions (see below) to understand the challenges and opportunities related to the acceptance of mobile payments in the supply chain of essential goods and services typically purchased by beneficiaries of social transfers and remittances. Targeted respondents included Haitian street vendors, retailers, wholesalers, distributors, suppliers, and importers of consumer goods purchased by domestic and international transferees.

Some of the questions aimed to understand how to encourage merchants and suppliers to adopt digital transactions and reduce reliance on cash. Most answers were recorded within 30 minutes using Kobo Toolbox or Excel by trained staff from Digicel, HaitiPay, and the World Bank. The complete list of questions was included in the survey instrument used by the World Bank team and HaitiPay. However, the data collected by Digicel included the 21 questions judged most important after testing with targeted merchants in Grand'Anse. All responses were processed anonymously and analyzed in aggregated form.

The full survey instruments in English, French, and Haitian Creole—including response options and skip patterns—are available upon request by contacting the research team lead at hgradstein@worldbank.org.

Table 6: Merchant survey : Questionnaire (simplified)

No.	Merchant survey: Questionnaire (simplified)
1	What types of products do you mainly sell?
2	In which areas do you operate? Please specify the number of stores/warehouses per department.
3	What is the nature of your business?
4	Do you have a valid government-issued ID?
5	Do you have proof of address?
6	Do you have a valid license/registration for your business?
7	Do you have a Tax Registration Number (NIF)?
8	Who are your main customers? Indicate the number of transactions per week by customer category (on average).

No.	Merchant survey: Questionnaire (simplified)
9	What is the average value of a transaction in general with your main customers (in HTG)?
10	Who are your main suppliers? Indicate the number of transactions per week for each category of suppliers (on average).
11	What is the average value of a transaction with your main suppliers (in HTG)?
12	Do you have a business bank account?
13	If you do not have a commercial bank account, why?
14	What payment methods do you accept from your customers?
15	Is the payment method you accept for deposits or pre-sales different? If yes, please explain
16	Do you have a mobile money account with an e-wallet? If yes, which one?
17	If not, what are the main reasons for not using it? (Check all that apply.)
18	If you accept mobile payment with the e-wallet, how often do you use it?
19	Why do you use e-wallet payment? What are the benefits you value the most?
20	If you accept cash only, why?
21	What payment methods do you generally use to pay your suppliers?
22	If you pay your suppliers only in cash, why?
23	Who determines the payment method?
24	Are you interested in a merchant account to receive digital payments by phone?
25	What solutions would encourage you to accept mobile payments more frequently?
26	What transaction fees would you be willing to pay to accept mobile wallet payments for transactions above HTG 100,000?
27	Do you have any other suggestions to encourage the adoption of mobile payments in the value chain involving money transfer recipients?
28	If one of your customers sells to informal merchants, could you share the contacts or company names so we can reach them?
29	If you are interested in learning more about a potential pilot, please provide your contact information.
30	Gender

The survey was conducted in March 2025 with a total of 341 **informal merchants**, with 223 merchant surveys facilitated by Digicel (primarily in Grand'Anse in collaboration with our World Bank Group [WBG] PSARA program) and 78 merchant surveys facilitated by HaitiPay (across Haiti). The surveys were conducted in person at the merchants' shop. The World Bank team facilitated the collection of 40 additional responses from different merchants by phone and online. A few merchants operate in more than one department. The distribution of operating locations is provided in Table 7.

Table 7: Distribution of operating locations for 341 merchant responses received in the MAS25

Location	Total
1) Artibonite	17
2) Center	1
3) Grand'Anse	246
4) Nippes	15
5) North	1
6) Northeast	1
7) Northwest	2
8) West	62
9) South	8
10) Southeast	7
Total number of locations	360

Limitations: The quantitative survey did face research limitations, particularly given the deteriorating security situation. Data collection that could have resulted in full national representation was not feasible for the World Bank team, given security, time, and safety implications at the time the research commenced in October 2024.

As a result, the World Bank team would like to caveat that this quantitative research was not collected randomly and does not represent all merchants in Haiti. Instead, it is a rapid quantitative data collection effort facilitated by World Bank in collaboration with two MMO partners (Digicel and HaitiPay), which targeted merchants that did not yet adopt merchant accounts for their mobile money services if any. The insights are intended to inform the research and provide a basis for a pilot (see next annex) but should not be regarded as a statistically significant, nationally representative survey.

4. Qualitative merchant survey

The World Bank research team, which included Haitian research professionals that spoke English, French, and Creole, conducted semi-structured interviews directly with 23 merchants representing different segments along the value chain. These semi-structured interviews with formal and informal merchants along value chains were conducted by phone (over one hour each):

Table 8: Profile of merchants interviewed in the qualitative survey by type, gender, and location

	% Female	Location	Number
Cooperative representing more than 7,000 farmers	Not available	Grand'Anse and nearby departments	2
Medium/large producers of various agricultural products	0	Grand'Anse	2
Madan Sara	100	Grand'Anse	10
Informal merchants/small wholesalers	80	Grand'Anse	5
Formal wholesalers and distributors	33	Grand'Anse	3
Formal large wholesaler/Importer	0	Grand'Anse and Port-au-Prince	1
Total	70		23

Given the importance of Madan Sara in the trade ecosystem, a collaboration with RAMSA enabled the identification of Madan Sara operating in Grand'Anse. The list was provided by the RAMSA coordinator and validated by the CCIGA. The CCIGA played an important role in identifying other segments along the value chain. Moreover, each interview was used to obtain contacts with suppliers to validate assumptions. Development partners located in Grand'Anse also provided contacts for cooperatives representing over 7,000 farmers in the department. Minutes of all meetings were recorded in writing.

For data analysis, the team applied thematic analysis to identify patterns and insights related to onboarding barriers, usage constraints, behavioral incentives, and ecosystem gaps. Thematic coding was used to categorize qualitative data from interviews and focus groups under pre-identified and emerging themes. This method is well suited for analyzing narrative data across diverse respondent types and identifying actionable insights for pilot design. This qualitative approach complements the quantitative survey data by illuminating the underlying drivers of observed behaviors and systemic challenges, which are essential for shaping interventions that are both scalable and context appropriate. The qualitative coding is available below, and the insights are available in the full report.

Limitations: Given the challenging situation in Haiti at the time of the data collection process, identified stakeholders had to be contacted multiple times and many were unavailable. It is important to caveat that the survey sampling is not intended to be representative of MSMEs sizes and sectors at the department and national levels. The purpose of the research is to generate sufficient valuable insights from different actors along relevant supply chains to identify factors of potential influence and define hypotheses that can be tested in a pilot project.

5. Qualitative coding and insights

The key findings outlined below informed the design, scope, and parameters of the pilot project, which was developed using a market-based approach tailored to the Haitian context.

Table 9: Qualitative coding framework: Key themes, barriers, and merchant insights on mobile money adoption

Category	Key finding (Summary)	Responses and quotes
General		F = French Responses; C = Creole Responses; MS = Madan Sara; S = Stakeholder
Onboarding requirements	The onboarding process to a merchant account is a major obstacle for MSMEs. For lower-tiered accounts, most are unable to provide official proof of address. For higher-tiered accounts, many are unable to provide up-to-date business registration and other documents required.	In the onboarding drive in Grand'Anse, 73 percent of potential merchants interviewed were interested in a merchant account for informal business, but only 12 percent of those interested were eligible because they lacked official proof of address. F1: "*Although I accept mobile money if requested from my personal account, most transactions are conducted in cash because clients and suppliers don't use mobile wallets*." MS10: *"I don't have a patent because the annual renewal fees are too high. With the additional cost of doing business due to gang fees, I cannot afford it."*

Category	Key finding (Summary)	Responses and quotes
Awareness	Merchants consulted were unaware of the existence of dedicated merchant accounts and their associated benefits. Many may not yet appreciate the value of being able to verify payments received from customers and made to suppliers at any time. Unsurprisingly, none of the entrepreneurs interviewed who held a bank account were aware that, with a merchant account, they could request a direct transfer from their mobile wallet to their bank account, eliminating the need to cash out through an agent.	MS1: *"Sometimes I take MonCash payment when clients ask but most of them don't know I accept it because I don't have a sign."* F1: "*The most important challenge for merchants in Grand'Anse is to procure supplies from Port-au-Prince. To access the goods, I must first get cash and make a deposit at the bank of the supplier. Then give the bank receipt to the truck driver who collects the items. If I pay with mobile wallets, how will the delivery people and supplier know that the payment was made?*" C1: *"Farmers are paid in cash because they do not ask to be paid in mobile money. They don't know about the benefits of mobile money. They would need to be informed and trained."* C2: *"The main challenge is lack of knowledge: Farmers must be educated about the benefits of mobile wallets/ payments and trained on how to use it"* C9: *"I didn't think it was possible but if my mobile wallet could be integrated into my bank account, I would not need to commute all the way to Jeremie to pay my suppliers."* F2: *"To pay suppliers, the best method is to travel to the nearest bank where they have a bank account to make a direct deposit. However, my bank doesn't always have the cash available to withdraw the amount needed (e.g., HTG 700k). It's easier when suppliers have an account in the same bank so I can simply transfer account to account. I don't do wire transfers because it's too expensive."* MS2: "*I didn't know customers could use MonCash to pay me because the transactions are very small (about HTG 350–500 per transaction).*"

Category	Key finding (Summary)	Responses and quotes
Onboarding process	Many informal merchants lack the digital literacy or internet access needed to complete the online application. Some merchant accounts also require signing a physical form, which must be submitted to a store located in urban centers or mailed. For informal merchants in rural areas who struggle daily with buying and selling merchandise, additional steps and challenges create barriers to onboarding.	C7: "*I was never approached by anyone to open a MonCash wallet and accept payment from beneficiaries, but I would be happy to.*" Stakeholder interview: In 2023, the WFP partnered with MonCash to onboard informal merchants. By helping them fill the necessary form, they submitted 112 registrations in one week. However, most accounts were not ultimately activated because informal merchants were unable to either provide the remaining information or a physical signature. MS7: *"I received a text message from MonCash about a merchant account but didn't pay attention to find out if it would be beneficial for me."*
Cash-out	Merchants have limited incentives to accept mobile money due to concerns about accessing their funds when agents face liquidity constraints. All merchants consulted reported difficulties in cashing out. This issue is particularly critical for MSMEs whose primary concern is the ability to pay suppliers when inventory becomes available. Since mobile money is not accepted along supply chains, the dependence on agent liquidity in the context of cash scarcity creates risks that both informal and formal merchants are understandably unwilling to take.	MS6: *"I don't like to visit agents to cash out. If I need HTG 10,000, agents always say it's too much so I have to withdraw less and go to multiple agents to get my money. The agents ask me to buy something at their store even if I don't need anything they sell. The fees are never the same. Sometimes I pay HTG 50 for 1,000, sometimes 75 or 100."* C3: *"Cashing out is necessary because I don't know where to spend my e-money otherwise. Most businesses do not accept mobile money as payments because of cash-out fees. I have no bank account because it's too far and I don't really need it. Cash is kept at home"* C4: *"Cash-out fees are a big issue. We need to better understand the fees and the process for paying suppliers with mobile wallets."* C5: *"I don't want to be paid with e-money because we are getting exploited by agents. They don't have enough cash to give so they force us to buy things we don't need at their shop. Plus they charge different fees every time. We don't know what the fees should be. There should be a complain system about these agents."* MS8: *"I don't blame the agents because I used to be one but I stopped because I wasn't making enough money."*

Category	Key finding (Summary)	Responses and quotes
Fees	Many authorized agents charge cash-out fees that vary unpredictably from one transaction to the next, for a range of reasons. Stakeholder consultations also revealed that agents sometimes require mobile wallet users to purchase items at their store to process the cash-out. This sense of exploitation and inconsistency, combined with the frequent uncertainty around cash availability, has weakened the business case for mobile money usage.	C3: *"Payments received in cash from clients but if they want to pay with mobile wallet, extra fees are charged to account for the cashing-out fees."* C1: "*Given the size of transactions with my main business client (HTG 1.5 million or US$11,400), transaction fees via mobile money would be too high."* C8: "*I don't mind receiving payments through mobile wallet because I can charge more to include the fees for cashing out. The problem is, every time I go see MonCash agents to cash out, they charge me more."* F5: "*I use my personal MonCash account to pay local contractors, truck drivers, etc. However, I must pay the transaction fees, and they ask me to cover their 2 percent cashing-out fees."* MS5: "*Once I had no cash on me and the supplier didn't want to give me credit, so I asked if I can use MonCash and he said yes. The supplier even offered to cover half of the fees if I paid with MonCash now. This was great."* (Payments around HTG 10k) MS4: "*When customer asked to pay with MonCash which happens rarely, I ask them to pay the fees. If the customer owes me HTG 100, I add HTG 10 for the fees."*

Category	Key finding (Summary)	Responses and quotes
B2B transactions and use cases	B2B transactions are a critical but underutilized use case for mobile money in Haiti, particularly among key supply chain actors like Madan Sara and small wholesalers. These businesses face operational and security challenges due to cash-based payments, including the need to transport large sums and navigate gang-controlled routes. Enabling B2B payments through mobile money could streamline transactions, reduce risk, and improve e-money liquidity, ultimately strengthening digital financial inclusion.	MS10: *"I cannot accept payments from everyone because I need cash to pay my suppliers. Many suppliers don't accept mobile payments, especially for large invoices because agents don't have enough cash to give. Some suppliers accept that I buy on credit and repay in monthly instalments using mobile wallets"* C4: "*I would like to pay suppliers with mobile money if transaction limit allows.*" C7: "*I buy my supplies from larger wholesalers in town. If supplier has an account at my local microfinance, I can easily transfer money instead of driving all over to pay but most don't. I don't think my supplier would except e-money - what can they do with HTG 2 million in a wallet? Merchants and small suppliers like me are very interested in getting paid with mobile money because we get paid immediately and don't have to chase payments from customers. They generally don't have enough cash to pay for what they need. It often takes 15 days before I get paid"* C8: *"It would be useful if I could pay the Mutuelle (microfinance institution) with mobile money because I have to pay in cash every 8 days."* C9: *"If I travel to Jeremie, I deposit cash in the account of my supplier, send a picture of the receipt to my sister in Port-au-Prince, and she uses it to collect my goods from the shop. If I can't travel to Jeremie, I send e-money to an agent my sister knows in Port-au-Prince, she gets the cash from him and pays the supplier directly upon collection of my goods."* F2: *"We must involve Madan Sara. These women are the economic pillar of our economy in rural areas. They are the ones carrying the goods to markets."* C1: "*Paying farmers with mobile money would be very good for them and for us as a cooperative because we would not need to manage so much cash*."

Category	Key finding (Summary)	Responses and quotes
Digital financial ecosystem integration	Merchants are aware of different use cases for e-money but highly interested to avoid cashing out, especially in (a) the transfer of e-money from mobile wallet-to-bank account and vice versa, (b) loan repayments, and (c) payment of suppliers.	C7: "*NGOs should pay suppliers with e-money instead of bank transfers. They should be stricter to ensure that people use their money on food. I participated in a program before where people could only use their e-money at specific merchants like me. My sales definitely increased. With more sales, it's easier to rent a truck and procure suppliers in greater volume.*" F5: "*In terms of clients, I sometimes accept e-money payments from small merchants that do not have a bank account. I don't mind because I can transfer the money from my mobile wallet to my bank account. However, sometimes it takes 1–2 days for the accounts to be reconciled and have access to the funds. Ensuring that we can transfer money from the mobile wallet to our bank account is critical to avoid relying on the agents for cash. I don't like to carry cash, and nobody should for safety especially now.*"
Visibility	Merchants interviewed who accept mobile payments through their personal account reported that most of their customers are unaware that they offer this option.	C7: "*I would use mobile payment more often if that would encourage more people to buy from me.*" F5: *To increase the use of mobile money, the most important is to educate the population and merchants with visuals: Videos must be used to demonstrate that people/merchants can use their mobile wallet to pay for many things such as schools, food, employees, etc.; Posters are critical to show where the mobile wallet can be used to pay. For example, the posters and marketing campaign used to ensure that people wear masks during COVID were very effective. Images must be used profusely to popularize messages and build confidence in the ecosystem.*" During interviews with Madan Sara, who mostly sell on the street or in markets, many responded preferring a parasol for increasing visibility of their stalls. The rest strongly felt that a hat or a T-shirt would be better because it would be difficult to carry a parasol from place to place.

Category	Key finding (Summary)	Responses and quotes
Other barriers	Other barriers such as access to the telecommunications network to process transactions and electricity to recharge a phone have been raised. These issues affect all digital financial operations but are difficult to address in the current environment.	MS10: "*I have two mobile wallets: MonCash and NatCash because I travel to procure the goods I sell so I have no choice to access the network.*" MS8: "*The network is a big problem. During the last interruption, I had no signals for 11 days.*" S1: "*Access to electricity for charging phone should be addressed. People charge their phones in public places or pay to charge them (for example, HTG 15–25 or a fee per 15 minutes). Few merchants have a generator or solar-powered batteries.*"

Annex 1b:
Methodology for quantitative analysis of cash transfer beneficiaries (Klere Chimen) program

Research background

Chapter 2 focuses primarily on two surveys: PSARA baseline survey and PSARA endline survey. To supplement the surveys, the report uses the VSLA diagnostic survey, PSARA TPM firm monthly quantitative surveys, and the PSARA PDM surveys from beneficiaries who received the payments in cash and those who used MonCash for funds disbursement.

PSARA baseline survey

The PSARA project incorporates an impact evaluation study to rigorously measure the impact of Klere Chimen safety net interventions on beneficiaries and inform a potential program scale-up. In the PSARA baseline survey, the two questionnaires, (a) households and (b) women and children, were collected in two enumerator field deployment stages. The first was completed between July and August 2022 and the second between November and December 2022.

Informed by statistical power calculations, a sample of households was drawn from the social registry SIMAST. The households were drawn around (on each side of) the Haitian Deprivation and Vulnerability Index (HDVI) score threshold determining eligibility for the Klere Chimen program. A household reserve list was created for situations in which households were absent or refused to participate in the survey. The survey is, therefore, not representative of the whole Haitian population or the population of the Grand'Anse department. Instead, the sample

was defined to be able to estimate best the welfare impact of the Klere Chimen cash transfer program on beneficiary households. The size of the survey is nonetheless large enough to generate informative statistics on the vulnerable population targeted by the program. This analysis considers 11,684 responses from beneficiaries, adult women living in the same household, and adult heads of household (male or female).

Each household member had to complete the demographics section of the household questionnaire. The head of household completed specific sections, including questions on access and usage of financial services. Furthermore, all the women in the household answered the women and children questionnaire, which included a section on financial inclusion. The analysis therefore included responses from all women in the household and only from men who are heads of household. Whenever the head of the household was a woman, she answered the financial inclusion questions only in the household questionnaire to avoid duplications. The analysis pools the data from all beneficiaries; that is, it does not differentiate when more than one respondent belongs to the same household. It does not consider potential intrahousehold dynamics affecting financial inclusion or other relevant variables, such as mobile ownership. The financial inclusion questions focus on access to FSPs accounts and MMOs e-wallets, and usage indicators are based on savings, payments, and borrowing. Finally, the questions include 'why not' sections on account ownership, savings, and credit, which complement the analysis of barriers to accessing products and the perceived quality of the services. The questionnaires also explore beneficiaries' participation in VSLAs.

Demographic variables such as geolocation are used to compare the levels of financial inclusion across the different segments. In addition, the literature suggests that characteristics such as mobile ownership, ID, receipt of remittances, and prior receipt of social assistance positively affect financial inclusion. Therefore, the analysis also includes these variables. Finally, the vulnerability level of the household can also affect the level of financial inclusion, and the report also explores evidence of this.

PSARA endline survey

The data collection and analysis for the PSARA baseline survey and PSARA endline survey, collected in 2024, were virtually similar. This methodological consistency was fundamental for the overarching impact evaluation study that the PSARA project incorporated to rigorously measure the impact of Klere Chimen interventions on beneficiaries and inform potential program scale-up.

The endline longitudinal survey, therefore, used the same two distinct questionnaires: one for households and another for women and children. The data collection focused on comparable indicators, particularly regarding financial inclusion. This included assessing access to FSPs accounts and MMOs e-wallets, alongside usage indicators for savings, payments, and borrowing. The questionnaires consistently incorporated 'why not' sections to explore barriers to account ownership, savings, and credit, and evaluated the perceived quality of services. Additionally, the endline longitudinal survey also explored beneficiaries' participation in VSLAs. Various demographic variables (gender, age, geolocation, education,

economic activity), as well as characteristics like mobile ownership, ID, receiving remittances, prior social assistance, and the household's vulnerability level, were collected and used in the analysis to compare financial inclusion across different segments.

This consistency in data collection and analysis was crucial for facilitating robust analysis and comparison, especially between control (non-beneficiaries) and treatment (beneficiaries) groups. By interviewing the same households at endline, it was possible to directly compare the progression of financial inclusion, demographic variables, and vulnerability levels in these two groups over time. This provided a clear picture of the program's specific impact and its contribution to the changes observed in the beneficiary population, ensuring that any observed changes in key indicators were attributable to the Klere Chimen program interventions rather than to variations in measurement.

TPM surveys (e-money and cash disbursements)

The third-party monitoring of the Klere Chimen program (PSARA) was conducted by survey firm, IFEPME, over a year (July 2023–July 2024). This repeated cross-sectional and iterative monitoring aimed to assess program performance, inform decision-making, identify implementation challenges, measure beneficiary satisfaction, and provide strategic recommendations for sustainable solutions. A mixed-methods approach, integrating both qualitative and quantitative data collection and analysis, was consistently employed for these assessments. The qualitative approach included verifying adherence to environmental and social norms at cash distribution sites and evaluating the operational capacity and service quality of MonCash agents. Data were primarily collected through observations on cash distribution sites using 'spot check' control sheets with 27 criteria across three themes, key informant interviews (KIIs) with stakeholders, and FGDs involving beneficiaries, local authorities, and community leaders. Collected data then underwent thematic grouping and contextual triangulation for analysis.

The quantitative methodology included Klere Chimen beneficiaries across all 14 communes of the Grand'Anse department. Sample sizes varied between cohorts, typically ranging from 520 to 597 households, with women consistently constituting most interviewed beneficiaries (between 55 percent and 62 percent). Beneficiaries were randomly selected from lists provided to enumerators. A detailed questionnaire gathered data on household characteristics, cash transfer monitoring, financial inclusion activities, health and nutrition monitoring, beneficiary satisfaction, and grievance mechanisms. This comprehensive approach ensured a robust and in-depth evaluation of the program's effectiveness and impact over time, facilitating ongoing improvements.

PDM surveys (e-money and cash disbursements)

The Klere Chimen program conducts PDM surveys for a random sample of e-money and cash disbursement recipients after payment cycles. The PDM e-money surveys are used to monitor the uptake of digital financial services (beyond cashing out the subsidy) and the quality of MonCash's service and its agents. The surveys used for this report were conducted in January and February 2023 for the December 2022 and January 2023 payment cycles and jointly

covered 303 beneficiaries in 10 municipalities. The surveys were deployed two weeks after the funds were disbursed to give beneficiaries enough time to collect them at a CICO agent (Cash-In, Cash-Out) point or use them digitally. They were conducted by phone by the WFP and MAST staff. For the PDM surveys on cash-in-envelope disbursals, the interviews were conducted on-site after the beneficiaries collected Klere Chimen benefits in the form of cash. The data include responses from 364 beneficiaries in 11 municipalities for the December 2022 and March 2023 cycles.

VSLAs diagnostic survey

As previously mentioned, the Klere Chimen program delivers non-mandatory accompanying measures that focus on strengthening VSLAs in the Grand'Anse region. This report includes data from the initial diagnosis of the current landscape of VSLAs in the region. The survey was collected in May 2022 and included 1,035 such organizations. More details of the survey results can be found in Annex 1 (Methodology for All Research) above..

Annex 2:
Supply of Digital Financial Services in Haiti

Digicel - MonCash

Digicel was the first telecommunications provider in Haiti to launch a mobile wallet, offering digital financial services to its subscriber base, which is evenly split between feature phones and smartphones. Despite this 50/50 device distribution, over 74 percent of e-money transactions are conducted via USSD, reflecting this channel's widespread accessibility and reliability, while 26 percent are conducted via smart phones (through Mobile Station International Subscriber Directory Number (MSISDN) or QR code), which is growing in popularity. Digicel's wallet, MonCash, enables users to deposit and withdraw funds, transfer money peer-to-peer, pay merchants, settle utility bills (notably water, cable, and internet), purchase minutes, make International Money Transfer (IMT) transfers, and access bank integration with Sogebank and Unibank. Among the 2 million users, 1.1 million either transact regularly via USSD or have installed the MonCash mobile app.

MonCash's distribution network relies primarily on agents, who are authorized independent individuals or businesses contracted to facilitate transactions for MonCash subscribers. There are over 6,000 agents actively operating across Haiti each month. The MonCash agent network is divided into four categories (Super Agent, Gold Agent, Silver Agent, and Bronze Agent) based on the cash flow handled by each agent. It includes a category of 'Super Agent' or 'senior agents', who are responsible for appointing and managing both physical cash and electronic money within their network. Senior agents oversee the three other categories of agents: Gold, Silver, and Bronze. This entire network is overseen by a MonCash team specifically allocated to this business operation.

MonCash also partners with PRISM Transfer, an MTO, allowing users to receive international remittances directly into their wallets, with MonCash acting as a sub-agent. MonCash is also used by development organizations to deliver social assistance payments and for direct government-to-person (G2P) transfers.

The MonCash wallet, denominated in HTG, offers three types of account for merchants (formal and informal), and one account for individual consumers, with a transaction limit of HTG 100,000. Grand'Anse represents roughly 40 percent of all MonCash active subscribers in Haiti, with a total of 1.4 million fully activated wallet, in part due to its role in the World Bank PSARA Cash Transfer program.

Natcom - NatCash

The other telecom giant Natcom launched its NatCash mobile wallet in 2021. From the outset, Natcom envisioned a service that would empower people to deposit, transfer, withdraw, and make payments securely without needing to visit a bank. NatCash has rapidly grown into one of Haiti's most impactful financial services providers, with over 3 million accounts created, including 2 million that transact actively. Its vast network of 30,000 active agents across the country includes 68 Super Agents, numerous Sub-Super Agents, and local agents to serve the country's most isolated communities. To foster usage, Natcom established strategic partnerships with Unibank, BNC, Paryajpam, Canal Plus, Golcash, Cam Transfer, government, NGOs, and others. NatCash integrated multiple use cases, from tax payments to mobile data purchases.

HaitiPay - LajanCash

Another major player in Haiti's digital financial services landscape is HaitiPay, which offers LajanCash, a telco-agnostic, USSD-based mobile wallet that also offers dynamic QR codes for merchants to process payments and smartphone-enabled wallets. The service has approximately 625,000 registered users, with about 22 percent active monthly, and processes about HTG 4.2 million in transaction volume each month. BNC serves as the custodian bank for customer funds, but LajanCash wallets are integrated with seven financial institutions: BNC, Unibank, BUH, Capital Bank, Sogebank, Fonkoze, and National Council of Popular Financing (*Konsèy Nasyonal Finansman Popilè*, KNFP). Fewer than 100,000 users originate directly from BNC's client base, with the majority acquired through HaitiPay's independent distribution network of over 600 agents.

Like the others, HaitiPay's service offering includes cash-in/cash-out, peer-to-peer transfers, merchant payments, and bill payments. The platform also provides a 'dedicated transfer' feature, which generates a voucher redeemable at a specified merchant. HaitiPay also partners with NGOs to support disbursement of social assistance payment to vulnerable groups.

HaitiPay subsidizes transaction fees for informal merchants when receiving funds to 1.1 percent, and cash-out fees are fixed at 2 percent. The organization spent considerable effort digitizing VSLAs's records and management process to facilitate lending and repayment through the mobile wallet.

To expand its services, HaitiPay is targeting the US diaspora market for cross-border remittances. It plans to launch inbound international transfers in partnership with Puerto Rico-based PSP CellPay. This collaboration includes a Bank Identification Number (BIN) sponsorship arrangement that will allow HaitiPay to issue virtual VISA debit cards linked to users' e-wallets. These cards will be able to receive funds via VISA Direct from CellPay-issued cards. Meanwhile, HaitiPay established a partnership with Western Union, enabling its customers to receive remittances directly in their wallet.

Although the mobile wallets are not integrated with national payment systems such as PRONAP and SPIH, Digicel and HaitiPay are in discussions to establish a bilateral arrangement to facilitate interoperability between MonCash and LajanCash wallets through API integration. HaitiPay also holds a master account with Digicel, facilitating transactions between the two platforms.

Mannitoks

Another fintech operating in Haiti is Mannitoks, a transaction aggregator and provider of a cash wallet solution. Founded in 2019, the company aims to address the country's fragmented payments landscape by enabling interoperability through services such as bank-to-wallet and wallet-to-bank transfers as well as peer-to-peer bill payments and credit transfers. As of 2020, Mannitoks reported a user base of 255,000, with 40,000 transactions processed and 500 businesses registered on its platform. Account holders can obtain debit cards and prepaid credit cards in HTG and US$ to pay online or cash out money in local ATM and MonCash wallets. However, since 2020, the information and availability of Mannitoks has been unclear, and it is unclear whether it is still operating in the market.

Other MTOs

Several MTOs are active in Haiti. Domestically, Sogebank operates the Sogexpress network, which includes its own network of 44 dedicated service points and uses 54 additional Sogebank branches as access points. Other authorized MTOs in the country include Prism financial services Haiti S.A./PRISM Transfer, Unitransfer, C.A.M. Transfer (Caribbean Air Mail Inc.), Western Union—operating through partnerships with Sogexpress (a division of Sogebank) and Capital Transfert (a division of Capital Bank)—and MoneyGram, which partners with Unibank, BUH, and CWT Rapid Transfè.

Annex 3:
Merchant Profiles Critical for Increasing Digital Payment Utility

Haiti features a diverse array[75] of merchants who contribute significantly to the local economy. In particular, merchants that play a crucial role in supply chains for food and basic consumer goods are critical to merchant acceptance of digital payments.

The following section provides an overview of the different types of merchants in Haiti, particularly in Grand'Anse, given their relevant role in the financial inclusion of cash transfer beneficiaries of the PSARA program.

Informal micro-merchants

Informal micro-merchants are vital to the trade and financial sectors in Haiti, offering a wide range of goods while frequently extending credit to regular customers. Informal micro-merchants operate independently in local markets, streets, and busy traffic intersections. They manage high-volume, low-value transactions daily, frequently extending credit to regular customers. These merchants typically sell diverse goods such as agricultural products, fish, livestock, textiles, and other essential consumer items. Due to their ubiquity and daily interactions with PSARA beneficiaries, they are critical stakeholders in the digital transformation of the payment ecosystem.

Informal retailers ('boutiques')

Informal retailers play a critical role in providing essential items to low-income communities in Haiti. Informal retailers offer a broad range of products, including imported goods such as household items (cleaning products, hygiene essentials), electronic devices (mobile phones, solar panels), fuel (charcoal, propane gas), and construction materials (cement, wood, metal). They primarily source their inventory from distributors, wholesalers, or Madan Saras, providing essential links to PSARA beneficiaries seeking diverse products.

75 Haitian merchants range from informal food and beverage street vendors to small boutiques and market stalls, also known as *marchés*. At the top and bottom of the value chain are formal wholesalers, some of which are importers, and producers, including farmers and fisherfolks.

Madan Sara

Madan Saras are central figures within Haiti's agricultural supply chains. They are women traders buying agricultural products directly from rural farmers, transporting them to markets, and distributing them to urban and rural merchants. Approximately 100,000 women engage in this trade, often extending pre-harvest credit to farmers. Although most Madan Saras operate on a small scale, their role as connectors between producers and markets positions them strategically for promoting mobile money adoption and usage.

Producers

Primary producers—including farmers, fishers, and agricultural cooperatives—form the foundation of local food security. Primary producers typically manage small plots with limited productivity. They collaborate to consolidate production into cooperatives. Several groups and organizations actively engage in buying and selling products for farmers, aiming to enhance agricultural productivity and market access. For instance, ROPAGA purchases fresh produce from 7,000 farmers across the department.

Distributors

Distributors typically facilitate the efficient flow of goods between wholesalers and retailers. Distributors aggregate, transport, and manage storage and logistics, ensuring supply continuity for urban and rural markets.

Wholesalers

In Haiti, wholesalers in remote communities tend to arrange their own procurement process by contracting truck drivers to collect goods or by buying from local producers and Madan Sara who stop by. Operating primarily from centralized warehouses or shops, wholesalers leverage economies of scale to reduce costs for smaller merchants that lack direct access to suppliers. They represent crucial nodes in the supply chain of local markets visited by PSARA beneficiaries, making them pivotal stakeholders in the adoption of digital payments.

Grocery stores

Formal grocery stores in Haiti continue to represent a small part of the overall retail landscape. Formal grocery stores such as Delimart, Belmart, Big Star, and Hyper Market have gradually expanded their footprint, particularly in Port-au-Prince. However, informal street vendors and open-air markets continue to dominate food distribution throughout the country, especially in rural and peri-urban areas.

Private schools

Haiti's education sector is largely nonpublic, with approximately 15,200 primary schools, most of which are run by local communities, religious institutions, or NGOs. Despite these efforts, access to education remains limited: Over 250,000 children ages 6 to 11 and about 65,000 youth ages 12 to 14 are not enrolled in school. The situation has worsened due to ongoing instability, which has led to the closure of at least 919 schools.

Tuition fees paid by parents represent the main funding source for schools. However, the current financial infrastructure does not adequately serve the education sector, and mobile financial services have yet to emerge as a viable solution for school fee payments.

Several operational and structural challenges limit the adoption of digital payments in schools. For instance, many schools lack reliable internet access, hindering digital payment operations. In addition, mobile payment platforms do not offer reference tracking numbers, complicating transaction matching and reporting for school administrators. Existing mobile payment solutions are perceived as costly, which may act as a deterrent. Also, Haitian mobile wallets can be opened only by individuals ages 18 and older, meaning students cannot hold accounts. This limits the processing of payment by parents or guardians.

These constraints highlight the missed opportunity for mobile financial services to ease payment burdens and improve school financial operations. While 68 percent of PSARA beneficiaries use their social transfers to pay school fees, most cash out the money and then pay the school or deposit the money into the school's bank account. When a parent pays school fees directly through their personal wallet, the practice is discouraged because schools lack accountability and tracking ability. In other words, schools in Haiti do not yet have proper applications to assign each mobile payment to the relevant student for a variety of reasons. There are simple but important challenges to uncover before defining the best approach to encourage mobile payment services among schools compared to other merchant segments.

Health clinics

Ongoing violence and insecurity have drastically curtailed access to care. Nationwide, only 41 percent of health facilities remain fully operational, while 40 percent have been forced to shut down and another 19 percent are operating at reduced capacity. In Port-au-Prince, only one major hospital, *Hôpital Universitaire de Port-au-Prince*, remains functional to treat mass casualties.

Out-of-pocket payment remains the norm, with patients shouldering the bulk of medical costs. While some rely on humanitarian aid, remittances, or community-based health insurance schemes, access to formal or digital payment mechanisms remains limited.

Mobile money has yet to gain a strong foothold in the health sector due to a combination of infrastructure and platform limitations. Poor internet coverage and unreliable mobile network reception also hinder mobile wallet functionality, especially in rural clinics. Most importantly, mobile money options for clinics are poorly optimized for institutional needs. For example, merchant accounts assigned to clinics often do not permit transfers to individual wallet holders, making it impossible for clinics to disburse small stipends or salaries to staff using stored e-funds.

These operational constraints limit the appeal of mobile payment digital financial services for health care providers, despite the significant potential to streamline payment collection, reduce cash handling risks, and improve financial recordkeeping. The clinic sector's approach should evolve, much like the education sector's, by offering a bill payment service tool instead of a merchant account. While acknowledging current limitations and market challenges, this shift holds the potential for significant growth and improvement in the sector.

Village Savings and Loan Associations

VSLAs in Haiti typically consist of 20 to 30 self-selected members who meet weekly or biweekly to contribute to a shared fund. Member contributions, usually ranging from HTG 10 to HTG 650 (~US$0.10 to US$6), are pooled and stored in secure containers, such as lockboxes, safeguarded by appointed members of the group. The structure is entirely cash-based for most of them, and all transactions are carried out in person during open meetings, promoting transparency, accountability, and collective ownership.

Over a 12-month cycle, members can take short-term loans from the collective fund, usually for one to three months and at an interest rate set by the group—commonly between 5 percent and 10 percent per month. Loan sizes typically range from US$10 to US$240, depending on group liquidity and member repayment capacity. Multiple loans per member are generally discouraged to ensure equitable access to funds. At the end of the cycle, the savings and interest accrued are distributed among members in proportion to their contributions, providing a lump sum of capital that can be reinvested in microenterprises, school fees, or household needs.

Some VSLAs also maintain an equity-based 'share account', in which members may purchase up to five shares per meeting, each worth HTG 500. These shares earn a 5 percent return at year-end. Collections from such accounts can reach up to HTG 500,000 (~US$10,600), creating a sizable pool for internal lending or redistribution.

VSLAs have gained significant traction across Haiti through the efforts of organizations such as CARE, USAID, and Sonje Ayiti. CARE alone has helped establish more than 1,200 groups, serving approximately 36,000 members nationwide. Sonje Ayiti has implemented 48 groups in the north and northeast regions, with further plans to expand.

While the majority of VSLA transactions remain cash-based, efforts to introduce mobile money solutions to improve security and efficiency are increasing. Historically, the need to physically store large sums of money posed significant risks—robbery, mismanagement, and delays in fund disbursement were common challenges. In 2015, CARE approached Digicel's TchoTcho Mobile (now MonCash) to address these risks by digitizing VSLA operations.

In 2024, HaitiPay in partnership with KNFP launched (*tipamobil*) a digital wallet and app tailored for VSLA groups. Instead of locking up cash and paper ledgers in metal boxes, some groups now secure a mobile phone with the wallet app in the box. The application supports management of loan schedules, transaction histories, and meeting documentation. About 50 VSLA groups have adopted the HaitiPay app as of mid-2024.

Beyond internal savings, VSLAs are connecting with formal MFIs to access larger credit lines—up to HTG 5 million (~US$47,000)—which are redistributed to members through microloans. Interest rates charged by VSLAs can range from 18 percent to 36 percent annually, with repayment schedules and criteria adapted to members' capacity and group policies.

Annex 4: Overview of Digicel's MonCash Merchant Accounts

Digicel, Haiti's largest provider of mobile money, offers various types of merchant accounts, which are categorized into Bronze, Silver, and Gold merchant accounts and detailed further below.

Table 10: Key characteristics of Digicel's MonCash merchant accounts

Category	Bronze merchant account	Silver merchant account	Gold merchant account
Eligibility	*Valid photo ID* *Proof of address* *(No business registration or tax ID needed)*	• Valid photo ID • Proof of address • Valid business registration (*patente*) • Tax identification number (CIF) • Authorization from the Ministry of Commerce and Industry (MCI) • Signed KYC registration form; For S.A. companies, NGOs, or foundations: company statutes, minutes, constitutive act, and publication in the official journal (*Le Moniteur*) • Services contract signed	• Valid photo ID • Proof of address • Valid business registration (*patente*) • Tax identification number (CIF) • Authorization from the Ministry of Commerce and Industry (MCI) • Signed KYC registration form; For S.A. companies, NGOs, or foundations: company statutes, minutes, constitutive act, and publication in the official journal (*Le Moniteur*). • Services contract signed • Active business account at Sogebank or Unibank

Category	Bronze merchant account	Silver merchant account	Gold merchant account
Wallet size	*HTG100,000 (approx. US$750)* *but no transaction limit for receiving and sending payments for the purchase of goods or services (within wallet size value)*	• HTG 2 million (~US$15,000) but no transactions limit for receiving and sending payments for the purchase of goods or services (within wallet size)	• HTG 3 million (~US$23,000) per transaction but no limit of transactions for receiving and sending payments for the purchase of goods or services.
Cash-out limit	*Daily: HTG 100,000 (Maximum 3 cash-out transactions)* *Weekly: HTG 500,000 (Maximum 6 cash-out transactions)* *Monthly: HTG 3,000,000 (Maximum 15 cash-out transactions)*	• No limit for transfers to bank account • Without bank accounts - subject to cash-out limits of agents	• No cash-out permitted through the agent network. • e-money can be transferred to bank account within 24 hours of request.
Fees	*Receiving payments: 0.5 percent fee charged to merchant* *Sending payments to merchant accounts: free* *Cash-out: 1.5 percent fee regardless of amount*	• Receiving payments: 2 percent fee charged to merchant • Cash-out at agents: 0.2 percent	• Receiving payments: 2 percent fee charged to merchant • Cash-out at agents: Not applicable—funds must be transferred directly to bank account (no fee)
Key features	*Access to QR codes to request and receive payments* *Buttons enabling text-to-pay and online payment for e-commerce* *Other functionalities of merchant accounts for tracking transactions, reporting, and so on*	• QR code payments • Online merchant interface • Eligible to transfer funds to a commercial bank • Integrated wallet-to-bank transfer (in a near future) • Fully digital interface for reporting, payments tracking, and wallet balance	• QR code payments • Online merchant interface • Eligible to transfer funds to a commercial bank account • Integrated wallet-to-bank transfer (in a near future) • Highest available transaction ceiling • Fully digital interface for reporting, payments tracking, and wallet balance

Annex 5:
Recommended Pilot Plan

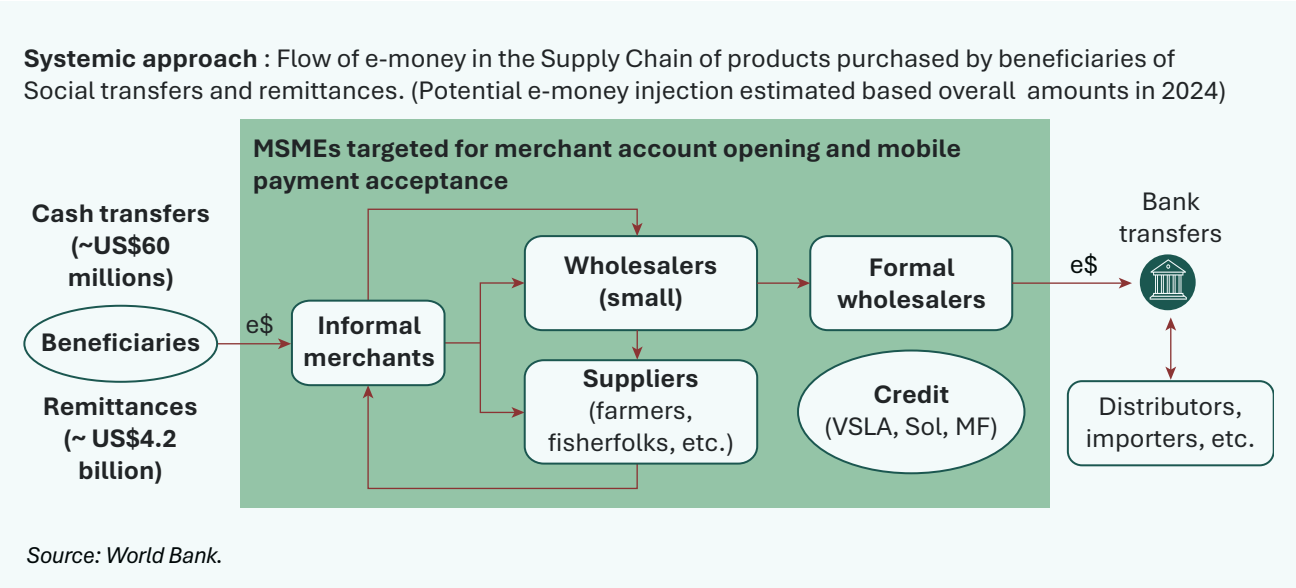
The purpose of this pilot project is to test key hypotheses defined based on the preliminary research findings. The ultimate objective is to increase the use of mobile money for beneficiaries of cash transfers and remittances and reduce dependence on cash, given the current context.

As such, the pilot is envisioned to test two separate hypotheses:

- **Hypothesis 1**: If MMOs offered alternative proofs of address and e-signatures or leveraged agents to facilitate onboarding, more merchants would be able to join the mobile money network more easily.
- **Hypothesis 2**: If more cash transfer and remittance beneficiaries were better aware of merchants that accept mobile money in their area, they would use their mobile money funds instead of cashing out.

The success of each hypothesis will be assessed against measurable indicators and minimum uptake thresholds tracked throughout the pilot. The pilot is also envisioned to help boost merchant digital payment adoption across the supply chain relevant to beneficiaries (Figure 20).

Figure 20: Systemic approach to circulating e-money across the supply chain: From beneficiaries to formal wholesalers



Source: World Bank.

Intervention 1: Facilitating onboarding of merchants

- **Hypothesis**: If MMOs offered alternative proofs of address and e-signatures or leveraged agents to facilitate onboarding, more merchants would be able to join the mobile money network.

- **Intervention**: Provide training and financial incentives to agents for onboarding merchants and simplify onboarding requirements. Design and make readily available onboarding options for merchants to open a merchant mobile money account that (a) uses alternative forms of proof of address, (b) offers convenient options for signature submission (for example, e-signature or options for agents to collect signatures), and (c) **provides a clear value proposition for both agents and merchants.**

- **Objectives**: Adjust onboarding requirements as needed and onboard targeted MSMEs to suitable merchant account.

  Rationale: Many merchants are not aware of the existence and benefits of merchant accounts but most visit agents to cash out e-money from their personal mobile wallet. Agents can raise awareness, explain the benefits, and facilitate the onboarding process. Proof-of-address and physical signature requirements make it difficult for many merchants to sign up for merchant accounts. An option that includes alternative proof of address, like GPS coordinates, community attestations, or photos of merchandise, can help more merchants become eligible for accounts.

- **Risks**: It will be difficult to improve merchant onboarding and expand mobile money access in Haiti without regulatory certainty for MMOs regarding proof of address and e-signatures. While Haitian law allows flexible proof-of-address verification, such as photos of business locations or letters from community leaders, this flexibility has not been fully implemented in practice and the interpretation varies across providers. MMOs often remain cautious due to unclear regulatory boundaries and potential compliance risks. To address this, structured dialogue between regulators and MMOs, options for formal 'no-objection' procedures to pilot alternative proof-of-address methods and e-signatures, or issuance of additional guidance may be required in parallel with the pilot. The guidance may need to be more prescriptive on the types of alternative forms of proof of address and e-signatures possible, for instance, GPS, photos, or community attestations, to ease onboarding barriers.

- **Examples (illustrative):** Illustrative examples of interventions in this area should be proposed by bidders and do not have to be uniform across providers. They may include for example (but are not limited to)

- Defining a new process for simplified CDD to onboard informal merchants using alternative approaches such as GPS coordinates, community attestation describing position of location in relation to known landmarks, photos of location with the individual, or others.
- Offering options for e-signatures during the onboarding process.
- Authorizing or further leveraging agents to facilitate onboarding to merchant accounts and verify alternative forms of address and physical signatures.
- Providing agents with a commission for onboarding merchants in these new ways. Given agents' broad presence in remote communities, they are well positioned to support the onboarding of informal merchants in particular as well as provide a commission structure to incentivize agents to onboard merchants and compensate for the additional workload of completing forms, validating documents, and submitting applications for approval.
- Setting up an onboarding drive and announcing the dates in advance through radio or other appropriate communication channels. For instance, if it is clear that there are multiple visits to the same public market on the same day of the week, this allows merchants to prepare the required documents and ensure that their phones are charged for the onboarding process.

Intervention 2: Social marketing campaign to increase visibility of mobile-enabled merchants in informal markets and build confidence

- **Hypothesis**: If more cash transfer and remittance beneficiaries were better aware of merchants that accept mobile money in their area (and that paying for goods to merchant accounts does not include automatic transaction fees), they would be more inclined to use their mobile money funds instead of cashing out.

- **Intervention**: Increase visibility of merchants that accept mobile money. Enhance consumer awareness through branded signage, aprons, and market visibility to increase digital payment usage.

- **Objectives:** A comprehensive marketing campaign can be developed using a mix of high-visibility tools and behavior change communication strategies. The aim is to create a *'mass-market effect'* involving a visible, community-wide shift that builds confidence in the usability and accessibility of e-money across multiple points of sale. By increasing the visibility of merchants who accept mobile payments in key markets through targeted

promotional materials, the intervention aims to create a sense of confidence and normalcy around e-money usage. This visual presence reinforces the idea that mobile money is widely accepted and spendable across multiple points in the community, encouraging both trust and adoption in a context where liquidity constraints have undermined interest in mobile money.

- **Rationale:** A key barrier to increased mobile money usage among cash transfer and remittance beneficiaries in Haiti is the limited visibility of places where digital payments are accepted. Despite rising adoption through initiatives like PSARA, only 16 percent of beneficiaries used mobile money received to make purchases, and 82 percent reported no nearby merchants who accept digital payments. Although there are currently not many merchants using a merchant account, between 78 percent and 89 percent of merchants consulted (depending on their location) have a mobile wallet and many of them accept mobile payments if asked. Improving awareness of mobile money acceptance points, especially in high-traffic areas, could encourage users to retain and spend funds digitally. By equipping merchants with visible signage and marketing materials, providers can create a mass-market effect, building trust and normalizing digital transactions within informal retail environments. These materials are designed not only for branding but also to make acceptance of mobile payments unmistakably visible to customers. This visibility, when repeated across many merchants in a shared space, creates the perception of ubiquity, which is essential to shift customer and merchant behavior. By concentrating visible signs of merchant acceptance in key market spaces and reinforcing messages through trusted local channels, this campaign creates a self-reinforcing cycle of confidence and usage. The more customers see mobile money being used in familiar community settings, the more they will trust its value and keep funds in their wallets rather than immediately cashing out. Simultaneously, merchants gain visibility and increase likelihood of being chosen by mobile money users, helping drive adoption on both sides of the transaction.

- **Risks**: A key risk inherent in both interventions is that supply-side merchant onboarding and visibility campaigns may have limited and short-lived impact if demand-side barriers are not addressed concurrently. Evidence from the MAS25 survey and PSARA PDM data consistently shows that beneficiary cash-out behavior is driven not only by the absence of merchant acceptance points but also by persistent trust deficits in digital financial services, the prevalence of unauthorized agent surcharges that erode the perceived value of retaining funds digitally, and low levels of digital and financial literacy.

- **Requirements**: Develop a strategic marketing campaign including highly visible promotional materials to create a mass effect in the target markets. Complement promotions with advertising and educational content to build trust.

- **Examples (illustrative):** Illustrative examples of interventions in this area should be proposed by bidders, do not have to be uniform across providers, and may include for example (but are not limited to)

- Providing highly visible promotional materials to merchants for instance:
  - **Branded parasols** - For shade and long-distance visibility.
  - **Aprons** - Worn by merchants with mobile wallet branding displayed.
  - **Posters** - Hung at stalls or kiosks to clearly signal payment acceptance.
  - **Stickers** - Placed on tables, buckets, or containers to increase visibility.
  - **T-shirts** - As daily wearable branding for participating merchants.
  - **Hats or caps** - Optional but useful for brand recall and sun protection.
  - **Basket signage** - For vendors selling from baskets or ground displays.
  - **Cooler signage** - For vendors selling beverages or perishables.
  - **Price tags with wallet number or QR code** - For item-level clarity.
  - **Market-level banners/boards** - Listing mobile-enabled merchants.
  - **Flyers** - Simple, visual flyers explaining benefits and costs, for example, *"Peman Mobil – Pi Fasil, Pi Sekir!"*
- Using reinforcing messages across multiple communication channels, for instance
  - Radio announcements,
  - Large banners or boards in key market locations,
  - Community art or murals,
  - Charging stations with branded signage,
  - Community influencers or town criers, or
  - SMS blasts to various communes in Grand'Anse, particularly in the areas chosen for the pilot
- Implementing an educational campaign for end users. A simple, practical education campaign should be delivered through trusted local channels, focused on for instance on the following:
  - How to make a mobile payment?
  - How to secure and reset the PIN?
  - How to check wallet balance and transaction history?
  - What to do if a transaction fails or is reversed?
  - What is the procedure for initiating a cash withdrawal through an agent or a bank?

Pilot scope

- **Objectives:** The pilot is intended to identify which intervention, if any, can encourage adoption of mobile money among informal merchants within a systemic approach and increase usage by cash transfer and remittance beneficiaries.

- **Interventions:** The pilot envisions that the bidder, which can include a consortium of players, will design products, services, and operations to test all the above interventions. Interventions can be rolled into one product, or multiple, depending on the bidders' interpretation and practical realities of what is feasible and recommended. Bidders will have full flexibility to propose how to conduct the pilot.

- **Location:** The pilot is envisioned to be implemented in Grand'Anse (required), among other locations (to be proposed), with the aim of demonstrating usage among cash transfer and remittance users.

- **Target merchants (subset of the below)**

Table 11: Target merchants

Segment	Profile
Informal merchants	• Street vendors, Madan Sara, and others in community markets • Handle high-volume, low-value transactions
Suppliers/Producers Farmers, fisherfolks, and so on	• Micro suppliers who provide locally produced items (agriculture, fish, meat, and so on) • Value and volume of transactions vary greatly
Wholesalers (Small)	• Shops and warehouses where diverse food and essential goods are sold to merchants. • Handle higher-value payments
Formal wholesalers (Medium)	• Warehouse and distribution centers where diverse food and essential goods are sold to merchants • Handle larger-value payments
Credit entities (optional)	• VSLAs, Sol, *Mutuelle de solidarité* (MuSo), MFIs (optional)

The pilot intends to extend beyond last-mile merchants to include suppliers, wholesalers, and other upstream actors along the value chains. This ensures that informal merchants can restock using e-money, enabling B2B transactions without reverting to cash. The goal is to build a digital payment ecosystem in which e-money flows smoothly from end users all

the way to formal enterprises with bank accounts that can convert e-money into traditional banking channels when necessary.

Service providers such as schools, clinics and multi-cashier retailers (for example, grocery stores) were not prioritized within the scope of this pilot because of the specific challenges they each pose (Chapter 4). Separate initiatives to assess the needs of each category and tailor technology solutions accordingly would be more appropriate to integrate them fully into the digital financial ecosystem. Moreover, these service providers are more relevant for stimulating usage among beneficiaries than merchants. To optimize the pilot's success, given the limited resources available and priorities identified, these service providers are not directly targeted.

Although microlending agencies that provide credit to different stakeholders in the market ecosystem also have specific needs, they are more critical to stimulating mobile payments among merchants. As described in the report, the process of repaying loans creates a profound pain point for both formal and informal merchants. The anxiety involved in gathering the cash and commuting to the location of the lending agency on time to make ongoing debt repayments must not be underestimated. Onboarding entities that provide credit such as VSLAs, SoI, MuSo, and MFI, which serve both merchants and beneficiaries, can have a more catalytic impact on usage of mobile money within the digital financial ecosystem. Moreover, consultation with MMOs revealed that some have already developed products with functionalities most relevant to them.

Therefore, the pilot may also include a focus on facilitating mobile payment integration with microlending agencies in the communities targeted. Other MSMEs that may be a good target for merchant account opening and mobile payments are those selling food and other essential goods most consumed by beneficiaries of remittances and cash transfers such as the following:

- Consumer products including food (pasta, flour, oil, rice), beverages, hygiene, and household items
- Fresh products (vegetables, fish, meat)
- Construction materials (cement, wood, metal, and so on)
- Energy and fuel (charcoal, propane gas)
- Clothing and textiles (apparel, fabrics).

- **Measurement:** A dedicated measurement framework will be established at the outset of the pilot to track uptake, satisfaction, and usage by both merchants and beneficiaries. The framework will leverage PSARA program data as the primary source for tracking changes in beneficiary behavior across payment cycles, supplemented by implementing partner reporting on merchant onboarding and activation rates.

Key stakeholders and potential roles

- **World Bank.** The World Bank's G2Px will support the implementation of the pilot project.

- **Implementing partners**: A Request for Proposal will be published to identify an implementing agency with experience working in remote communities in Haiti. The selected agency may partner with mobile wallet providers or others interested in capturing the targeted markets.

- **Government.** The BRH will be a key partner in the pilot design to facilitate collaboration on the key regulatory aspects identified. ONI will also be mobilized as a key partner to provide additional support in the targeted community for the issuance of identification cards in accordance with regulations. MAST will also participate.

Other considerations

The pilot project is envisioned to be executed through a competitive procurement process to select an implementing partner with demonstrated experience working in Haitian communities, in response to a request for proposals, that is intended to be published as a second phase of work.

It is envisioned that the bidder and implementing partner establish (nonexclusive) agreements with MMOs. Participation by multiple MMOs or other PSPs in one bid is possible and encouraged to reduce risks of anticompetitive behaviors and encourage collaboration.

It may be the case that MMOs and PSPs propose different types of interventions (corresponding to the above) in ways that align with their business operations. The interventions do not need to be uniform across providers.

Data collection activities are envisioned to assess the impact and success of various interventions, and considerations on how best to measure the uptake, satisfaction, and usage of products by both merchants and beneficiaries (to the extent feasible) will be important.

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