

VI Fórum Banco Central sobre

# Inclusão Financeira

De 17 a 19 de novembro de 2014  
Florianópolis – SC



## MSME Finance Challenges and Innovative Solutions

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Access Holding / LFS Financial Systems GmbH

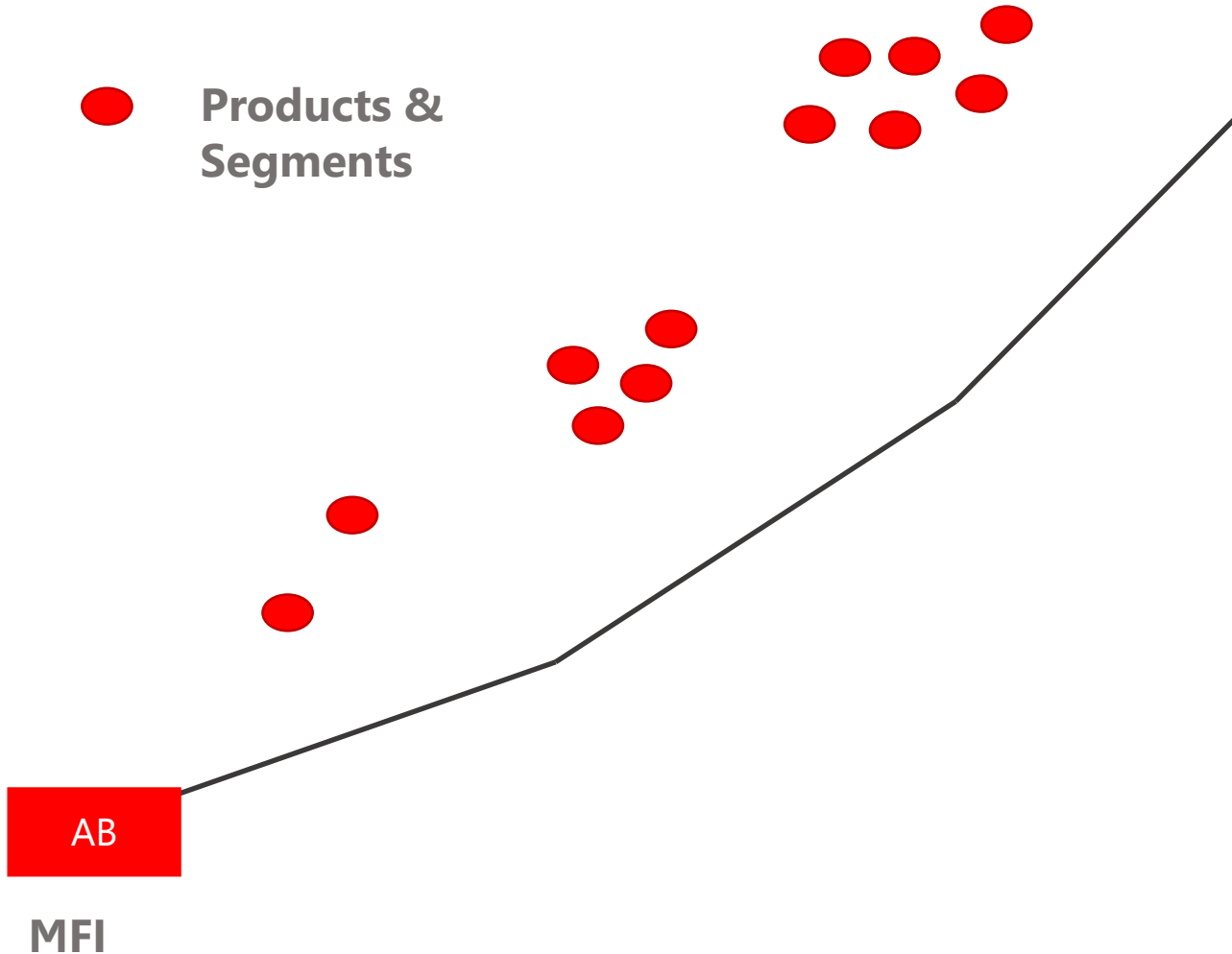
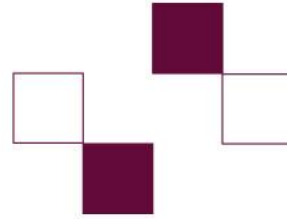
# Access Holding Basic Facts

- Berlin-based joint stock corporation created in 2006
- Network of 9 AB Banks in Africa (6) and Central Asia (3)
- Strategic investor in the Microfinance / SME financing industry
- TA provider(LFS Financial Systems) which provides managerial and IT services to all network banks & third parties

As of Sep-2014

<b><u>Category</u></b>	<b><u>SME</u></b>	<b><u>MICRO</u></b>
Loan Officers (LO)	237	1.916
Outstanding Portfolio (USD)	483.567.393	583.345.902
Outstanding Portfolio (#)	8.893	250.861
Cumulative Disbursed Volume (USD – Year to date)	325.657.674	617.122.275
Cumulative Disbursed Volume (# - Year to Date)	4.838	208.853
Average disbursed amount (USD)	67.312	2.954
PAR 30	0,98%	1,07%

# The Ideal Trajectory



# The Challenges



MFI

AB

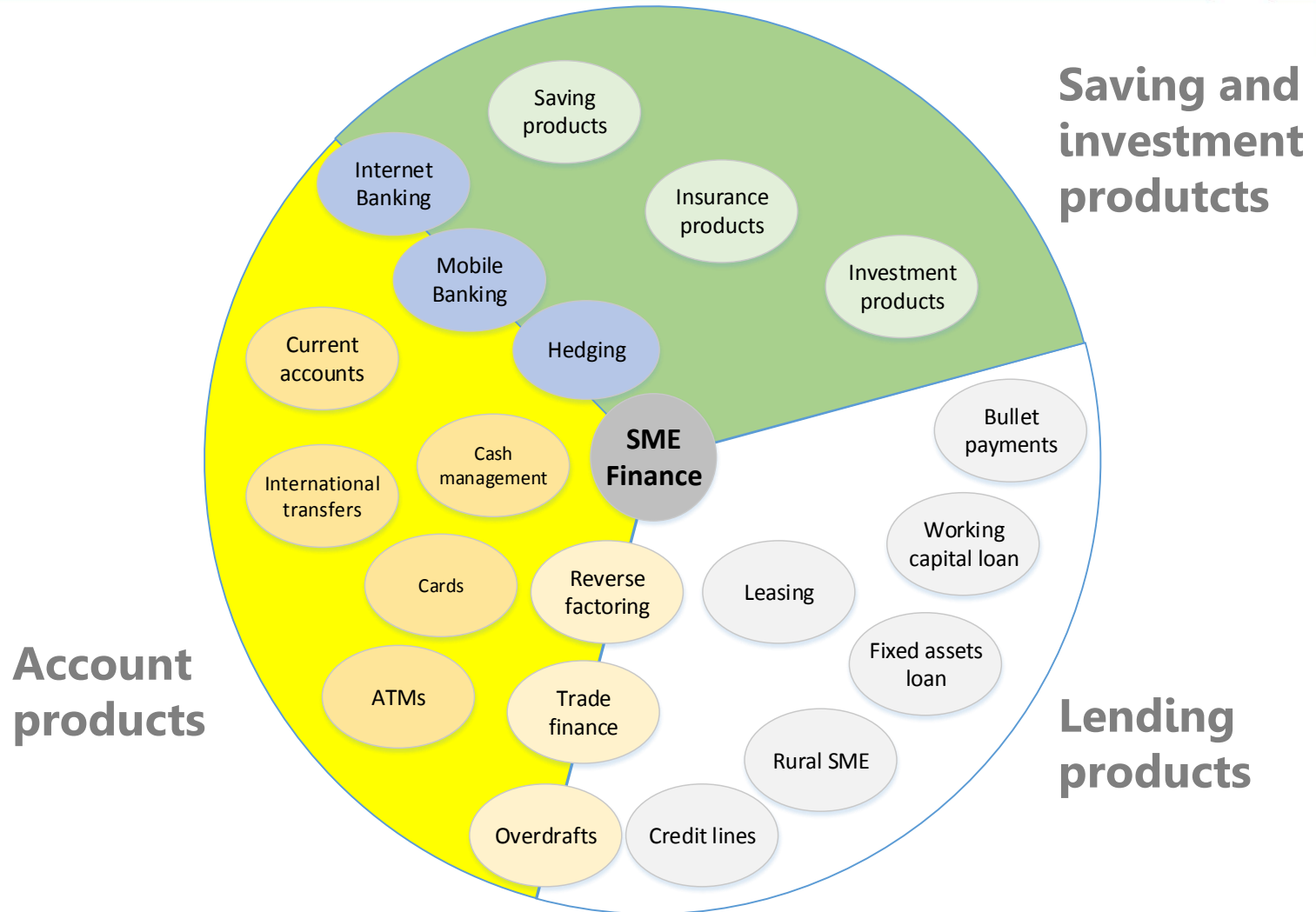
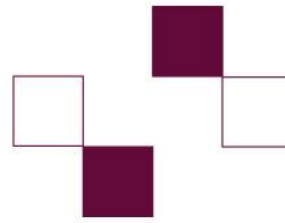
## The challenges in the way:

- Market
- Legal & Regulation
- Business environment
- Capital investment
- Management capacity
- Know-how
- Board Strategy

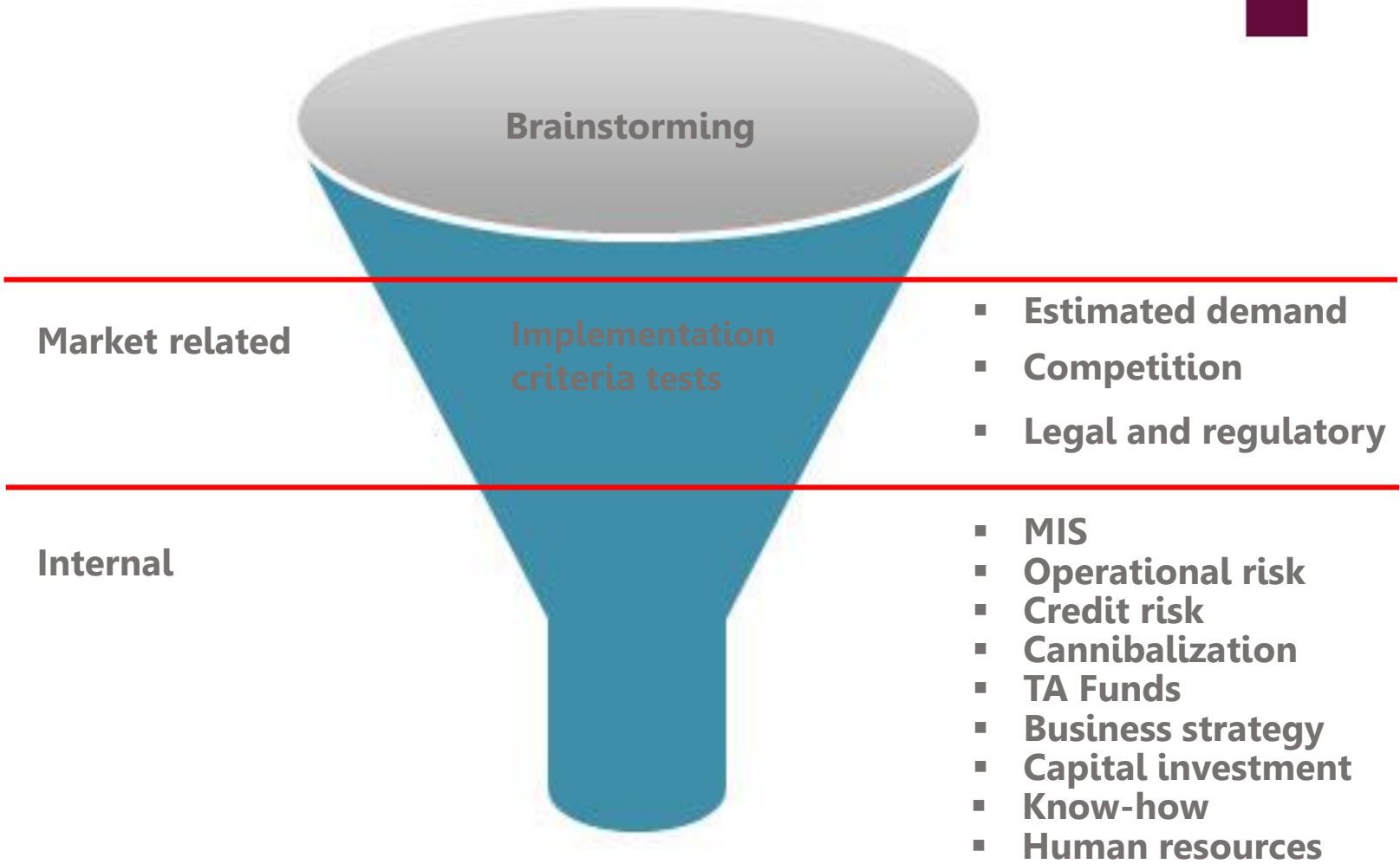
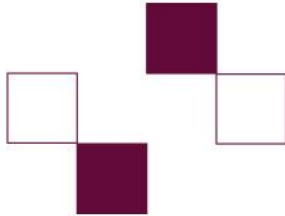
# Are you ready to growth / innovate?

Meta level	Governance	➔	In place
	Strategy	➔	Clear
	Board / Management	➔	Committed
Meso level	Market	➔	Inviting
	Business Environment	➔	Conductive
	Regulators	➔	Engaged
Operations level	Resources	➔	Available
	Responsibilities	➔	Defined
	Priorities	➔	Ranked
	Know how	➔	Accessible
	Communications	➔	Transparent

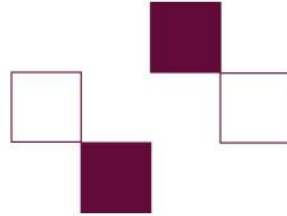
# Financial products: Overview



# Financial products: The funnel model



# Our Approach to Innovation



## Emphasis on incremental change

- Reassessing of strategy continuously
- Constant product adjustments
- Endless business process re-engineering
- Continuous training

## Focus

- No 'fashion' following or donor driven innovations
- Incentives aligned with strategy
- Quality leader, standard setter, game changer





# Our Approach to Innovation



## Centralized Know How Management

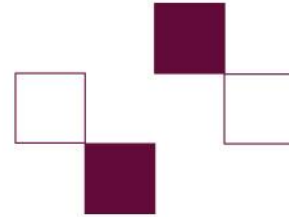
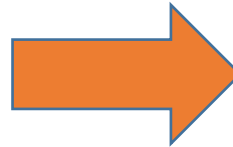
- Competence Centres / Specialists
- Knowledge Management Software
- Regular Workshops
- AccessCampus
- Exchange of staffs



## Decentralized Decision Making

- Local product & market emphasis
- Quick decision-making
- Staff development & motivation
- Reduces burden on HQ
- More experimentation

# Shifting the Paradigm?



- Microfinance seen as social policy
- Focused on low segment
- Government main provider
- Private sector small role through NGOs / Foundations
- Mostly focused on small credits
- Microfinance seen as growth policy
- Focused on low segment **and SME**
- Government mostly regulator
- Specialized Micro / SME private owned banks
- Credits, Transfers, Investments