



SUCCESS STORY

Biometric Technology Improves Financial Services

Haitian savings and credit cooperatives introduce biometric technology to facilitate inter-cooperative transactions



Photo: DAI/Yvon Baptiste

Caisse members display their new biometric ID cards, or cartes-à-puce, designed to facilitate transactions between caisses populaires. For many caisse members, the ID card is the first piece of identification they have ever had.

The USAID-funded program uses electronic fingerprint data for client identification, providing Haitians with the ability to access financial services at financial institutions other than their own.

Telling Our Story
U.S. Agency for International Development
Washington, DC 20523-1000
<http://stories.usaid.gov>

In Haiti, where there is significant unmet demand for financial services in rural areas, USAID-supported technology is beginning to expand outreach, improve the quality and diversity of financial services available to rural people, and increase the financial flow between towns and rural areas.

Extreme poverty, high unemployment and years of political instability have created serious security issues throughout Haiti. At the same time, the Haitian economy is very cash-based. With limited access to financial services, most Haitians have to carry cash with them to purchase their goods and when they return from selling their products at markets. Robberies are a constant concern for Haitians who often have to travel great distances on foot or in *tap-taps* (Haitian public transportation) in order to conduct their business, and are frequently targeted by thieves.

One of the most promising innovations that USAID has invested in recently is the introduction of biometric technology in Haiti's caisses populaires. (Caisses are savings and credit cooperatives similar to U.S. credit unions.) Two caisses – one in the coastal town of St. Marc, and the other in a rural town called Verrettes about 50 kilometers east of St. Marc – introduced the use of biometric technology to their members to facilitate inter-caisse transactions. USAID invested in the development, testing and pilot implementation of this important technological innovation.

The technical solution uses electronic fingerprint data for member identification, providing caisse members with the ability to access financial services at other participating locations. Caisse members in St. Marc can now make any of their normal transactions at branches of the other caisse in Verrettes, and vice versa. A caisse in the capital city, Port au Prince, has also incorporated the biometric technology. With the biometric ID card and the interconnectivity established among caisses, clients no longer have to worry about being robbed because they can withdraw or deposit funds in the town where they conduct business.

“It is so easy now. I can go from St-Marc to Port-au-Prince and I don’t have to carry cash with me. All I have to do is to go to the Caisse in Port-au-Prince, use my electronic card to be identified and I can get money from my account. Simple and safe, especially since I travel by *tap-tap*. Before I was always afraid I could be robbed,” said Samuel Michel, a member of a caisse in St-Marc, Haiti.

By increasing access and reducing transaction costs for the entrepreneurial poor, this technology facilitates clients’ financial transactions. Inter-caisse transactions are a significant step towards improving the products and services offered by Haiti’s caisses, particularly in Haiti’s rural areas.