

SUCCESS STORY:

Capital Raised through Sustainable Investment Facilitation Methodology Allows Haiti MFI to Grow Mobile Disbursements & Repayments



A FINCA Haiti client using her mobile phone to repay a loan, thus replacing the long journey to a FINCA branch with a short walk to a local banking agent. (Photo reproduced with permissions from FINCA Haiti)

About FINCA Haiti: FINCA Haiti is a microfinance institution (MFI) founded in 1989 in Port-au-Prince. FINCA Haiti offers three loan products to Haitians: group loan, individual loan, and small-to-medium size enterprise (SME) business loan. FINCA Haiti operates in 8 branches across Haiti serving more than 45,000 clients.

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March 2019 – FINCA Haiti, with support from Accessible Finance partner Resonance Global, closed USD 1,000,000 in new debt financing by the end of 2018. This additional capital will be instrumental in helping FINCA Haiti grow its customer base and provide financial services to more rural Haitians.

Unlike traditional capital raising activities, Resonance supported FINCA Haiti through adapting its Sustainable Investment Facilitation Toolkit (SIFT) methodology, typically used with businesses and social enterprises, to ensure sustainable investment in the MFI’s FinTech strategies. Based on results of an Investment Readiness Assessment, the project identified specific areas to support FINCA Haiti in debt raising while also working towards achieving an equity raise.

Following a detailed work plan, FINCA Haiti will continue to facilitate investment in its digital products by building in-house capabilities to update financial projections, further the development of a digital product roadmap, finetune investment pitches, increase outreach, and enhance its value-add and appeal to equity investors.

FINCA Haiti has been investing in MonCash, a mobile money platform operated by Digicel, to allow easy loan transactions based on client needs. FINCA Haiti’s CEO, Marie Marcelle Saint Gilles Gerard, highlights the importance of growing digital operations: “Digital financial services present a huge opportunity to scale our reach to even more underserved areas, and, like we see with MonCash in Haiti, it enables our clients to transact more conveniently, easily, and safely.” As such, FINCA Haiti has used financing to open cashless branches, or satellites, to offer a greater number of loans via MonCash. “Those satellites will have less staff, no cashiers and management of cash, which will reduce our costs considerably,” adds Marie. “With this strategy, we are able to grow our portfolio efficiently and reach more clients.

Through successes using the SIFT methodology, FINCA Haiti continues to attract investment in its strategies; the MFI is on the path to becoming a model for SIFT methodology replication by MFIs in Haiti and beyond.