

PN ABX 423  
ISBN 97400

**Where the  
Microfinance  
Revolution Began:**

**The First 25 Years  
of the Bank Dagang  
Bali, 1970-1994**

*GEMINI Working Paper No. 53*

# **GEMINI**

**GROWTH and EQUITY through MICROENTERPRISE INVESTMENTS and INSTITUTIONS**  
7250 Woodmont Avenue, Suite 200, Bethesda, Maryland 20814

**DEVELOPMENT ALTERNATIVES, INC. • Michigan State University • ACCION International •  
Management Systems International, Inc. • Opportunity International • Technoserve • World Education**

**Where the Microfinance Revolution Began:  
The First 25 Years of the  
Bank Dagang Bali, 1970-1994**

by

Marguerite S. Robinson  
Harvard Institute for International Development

September, 1995

This work was supported by the U. S. Agency for International Development, through core funding to the Growth and Equity through Microenterprise Investments and Institutions (GEMINI) Project, Contract No. DHR-5448-C-00-9080-01.

## ACKNOWLEDGEMENTS

The author would like to thank I Gusti Made Oka and Sri Adnyani Oka, the founders and owners of BDB, to whom she is deeply indebted. She has learned much from them both about BDB and about the role of sustainable microfinance in social and economic development more generally. She is grateful also to the many people at BDB who helped in this work. Special appreciation goes to Putu Indra Suryatmaja and Yus Wahyu Sutisna for their help in assembling and checking the data used here. The author is grateful to the agencies that funded this work: the Calmeadow Foundation of Toronto; GEMINI, a centrally-funded USAID project in Bethesda, Maryland; and the Harvard Institute for International Development.

**WHERE THE MICROFINANCE REVOLUTION BEGAN:  
THE FIRST 25 YEARS OF THE BANK DAGANG BALI (1970-1994)**

by

**Marguerite S. Robinson  
Harvard Institute for International Development**

**TABLE OF CONTENTS**

- I. THE MICROFINANCE REVOLUTION
- II. THE HISTORY AND PHILOSOPHY OF THE BANK DAGANG BALI
- III. BDB: ORGANIZATION, INSTRUMENTS, AND SERVICES
- IV. BDB'S PERFORMANCE: 1970-1994
- V. BDB'S CLIENTS
- VI. CONCLUSIONS

**REFERENCES**

**LIST OF TABLES**

- 1. Indonesian Rupiah/U.S. Dollar Exchange Rates, 1970-1994
- 2. Profit and Loss Statement, 1970-1994
- 3. Balance Sheet, 1970-1994
- 4. Deposits, 1970-1994
- 5. Credit, 1970-1994
- 6. Size Distribution of BDB Loans and Deposits, 1994

## I. THE MICROFINANCE REVOLUTION<sup>2</sup>

Most people in the world do not have access to institutional financial services, either for credit or for savings. Despite widespread demand, it is estimated that institutional finance is unavailable to about 90 percent<sup>3</sup> of all households in developing countries.<sup>4</sup> This, of course, includes nearly all the poor people in the developing world. The massive gap between supply and demand occurs primarily because the demand for institutional commercial microfinance is invisible to potential suppliers or because the latter believe that meeting this demand institutionally would be unprofitable. Since there is little incentive to supply an unrecognized demand, or one that is considered unprofitable, the level of institutional commercial microfinance globally has remained at a very low level.

Microfinance refers to small-scale financial services provided to people who farm or fish or herd; who operate small or microenterprises where goods are produced, recycled, repaired, or traded; who provide services; who work for wages or commissions; who gain income from renting out small amounts of land, vehicles, draft animals, or machinery and tools; and to other individuals and groups at the local levels of developing countries, both rural and urban.

---

<sup>2</sup> Parts of Section I are adapted from Robinson 1995 (forthcoming).

<sup>3</sup> See Christen, Rhyne, and Vogel (1994); Rosenberg (1994). This point was also made by Jean-Francois Rischard, Vice-President, Finance and Private Sector Development, the World Bank, in an address to a workshop on "The Efficient Promotion of Small Enterprises," organized by the Fundacion para el desarrollo sostenible en America Latina (FUNDES) in Interlaken, Switzerland, September 18, 1993.

<sup>4</sup> Indonesia and Bangladesh are exceptions.

Commercial institutional microfinance - or what is now becoming known internationally as the 'microfinance revolution'<sup>5</sup> - was begun in 1970 by the Bank Dagang Bali. BDB is probably the oldest licensed bank in the world providing continuous commercial financial services profitably to lower-income clients. The first private bank in Bali, BDB has been owned and managed for the past 25 years by its founders, Mr. I. Gusti Made Oka and Mrs. Sri Adnyani Oka, husband and wife. The Okas began the bank with little capital and no formal banking experience. However, they had extensive experience in local markets and in local finance. Mr. Oka was an informal-sector tailor, while Mrs. Oka participated locally in the informal financial market. They knew that the microfinance market is profitable and they knew, also from personal experience, that the poor can benefit greatly from conveniently available commercial financial services.

The Okas opened an informal 'market bank' (bank pasar) in 1968 with \$350; with the profits, they opened the Bank Dagang Bali in 1970. BDB has provided microfinance services at the local level on Bali since then, and more recently in parts of Java as well. The bank has been profitable every year since 1971; as of 1994, BDB's assets are about \$112 million.

The Bank Dagang Bali began with an idea - that the demand for financial services by the working poor can be supplied by institutions providing commercial finance profitably, and that these services could have an important effect on social and economic development. This was a new idea in 1970 when the Bank Dagang Bali opened its doors and began to provide commercial microfinance to lower-income people.

---

<sup>5</sup> Maria Otero, chair of the international Micro Finance Services Network, at the MFSN annual meetings in South Africa in 1994.

In the succeeding 25 years, a new, sustainable approach to microfinance has been developed and demonstrated in Indonesia and in a number of other developing countries. During the 1980s, commercial microfinance was developed very successfully on a large scale in Indonesia by the unit banking system of the Bank Rakyat Indonesia (BRI),<sup>6</sup> and on a smaller scale by the BDB and several non-bank financial institutions.<sup>7</sup> It has been demonstrated in Indonesia that financial institutions can provide credit profitably at about 10 to 20 percent of the interest rates that lower-income borrowers can obtain from the informal commercial credit market.<sup>8</sup>

In most of the developing world, however, the lack of access to institutional commercial finance unnecessarily limits the options and lowers the financial security of poor people throughout the world. While moneylenders the world over know that microfinance is profitable, banks have consistently shunned small-scale financial services delivered at the local level. The main exception is the subsidized rural credit programs that have proliferated in developing countries during the last several decades. Such programs, however, are funded by subsidized

---

<sup>6</sup> For the development of BRI's unit banking system, see Development Program Implementation Studies Report on Rice Intensification (1983); Robinson and Snodgrass (1987); Patten and Snodgrass (1987); Sugianto (1989, 1990a, 1990 b); Robinson (1992, 1994a, 1994b, 1995a, forthcoming 1995b); Bank Rakyat Indonesia (1990, 1994); Boomgard and Angell (1990); Patten and Rosengard (1991); Snodgrass and Patten (1991); Martokoesoemo (1993); Schmit (1991); Sugianto, Purnomo, and Robinson (1993); Gonzalez-Vega (1992); Boomgard and Angell (1994); Hook (1995). For comparative studies including BRI's unit banking system, see Yaron (1992a, 1992b); Otero and Rhyne (1994); Rhyne and Rotblatt (1994); and Christen, Rhyne, and Vogel (1994).

<sup>7</sup> For example the Badan Kredit Desa (BKD) in Java and Madura; the Badan Kredit Kecamatan (BKK) in Central Java; and the Lembaga Perkreditan Desa (LPD) in Bali.

<sup>8</sup> For example, BRI lends profitably nationwide at the local level in Indonesia at 1.5 percent per month flat interest rate on the original balance (about 33 percent annual effective interest rate). BDB lends at a slightly lower rate (about 30 percent annual effective rate for most loans). In contrast, moneylenders in Indonesia, and in many other developing countries, charge interest rates ranging from 10 to over 30 percent per month flat rate, with the higher rates generally going to the poorer borrowers who have no better alternatives. See Robinson (1994a) for documentation.

loans or grants from governments or donor agencies, and are necessarily capital constrained.

Subsidized loan programs cannot meet demand for credit. In addition, subsidized credit, being both desirable and capital constrained, often reaches the local elites who have the influence to obtain these loans offered at below-market interest rates - rather than the poor for whom they were intended. Arrears are frequently high, as are losses to the lending banks and the subsidizing agencies. Also, credit subsidies provided to borrowers at the local level tend to discourage institutional savings mobilization. This occurs because regulations often require that the interest rates charged for subsidized loans are lower than the interest rates paid on deposits, thus providing a negative spread and a disincentive for the institution to capture savings. Thus, institutions providing substantial subsidized credit cannot become profitable financial intermediaries. They remain donor- or government-subsidized and hence capital constrained. The result is that local demand for financial services - both credit and savings - cannot be met.

Microfinance as a commercial institutional activity has been generally perceived by policymakers and by the formal financial sector as unimportant for the economy, unprofitable for financial institutions, and unnecessary for the poor. This remains the prevailing view in most developing countries today.

However, the new approach to microfinance pioneered in Indonesia is beginning to stand conventional wisdom on its head. Microfinance, it turns out, can be commercial, profitable, and institutionally viable. Since the massive demand for institutional microfinance worldwide is far too large to be met by donor or government funds, the only way it can be met is through profitable financial intermediation.

Where available, financial services help lower-income people to manage their household

and business activities and to improve the quality of their lives and those of their dependents. Savings services permit people to store permanent, seasonal, or temporary excess liquidity safely for future use, and to obtain returns on their assets. Credit services enable the use of anticipated income for present investment or consumption. Sustainable institutions supplying microfinance increase the options of the working poor by helping them to decrease risks, to obtain higher returns on investment, to improve management and productivity, to escape or decrease exploitation by the locally powerful, and to conduct their businesses with dignity.

There are good reasons that institutional commercial microfinance delivered at the local level developed first in Indonesia. The country has had good economic management and political stability for over 25 years. A considerable share of the wealth gained from the oil booms of the 1970s was invested in agriculture, infrastructure, education, health, and family planning. Those investments laid the foundations for the achievements of the 1980s, including the attainment of rice self-sufficiency, employment creation, real per capita income growth, and substantial rural development. Inflation has been kept below 10 percent. Major financial, tax, trade, and investment reforms were undertaken during the 1980s, in anticipation of a leveling-off or decline in the real value of oil revenues, which accounted for nearly three-quarters of Indonesia's total dollar earnings from exports in 1984. The results of these reforms, in conjunction with the country's relatively conservative borrowing policy (which permitted debt expansion during the oil price collapse of 1985-86), and the accomplishments of its more recent export diversification strategy, contributed significantly to Indonesia's economic growth. A crucial aspect of the decision to emphasize the rapid increase of non-oil exports, including export of manufactured goods, was the recognition that a competitive economy and new sources of investment would

be required. As part of the wider emphasis on financial reform in the mid-1980s, banks were encouraged to introduce new products and requirements for opening branch offices were relaxed.

The Bank Dagang Bali has benefitted not only from Indonesia's growth and development, but also from Bali's thriving economy - to which BDB has also contributed. The province is characterized by high export growth, substantial tourism, rapid rural employment and income growth from agriculture, fishing, and garment and handicraft production. Throughout Bali, BDB is well known - both as a secure bank with conveniently located branches, and as one that helps lower-income people to develop their productive activities and to earn income on their savings.

Other countries have begun recently to adapt lessons in microfinance from Indonesia. Banks and other financial institutions in Bolivia, Colombia, Costa Rica, the Dominican Republic, Ecuador, Egypt, the Cameroons, Kenya, Senegal, South Africa, Bangladesh, India, the Philippines, and others have established profitable microfinance programs or are in various stages of becoming self-sufficient providers of commercial microfinance. Many have visited both BDB and BRI in Indonesia to learn about profitable financial intermediation at the local level.

While most of the population of developing countries still lacks access to institutional finance, commercial microfinance has been proven to work well in a wide variety of environments. The shift from government or donor-subsidized credit delivery to profitable financial intermediation at the local level has begun to be called the 'microfinance revolution' because it has enabled, for the first time ever, the demand for microfinance to be met on a large scale. In this context, the formal financial sector has begun to realize that financing the poor can be both economically and socially profitable, and that microfinance is one of the largest unsupplied markets in the world.

## II. THE HISTORY AND PHILOSOPHY OF THE BANK DAGANG BALI

The story of BDB, the bank that began the microfinance revolution, is to a large extent the story of Mr. and Mrs. Oka (photographs 1 and 2). The bank cannot be understood without first understanding the Okas. I Gusti Made Oka was born in a village near Gianjar, Bali in 1932. His father died when he was three years old; three years later his mother remarried and moved away. Mr. Oka became an adopted grandson of the elderly woman for whom his father had worked as a servant. He grew up in her home, working in the house and on her fields. His adopted grandmother sometimes allowed him to go to school, but she could not pay his school fees. However, the teacher permitted him to follow the lessons. Although he could attend school only sporadically, the young Oka did well and was later admitted without fee.

When he was eight years old, he went to the local priest and volunteered to clean the temple in the mornings before school. The priest said, "That is a good idea. The Gods will bless you." Oka replied, "That would be wonderful, but I also would like to have coconuts and flowers from the temple trees." The priest agreed, and Oka sold these for pocket money and school supplies. Oka graduated from primary school, but he could not afford further study. Instead he learned to sew, and he became a tailor in his village. He then moved to Gianjar, the nearby market town, and became an apprentice to a tailor there. In 1951 he moved to Denpasar, the capital of the Province of Bali, where he began to work as an employee in a tailoring shop. A year after arriving in Denpasar, Mr. Oka rented a room and opened his own tailoring shop which doubled as his living quarters. Since he did not have a sewing machine, he sewed by

hand. His skill increased, and he received an order from the Secretary to the Governor of Bali. That, in turn, led to a larger order to make the drivers' uniforms for the Balinese government. He was then able, in 1952, to approach the BRI branch in Denpasar to ask for a loan of Rp 500 to buy a sewing machine. The sewing machine cost Rp. 1350; he had saved Rp. 850 and the BRI lent him the Rp. 500 he requested. With the machine, his profits began to increase and he was able to repay the loan and employ assistants. Mr. Oka deposited savings regularly in BRI - which, since he had a BRI loan, he considered to be his bank.

Soon after moving to Denpasar, Mr. Oka had begun attending night school where he studied accounting and English. At night school he met his future wife.

Sri Adnyani Oka was born in 1936 in a village in Bali. After graduating from the neighborhood primary school, she began volunteer work at the local hospital, delivering medicine to patients. She attended a school that prepared students for secondary studies, and she wanted to continue her education. However, her parents did not believe in further education for girls and did not give their permission for her to attend secondary school. In 1951, she hitched a ride at night on a truck headed for Denpasar. She stayed with a friend there and found a job as a typist in the pharmacy section of the Health Department. She then joined night school, where she met Mr. Oka; they were married in 1955.

Shortly after their marriage, Mrs. Oka inquired from her husband how much annual interest they were receiving on their BRI savings account (5 percent). She said, "I can earn more than that by lending our money to friends. People want short-term loans, and I can lend out the same money many times during one year." Mrs. Oka began to lend their savings to friends, and Mr. Oka kept the accounts. Soon there was more demand for loans than the Okas' savings could

meet. However, they were well known and trusted in the community. Therefore, when they had a request for a loan from someone they knew and trusted, they could link the potential borrower with one of a number of people who trusted the Okas' judgment and who had excess liquidity.

In order to protect the lender, Mrs. Oka required the borrower to provide gold as collateral; she held the collateral in case the borrower defaulted. In order to comply with Indonesian law, Mrs. Oka purchased the gold. The sales slip recorded the weight and karat of the gold, and stated: "This gold was sold by 'A' to 'B' for x amount. 'A' can purchase this gold within one month for y amount (x plus charges). After one month, 'B' can sell the gold in the market." There was large demand for this service, and profits were split evenly between the Okas and the person who provided the capital. Mrs. Oka also accepted deposits on which she paid interest.

In 1956, Mr. Oka borrowed Rp 10,000 from Bank Perniagaan Umum. The bank's rule at that time was that borrowers must become shareholders. Accordingly, Mr. Oka was required to pay 10 percent of the loan in order to become a shareholder of the bank. The following year, he attended the shareholders' meeting - an experience that had a major effect on his thinking. As he put it, "We already knew that when a person we trusted needed to borrow money, we could go to someone who had money and arrange the transaction. At the 1956 shareholders meeting, I learned that this is what banks do. From that time on, I thought constantly about how to obtain a bank license."

The Okas had very low operating costs in their informal financial activities. Mrs. Oka went by bicycle to visit both those who needed to borrow, and those who had excess funds on hand, and Mr. Oka did the accounting. She also continued her work as a typist, while he

continued his tailoring business and graduated from night school. They also began raising a family and eventually had 10 children, of whom 8 survive.

The Okas did well in the informal financial market, and in 1968 with Rp 100,000 (about \$350), they opened an informal 'market bank' (bank pasar) in a 2 by 4 meter room located in a building in a Denpasar market. The other assets of the Okas' Bank Pasar Umum (BPU) consisted of two desks, a typewriter, and a bicycle.

There was high inflation then, and interest on deposits was normally stated as a monthly rate. Government banks offered 6 percent per month interest on savings, while private banks offered 7 percent per month. The Okas installed a telephone in their tiny office and took a full-page advertisement in the newspaper stating:

"If you deposit Rp 100,000 now, you will have Rp 204,000 next year. Your profit will be more than your principal. But if you want interest every month, BPU will pay you 8 percent a month. Do not move from your house. Just call as at this telephone number. We will come to your house."

Many new customers came as a result of the advertisement. On the lending side, the BPU provided loans for a one-month term, with interest of 8 percent a month and a 3 percent fee for each loan. They collected loan repayments in daily installments, and immediately re-lent the capital. Since the BPU office was tiny and would probably not have inspired confidence on the part of their clients, the Okas and their three employees normally went to the customers, rather than having the latter come to the BPU.

The Bank Pasar Umum became profitable very quickly. The BPU worked because the Okas, with their knowledge of local markets, knew that they could lend out the deposits at a profit. They knew how few options there were for microenterprises and for lower-income people who wanted loans. They knew how large the demand would be for BPU loans, and they also

knew that they could undercut the moneylenders by a wide margin - which would be beneficial both to the BPU customers and to the BPU.

By 1970, two years later, the BPU had made Rp 15 million in profits (about \$41,345). The Okas decided to open a private bank in addition to the BPU (which still continues in operation). For this purpose, they borrowed Rp 5 million (about \$13,782) from the Bank Pembangunan Daerah. With this initial capital of Rp 20 million (about \$55,127), the Okas opened the Bank Dagang Bali - the first private bank in Bali.

Aware that they knew much about the local informal financial market but little about bank management, the Okas consulted three retired BRI employees who agreed to take supervisory positions at BDB. One was made BDB Chairman, one the head of the Credit Section, and one the head of Operations. Mr. Oka became BDB's President-Director. Mrs. Oka continued her work with clients, emphasizing savings mobilization and customer relations.

BDB opened on September 4, 1970, with 30 staff members, in a rented office in the center of Denpasar. The bank grew rapidly (photographs 3-8). As of December 31, 1970 BDB had assets of about \$162,000; by December 31, 1971, a year later, the bank had assets of about \$607,000, and had made a profit of about \$7650. In 1972 BDB purchased an office building in downtown Denpasar. In the same year BDB obtained a technical consultant from the International Executive Corps Service of the United States, who helped the bank to improve its management. BDB was selected by the Indonesian government in 1974 to be the first private bank to channel credit to smaller borrowers under the supervision of Bank Dagang Negara, a state-owned bank. Subsequently BDB continued acting as a channeling agent for government credit for smaller borrowers, but without state bank supervision.

A decade after it opened, as of December 31, 1980, BDB had assets of \$10.7 million and had made a profit that year of about \$83,000. Creative financing and a knowledge of the market have consistently marked BDB's development. For example, until the mid-1980s, BDB was prohibited by government regulations from opening branches. Knowing, however, that there was considerable demand for BDB services in other areas of Bali, the Okas bought an old, large car from Bank Indonesia, the central bank. This car became a BDB mobile bank; announcement was made that at a particular time on a particular day, the car would be at a certain place. Clients came to that place and carried out their transactions at the mobile bank. This worked well because the BDB reputation had spread and the bank was already known and trusted. BDB carried out profitable financial intermediation from its mobile bank until the government regulations changed in 1988, permitting banks to open branches. BDB opened branches immediately after the change in regulation; these branches rapidly became profitable because they already had a large client base in the mobile branch customers. In 1987 BDB was the largest corporate taxpayer in Bali; in 1988 BDB was the second largest corporate taxpayer in the Eastern Indonesia Region.

Nearly twenty-five years after BDB began, as of the end of 1994, the bank has about \$91 million in deposits and about \$76 million in loans outstanding. BDB assets, excluding those held in the name of the Okas, were about \$112 million as of the end of 1994. The bank, still solely owned by the Okas, has been profitable every year since 1971. During the 1990s, annual profits have ranged from about \$1 to \$1.7 million. In addition to the BDB, the Okas also own hotels, a bus service, a travel agency, and considerable real estate.

Since 1979 BDB has provided scholarships each year to poor students in Denpasar high schools and universities. About 800 students have so far received BDB scholarships. BDB also provides funds for the education of needy primary school pupils in Mr. Oka's village. In addition, the bank contributes rice and other food to orphanages. The Okas have also established a private foundation that provides support both for the needy and for the best students in Mr. Oka's village.

As President-Director of the Bank Dagang Bali, I Gusti Made Oka has managed the growth of the bank prudently, and with broad vision. His teachings and his example have spread widely. Mrs. Oka provides for BDB an insiders' knowledge of the local financial market, and has imbued the bank with her indefatigable work and indomitable spirit. In 1994 Mrs. Oka was awarded Indonesia's national honor given to women for lifetime achievement. BDB has been built on a personal approach to customers, and Mr. and Mrs. Oka know well both their customers and their markets.

Financial institutions that provide services to microenterprises and other lower-income people frequently develop and articulate an institutional philosophy. There is considerable overlap in the 'cultures' of such institutions; these include components of trust, service, loyalty, institutional reputation, and contribution to social and economic development. Nevertheless, each has its own special emphasis: BDB's philosophy is one that emphasizes balance.

BDB's philosophy is that in order for the bank to achieve harmony, loyalty, and profitability, five components must be balanced: investors, staff, customers, the government, and the community. As Mr. Oka says:

"Business means serving. We must serve the investor and respect the capital that is invested. We must also serve the employees; we do this in a number of ways, for example by establishing pension funds and retirement savings accounts. Customers must be given the best service possible. We serve the government by paying taxes promptly; BDB is one of the largest taxpayers in this region of Indonesia. BDB contributes to the community by providing scholarships to poor students and food to orphanages."

BDB culture also incorporates the idea that if the bank encourages savings and provides loans for the important things in life: house, education, health, and retirement, then "All members of the family will be happy with BDB. We serve the financial needs of all the generations."

### **III. BDB: ORGANIZATION, PRODUCTS, AND SERVICES**

#### **Organization**

The head office of Bank Dagang Bali, a large building built in 1993, is in Denpasar, Bali. Including the President-Director, there are three members of the Board of Directors. The bank has five divisions: (1) Credit, Marketing, and business development; (2) Planning, Automation, and Treasury; (3) Operations, Administration and Branch Supervision; (4) Personnel and General Affairs; and (5) International banking. As of the end of 1994, BDB has 779 employees, with approximately equal numbers of women and men.

BDB has a head office, 7 branches, 18 sub-branches, and 4 smaller offices that function as deposit collection points. All but two of the branches are in Bali; the other two, begun in 1990, are in Surabaya and Jakarta. In 1990, BDB was approved as a private national foreign exchange bank and began a joint venture with the Internationale Nederlanden Bank (ING) in Jakarta.

## **Products and Services**

### **Credit**

BDB provides loans of all sizes - from under \$100 to over \$100,000. Many of the large borrowers of the 1990s are long-term clients who began at BDB as small savers and borrowers during the 1970s. BDB's philosophy is to provide continued financial services to its good customers, whether their enterprises remain small or grow large.

Three types of loans are provided: (1) retail commercial loans; (2) consumer loans, classified as motor vehicle, housing, and personal loans; and (3) loans to larger private or corporate clients. BDB's annual 1994 interest rates on loans varied from 22 percent for prime customers to 36 percent, with the interest on most loans set at about 30 percent. Collateral of 150% to 200% of the loan amount is normally required.

Most BDB loan terms are for less than one year, but loans can be rolled over. Housing loans are primarily for land purchase and generally have terms ranging from 1 to 5 years. Five years is the maximum term for any loan. The loan appraisal process, the decision making, and the release of funds are generally accomplished within 3-5 days for new customers. Loans for old customers with good records can be processed in a day.

The percentage of loans more than three months overdue to total loans was below 1 percent as of December 31, 1994. Repayment has been consistently high throughout the bank's history, and the occasional writeoffs have been small.

Indonesian banks are required by the government to provide 20 percent of their total loan funds for Kredit Usaha Kecil (KUK), or Small Business Credit. BDB acts as a channeling agent for three such banks for KUK loans (up to Rp 25 million or about \$11,550). Interest rates to the

borrower on KUK loans channeled to BDB in 1994 were about 18 percent, although there was some variation among the three channeling banks. The borrower also pays an administration fee; 1 percent on a one-year loan is typical. BDB provides a small percentage of the loan funds, typically 10 percent, and receives a portion of both interest and fee. The percentage also varies by bank, but a common arrangement is that BDB receives 1 percent of the interest and 50 percent of the fee. In this way, BDB channeled about \$9.7 million to small and medium borrowers in 1994.

### Deposits

BDB is extremely active on the savings side of its microfinance activities, providing many services, including the maintenance of daily routes on which deposits are collected and withdrawals are paid out at the customer's home or place of work. The design and implementation of voluntary savings instruments and services for lower-income people are highly developed at BDB. Savings instruments are of three general types: time deposits, giro checking accounts, and passbook savings of different kinds. In 1994 general passbook savings, which are fully liquid, paid 12 percent interest per annum on the minimum monthly balance. There are also long-term passbook savings accounts for old age (which can be withdrawn at age 55); for students' education (which can be withdrawn at age 19); for housing; and for ceremonies; in 1994 these paid 15 percent interest per annum. Annual interest on giro checking accounts in 1994 was from 6 to 9 percent, in most cases paid on the minimum monthly balance. In a small minority of accounts, interest is calculated daily. Annual interest on rupiah time deposits in 1994 ranged from 15.5 percent for 1-3 - month deposits to 16.5 percent for 6-12 - month

deposits. Interest on time deposits in US dollars was 7.1 to 7.5 percent.

BDB holds a lottery drawing four times a year for all holders of passbook savings and giro accounts (photographs 7 and 8). The lottery, which has been held in BDB since 1971, is based on the Okas' knowledge of the psychology of smaller savers. Lower-income people in Bali, as in other places, are attracted to lotteries because these offer what is perceived as the only possibility of escaping from poverty. The Okas sought to satisfy this widespread interest in lotteries - but to remove the risk for the participants, while simultaneously encouraging them to save in the BDB. Therefore, each month every saver receives free of charge one lottery number per month for each Rp 10,000 (about \$4.63 in 1994) of his/her minimum monthly balance. The lottery, held four times a year, is hugely popular and very well-known throughout Bali. In the early years, the highest annual prize was a motorcycle; later the BDB offered a car, and then a house. Smaller prizes are also given at each lottery drawing.

BDB uses the lottery drawing as an occasion to provide information about BDB's instruments and services, and about the role of banking in social and economic development. Large prizes are delivered in the recipient's village, where the occasion is used as an opportunity for BDB public relations and as an opportunity to educate the villagers about banking.

Many other Indonesian banks, including BRI, have adapted the BDB lottery for their savings instruments. When BancoSol, a Bolivian bank for microenterprises, began its savings mobilization program in 1993, lotteries for depositors were adapted from BRI - which in turn had adapted these from BDB - were included in the instrument design. BancoSol's lotteries have become very popular in Bolivia.

BDB has three types of mobile savings teams that serve clients whose workplaces or homes are located in three approximately concentric circles around the BDB branch office (photographs 9-12). Each team consists of two people, either two women or two men. The teams cover a specified route every day; the purpose is primarily to collect savings from BDB depositors, but also to provide withdrawals and other banking services as needed by particular clients. Loans are normally handled at the branch office.

In each of the mobile savings teams, one member carries the money, while the other is responsible for the books. One savings team travels by foot, covering the areas nearest the branch. A second team travels by motorcycle and covers more distantly located clients. A third travels by car and is responsible for serving the most distantly-located savers of the branch. The daily routes are arranged to accommodate customers' wishes. Many customers make daily deposits; some save on specific days several times a week. Others save weekly, bi-weekly or monthly. Many customers have several BDB savings accounts which are either held in the names of different family members or are maintained for different purposes.

Depending on the route and the type of transport, a team can cover over 100 customers per day. BDB savings teams serve many employees in private enterprises and in government institutions. The team goes to the place of employment on payday and collects deposits from the employees. When BDB opened its branch in Jakarta, the mobile savings teams used successfully the techniques developed in Bali; BDB collects savings from the employees of many institutions in Jakarta, including the Ministry of Finance and Bank Indonesia, the central bank.

#### **IV. BDB'S PERFORMANCE : 1970-1994**

From the 1968 Bank Pasar Umum with its starting capital of \$350 to the 1994 Bank Dagang Bali with its \$112 million in assets, there has been a consistent record of providing microfinance services at the local level, and doing so profitably.

BDB has been profitable every year since 1971. Table 2 provides a summary BDB Profit and Loss Statement from 1970 - 1994. Profits were about \$7650 in 1971; about \$83,000 in 1980; and about \$1.7 million in 1990, before taxes.<sup>9</sup> Profits decreased temporarily in 1991 and 1992, primarily because of a government-imposed tight money policy which affected all banks in Indonesia. When the policy was changed, BDB's profits again began to increase to \$ 1.2 million in 1993 and \$1.25 million in 1994. The blended cost of funds for 1994 was about 16 percent and the profit margin about 3 percent.

Table 3 provides a summary BDB Balance Sheet for 1970-1994. BDB's assets have grown substantially from about \$162,000 as of December 31, 1970 to about \$112 million (excluding assets held in the name of the owners), as of December 31, 1994.

The amounts of BDB's outstanding loans and deposits since 1970 are shown in Tables 4 and 5. As can be seen in those tables, there has been a steady increase throughout the years in the amounts of both deposits and loans, with deposits continually predominating. As of December 31, 1994, BDB had about \$91 million in deposits and about \$76 million in credit outstanding. Loans in arrears over 3 months were below 1 percent as of that date. There is, however, a sharp contrast between the total number of loans (11,049) and the total number of

---

<sup>9</sup> 1985 was the first year that BDB was required to pay taxes on its profits. The 1990 profit of \$1.7 million is before-tax; the after-tax 1990 profit was \$1.1 million.

deposit accounts (346,033), reflecting both a state-of-the art knowledge of local-level savings mobilization and a relatively conservative loan policy.

In 1993, 81 percent of the loans and 47 percent of the value of the credit outstanding was in commercial retail loans; nearly all of these loans were provided for working capital. Corporate loans accounted for below 1 percent of the loans and 48 percent of the value of the loans. Twelve percent of the loans, but less than 1 percent of the value of the outstanding credit, was in consumer loans. The remainder was in channeling loans from other banks.

Table 6 shows that of BDB's 11,049 loans in December 1994, 7 percent of the borrowers account for 67 percent of the amount of outstanding credit. However, 65 percent of the loans were for amounts below about \$2310, and 93 percent were for amounts below about \$11,550.

BDB's 347,202 deposit accounts have an average account size of \$262, as of the end of 1994. Most of the money (66 percent) is in time deposits in 2 percent of the accounts. However, most of the accounts (98 percent) are in passbook savings which account for 27 percent of the value of the deposits. The remainder of BDB's deposits is in giro checking accounts.

The average time deposit account is about \$8359, and the average giro account is about \$5610. In contrast, the average passbook savings account is about \$72. Table 6 shows that for time deposit accounts, 45 percent of the accounts and 83 percent of the value of the deposits are in accounts above Rp 5 million (about \$2310). In contrast, for passbook savings, 96 percent of the accounts and 35.5 percent of the money are in accounts below Rp 1 million (about \$462).

BDB serves small savers very successfully, and its savings operations are internationally known. However, as can be seen from Tables 2 - 4, BDB is over-liquid, and recently the bank has begun increasing its lending operations at the local level. As a result, the loan/deposit ratio

increased from 69 percent in 1993 to 74 percent in 1994. BDB has been consistently profitable throughout its history, but it is likely that the bank can become more profitable if the credit side of its activities is expanded.

## **V. BDB'S Clients**

BDB's customers come from a wide variety of backgrounds and represent many types of economic activities. Many, probably most, have been poor at some time in their lives. A number of the longer-term clients have experienced considerable upward mobility during the past 25 years; they frequently attribute their economic development, in part, to the financial services and education obtained from BDB. Also included among BDB's clients are those who are presently in lower-income households, but who are aiming for a better future. Many BDB clients use other banks as well, both for savings and for loans.

In April 1994, the author accompanied the BDB mobile savings teams on their daily routes in six BDB branches on Bali. The transactions of 217 BDB clients were observed, and brief discussions were held with each. In addition, information was obtained from these clients about 142 of their employees - in instances in which the clients' employees were also BDB customers. Ten percent of the clients were then interviewed in more depth; these represented both sexes and a variety of socio-economic groupings, occupations, and ages. Because these data were collected by following BDB's mobile savings teams, there is a strong emphasis on depositors. However, some of the clients were also borrowers.

The BDB customers interviewed included producers of many types of goods (food, garments, jewelry, handicrafts, paintings, leather goods, etc); owners and employees in shops of all sizes selling these and other products (such building supplies, hardware, vehicles, electronics, cassettes, etc.); farmers; owners and employees in enterprises providing services (restaurants, hotels, tailor shops, barber shops, garages, etc.); government servants; and pensioners.

As is characteristic of Java and Bali generally, the households of most people interviewed had multiple income sources. Many households also have multiple passbook savings accounts. In addition to passbook savings, some also have fixed deposit and/or giro checking accounts, and some have long-term passbook savings accounts for retirement or children's education. Loan clients can choose to have their payments deducted from their savings accounts. Larger loan clients have lines of credit. One of the customers interviewed had won a house in the BDB lottery; another had won a motorcycle.

Many of the larger customers are long-term BDB clients. Near Denpasar this can mean more than 20 years (a few were originally customers of the Bank Pasar Umum). Elsewhere early clients are those who came to BDB when the branches were opened in the late 1980s, although a few were clients of the early mobile bank.

Many of BDB's savers are salaried employees, working in government or private offices. In one government school we visited, each of the fifteen teachers saves a small amount monthly in passbook savings accounts, and two also had long-term BDB retirement savings accounts with BDB. The BDB team visits the school monthly, collecting the teachers' savings from the school treasurer who deducts from the teachers' salaries the amounts to be saved. At a local office of

the Department of Health that was visited, the BDB teams make monthly visits, collecting savings from 49 employees.

Savings are also mobilized from employees in private businesses. In some cases, BDB collects deposits from both owner and employees at the same workplace. In other cases, the BDB savings team visits the homes of their clients who work as employees. A BDB team collecting savings from the wife of a hotel employee at their home is shown in photograph 19. A team collecting deposits at a small hotel is shown in photograph 9. The jar on the table contains the clients' eight BDB deposit books; two belong to the hotel owners and six belong to their employees. The jar also contains their bank books from several other banks.

Brief sketches of some of BDB's customers will be useful for an understanding of the range of BDB's clients and of the ways in which they use the bank's instruments and services.

Photographs 11-13 show BDB customers who operate microenterprises; such clients are usually sellers of cooked food, bottled drinks, snacks, and garments. Typically, they save regularly in BDB - often daily - in amounts ranging from \$1 to \$3 per deposit. A few have small BDB loans.

Photograph 11 shows a man who migrated to Bali from Java in 1973 and began in Bali as an itinerant peddler selling ice cream. By 1975 he was able to obtain a fixed place in the market where he has worked ever since. His average net daily income is about \$4. His wife sells local cosmetics and medicines as an itinerant peddler in the same market, and she earns about the same amount. This man has been a regular BDB saver for five years, and he usually makes deposits daily. He also has a savings account in a second bank. The couple uses their savings for their children's education (one child is in primary school, one in junior high, and one in high

school); for medical expenses; and for ceremonial occasions.

In addition to the savings account at BDB, this man is responsible for the savings of an organization of twelve ice cream sellers who are members of his extended family (the others are itinerant peddlars). The savings of the organization are deposited monthly in another BBB account.

The young man shown in photograph 13 sells sunglasses in a tourist area of Bali. He left his village in 1987 and became an itinerant peddler in the city, carrying his wares in a bag. With his profits, he was able to obtain a fixed location for selling and to invest in a larger amount of stock (shown on the board behind him). With the profits from his enterprise, he rented a room, brought his two brothers to the city, and found employment for them. His net income is about \$2.50 on an ordinary day and up to \$13 on a busy day. After he had a fixed selling location, he became a regular saver and has been served by the local BDB Savings Team for five years.

The BDB client shown in photographs 23 and 24 owns a small stand and sells snacks, soft drinks, cigarettes, and arrack (rice wine). He normally works 15 hours a day and has saved daily at BDB since 1989; he holds accounts in other banks as well. With his savings, he bought land and built a house. He rents the house to the local BDB branch manager (shown in photograph 24).

BDB also has many clients - both savers and borrowers - who can be generally categorized as owner-operators of small and medium enterprises. These clients are involved in a wide range of economic activities in the trade, production, and service sectors. Some examples:

The owner of the general store shown in photograph 14 has four BDB savings accounts (for different members of the family); he makes daily deposits in these accounts and also has accounts in other banks. The woman shown in photograph 22 owns a small general store; for 20 years she has been a BDB saver, making daily deposits. Several of her customers leave savings with her to deposit for them in their BDB passbook accounts when the BDB staff visit her shop.

The produce shop shown in photograph 15 sells vegetables and fruits. The owner has been a BDB customer for 15 years and has two BDB passbook savings accounts. In one account she saves daily; in the other, she saves monthly. The owner of the electrical shop shown in photograph 16 has three BDB savings accounts and makes deposits daily in each. He also has deposit accounts in other banks. Photograph 17 shows a BDB client who owns a clothing shop. He makes daily deposits into five BDB bank accounts (for different members of the family). He also has a BDB time deposit account and a BDB savings account for retirement. In addition, he has deposit accounts in several other banks.

Photograph 18 shows a woman who owns a garment-making enterprise, and her younger brother operates a petrol, oil, and kerosene shop in the adjoining room of the same building which they own. She employs six workers. She has two BDB passbook savings accounts. The man shown in photograph 20 raises chickens and supplies chicken parts to hotels and shops. He has a BDB loan and makes daily deposits into his passbook savings account from which his monthly loan installments are paid.

Photograph 20 shows a married couple; the husband is an artist and the wife runs a general store. They have been BDB customers since 1987 and have had a series of loans. They

save daily in a BDB passbook account from which the loan installment is paid. They saved in a fixed deposit account for several years in order to renovate their house and to build a temple; these had been recently completed at the time of our visit.

BDB also has wealthy customers. There are clients who regularly deposit over \$100 per day in BDB savings accounts; many also hold BDB fixed deposits (up to \$500,000), and/or giro checking accounts. Some hold lines of credit (up to \$50,000) and/or loans (up to \$500,000). Many of these are long-time customers who started small and later became wealthy; examples are shown in photograph 25 (a wood carving enterprise); 26 (a gold shop; and 27 (a supermarket).

The woman shown in photograph 28 is a good example of a BDB client who started as a small customer and became a large one. This woman and her husband opened a BDB savings account in 1980; at that time she was a waitress and he a driver. With their savings they bought a motorcycle which they rented out. They used the motorcycle for collateral for a BDB loan, and they used the loan and the income from the motorcycle to start a small restaurant with four tables. The business was profitable, and the couple used the profits to buy land. They then used the land for collateral for a bigger loan and opened a larger restaurant. This process of saving profits from enterprises and using BDB savings instruments to leverage loans for additional enterprises has continued until the present. They now have ten enterprises of different types, including the restaurant shown in the photograph. As the former waitress said, "BDB trusts me and I trust them."

## VI. CONCLUSIONS

The microfinance revolution is based on the idea that the massive demand for microfinance in developing countries can be supplied by sustainable institutions providing financial services commercially, and that these services can have important effects on social and economic development. This idea has been well demonstrated in Indonesia and elsewhere.

The Bank Dagang Bali was the first formal financial institution to undertake systematic commercial microfinance at the local level in Indonesia. It may also be the oldest licensed bank in the world continuously providing financial services at the local level profitably.

The examples of BDB, BRI, and other self-sufficient institutions that provide finance to large numbers of lower-income households are important globally for three reasons.

First, within the past decade it has been demonstrated that by providing loans with interest rates that are only 10 to 20 percent of the rates that lower-income borrowers typically pay on the informal commercial market, financial institutions can provide credit profitably at the local level.

Second, the massive demand for institutional microfinance worldwide is far too large to be met by donor or government funds; it can be met only by licensed commercial institutions that are able to mobilize local savings and leverage commercial investment as necessary.

Third, because of these examples we now know that it is possible for commercial institutions to provide microfinance profitably in widely varying social, economic, and political contexts.

Yet an estimated 90 percent of the world's population still lacks access to institutional finance. The revolution that began at the Bank Dagang Bali is in its early stages, but it is gathering momentum. The BDB example now reaches financial institutions in developing countries in around the world. It was at BDB that it was first demonstrated that institutional local finance can be both economically and socially profitable. The impact of the BDB approach is a profound one, best said by a long-term BDB client:

I grew up poor and without education. I learned, though, that I could improve myself, and that the bank would help me. The president of Bank Dagang Bali is a great man. Why do I say that? Not because he is a bank president; there are many bank presidents. Because he knew that poor people fear banks, and he taught us not to be afraid. BDB taught us something important that we never knew before. BDB taught us that the bank is not a king, the bank is a servant.

TABLE 1

RUPIAH/DOLLAR EXCHANGE RATES, 1970-1994	
Year	Rupiah Exchange Rate per US \$ (annual averages)
1970	362.8
1971	391.9
1972	415.0
1973	415.0
1974	415.0
1975	415.0
1976	415.0
1977	415.0
1978	442.1
1979	623.1
1980	627.0
1981	631.8
1982	661.4
1983	909.3
1984	1025.9
1985	1110.6
1986	1282.6
1987	1643.9
1988	1685.7
1989	1770.1
1990	1905.0
1991	1950.6
1992	2029.9
1993	2089.4
1994	2164.2

\* Before March, 1979, the Indonesian CPI figures were based on an index which covered Jakarta only.

Source: International Monetary Fund and Bank Indonesia

32

TABLE 2 (page 1)

## PROFIT AND LOSS STATEMENT, 1970 - 1994

( as of December 31 of each year )

In Million Rupiah

	1970	1971	1972	1973	1974	1975	1976	1977
<b>I INCOME</b>								
1. Operating Income								
1.1 Interest, commision and fees	3	49	98	91	91	131	175	251
1.2 Other	1	4	3	3	2	4	7	6
2. Non-operating Income *								
<b>TOTAL INCOME</b>	4	53	101	94	93	135	182	257
<b>II EXPENSES</b>								
1. Operating Expenses								
1.1 Interest	2	40	76	64	57	92	128	171
1.2 Overhead								
1.2.1 Salaries		3	5	7	7	11	15	27
1.2.2 Other overhead	2	7	16	19	25	27	31	47
2. Non-operating Expenses*								
<b>TOTAL EXPENSES</b>	4	50	97	90	89	130	174	245
<b>III PROFIT/LOSS</b>								
1. Before Tax		3	4	4	4	5	8	12
2. Tax								
<b>NET PROFIT</b>		3	4	4	4	5	8	12

\* Non-operating income & expenses refer to income/expense from non-banking activities (for example, rental and sales of buildings).

Source : Bank Dagang Bali

# PROFIT AND LOSS STATEMENT, 1970 – 1994

( as of December 31 of each year )

In Million Rupiah

	1978	1979	1980	1981	1982	1983	1984	1985
<b>I INCOME</b>								
1. Operating Income								
1.1 Interest, commision and fees	349	522	801	1,250	1,781	2,589	3,526	5,636
1.2 Other	8	11	25	102	89	56	84	95
2. Non-operating Income *						2	20	55
<b>TOTAL INCOME</b>	<b>357</b>	<b>533</b>	<b>826</b>	<b>1,352</b>	<b>1,870</b>	<b>2,647</b>	<b>3,630</b>	<b>5,786</b>
<b>II EXPENSES</b>								
1. Operating Expenses								
1.1 Interest	227	342	525	899	1,224	1,672	2,190	3,232
1.2 Overhead								
1.2.1 Salaries	41	57	93	143	190	271	364	449
1.2.2 Other overhead	69	109	156	195	274	382	480	1,151
2. Non-operating Expenses*							20	55
<b>TOTAL EXPENSES</b>	<b>337</b>	<b>508</b>	<b>774</b>	<b>1,237</b>	<b>1,688</b>	<b>2,325</b>	<b>3,054</b>	<b>4,887</b>
<b>III PROFIT / LOSS</b>								
1. Before Tax	19	25	52	115	181	322	575	900
2. Tax								272
<b>NET PROFIT</b>	<b>19</b>	<b>25</b>	<b>52</b>	<b>115</b>	<b>181</b>	<b>322</b>	<b>575</b>	<b>1,172</b>

25

TABLE 2 (page 3)

## PROFIT AND LOSS STATEMENT, 1970 – 1994

( as of December 31 of each year )

In Million Rupiah

	1986	1987	1988	1989	1990	1991	1992	1993	1994
<b>I INCOME</b>									
1. Operating Income									
1.1 Interest, commision and fees	6,886	8,907	11,836	19,158	30,336	36,855	41,653	40,261	35,908
1.2 Other	161	226	333	393	878	862	2,418	3,350	2,028
2. Non – operating Income *	322	425	730	1,844	5,488	9,035	9,846	14,228	532
<b>TOTAL INCOME</b>	<b>7,369</b>	<b>9,558</b>	<b>12,899</b>	<b>21,395</b>	<b>36,702</b>	<b>46,752</b>	<b>53,917</b>	<b>57,839</b>	<b>38,468</b>
<b>II EXPENSES</b>									
1. Operating Expenses									
1.1 Interest	4,552	5,817	8,042	13,427	19,346	27,125	32,296	31,255	26,386
1.2 Overhead									
1.2.1 Salaries	541	823	1,039	1,565	2,086	2,653	2,895	3,121	3,572
1.2.2 Other overhead	869	1,216	1,697	3,156	6,668	5,467	6,692	6,674	5,374
2. Non – operating Expenses*	354	448	765	1,886	5,529	9,080	9,853	14,199	441
<b>TOTAL EXPENSES</b>	<b>6,316</b>	<b>8,304</b>	<b>11,543</b>	<b>20,034</b>	<b>33,629</b>	<b>44,325</b>	<b>51,736</b>	<b>55,249</b>	<b>35,773</b>
<b>III PROFIT / LOSS</b>									
1. Before Tax	1,054	1,254	1,358	1,361	3,073	2,427	2,181	2,590	2,695
2. Tax	301	387	428	469	967	843	758	900	987
<b>NET PROFIT</b>	<b>753</b>	<b>867</b>	<b>930</b>	<b>892</b>	<b>2,106</b>	<b>1,584</b>	<b>1,423</b>	<b>1,690</b>	<b>1,708</b>

55

TABLE 3 (page 1)  
**BALANCE SHEET 1970 – 1994**  
 (as of December 31 of each year)  
 In Million Rupiah

DESCRIPTION	1970	1971	1972	1973	1974	1975	1976	1977
<b>I ASSETS</b>								
1. Current Assets								
1.1 Cash	6	9	28	50	40	57	123	134
1.2 Bank Indonesia	5	7	25	19	55	80	109	277
1.3 Other Banks	5	4	68	14	18	36	2	42
1.4 Loans Outstanding	30	191	245	280	351	594	916	1,295
1.5 Reserve for bad debt								
2. Fixed Assets*	11	26	14	15	22	50	49	53
3. Other Assets	2	1	7	13	11	2	7	6
<b>TOTAL ASSETS</b>	<b>59</b>	<b>238</b>	<b>387</b>	<b>391</b>	<b>497</b>	<b>819</b>	<b>1,206</b>	<b>1,807</b>
<b>II CURRENT LIABILITIES</b>								
1. Demand Deposits	17	24	39	28	47	106	112	148
2. Saving Deposits	1	23	82	103	172	293	560	948
3. Time Deposits	21	138	221	178	198	257	291	425
4. Bank Indonesia		20		30	25	76	136	128
5. Other Loans								
6. Other Liabilities		9	14	18	19	20	34	23
<b>TOTAL CURRENT LIABILITIES</b>	<b>39</b>	<b>214</b>	<b>356</b>	<b>357</b>	<b>461</b>	<b>752</b>	<b>1,133</b>	<b>1,672</b>
<b>III CAPITAL</b>	<b>20</b>	<b>20</b>	<b>27</b>	<b>30</b>	<b>31</b>	<b>61</b>	<b>65</b>	<b>115</b>
<b>IV NET PROFIT</b>		<b>4</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>8</b>	<b>20</b>
<b>TOTAL LIABILITIES</b>	<b>59</b>	<b>238</b>	<b>387</b>	<b>391</b>	<b>497</b>	<b>819</b>	<b>1,206</b>	<b>1,807</b>

\*Includes land, buildings, vehicles, and office furniture, but excludes fixed assets held in the name of BDB's owners.

Source: Bank Dagang Bali

62

TABLE 3 (page 2)  
**BALANCE SHEET 1970 – 1994**  
 (as of December 31 of each year)  
 In Million Rupiah

DESCRIPTION	1978	1979	1980	1981	1982	1983	1984	1985
<b>I ASSETS</b>								
1. Current Assets								
1.1 Cash	306	386	506	316	228	227	393	627
1.2 Bank Indonesia	379	528	988	1,596	973	1,194	1,039	1,104
1.3 Other Banks	15	306	4	276	2,163	5,517	4,636	9,446
1.4 Loans Outstanding	1,789	2,663	5,027	7,920	9,753	10,038	14,866	18,512
1.5 Reserve for bad debt								
2. Fixed Assets*	56	73	106	253	323	520	725	902
3. Other Assets	16	262	50	215	181	367	305	739
<b>TOTAL ASSETS</b>	<b>2,561</b>	<b>4,218</b>	<b>6,681</b>	<b>10,576</b>	<b>13,621</b>	<b>17,863</b>	<b>0</b>	<b>31,330</b>
<b>II. CURRENT LIABILITIES</b>								
1. Demand Deposits	173	321	407	793	1,122	1,428	1,625	2,545
2. Saving Deposits	1,549	2,391	3,912	6,212	7,434	9,080	10,602	13,409
3. Time Deposits	524	738	1,258	1,863	2,541	3,900	5,821	10,977
4. Bank Indonesia	83	497	639	860	1,273	1,570	1,554	603
5. Other Loans								
6. Other Liabilities	36	54	104	93	70	156	166	1,124
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,365</b>	<b>4,001</b>	<b>6,320</b>	<b>9,821</b>	<b>12,440</b>	<b>16,134</b>	<b>19,768</b>	<b>28,658</b>
<b>III CAPITAL</b>	<b>165</b>	<b>173</b>	<b>284</b>	<b>576</b>	<b>826</b>	<b>1,076</b>	<b>1,384</b>	<b>1,384</b>
<b>IV NET PROFIT</b>	<b>31</b>	<b>44</b>	<b>77</b>	<b>179</b>	<b>355</b>	<b>653</b>	<b>812</b>	<b>1,288</b>
<b>TOTAL LIABILITIES</b>	<b>2,561</b>	<b>4,218</b>	<b>6,681</b>	<b>10,576</b>	<b>13,621</b>	<b>17,863</b>	<b>21,964</b>	<b>31,330</b>

37

TABLE 3 (page 3)  
**BALANCE SHEET 1970 – 1994**  
 (as of December 31 of each year)  
 In Million Rupiah

DESCRIPTION	1986	1987	1988	1989	1990	1991	1992	1993	1994
<b>I ASSETS</b>									
1. Current Assets									
1.1 Cash	840	826	900	1,720	2,693	3,187	2,982	3420	3,986
1.2 Bank Indonesia	1,795	1,677	847	2,278	2,276	1,854	1,930	2508	2,332
1.3 Other Banks	12,050	11,429	23,427	60,147	29,052	44,807	47,344	63318	46,149
1.4 Loans Outstanding	27,224	36,141	45,826	76,014	117,017	113,536	141,107	155269	163,554
1.5 Reserve for bad debt						(1,112)	(2,312)	-1862	(1,662)
2. Fixed Assets*	902	959	1,542	2,670	3,861	4,085	3,561	3793	10,055
3. Other Assets	1,092	1,089	760	2,106	13,454	20,898	14,650	17978	17,768
<b>TOTAL ASSETS</b>	<b>43,903</b>	<b>52,121</b>	<b>73,302</b>	<b>144,935</b>	<b>168,353</b>	<b>187,255</b>	<b>209,262</b>	<b>244,424</b>	<b>242,182</b>
<b>II CURRENT LIABILITIES</b>									
1. Demand Deposits	4,316	3,177	3,760	9,227	15,893	8,648	9,831	11951	14,218
2. Saving Deposits	18,282	20,637	25,668	39,070	41,704	35,127	39,853	48628	52,897
3. Time Deposits	15,501	21,440	34,079	51,437	69,788	103,939	119,864	139933	129,960
4. Bank Indonesia	1,082	1,566	3,833	29,483	22,882	13,894	11,250	8601	4,245
5. Other Loans						7,038	8,563	13465	16,488
6. Other Liabilities	1,311	764	869	2,346	2,658	1,730	1,579	1834	2,732
<b>TOTAL CURRENT LIABILITIES</b>	<b>40,492</b>	<b>47,584</b>	<b>68,209</b>	<b>131,563</b>	<b>152,925</b>	<b>170,376</b>	<b>190,940</b>	<b>224,412</b>	<b>220,540</b>
<b>III CAPITAL</b>	<b>2,067</b>	<b>3,667</b>	<b>4,165</b>	<b>11,591</b>	<b>13,322</b>	<b>15,295</b>	<b>16,899</b>	<b>18322</b>	<b>19,884</b>
<b>IV NET PROFIT</b>	<b>1,344</b>	<b>870</b>	<b>928</b>	<b>1,781</b>	<b>2,106</b>	<b>1,584</b>	<b>1,423</b>	<b>1690</b>	<b>1,758</b>
<b>TOTAL LIABILITIES</b>	<b>43,903</b>	<b>52,121</b>	<b>73,302</b>	<b>144,935</b>	<b>168,353</b>	<b>187,255</b>	<b>209,262</b>	<b>244,424</b>	<b>242,182</b>

32

TABLE 4 (page 1)  
BDB DEPOSITS 1970 – 1994

Amount and Number of Accounts  
( As of December 31 as of each year )  
In Million Rupiah

DESCRIPTION	1 9 7 0				1 9 7 5				1 9 8 0			
	Rp	%	No.of Accts	%	Rp	%	No.of Accts	%	Rp	%	No.of Accts	%
TIME DEPOSITS	21	54%	25	14%	257	39%	435	4%	1,258	23%	492	1%
PASSBOOK SAVINGS	1	3%	62	35%	293	45%	10,515	94%	3,912	70%	55,341	99%
GIRO ACCOUNTS	17	44%	90	51%	106	16%	211	2%	407	7%	311	1%
TOTAL	39	100%	177	100%	656	100%	11,161	100%	5,577	100%	56,144	100%

DESCRIPTION	1 9 8 5				1 9 9 0				1 9 9 1			
	Rp	%	No.of Accts	%	Rp	%	No.of Accts	%	Rp	%	No.of Accts	%
TIME DEPOSITS	10,977	41%	2,494	2%	66,119	53%	10,624	4%	103,957	70%	14,645	5%
PASSBOOK SAVINGS	13,409	50%	152,837	98%	41,704	34%	277,776	96%	35,127	24%	301,158	95%
GIRO ACCOUNTS	2,545	9%	683	0%	15,893	13%	1,225	0%	8,648	6%	1,207	0%
TOTAL	26,931	100%	156,014	100%	123,716	100%	289,625	100%	147,732	100%	317,010	100%

Source : Bank Dagang Bali

**TABLE 4 (page 2)**  
**BDB DEPOSITS 1970 – 1994**

Amount and Number of Accounts  
( As of December 31 as of each year )  
In Million Rupiah

DESCRIPTION	1 9 9 2				1 9 9 3				1 9 9 4			
	Rp	%	No.of Accts	%	Rp	%	No.of Accts	%	Rp	%	No.of Accts	%
TIME DEPOSITS	119,864	71%	9,404	3%	139,933	70%	8,375	2%	129,960	66%	7,184	2%
PASSBOOK SAVINGS	39,853	24%	317,101	97%	48,626	24%	328,302	97%	52,897	27%	338,849	98%
GIRO ACCOUNTS	9,831	6%	1,173	0%	11,951	6%	1,096	0%	14,218	7%	1,169	0%
<b>TOTAL</b>	<b>169,548</b>	<b>100%</b>	<b>327,678</b>	<b>100%</b>	<b>200,510</b>	<b>100%</b>	<b>337,773</b>	<b>100%</b>	<b>197,075</b>	<b>100%</b>	<b>347,202</b>	<b>100%</b>

40

TABLE 5

BDB CREDIT ~~XXXXXXXXXXXX~~ 1970 – 1994\*

Amount and Number of Accounts  
 ( As of December 31 as of each year )  
 In Million Rupiah

	1970	1975	1980	1985	1990	1991	1992	1993	1994
Rp	30	594	5,027	18,512	100,949	113,536	140,942	148,886	163,554
No. of Accounts	29	597	4,639	5,344	8,285	8,035	8,459	10,364	9,997

\*Excluding US\$ Loans, 1992 – 1994.

Source : Bank Dagang Bali

41

TABLE 6  
 SIZE DISTRIBUTION OF BDB LOANS AND DEPOSITS:

December 31, 1994  
 ( In Million Rupiah )

C R E D I T				
	Rp	%	No. of Accts	%
< 300,000	49	0%	265	2%
300,000 - 1,000,000	1,586	1%	2,006	18%
1,000,000 - 5,000,000	13,624	8%	4,905	44%
5,000,000 - 25,000,000	38,272	23%	3,110	28%
>25,000,000	110,023	67%	762	7%
<b>TOTAL</b>	<b>163,554</b>	<b>100%</b>	<b>11,048</b>	<b>100%</b>

T I M E D E P O S I T S				
	Rp	%	No. of Accts	%
< 5,000,000	22,366	17%	3,970	55%
> 5,000,000	107,594	83%	3,214	45%
<b>TOTAL</b>	<b>129,960</b>	<b>100%</b>	<b>7,184</b>	<b>100%</b>

P A S S B O O K S A V I N G S				
	Rp	%	No. of Accts	%
< 1,000,000	18,774	35%	323,748	96%
> 1,000,000	34,122	65%	15,101	4%
<b>TOTAL</b>	<b>52,896</b>	<b>100%</b>	<b>338,849</b>	<b>100%</b>

\* BDB does not record Giro by size of accounts

Source : Bank Dagang Bali

42



**1. (Top) and 2. (Bottom): The Oka Family.** *1. Gusti Made Oka and Sri Adnyani Oka and their eight children in the early days of BDB in the 1970s, and in 1994.*

43



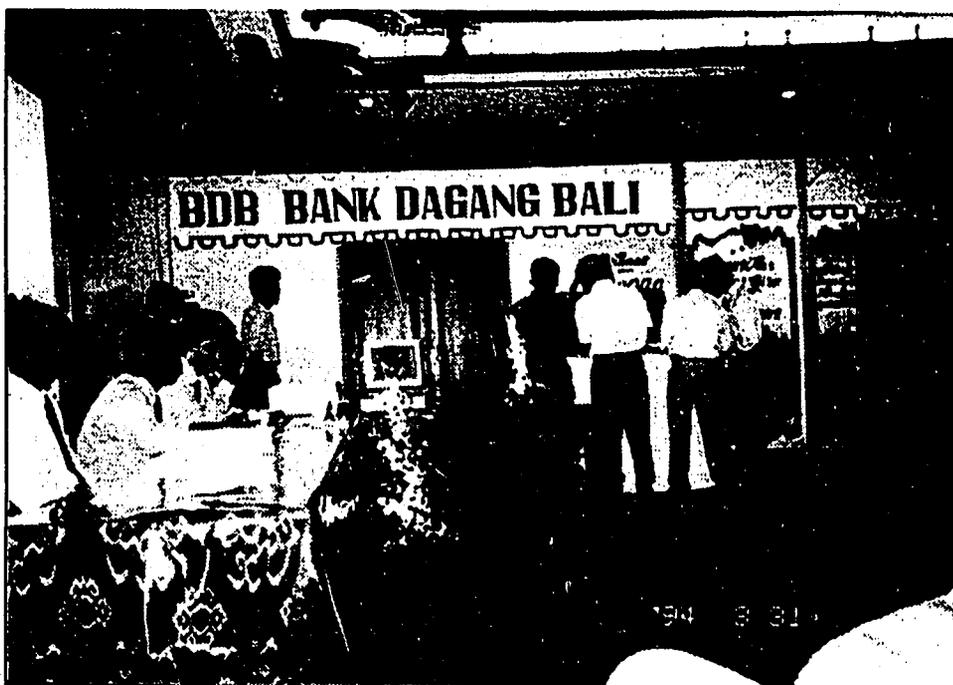
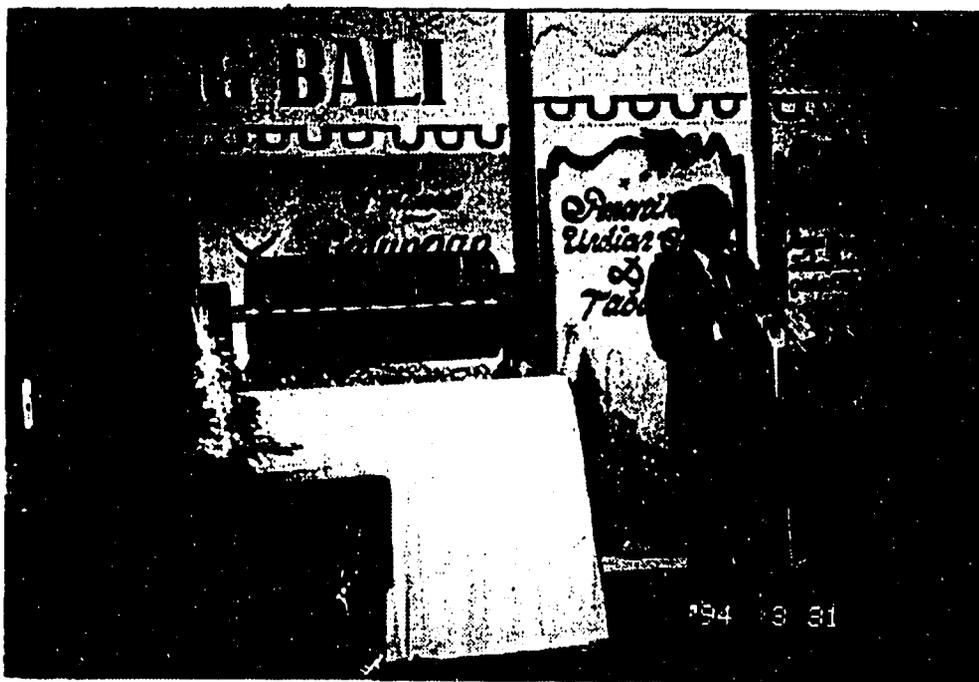
**3. and 4. The Bank Dagang Bali in 1970.**

44



5. and 6. The first BDB office (top); opening of the first BDB head office (bottom).

45



7. and 8. The BDB Lottery for Deposit Accounts. Held four times a year, the BDB lottery is very popular with savers. Savings account holders receive lottery tickets automatically; the number of tickets received depends on the amount of their monthly deposit balance. Earlier the highest annual prize was a motorcycle, then it became a car, and most recently a house. A number of smaller prizes are also given at each lottery drawing. BDB uses the lottery drawing as an occasion to inform the audience about the bank's instruments, services, record, and philosophy.

Mr. Oka speaking at BDB's 242nd lottery on March 31, 1994 (top). The occasion is attended by representatives from the Bali Provincial Government and from Bank Indonesia, the Central Bank, BDB staff and depositors (bottom.)

46



**9. and 10.** *The mobile savings team that goes on foot (top), collecting savings at a small hotel. The mobile savings team that travels by van to areas located further away (bottom).*



**11. and 12.** *The BDB savings team collect savings from an ice cream seller (top) and a pushcart vendor selling soft drinks and cigarettes (bottom). Both clients typically make daily deposits.*

48



13. This man, a BDB saver since 1987, sells sunglasses in a tourist area.

25



**14. and 15.** BDB mobile team collecting savings from a general store (top) and a produce shop (bottom). The owner of the latter also has a BDB loan



16. and 17. Collecting savings at an electrical shop (top) and a clothing shop (bottom). Both shop owners have multiple BDB accounts for different purposes.



**18. and 19.** *Collecting savings from a garment maker at her enterprise (top) and from wives of salaried employees at home (bottom).*

52



**20. and 21.** *A man who raises chickens and sells chicken parts (top) and a Balinese artist (bottom); both are long-time BDB savers.*



**22.** *A BDB saver for the past 20 years, this owner of a small general store also deposits savings left with her by customers to be deposited in their BDB accounts.*



**23. and 24.** The customer shown above owns a small stand and sells snacks, soft drinks, cigarettes and arrack. He has saved daily at BDB since 1989 and has accounts in other banks as well. He works from 9 am to 12 pm daily. With his savings, he bought land and built a house which he rents to the BDB branch manager (shown with him below).

5

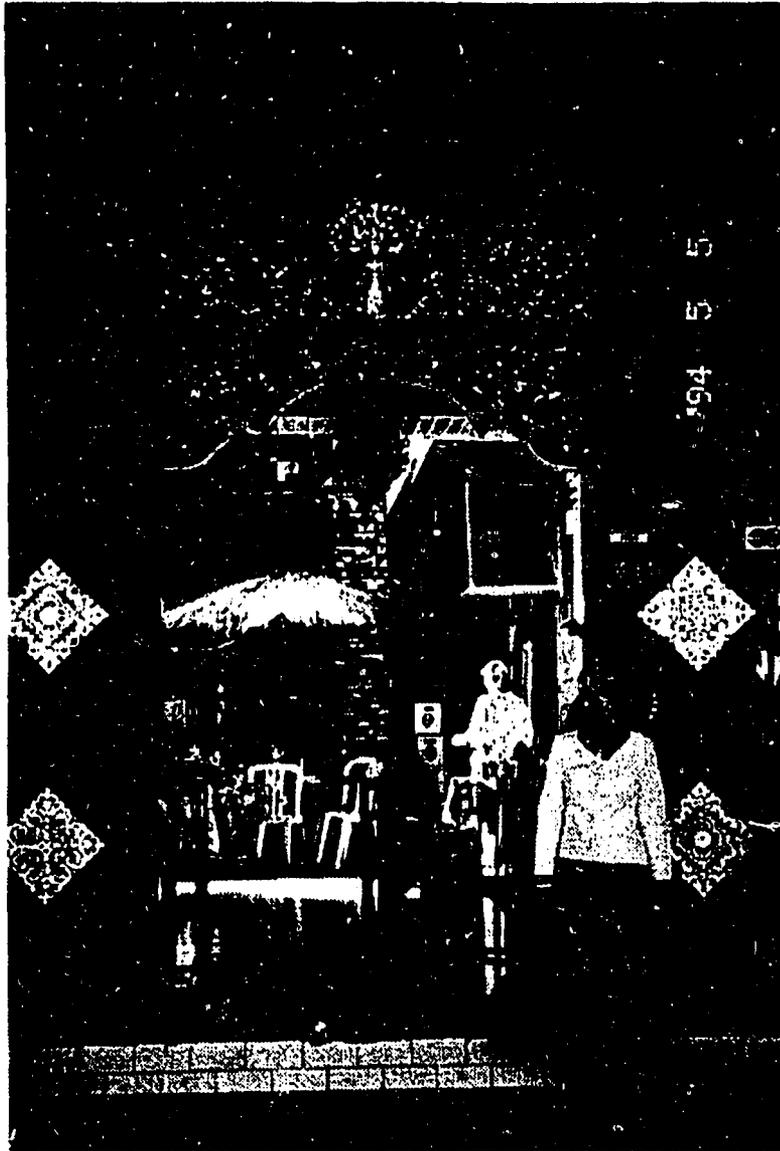


**25.** *A long-term BDB customer, owner of a woodcarving enterprise; this enterprise started small and developed into a substantial business.*



26. and 27. Two long-term BDB clients who started with small enterprises and developed them into larger businesses: a gold shop (top) and a supermarket (bottom).

57



**28.** *A BDB client who started as a customer with a small savings account and became a large BDB client. This woman and her husband opened a BDB savings account in 1980; at the time she was a waitress and he a driver. With their savings they bought a motorcycle which they rented out. They used the motorcycle for collateral for a BDB loan, and they used the loan and the income from the motorcycle to start a small restaurant with four tables. The business was profitable, and the couple used the profits to buy land. They then used the land for collateral for a larger loan and opened a bigger restaurant. This process of using BDB savings instruments to leverage loans for new enterprises, and using profits from enterprises for savings has continued until the present. The couple now has numerous enterprises of different types, including the restaurant shown here.*

SF

## REFERENCES

Bank Rakyat Indonesia (1990) Briefing Booklet: KUPEDES Development Impact Survey (Sutoro, Ann Dunham, Principal Investigator). Jakarta: Planning, Research, and Development Department, BRI.

(1994) BRI Village Units. Jakarta: BRI.

Boomgard, James J. and Angell, Kenneth J. (1994) "Bank Rakyat Indonesia's Unit Desa System: Achievements and Replicability," in Otero and Rhyne, eds. (1994), pp. 206-228.

Christen, Robert; Rhyne, Elizabeth; and Vogel, Robert (1994) "Maximizing the Outreach of Microenterprise Finance: The Emerging Lessons of Successful Programs." Washington D.C.

Development Program Implementation Studies (1983) "Report on Rice Intensification." Jakarta: DPIS.

Gonzalez-Vega, Claudio, and Chaves, Rodrigo A. (1992), "Indonesia's Rural Financial Markets: A Report for the Financial Institutions Development Project, Indonesia." Ohio State University: Columbus, OH.

Hook, Richard, "Financing Small Enterprises in Indonesia: The Experience of Bank Rakyat Indonesia," (forthcoming), in New Perspectives on Financing Small Businesses in Developing Countries, eds. Ernst A. Bruggler and Sarah Rajapatirana, eds., a joint publication of the International Center for Economic Growth (ICEG) and Fundacion para el Desarrollo Sostenible (FUNDES).

O'Rourke, Kevin (1993) "Reaching the Rural Poor with Banking Services." Jakarta: HIID-BRI.

Otero, Maria and Rhyne, Elizabeth, eds. (1994) The New World of Microenterprise Finance: Building Healthy Financial Institutions for the Poor. Hartford, Conn.: Kumarian Press.

Patten, Richard H. and Rosengard, Jay K. (1991) Progress with Profits: The Development of Rural Banking in Indonesia. San Francisco: International Center for Economic Growth and HIID.

Rhyne, Elizabeth and Rotblatt, Linda S. (1994) What Makes them Tick? Exploring the Anatomy of Major Microenterprise Finance Organizations. Monography Series No. 9. Cambridge, MA.: ACCION International.

Robinson, Marguerite S. (1992) "Rural Financial Intermediation: Lessons from Indonesia," Part One: "The Bank Rakyat Indonesia: Rural Banking 1970-1991." HIID Development Discussion Paper No. 434. Cambridge, MA. Harvard Institute for International Development.

\_\_\_\_\_ (1994a) "Financial Intermediation at the Local Level: Lessons from Indonesia," Part Two: "The Theoretical Perspective." HIID Development Discussion Paper No. 482. Cambridge, MA. Harvard Institute for International Development.

\_\_\_\_\_ (1994b) "Savings Mobilization and Microenterprise Finance: the Indonesian Experience" in Otero and Rhyne, eds. (1994), pp. 27-54.

\_\_\_\_\_ (1995a) "Indonesia: The Role of Savings in Developing Sustainable Commercial Financing of Small and Microenterprises" in New Perspectives on Financing Small Businesses in Developing Countries, eds. Ernst A. Brugger and Sarah Rajapatirana, eds., a joint publication of the International Center for Economic Growth (ICEG) and Fundacion para el Desarrollo Sostenible (FUNDES).

\_\_\_\_\_ (1995b) "Microfinance: the Paradigm Shift from Credit Delivery to Sustainable Financial Intermediation". Forthcoming in a volume edited by J.D. Von Pischke. Washington, D.C.: The Brookings Institution.

Rosenberg, Richard (1984) "Beyond Self-Sufficiency: Licensed Leverage and Microfinance Strategy" (draft). Washington, D.C.: USAID.

Schmit, L. Th. (1991) Rural Credit between Subsidy and Market: Adjustment of the Village Units of Bank Rakyat Indonesia in Sociological Perspective. Leiden Development Series No. 11. Leiden: Leiden University.

Snodgrass, Donald R. (Forthcoming, 1995), HIID History. HIID.

Snodgrass, Donald R. (1987) and Patten, Richard H. (1991) "Reform of Rural Credit in Indonesia: Inducing Bureaucracies to Behave Competitively" in Reforming Economic Systems in Developing Countries, Dwight H. Perkins and Michael Roemer, eds. Cambridge, MA, HIID, pp. 341-63.

Sugianto (1989) "KUPEDES and SIMPEDES," Asia Pacific Rural Finance, July-September, pp. 12-14.

\_\_\_\_\_ (1990a) "Development of Rural Agricultural Financial Policy and the Progress and Benefits of BRI's KUPEDES Program." Jakarta: BRI. Photocopy.

\_\_\_\_\_ (1990b) "Transaction Costs at Small Scale Banks Below the Branch Level." Jakarta: BRI. Photocopy.

\_\_\_\_\_ Purnomo, Satriyo; and Robinson, Marguerite S. (1993) Pembiayaan Pertanian Pedesaan [Rural Finance]. Jakarta: Indonesian Banking Institute.

Yaron, Jacob (1992a) "Successful Rural Financial Institutions." World Bank Discussion Papers 150. Washington, D.C.: The World Bank.

\_\_\_\_\_ (1992b) "Assessing Successful Rural Financial Institutions: A Public Policy Analysis." World Bank Discussion Papers 174. Washington, D.C.: The World Bank.

## GEMINI PUBLICATION SERIES

### GEMINI Working Papers:

1. "Growth and Equity through Microenterprise Investments and Institutions Project (GEMINI): Overview of the Project and Implementation Plan, October 1, 1989-September 30, 1990." GEMINI Working Paper No. 1. December 1989. [not for general circulation]
- \*2. "The Dynamics of Small-Scale Industry in Africa and the Role of Policy." Carl Liedholm. GEMINI Working Paper No. 2. January 1990. \$5.50
3. "Prospects for Enhancing the Performance of Micro- and Small-Scale Nonfarm Enterprises in Niger." Donald C. Mead, Thomas Dichter, Yacob Fisseha, and Steven Haggblade. GEMINI Working Paper No. 3. February 1990. \$6.00
4. "Agenda Paper: Seminar on the Private Sector in the Sahel, Abidjan, July 1990." William Grant. GEMINI Working Paper No. 4. August 1990. \$3.00
- \*5. "Gender and the Growth and Dynamics of Microenterprises." Jeanne Downing. GEMINI Working Paper No. 5. October 1990. \$10.50
6. "Banking on the Rural Poor in Malaysia: Project Ikhtiar." David Lucock. GEMINI Working Paper No. 6. October 1990. \$3.30
7. "Options for Updating AskARIES." Larry Reed. GEMINI Working Paper No. 7. October 1990. \$3.50
- \*8. "Technology — The Key to Increasing the Productivity of Microenterprises." Andy Jeans, Eric Hyman, and Mike O'Donnell. GEMINI Working Paper No. 8. November 1990. \$3.60
9. "Lesotho Small and Microenterprise Strategy — Phase II: Subsector Analysis." Bill Grant. GEMINI Working Paper No. 9. November 1990. \$15.50
- \*10. "A Subsector Approach to Small Enterprise Promotion and Research." James J. Boomgard, Stephen P. Davies, Steven J. Haggblade, and Donald C. Mead. GEMINI Working Paper No. 10. January 1991. \$3.10
11. "Data Collection Strategies for Small-Scale Industry Surveys." Carl Liedholm. GEMINI Working Paper No. 11. January 1991. \$1.30

---

\*Publications of general interest

62

12. "Dynamics of Microenterprises: Research Issues and Approaches." Carl Liedholm and Donald C. Mead. GEMINI Working Paper No. 12. January 1991. \$6.50
13. "Dynamics of Microenterprises: Research Priorities and Research Plan." Carl Liedholm and Donald C. Mead. GEMINI Working Paper No. 13. August 1990. [not for general circulation]
14. "Review of Year One Activities (October 1, 1989 to September 30, 1990) and Year Two Work Plan (October 1 to November 30, 1990)." GEMINI Working Paper No. 14. January 1991. [not for general circulation]
- \*15. "The Process of Institutional Development: Assisting Small Enterprise Institutions to Become More Effective." Elaine Edgcomb and James Cawley. GEMINI Working Paper No. 15. February 1991. \$9.70
16. "Baseline Surveys of Micro and Small Enterprises: An Overview." Donald C. Mead, Yacob Fisseha, and Michael McPherson. GEMINI Working Paper No. 16. March 1991. \$2.60
17. "Kenya: Kibera's Small Enterprise Sector — Baseline Survey Report." Joan Parker and C. Aleke Dondo. GEMINI Working Paper No. 17. April 1991. \$6.40
- \*18. "A Financial Systems Approach to Microenterprises." Elisabeth Rhyne and Maria Otero. GEMINI Working Paper No. 18. April 1991. \$3.00
- \*19. "Agriculture, Rural Labor Markets, and the Evolution of the Rural Nonfarm Economy." Steve Haggblade and Carl Liedholm. GEMINI Working Paper No. 19. May 1991. \$2.50
- \*20. "The Microenterprise Finance Institutions of Indonesia and Their Implications for Donors." Elisabeth Rhyne. GEMINI Working Paper No. 20. June 1991. \$3.40
21. "Microenterprise Growth Dynamics in the Dominican Republic: The ADEMI Case." Frank F. Rubio. GEMINI Working Paper No. 21. June 1991. \$3.10
- \*22. "Credit Unions: A Formal Sector Alternative for Financing Microenterprise Development." John H. Magill. GEMINI Working Paper No. 22. September 1991. \$3.80
23. "A Proposed Subsector-Based Monitoring and Evaluation System for CARE/Thailand's Silk Promotion Efforts." Steven Haggblade. GEMINI Working Paper No. 23. September 1991. \$3.60
24. "Steps to the Creation of a Viable Financial Institution for Microenterprise Development in the Philippines: Notes on a Process for the Staff and Board of Tulay sa Pag-Unlad, Inc." Doug Salloum and Nan Borton. GEMINI Working Paper No. 24. November 1991. \$2.00
- \*25. "Village Banking: A Cross-Country Study of a Community-Based Lending Methodology." Sharon L. Holt. GEMINI Working Paper No. 25. December 1991. \$12.60
26. "Dynamics of Small- and Micro-scale Enterprises and the Evolving Role of Finance." Carl Liedholm. GEMINI Working Paper No. 26. December 1991. \$3.00
- \*27. "Opportunities for Intervention in Thailand's Silk Subsector." Steven Haggblade and Nick Ritchie. GEMINI Working Paper No. 27. January 1992. \$3.20

- \*28. "Apex Study of the Asociación de Grupos Solidarios de Colombia." Arelis Gomez Alfonso, with Nan Borton and Carlos Castello. GEMINI Working Paper No. 28. April 1992. \$4.60. [See Technical Reports No. 36 and No. 39 for apex studies in Senegal and Thailand.]
29. "The Subsector Methodology, A Field Orientation for CARE/Egypt, January 20-February 7, 1992." William Grant. GEMINI Working Paper No. 29. April 1992. \$9.50
30. "Poverty Lending and Microenterprise Development: A Clarification of the Issues." Mohini Malhotra. GEMINI Working Paper No. 30. May 1992. \$3.60
31. "The Solidarity Group Experience." Shari Berenbach and Diego Guzman. GEMINI Working Paper No. 31. June 1992. \$5.80
32. "A New View of Finance Program Evaluation." Elisabeth Rhyne. GEMINI Working Paper No. 32. November 1992. \$1.50
33. "The Role of Savings in Local Financial Markets: The Indonesian Experience." Marguerite S. Robinson. GEMINI Working Paper No. 33. November 1992. \$3.50
34. "Assessment of Policy Issues and Constraints in the Construction Sector in Poland." Adam Saffer, Mirosław Zielinski, Jerzy Zielinski, Tadeusz Marek, and Matthew Gamser. GEMINI Working Paper No. 34. February 1993. \$5.20
35. "BancoSol: A Private Commercial Bank. A Case Study in Profitable Microenterprise Development in Bolivia." Amy J. Glosser. GEMINI Working Paper No. 35. February 1993. \$8.60
36. "The Structure and Growth of Microenterprise in Southern and Eastern Africa: Evidence from Recent Surveys." Carl Liedholm and Donald Mead. GEMINI Working Paper No. 36. March 1993. \$5.60
37. "Transformation Lending: Helping Microenterprises Become Small Businesses." Larry Reed and David Befus. GEMINI Working Paper No. 37. April 1993. \$4.80
38. "Should Principles of Regulation and Prudential Supervision be Different for Microenterprise Finance Organizations?" Rodrigo A. Chaves and Claudio Gonzalez-Vega. GEMINI Working Paper No. 38. April 1993. \$3.40
39. "Application of the GEMINI Methodology for Subsector Analysis to MSE Export Activities: A Case Study in Ecuador." Gary D. Kilmer. GEMINI Working Paper No. 39. June 1993. \$2.80
40. "Private Business Organizations and the Legislative Process." Tom Gray. GEMINI Working Paper No. 40. July 1993. \$4.20
41. "Financial Institutions Development Project in Indonesia: Developing Financial Institutions to Serve Small Enterprises." Roland Pearson and Dallas Garland. GEMINI Working Paper No. 41. July 1993. \$13.90
42. "Review of Years 1-3 Activities and Workplan for Years 4 and 5 (December 1, 1991 to November 30, 1992)." GEMINI Working Paper No. 42. June 1993. [not for general circulation]
- \*43. "CARE and Subsector Analysis: A Report on CARE's Formative Experience." Marshall Bear. GEMINI Working Paper No. 43. October 1993. \$2.00

64

44. "Small and Medium Enterprise Development: A National Assessment of the Agroindustry Sector of Poland." GEMINI Working Paper No. 44. Volume One, technical report; Volume Two, annexes. George L. Metcalfe and Debra Wahlberg. January 1993. \$37.80
45. "FondoMicro: Lessons on the Role of Second-Tier Financial Institutions in MSE Development." Mohini Malhotra. GEMINI Working Paper No. 45. February 1994. \$1.40
46. "Methodology for Microenterprise Strategy Design in the Sahel." William Grant and Matthew Gamser. GEMINI Working Paper No. 46. February 1994. \$3.00
47. "Bridging the Gap between Equity and Impact: A Subsector Approach to Export Promotion in Ecuador." John Magill. GEMINI Working Paper No. 47. April 1994. \$3.00
48. "Structure and Growth of Small Enterprises in the Forest-Products Sector in Southern and Eastern Africa." J.E.M. Arnold and I.M. Townson (Oxford Forestry Institute), and C. Liedholm and D. Mead (Michigan State University). GEMINI Working Paper No. 48. September 1994. \$6.20
- \*49. "Toward More Cost-effective Nonfinancial Assistance: Case Studies in Subsector-based MSE Development." Mohini Malhotra and Jennifer Santer. GEMINI Working Paper No. 49. October 1994. \$3.60
- \*50. "Business Linkages in Zimbabwe: Concept, Practice, and Strategies." John P. Grierson and Donald C. Mead. GEMINI Working Paper No. 50. May 1995. \$2.00
51. "Review of Year Five Activities (December 1, 1993-September 30, 1994) and Year Six Workplan (October 1, 1994-September 30, 1995)." GEMINI Working Paper No. 51. December 1994. [not for general circulation]
- \*52. "State-Owned Agricultural Development Banks: Lessons and Opportunities for Microfinance." Claudio Gonzalez-Vega and Douglas H. Graham. GEMINI Working Paper No. 52. September 1995. \$4.80
- \*53. "Where the Microfinance Revolution Began: The First 25 Years of the Bank Dagang Bali, 1970-1994." Marguerite Robinson. GEMINI Working Paper No. 53. September 1995. \$4.00

**GEMINI Technical Reports:**

1. "Jamaica Microenterprise Development Project: Technical, Administrative, Economic, and Financial Analyses." Paul Guenette, Surendra K. Gupta, Katherine Stearns, and James Boomgard. GEMINI Technical Report No. 1. June 1990. [not for general circulation]
2. "Bangladesh Women's Enterprise Development Project: PID Excerpts and Background Papers." Shari Berenbach, Katherine Stearns, and Syed M. Hashemi. GEMINI Technical Report No. 2. October 1990. [not for general circulation]
3. "Maroc: Conception d'une Enquête pour une Etude du Secteur Informel." Eric R. Nelson and Housni El Ghazi. GEMINI Technical Report No. 3. November 1990. \$12.50
4. "Small Enterprise Assistance Project II in the Eastern Caribbean: Project Paper." James Cotter, Bruce Tippet, and Danielle Heinen. GEMINI Technical Report No. 4. October 1990. [not for general circulation]

5. "Technical Assessment: Rural Small-Scale Enterprise Pilot Credit Activity in Egypt." John W. Gardner and Jack E. Proctor. GEMINI Technical Report No. 5. October 1990. \$4.00
- \*6. "Developing Financial Services for Microenterprises: An Evaluation of USAID Assistance to the BRI Unit Desa System in Indonesia." James J. Boomgard and Kenneth J. Angell. GEMINI Technical Report No. 6. October 1990. \$9.00
7. "A Review of the Indigenous Small Scale Enterprises Sector in Swaziland." David A. Schrier. GEMINI Technical Report No. 7. October 1990. [not for general circulation]
8. "Ecuador Micro-Enterprise Sector Assessment: Summary Report." John H. Magill and Donald A. Swanson. GEMINI Technical Report No. 8. April 1991. \$10.20
9. "Ecuador Micro-Enterprise Sector Assessment: Financial Markets and the Micro- and Small-scale Enterprise Sector." Richard Meyer, John Porges, Martha Rose, and Jean Gilson. GEMINI Technical Report No. 9. March 1991. \$16.00
10. "Ecuador Micro-Enterprise Sector Assessment: Policy Framework." Bruce H. Herrick, Gustavo A. Marquez, and Joseph F. Burke. GEMINI Technical Report No. 10. March 1991. \$11.30
11. "Ecuador Micro-Enterprise Sector Assessment: Institutional Analysis." Peter H. Fraser, Arelis Gomez Alfonso, Miguel A. Rivarola, Donald A. Swanson, and Fernando Cruz-Villalba. GEMINI Technical Report No. 11. March 1991. \$25.00
12. "Ecuador Micro-Enterprise Sector Assessment: Key Characteristics of the Micro-Enterprise Sector." John H. Magill, Robert Blaney, Joseph F. Burke, Rae Blumberg, and Jennifer Santer. GEMINI Technical Report No. 12. March 1991. \$19.60
13. "A Monitoring and Evaluation System for Peace Corps' Small Business Development Program." David M. Callihan. GEMINI Technical Report No. 13. [not available for general circulation]
14. "Small-Scale Enterprises in Lesotho: Summary of a Country-Wide Survey." Yacob Fisseha. GEMINI Technical Report No. 14. February 1991. \$6.40
- \*15. "An Evaluation of the Institutional Aspects of Financial Institutions Development Project, Phase I in Indonesia." John F. Gadway, Tantri M. H. Gadway, and Jacob Sardi. GEMINI Technical Report No. 15. March 1991. \$8.80
- \*16. "Small-Scale Enterprises in Mamelodi and Kwazakhele Townships, South Africa: Survey Findings." Carl Liedholm and Michael A. McPherson. GEMINI Technical Report No. 16. March 1991. \$4.60
17. "Growth and Change in Malawi's Small and Medium Enterprise Sector." Michael A. McPherson. GEMINI Technical Report No. 17. June 1991. \$2.20
18. "Burkina Faso Microenterprise Sector Assessment and Strategy." William Grant, Matthew Gamser, Jim Herne, Karen McKay, Abdoulaye Sow, and Sibry Jean-Marie Tapsoba. GEMINI Technical Report No. 18. August 1991. Volume One, Main Report, \$7.60; Volume Two, Annexes, \$14.20
- \*19. "Women in the BPD and Unit Desa Financial Services Programs: Lessons from Two Impact Studies in Indonesia." Sharon L. Holt. GEMINI Technical Report No. 19. September 1991. \$3.80

66

20. "Mali Microenterprise Sector Assessment and Strategy." William Grant, Kim Aldridge, James Bell, Ann Duval, Maria Keita, and Steve Haggblade. GEMINI Technical Report No. 20. October 1991. Volume One, Main Report, \$6.70; Volume Two, Annexes, \$13.00
21. "A Microenterprise Sector Assessment and Development Strategy for A.I.D. in Zambia." Eric L. Hyman, Robert Strauss, and Richard Crayne. GEMINI Technical Report No. 21. November 1991. \$10.00
22. "Bangladesh: Women's Enterprise Development Project Paper." GEMINI Technical Report No. 22. August 1991. [not for general circulation]
23. "Peru: Small Business and Employment Expansion Project Paper." GEMINI Technical Report No. 23. November 1991. [not for general circulation]
24. "A Country-wide Study of Small-Scale Enterprises in Swaziland." Yacob Fisseha and Michael A. McPherson. GEMINI Technical Report No. 24. December 1991. \$5.40
- \*25. "Micro and Small-Scale Enterprises in Zimbabwe: Results of a Country-wide Survey." Michael A. McPherson. GEMINI Technical Report No. 25. December 1991. \$5.00
26. "The Development Impact of Financing the Smallest Enterprises in Indonesia." GEMINI Technical Report No. 26. January 1992. [not for general circulation]
27. "Midterm Evaluation of the ASEPDE Component of the Small Business II Project, Honduras." Arelis Gomez Alfonso, Wesley Boles, and Donald L. Richardson. GEMINI Technical Report No. 27. February 1992. \$5.80. Also available in Spanish.
28. "Midterm Evaluation of the ANDI/PYME Component of the Small Business II Project, Honduras." Arelis Gomez Alfonso, Wesley Boles, and Donald L. Richardson. GEMINI Technical Report No. 28. February 1992. \$6.60. Also available in Spanish.
29. "The Role of Financial Institutions in the Promotion of Micro and Small Enterprises in Burkina Faso." John McKenzie. GEMINI Technical Report No. 29. February 1992. \$10.40
30. "Small and Micro Enterprise Development Project No. 262-0212, Egypt. Midterm Evaluation." Katherine Stearns. GEMINI Technical Report No. 30. March 1992. \$7.60
31. "A Review of the Prospects for Rural Financial Development in Bolivia." James J. Boomgard, James Kern, Calvin Miller, and Richard H. Patten. GEMINI Technical Report No. 31. March 1992. \$4.60
32. "The Role of Private Sector Advocacy Groups in the Sahel." William Grant. GEMINI Technical Report No. 32. March 1992. \$2.40
- \*33. "Access to Credit for Poor Women: A Scale-up Study of Projects Carried Out by Freedom from Hunger in Mali and Ghana." Jeffrey Ashe, Madeline Hirschland, Jill Burnett, Kathleen Stack, Marcy Eiland, and Mark Gizzi. GEMINI Technical Report No. 33. March 1992. \$11.80
- \*34. "Egyptian Women and Microenterprise: the Invisible Entrepreneurs." C. Jean Weidemann. GEMINI Technical Report No. 34. March 1992. \$11.20

- \*35. "A Pre-Project Identification Document Analysis of the Lesotho Agricultural Enterprise Initiatives Project." Mike Bess, Don Henry, Donald Mead, and Eugene Miller. GEMINI Technical Report No. 35. April 1992. \$20.00
36. "Apex Study of the Small Enterprise Development Program of Catholic Relief Services, Senegal." Arelis Gomez Alfonso. GEMINI Technical Report No. 36. May 1992. \$3.00
37. "The Private Operators' Perspective on an Agenda for Action," Dakar, Senegal, November 22-25, 1991. A Seminar on the Private Sector in West Africa. Organized by the Senegalese National Employers' Union (CNP), the Club du Sahel, CILSS and USAID. GEMINI Technical Report No. 37. May 1992. \$7.00
38. "Background Documents to the Seminar on the Private Sector in West Africa," Dakar, Senegal. November 22-25, 1991. GEMINI Technical Report No. 38. May 1992. \$5.00
39. "Apex Study of the Small Enterprise Development Program of Catholic Relief Services, Thailand." Arelis Gomez Alfonso. GEMINI Technical Report No. 39. May 1992. \$3.20
40. "Study of Informal Cross-border Trade, Poland." SMG-KRC/Poland. GEMINI Technical Report No. 40. May 1992. \$3.20
41. "Study of the Informal Commercial Sector, Poland." SMG/KRC Poland. GEMINI Technical Report No. 41. May 1992. \$4.20
42. "Evaluation of the Micro and Small Enterprise Development Project (MSED) in Bolivia." William Fisher, Jeffrey Poyo, and Ann Beasley. GEMINI Technical Report No. 42. June 1992. \$10.60. Also available in Spanish.
43. "Analysis of Funding Mechanisms for the Small and Micro Enterprise Development Project, Egypt." Kenneth J. Angell and John M. Porges. GEMINI Technical Report No. 43. June 1992. \$3.80
44. "Get Ahead Foundation Credit Programs in South Africa: The Effects of Loans on Client Enterprises." Jennefer Sebstad. GEMINI Technical Report No. 44. June 1992. \$3.00
45. "Get Ahead Foundation in South Africa: Final Evaluation." Robert Christen, Elisabeth Rhyne, Doug Salloum, and Jennefer Sebstad. GEMINI Technical Report No. 45. June 1992. [not for general circulation]
46. "Micro- and Small-Scale Enterprises in Botswana: Results of a Nationwide Survey." Lisa Daniels and Yacob Fisseha. GEMINI Technical Report No. 46. August 1992. \$9.40
- \*47. "The Growth and Dynamics of Women Entrepreneurs in Southern Africa." Jeanne Downing and Lisa Daniels. GEMINI Technical Report No. 47. August 1992. \$3.10
48. "Small Business Development Programming Trip: Peace Corps/Albania and the Office of Training and Program Support, Small Business Development Sector." Lauren Spurrier and Wesley Weidemann. GEMINI Technical Report No. 48. October 1992. \$6.00
- 49a. "Small Enterprise Development in the Russian Far East." Martha Blaxall, Yasuo Konishi, Virginia Lambert, Jennifer Santer, and Timothy Smith. GEMINI Technical Report No. 49a. October 1992. \$12.00

68

- 49b. "Supporting Private Enterprises in Uzbekistan: Challenges and Opportunities." Nan Borton, John Magill, Neal Nathanson, and Jim Packard Winkler. GEMINI Technical Report No. 49b. November 1992. \$5.60
- 49c. "Assessing the Prospects for Small Enterprise Development in Kazakhstan." Kenneth Angell, James J. Boomgard, Mohini Malhotra, and Robert A. Rodriguez. GEMINI Technical Report No. 49c. December 1992. \$3.90
- 49d. "Small Enterprise Development in Ukraine." Dennis De Santis, Jean Gilson, Max Goldensohn, Jennifer Santer, and Timothy Smith. GEMINI Technical Report No. 49d. December 1992. \$8.10
- \*50. "Skins and Hides in Four Countries in Africa: The Potential Role for Micro- and Small-Scale Enterprise Development." William Grant. GEMINI Technical Report No. 50. November 1992. \$3.00. Also available in French.
- 51a. "Morocco: Assessment of Programming Options for Microenterprise Development." Housni El Ghazi, Sheila Reines, Steve Silcox, Katherine Stearns, and Matthew Gamser. GEMINI Technical Report No. 51a. November 1992. [not for general circulation]
- 51b. "USAID/Morocco: Assessment of Programming Options for Microenterprise Development. Report on Workshop and Field Investigations." Matt Gamser, Housni El Ghazi, Sheila Reines, Steve Silcox, and Katherine Stearns. GEMINI Technical Report No. 51b. December 1992. Also in French. [not for general circulation]
52. "Small Enterprise Development in Armenia: Programming Recommendations for Peace Corps Volunteers." Timothy J. Smith. GEMINI Technical Report No. 52. July 1992. \$2.20
53. "Results of a Nationwide Survey on Micro, Small, and Medium Enterprises in Malawi." Lisa Daniels and Austin Ngwira. GEMINI Technical Report No. 53. January 1993. \$11.80
- \*54a. "A Review of Donor-Funded Projects in Support of Micro- and Small-Scale Enterprises in West Africa." William Grant. GEMINI Technical Report No. 54a. February 1993. \$18.80
- \*54b. "A Review of Donor-Funded Projects in Support of Micro- and Small-Scale Enterprises in West Africa: Case Studies." William Grant. GEMINI Technical Report No. 54b. March 1993. \$15.60
55. "Business Linkages and Enterprise Development in Zimbabwe." Donald C. Mead and Peter Kunjeku. GEMINI Technical Report No. 55. April 1993. \$3.40
56. "End of Project Evaluation, Enterprise Development Project, Bangladesh." Mohini Malhotra, John Magill, and James Packard-Winkler, with the assistance of M.M. Nurul Haque. GEMINI Technical Report No. 56. April 1993. \$19.20
57. "Small Business Development Support Project in South Africa: Concept Paper." Richard Betz, Ian Clark, Matthew Gamser, Juneas Lekgetha, Jacob Levitsky, Neal Nathanson, Sango Ntsaluba, and Barney Tsita. GEMINI Technical Report No. 57. June 1993. [not for general circulation]
58. "Attitudes and Practices of Credit Union Members and Non-Members in Malawi and Grenada: Synthesis Report." John Magill. GEMINI Technical Report No. 58. November 1993. \$5.00

59. "Midterm Evaluation of the Microenterprise Development Project in Jamaica." Surendra K. Gupta and Mario D. Davalos, with assistance from Marcia Hextall. GEMINI Technical Report No. 59. September 1993. \$13.80
60. "Investing in the Future: Report of the Task Force for Small and Medium Enterprise in Poland." GEMINI Technical Report No. 60. May 1993. \$13.00
61. "New Competitiveness and New Enterprises in Peru: Small Businesses in an Internationalized Economy." Fidel Castro Zambrano and Ernesto Kritz. GEMINI Technical Report No. 61. August 1993. \$11.80. Also available in Spanish (\$13.20).
62. "Principles for Effective Design and Management of Small Business Development Centers." Jennifer Santer, Neal Nathanson, Steve Thalheimer, and Anita Campion. GEMINI Technical Report No. 62. October 1993. \$13.60
63. "Mongolia: Options and Strategies for Small- and Medium-Scale Enterprise Development." John Magill, Clara Lipson, and Michael McKone. GEMINI Technical Report No. 63. November 1993. [not for general circulation]
64. "Credit Unions and Microenterprises: The WOCCU Perspective." World Council of Credit Unions. GEMINI Technical Report No. 64. December 1993. \$4.00
65. "Strategic Option Paper for Malawi Small Enterprise Support Institutions." Stephen C. Silcox, Anicca Jansen, and Mark Baughan. GEMINI Technical Report No. 65. January 1994. \$9.20
66. "Integration of Gender into GEMINI." Catherine R. Neill and Olaf Kula. GEMINI Technical Report No. 66. January 1994. \$9.80
67. "A Training Program for Microenterprise Lending Agencies in Jamaica." Mohini Malhotra, with assistance from David Logan and Valerie Tate. GEMINI Technical Report No. 67. January 1994. \$3.60
68. "Study of the Financial Sector and SME Development in Poland." Bruce Heatly, Cynthia Lynn Chrzan-Lanigan, and Cathy Silverstein. GEMINI Technical Report No. 68. February 1994. Volume One: Main Report \$5.00; Volume Two: Appendices \$25.20
69. "Private Sector Business Associations in South Africa and Zambia: Advocacy for SMEs." Kenneth Angell. GEMINI Technical Report No. 69. March 1994. \$4.80
70. "A Dynamic Study of Jamaican Micro- and Small-Scale Enterprises." Yacob Fisseha. GEMINI Technical Report No. 70. March 1994. \$3.40
71. "Changes in the Small-scale Enterprise Sector from 1991 to 1993: Results of a Second Nationwide Survey in Zimbabwe." Lisa Daniels. GEMINI Technical Report No. 71. March 1994. \$11.80
72. "The Contribution of Small Enterprises to Employment Growth in Southern Africa." Donald C. Mead. GEMINI Technical Report No. 72. March 1994. \$2.80
73. "Small Enterprise Development in Poland: Does Gender Matter?" C. Jean Weidemann and Carol Finnegan. GEMINI Technical Report No. 73. March 1994. \$6.80
74. "Slovakia Small Business Assessment." Tony Barclay and Bruce Heatly. GEMINI Technical Report No. 74. March 1994. \$6.60

75. "Micro- and Small-Scale Enterprises in Kenya: Results of the 1993 National Baseline Survey." Joan C. Parker with Tanya R. Torres. GEMINI Technical Report No. 75. March 1994. \$12.00
76. "Measuring Socioeconomic Impact of Credit on SMI: Assessment of the Monitoring System Used by the Alexandria Businessmen's Association, Egypt." Linda Oldham and others. GEMINI Technical Report No. 76. May 1994. \$12.20
77. "The Kenya Rural Enterprise Programme under Cooperative Agreement No. AID-615-0238-A-00-7026-00: A Final Evaluation." Catherine Neill, Mario Davalos, Washington Kiiru, M. Manundu, and Jennefer Sebstad. GEMINI Technical Report No. 77. September 1994. \$17.60
78. "Summary Report on the Polish Delegation's Tour of Small Business Assistance Organizations in the United States." Adam P. Saffer. GEMINI Technical Report No. 78. September 1994. \$5.00
79. "Mongolian Chamber of Commerce and Industry Study Tour: U.S. Business Associations and Services." Tom Gray. GEMINI Technical Report No. 79. September 1994. \$4.60
80. "Morocco Microenterprise Finance Concept Paper." Jim Kern, Emile Salou, Housni El Ghazi, and Matthew Gamser. GEMINI Technical Report No. 80. March 1995. \$8.00. [not for general distribution]
- \*81. "The USAID Microenterprise Initiative in Sri Lanka." David A. Lucock, Wesley J. Weidemann, J. Charitha Ratwatte, and Mahinda Gunasekera. GEMINI Technical Report No. 81. April 1995. \$9.60
- \*82. "Stimulating the Growth and Development of Small and Medium Size Enterprises through Financial Sector Policy Reform." Malcolm Toland, Adam P. Saffer, and Bruce Heatly. GEMINI Technical Report No. 82. March 1995. \$10.20
83. "Review of the Covelo Foundation in Honduras and the Organizations it Supports." Robin Bell and Bruce Heatley. GEMINI Technical Report No. 83. March 1995. \$7.60
84. "Proposed Small and Microenterprise Program Activities for USAID in Hungary: the GEORGETTE Project." Neal Nathanson. GEMINI Technical Report No. 84. August 1995. \$7.60
85. "Zimbabwe: Financial Sector Assessment." Robin R. Bell, Team Leader, Geoffrey Peters, and Mehlo Ndiweni. GEMINI Technical Report No. 85. August 1995. \$5.30
86. "Membership Survey of Dominica Cooperative Credit Union League." Olaf Kula and Melissa Punch. GEMINI Technical Report No. 86. August 1995. \$6.20
- \*87. "The Art of Lobbying in Poland." Daniel R. Mastromarco, Adam P. Saffer, and Miroslaw Zielinski. GEMINI Technical Report No. 87. September 1995. \$10.80
- \*88. "Lessons Learned from Small and Medium Size Enterprise-Related Regional Development Programs in Poland". Adam P. Saffer, Malcolm Toland, and Daniel Wagner. GEMINI Technical Report No. 88. September 1995. \$4.40

**Technical Notes:**

**Financial Assistance to Microenterprise Section:**

- \*1. Series Notebook: "Tools for Microenterprise Programs" (a three-ring binder, 1 and 1/2 inches in diameter, for organizing technical notes and training materials) and "Methods for Managing Delinquency" by Katherine Stearns. April 1991. \$7.50. Also available in Spanish and in French.
- \*2. "Interest Rates and Self-Sufficiency." Katherine Stearns. December 1991. \$6.50. Also available in Spanish and in French.
- \*3. "Financial Services for Women." C. Jean Weidemann. March 1992. \$5.00. Also available in Spanish and in French.
- \*4. "Designing for Financial Viability of Microenterprise Programs." Charles Waterfield. March 1993. \$10.00 with diskette. Also available in Spanish and in French.
- \*5. "Monetary Incentive Schemes for Staff." Katherine Stearns, ACCION International. April 1993. \$3.80. Also available in Spanish and in French.
- \*6. "Fundamentals of Accounting for Microcredit Programs." Margaret Bartel, Michael J. McCord, and Robin R. Bell. December 1994. \$6.30
- \*7. "Financial Management Ratios I: Analyzing Profitability in Microcredit Programs." Margaret Bartel, Michael J. McCord, and Robin R. Bell. February 1995. \$5.90
- \*8. "Financial Management Ratios II: Analyzing for Quality and Soundness in Microcredit Programs." Margaret Bartel, Michael J. McCord, and Robin R. Bell. February 1995. \$6.30

**Nonfinancial Assistance to Microenterprise Section:**

- \*1. "A Field Manual for Subsector Practitioners." Steven J. Haggblade and Matthew Gamser. November 1991. \$4.65. Also available in Spanish and in French.
- \*2. "Facilitator's Guide for Training in Subsector Analysis." Marshall A. Bear, Cathy Gibbons, Steven J. Haggblade, and Nick Ritchie. December 1992. \$35.00. Also available in Spanish and in French.
- \*3. "Management Information Systems for Microenterprise Development Programs." Mark King and Charles Waterfield. January 1995. \$6.50.

**Field Research Section:**

- \*1. "A Manual for Conducting Baseline Surveys of Micro- and Small-scale Enterprises." Michael A. McPherson and Joan C. Parker. February 1993. \$13.60. Also available in Spanish and in French.

**Special Publications:**

- \*1. "GEMINI in a Nutshell: Abstracts of Selected Publications." Compiled by Eugenia Carey and Michael McCord. Special Publication No. 1. 1993. \$10.00

72

\*2. "GEMINI in a Nutshell II: Abstracts of Selected Publications." Compiled by Eugenia Carey and Linda Rotblatt. Special Publication No. 2. 1995. \$14.60

---

Copies of publications available for circulation can be obtained from PACT Publications, 777 United Nations Plaza, Sixth Floor, New York, NY, 10017, U.S.A.

9/95