

## Haitian Monetary Ecologies: A Qualitative Snapshot of Money Transfer and Savings

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Time and cost constitute one of the key barriers to circulating goods and money in Haiti.

For the banked, the lines and time it takes to access banking services have given rise to a variety of strategies to negotiate and sometimes avoid the lines. Banking in Haiti requires planning, money and social networks as who you know at the bank can also make a difference in how fast one receives service. Most banks and transfer services operate in major cities and towns. For individuals who reside in places where these services are not available, sending and receiving money can be an expensive and time-consuming undertaking.

The vast majority of Haitians are “unbanked”, and thus save and circulate money outside of the formal banking system. Many of the unbanked live outside of Port-au-Prince and rely extensively upon informal social networks and alternative infrastructures to move money.

We highlight here the comparative costs of transferring money through formal and informal channels\*.

### Costs of Money Transfers (in Haitian Gourde)

	Transfer service provider (in Haiti)	Transfer service provider (in DR)	Bank (wait in line)	Bank (skip line)	Boat between Marigot and Anse-a-Pitres
<b>Charge for service</b>	Caribe Express 5% of money sent	fee + exchange rate lost	132	132	0
<b>Bribe/tip</b>	0	0	0	100-500	0
<b>Other indirect costs</b>	0	0	0	Social capital	Social capital
<b>SMS/Call (2 messages or call to coordinate)</b>	6-10	6-10	0	6-10	6-10
<b>Time cost (Minimum wage 200 HTG/8 hour day)</b>	100	200	200	100	50
<b>Transport costs</b>	50 - 800	50 - 800	50 - 800	50 - 800	50 - 800

## Example of Transfer Costs at the Bank

*Going to the bank requires planning. If I need to go to the bank I will first call my friend early in the morning to tell him that I will be coming to the bank. I tell him at what time because they are not allowed to use the phone while working but if he knows that I am coming, he will be waiting for my call. When I get to the bank I call him. Once he sees the call, he tells one of the security officers to come and get me.*

Jean-Jean, Croix des Bouquets, August 2010



### Costs for Transfer within Haiti:

Fee for Transaction :	132 Gourdes
Call :	3 Gourdes
Call :	5 Gourdes
Transport from Croix des Bouquets (suburb) to Crois des Bouquets:	25 Gourdes
Transport from Crois des Bouquets to Crois des Bouquet (suburb):	25 Gourdes
Tip for Friend :	250 Gourdes
<b>Total Cost :</b>	<b>440 Gourdes</b>
<b>Time to send money :</b>	<b>3-4 hours</b>
<b>Time for money to arrive :</b>	<b>2-3 hours</b>

\*note : transportation costs are highly variable

## Example of Transfer Costs using Money Transfer Services: SogeXpress

David needed to send money to his cousin in his hometown, Le Borge, because he still owed some money for his brother's funeral. For David, the transaction was relatively easy; he visited a SogeXpress office in Port-au-Prince and paid 150 gourdes to send the 1250 Gourdes he owed. However, for his cousin in le Borge, receiving the money required a considerable expenditure of time and money.

Since there is no SogeXpress office in Le Borgne, David sent the money to SogeXpress's office in Port de Paix. According to David, in order to reach the office in Port-de Paix, his cousin must walk one and a half hours from his house to the town of Anse a Foleur. Once in Anse a Foleur, he spent two hours and paid 300 gourdes for the *tap-tap* (bus) that took him to the Port-de Paix. His journey ended after he paid 30 gourdes for the taxi that took him to the money transfer office. In sum, David and his cousin spent 838 Gourdes and 7 hours to send 1250 gourdes from one part of Haiti to another.

### Cost for David's Transfer

Fee for Transaction :	150 Gourdes
Call :	5 Gourdes
Transport:	20 Gourdes

**Total Cost for David :** 175 Gourdes

**Total Time Spent :** 1 hour

### Cost for David's cousin to Receive the Transfer

Transportation Cost (return):	660 Gourdes
Confirmation SMS :	3 Gourdes

**Total Cost for cousin:** 663 Gourdes

**Final Cost :** 838 Gourdes

**Total Time Spent :** 7 hours

## Example of Transfer Costs from Anse-a-Pitres to Jacmel (by boat)

To send money with a boat captain, Joseph speaks with a captain and gives him the cash with the name and phone number of the intended recipient. The sender will then send a text message to the receiver with the amount of the transfer and the captain's name and phone number. The receiver must then meet the captain in Marigot on the morning after the boat arrives.

### Cost for Transfer with boat captain

Fee for Transaction :	0 Gourdes
Call :	5 Gourdes
SMS Message to Friend:	3 Gourdes
SML Confirmation Message :	3 Gourdes
Transport from Marigot to Jacmel :	25 Gourdes
<b>Total Cost :</b>	<b>36 Gourdes</b>

**Time for Money to Arrive :** 8-10 hours

### Example of Transfer Costs from Anse-a-Pitres to Jacmel in person, by boat

Fee for Transaction :	0 Gourdes
Call :	0 Gourdes
SMS Message:	3 Gourdes
Transport to Marigot (boat):	280 Gourdes
Transport to Jacmel area:	25 Gourdes
<b>Total Cost (one way) :</b>	<b>308 Gourdes</b>

**Time for Money to Arrive :** 8-10 hours

