



SME lending in Bosnia Experience by MFI MIKROFIN

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WHO is MIKROFIN, Bosnia

- Established in October 1997 as a part of int. NGO
- Microfinance project of CARE mission in Bosnia

Mission

- “ Providing appropriate financial services to economically active low income people that can make a profit and make it possible for them to become economically independent ”



Legal evaluation of institution

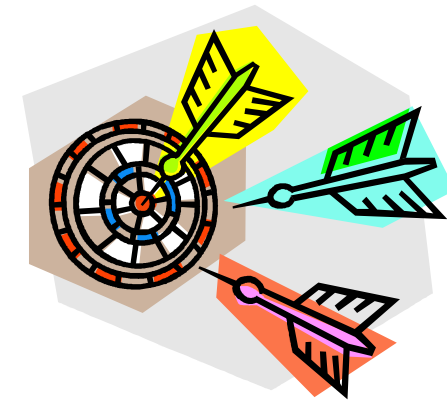
- Oct 1997 - June 1999 CARE Project
- July 1999 – Dec 2000 Local NGO
- Jan 2001 – Present MCO*

*MCO- Microcredit organisation,
Legal term according to the Law of
microcredit organization



Target Clientele

- Phase 1
Group Lending
- Phase 2
Group and Individual Lending
- Phase 3
Individual Lending

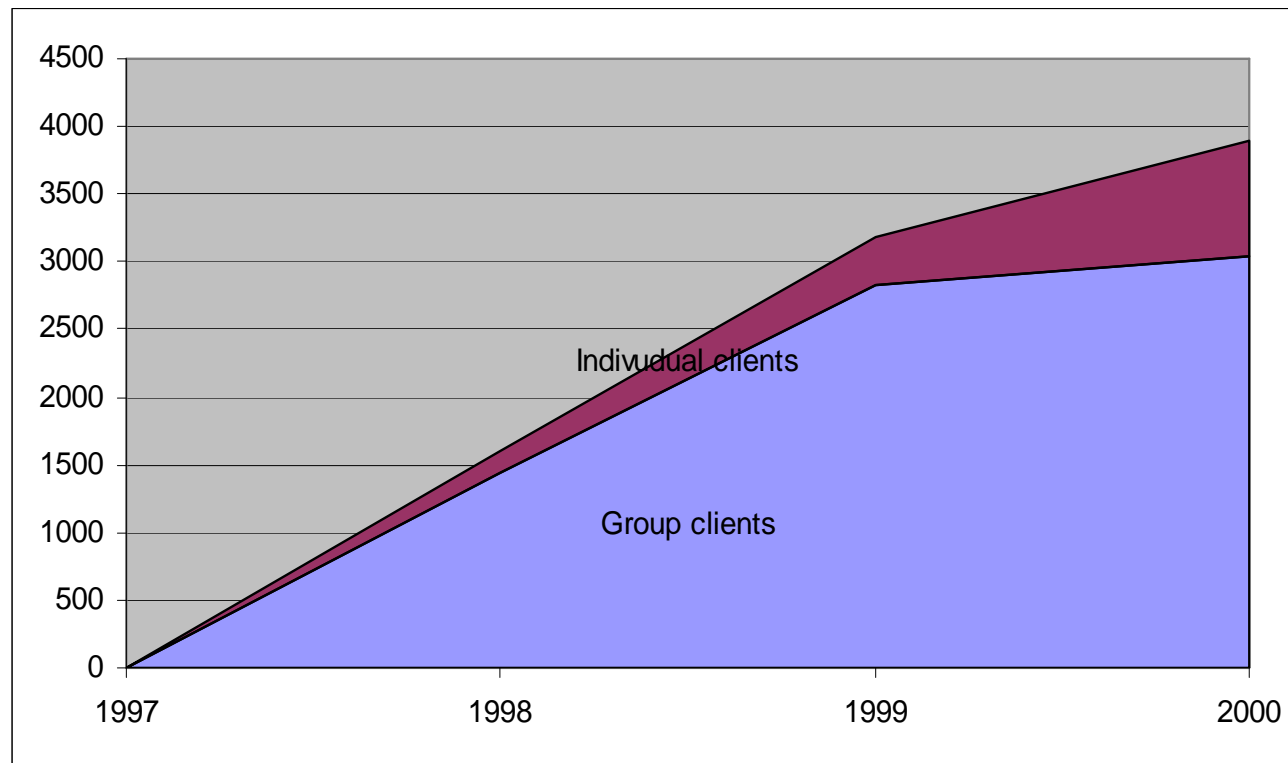


Target Clientele- Phase 1

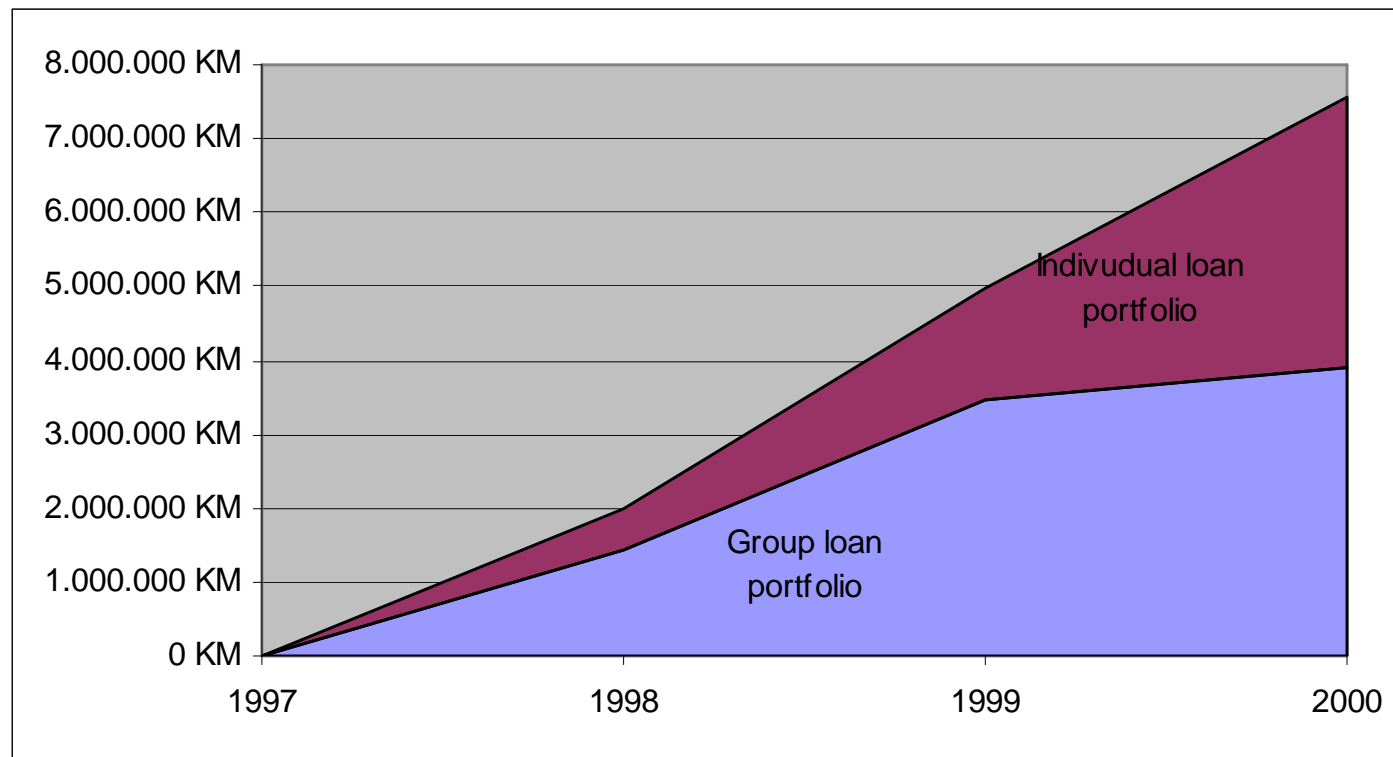
- 1997 – 2000
- Group lending as primary methodology
- Cycle lending with very strict limits
- Individual lending limited to micro businesses



Target Clientele- Phase 1



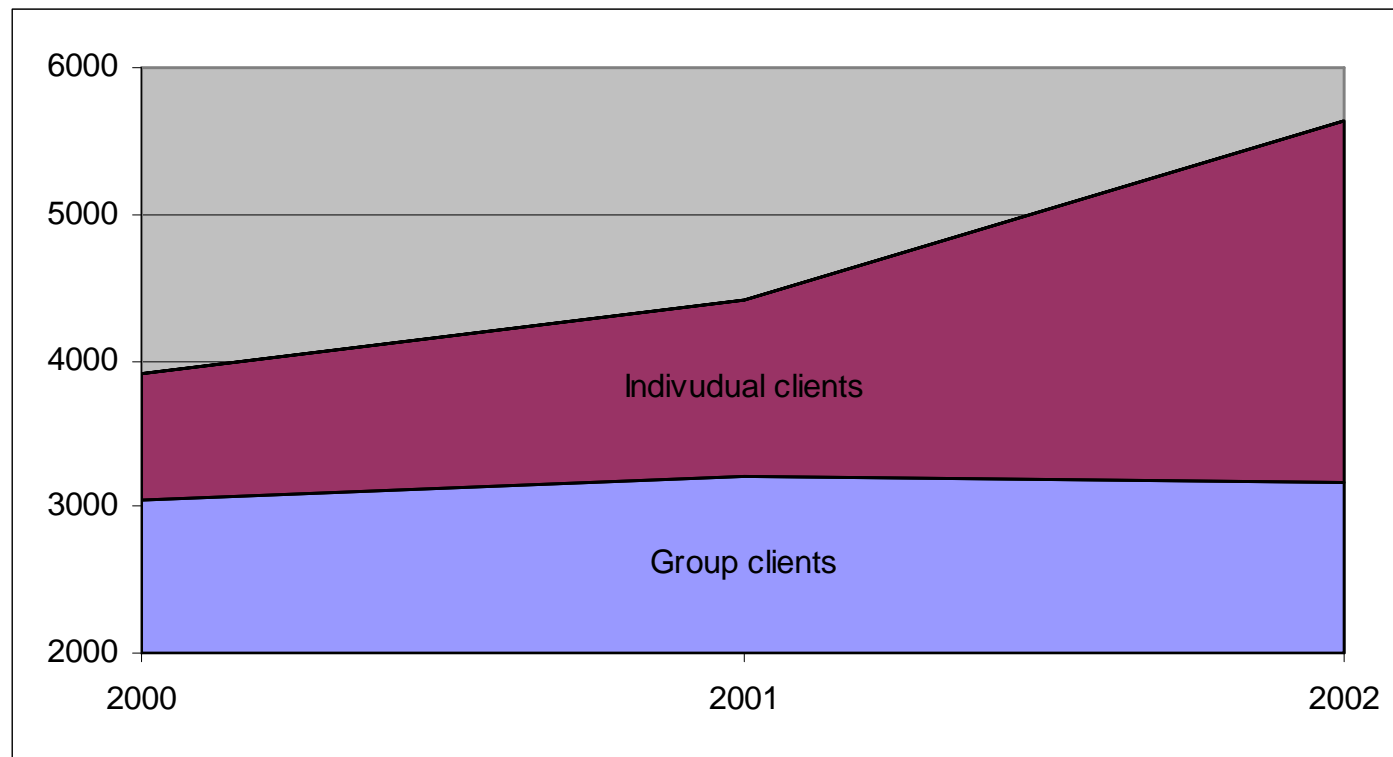
Target Clientele- Phase 1



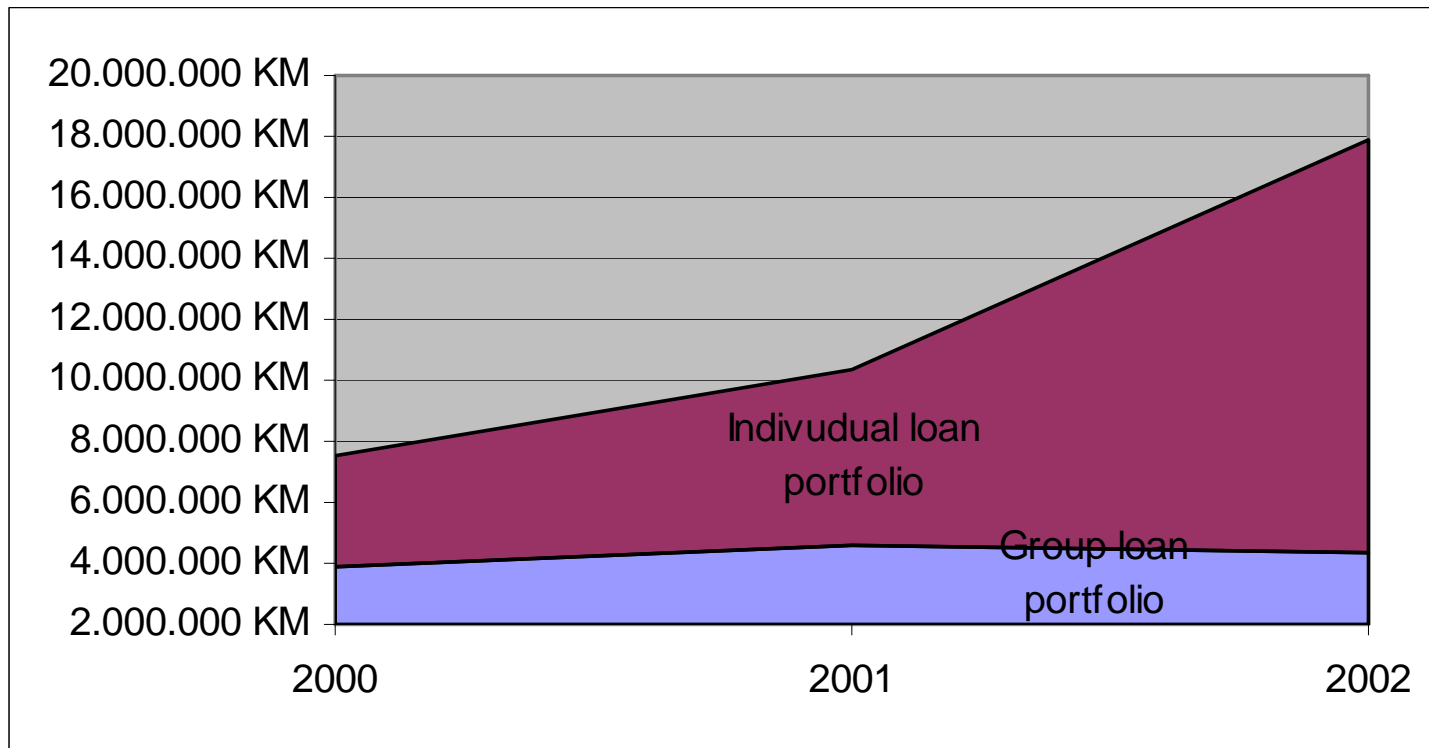
Target Clientele- Phase 2

- 2000 – 2002
- Orientation to individual lending methodology
- Elimination of cycle lending for individual clients
- Introduction of SME lending and agro lending
- New regulation for MCO
- New loan product

Target Clientele- Phase 2



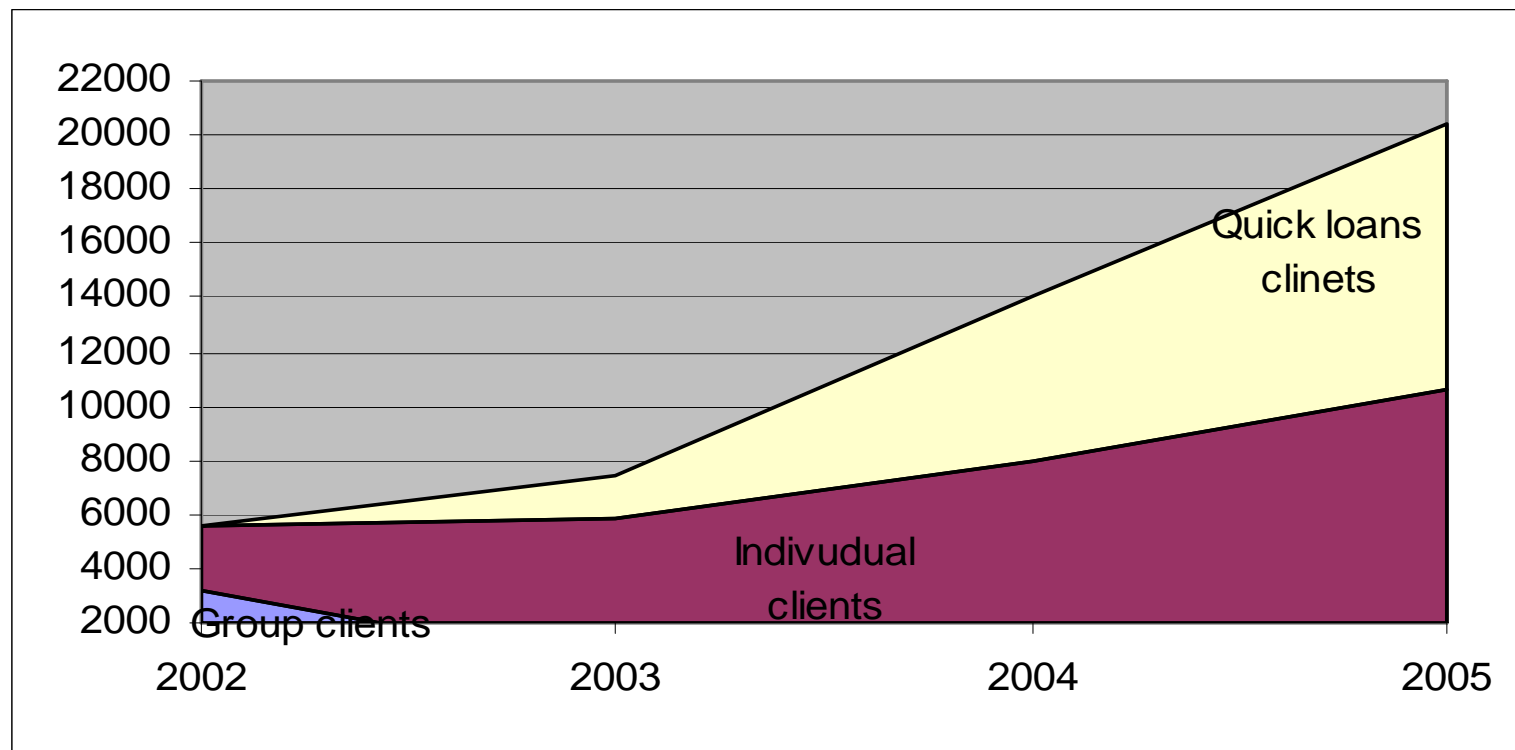
Target Clientele- Phase 2



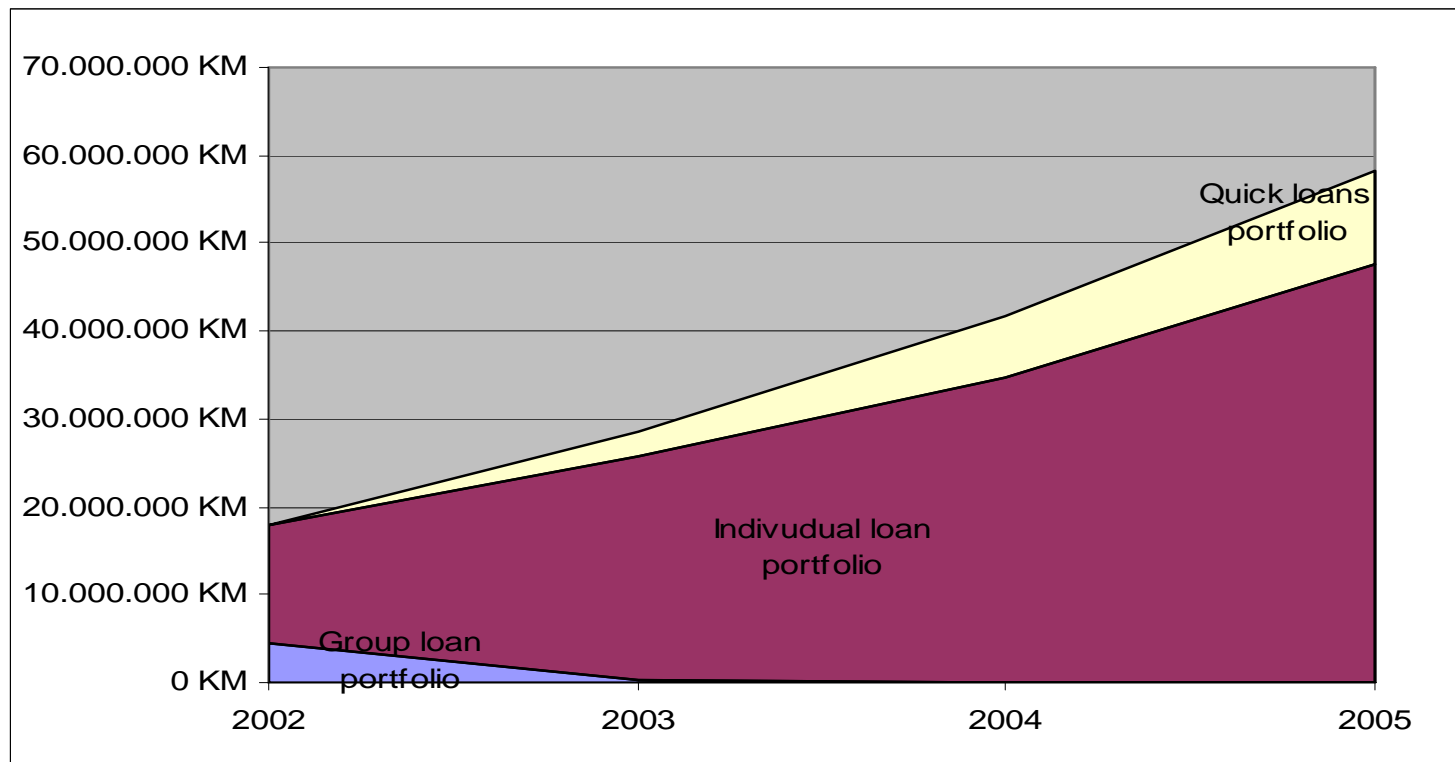
Target Clientele- Phase 3

- 2002-2005
- Market segmentation
- Development of SME and micro lending
- New agro segment
- New loan product

Target Clientele- Phase 3



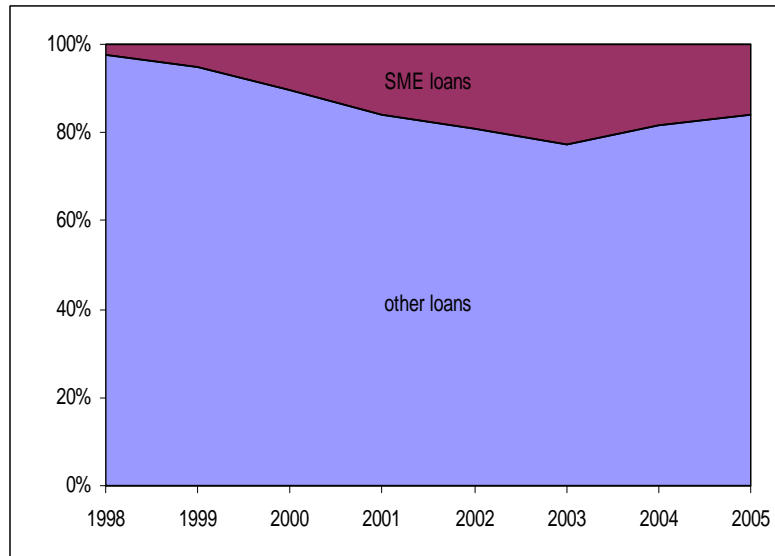
Target Clientele- Phase 3



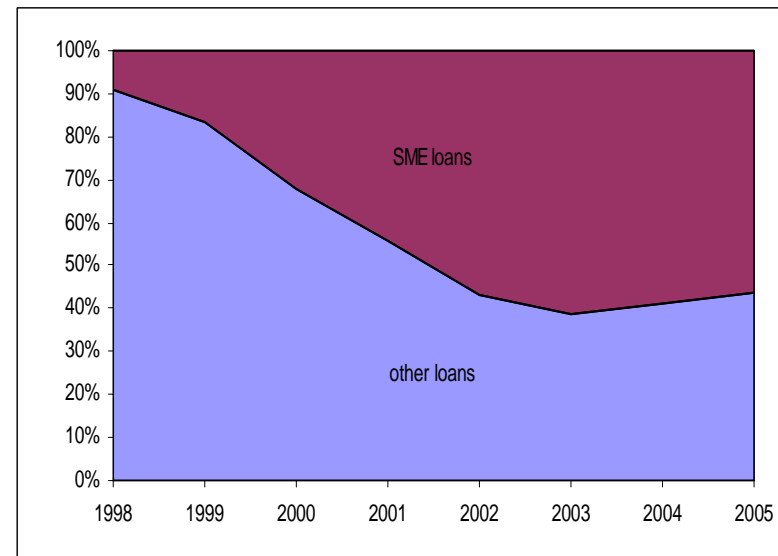
Role of EFBH and EFSE

- Credit facility
Funds for SME lending
- Technical facility
Training and consultancy for institutional
capacity building

Evolution of SME Lending



No of active clients



Loan Portfolio

Future of MIKROFIN

- Lending activities

Quick loans

500 – 5000 KM (250 – 2500 EUR)

Agro loans

1000 – 30000 KM (500 – 15000 EUR)

SME loans

5000 – 50000 KM (2500 – 25000 EUR)

Future of MIKROFIN

- Consultancy and BDS
 - Agro Segment
 - SME Segment
- Leasing
 - Agro Segment
 - SME Segment

Future of MIKROFIN

- Micro Insurance