

# The Role of BMT in The Development of Productive Community in Indonesia

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# Objectives

- The BMT model
- Performance and Achievement
- Plan and potential collaboration

# BMT



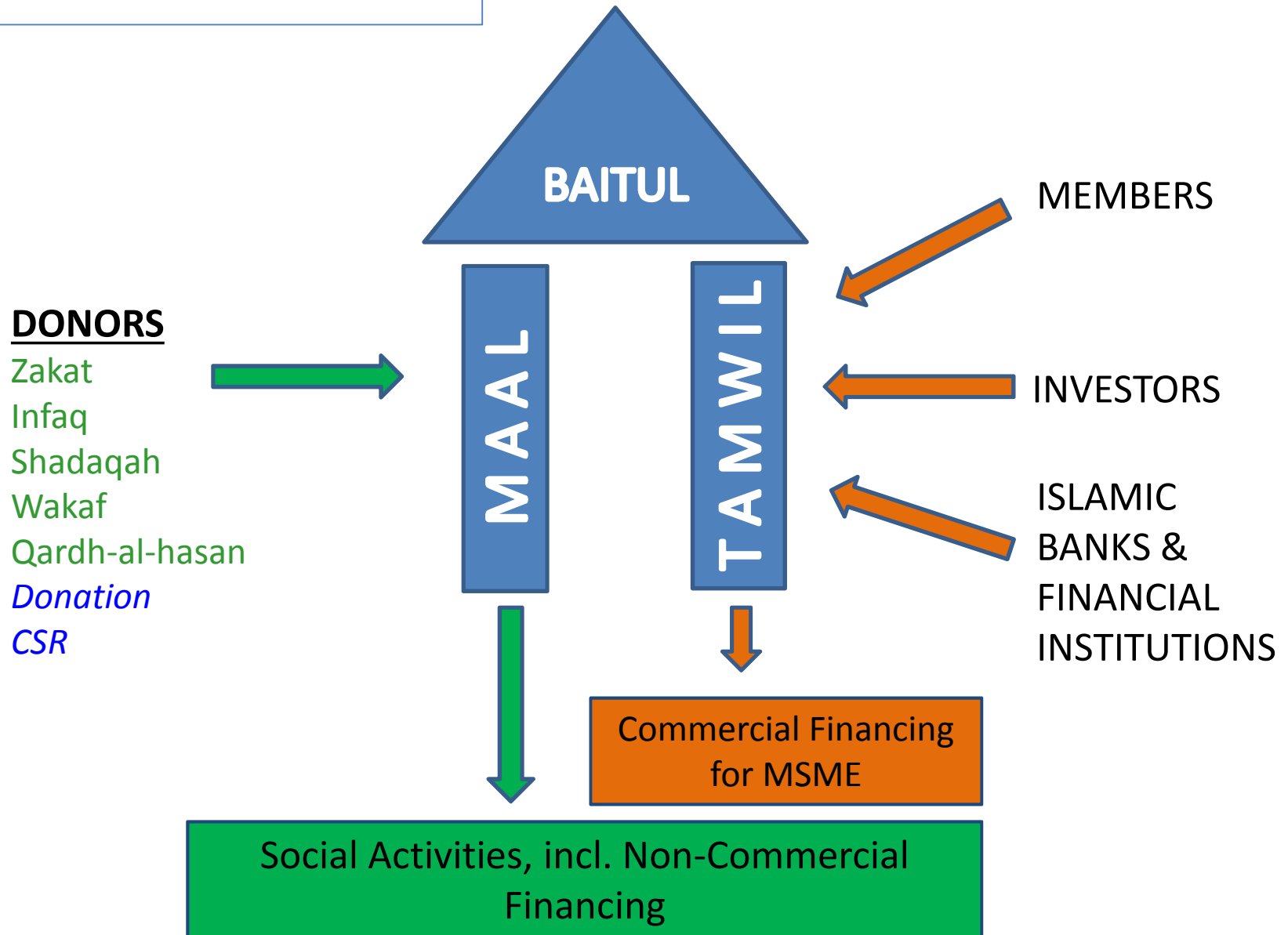
## Baitul Maal wat Tamwil

The House of Social and Business

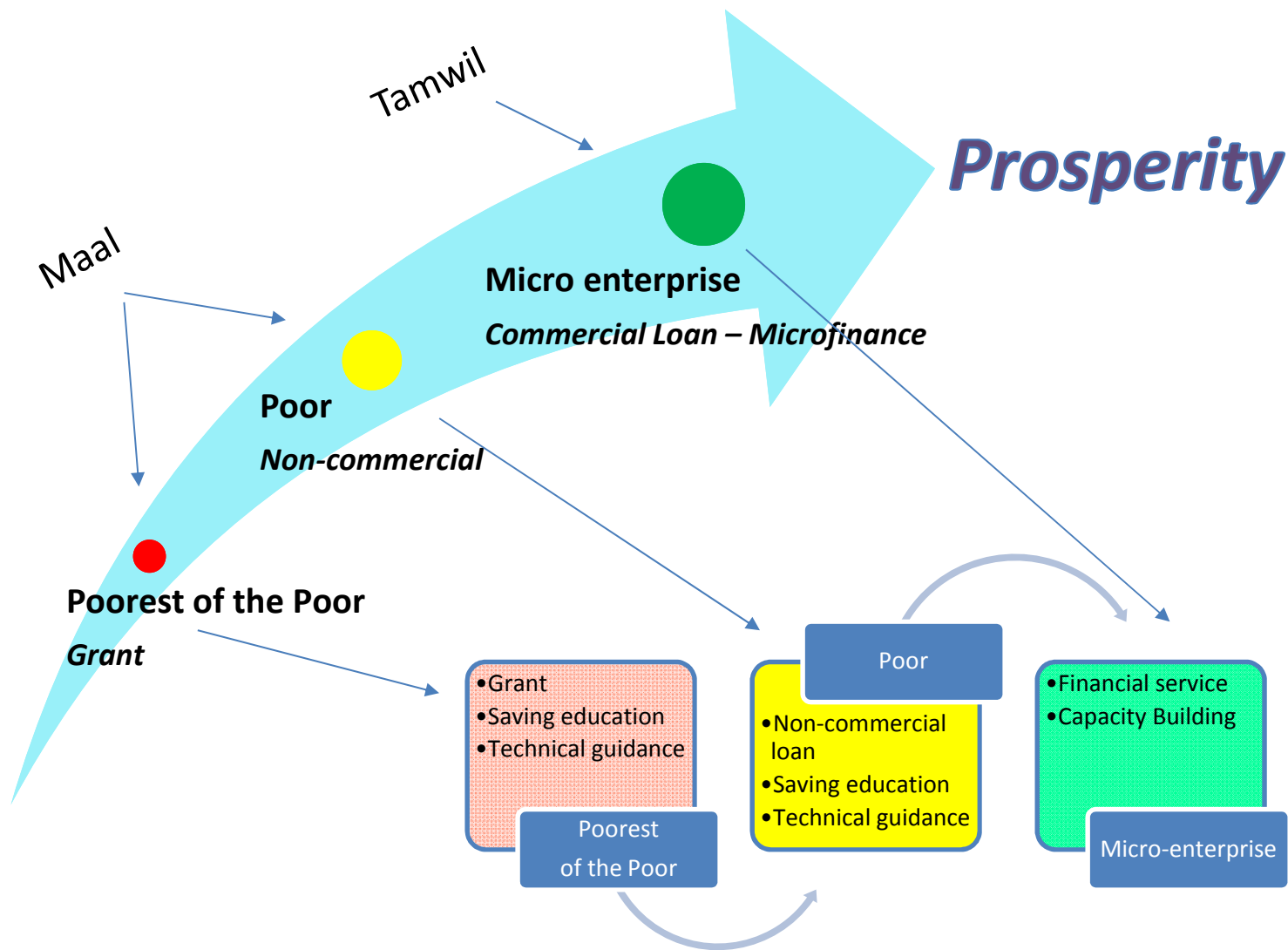
*Indonesia's model of Islamic "social" microfinance*

- ✓ Supporting the poor to help themselves, to be productive, to be independent, through various programs, not only basic microfinance services.
- ✓ Established independently by the people.
- ✓ Legal form : Cooperative, under the supervision of Ministry of Cooperative and SME of Republic of Indonesia.

# The BMT model



# The BMT model



## How we serve the community :

1. Start from saving
2. Customized products & services through many BMTs
3. Social / philanthropy activities

# 1. Start from saving

*Simple, affordable,  
reliable, comfortable*



## 2. Customized products & services through many BMTs



*Each sector has unique conditions and needs, consequently they need unique financial products specially designed for them.*



# 3. Social / philanthropy activities

Education



Infrastructure



Disaster  
Recovery



Healthcare



Various social activities to support the communities to be more productive.



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**PBMT**

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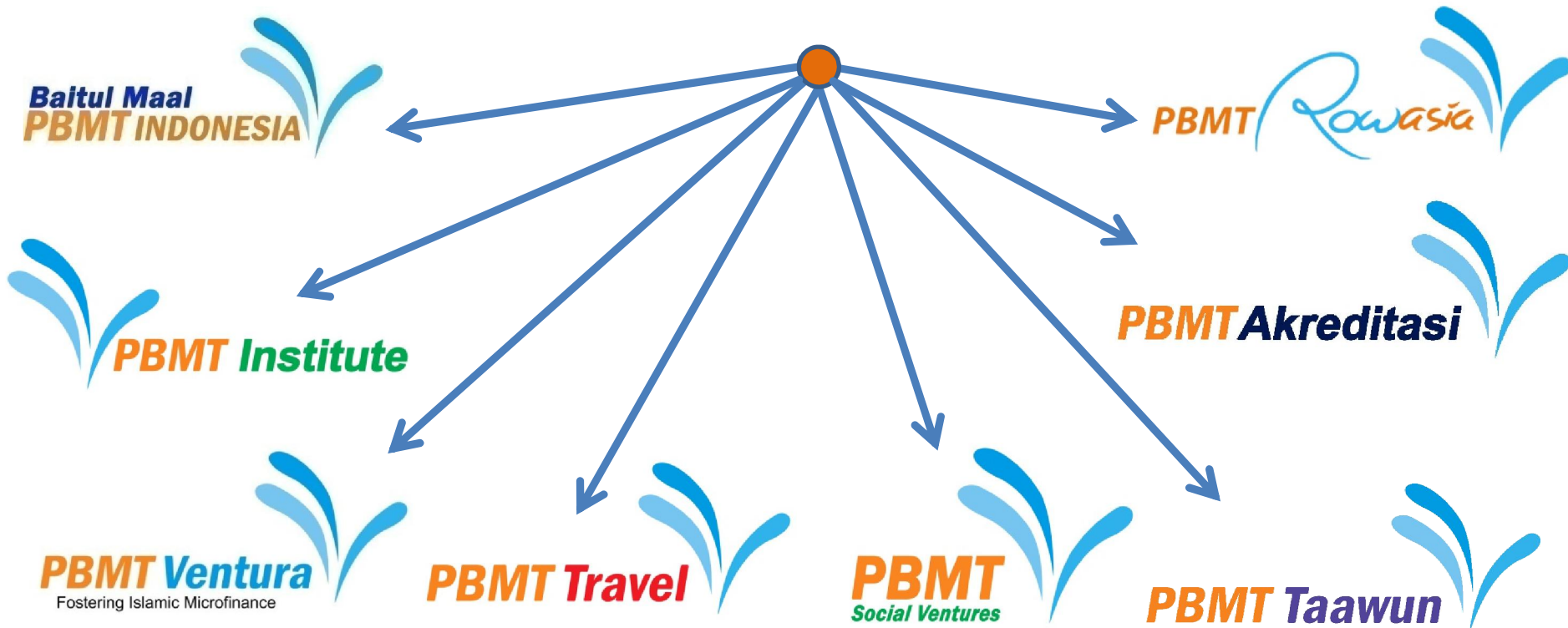
**BMT Union of Indonesia**

To support the growth of the members  
(screened & selected BMTs)

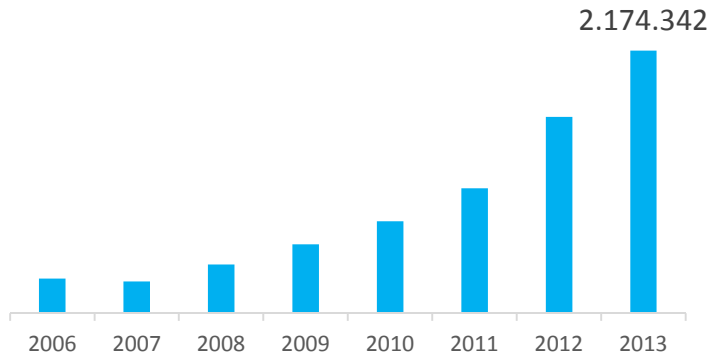
- 564 BMTs as active members
- > 800 offices
- > 12,000 employees
- > 2 million beneficiaries

# INFRASTRUCTURE TO SUPPORT BMT

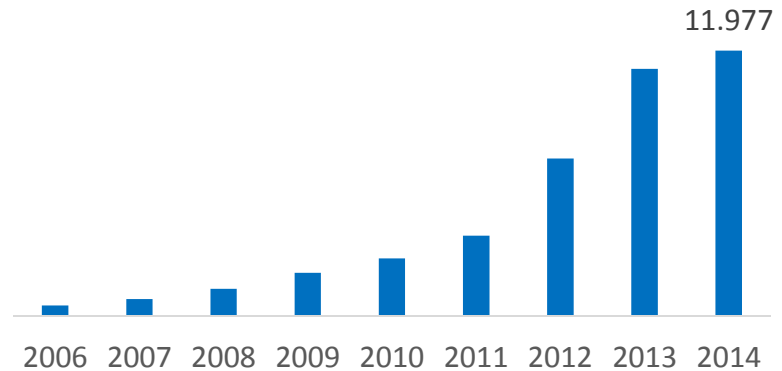
## Perhimpunan BMT INDONESIA



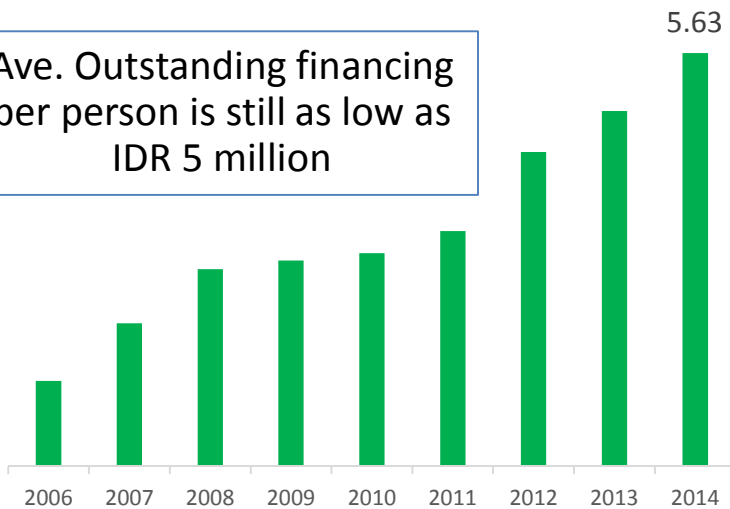
More than 2 million beneficiaries



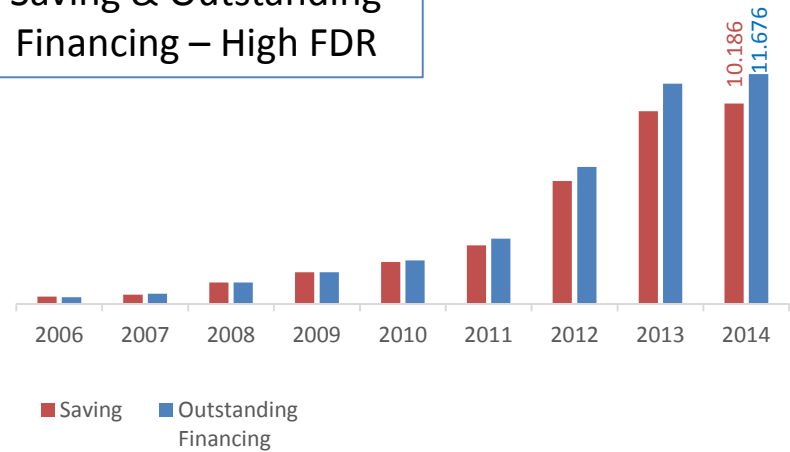
Assets exceeds IDR 11 trillion



Ave. Outstanding financing per person is still as low as IDR 5 million

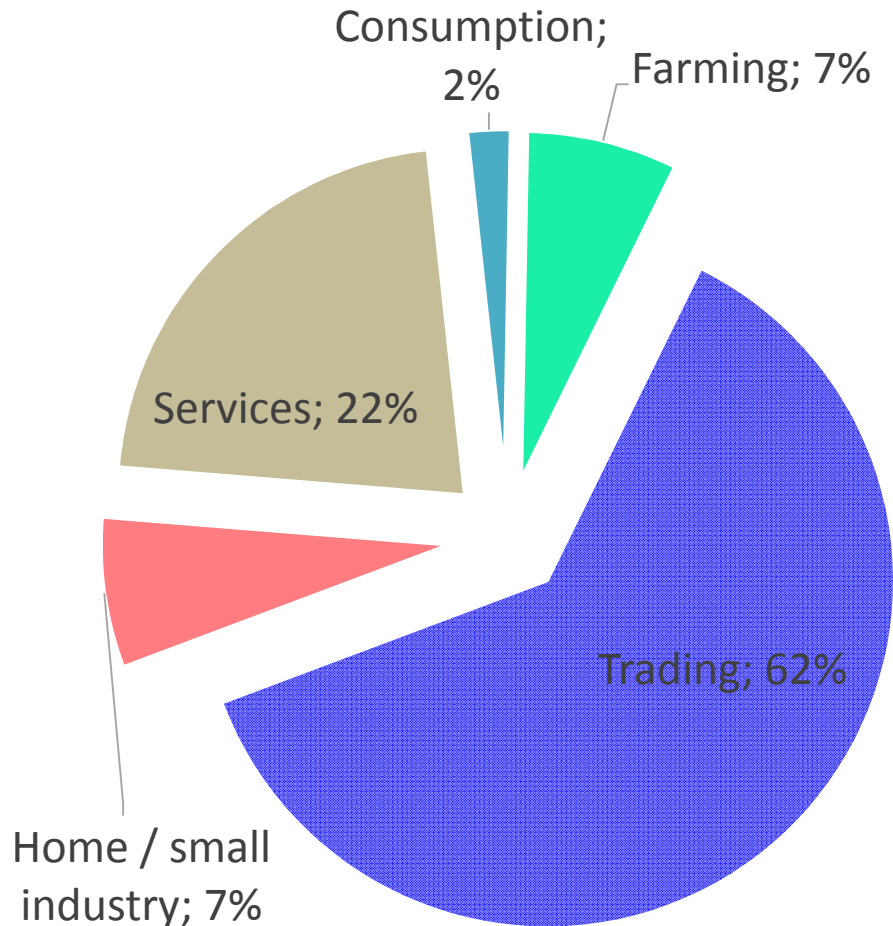


Saving & Outstanding Financing – High FDR



Source : Perhimpunan BMT Indonesia (PBMT), 2015

# Composition of financing portfolio



Trading 62%

Services 22%

Farming 7%

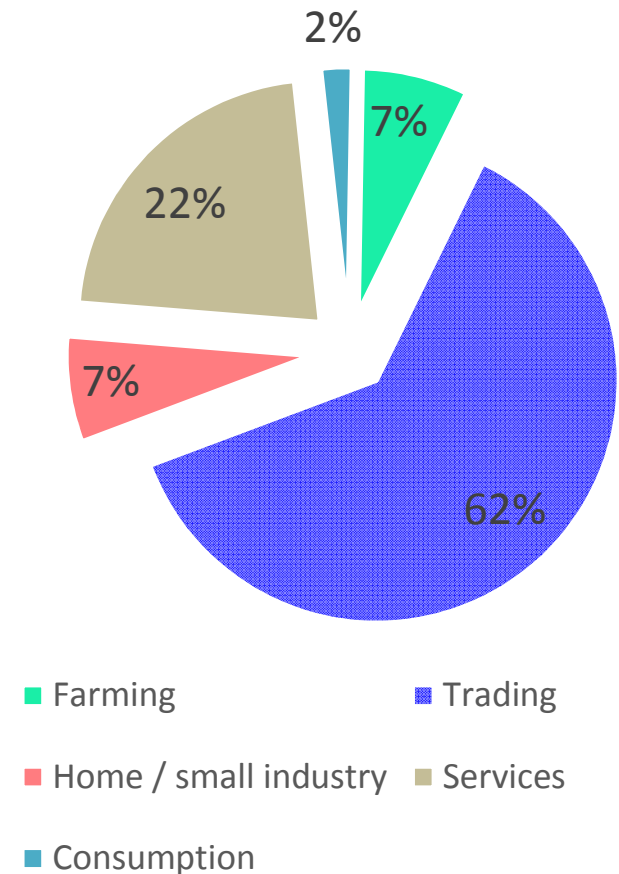
Home/small industry 7%

Consumption 2%

Source : Perhimpunan BMT Indonesia (PBMT), 2015

# Plan for the future

- BMTs will enlarge the portions for farming and home/small industry in their financing portfolio with profit-loss sharing scheme.
- BMTs will improve their services to those sectors by developing special schemes which are in line with the unique needs of those sectors.
- BMT will improve their social portfolio with their own fund or other parties to alleviate poverty together, with zakat, infaq, donation, crowdfunding, etc.



# Summary

- *Financial inclusion is about creating access “for” the community, not “to” the community.*
- *The truly financial inclusion must be able to reach the bottom of the pyramid, and this can only be done by commercial funds and social funds which are well integrated. Without social funds, the bottom of the pyramid will be left behind.*
- *BMT have been doing financial inclusion since decades ago. They are on the right track, and they need your support to grow and scale-up.*
- *Financial inclusion is about making the community to be more productive, not to be more consumptive.*

# *Let's support them...*

*With your social funds (zakat, infaq, shadaqah) to reach the bottom of the pyramid.*

*With your "profit-loss sharing" based impact investment, to lift them up to the next level.*

*Thank you*

**PBMT Ventura**  
Fostering Islamic Microfinance

