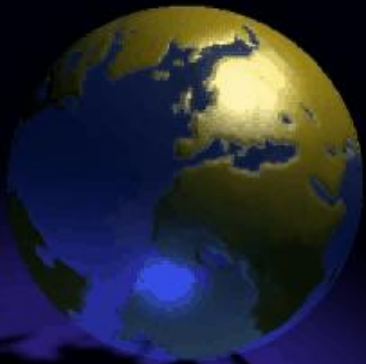


ISLAMIC MICROFINANCE MODEL

(Study of Implementation microfinance model in Indonesia)

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Outline:

A. Introduction

B. IMFI Model in Indonesia

C. Data Analysis

D. Conclusion



Introduction

Background

Problem

Methodology

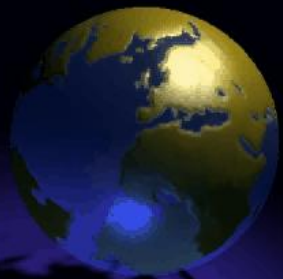


Introduction

MFI has become an international issue

become the center of attention of the world community today

in serving financial services to its target

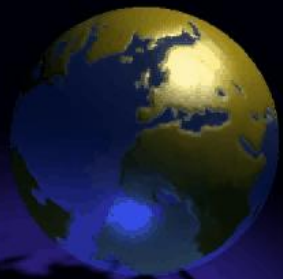


FACT

IMFI widely used by formal financial institutions in Indonesia as an agent of the distribution of funds to target small businesses.

The number of MFI in Indonesia			
TAHUN	KSP	USP	total
2002	1,265	35,267	36,532
2003	1,376	35	36,376
2004	1,376	35,218	36,594
2005	1,598	36,485	38,083
2009	3,624	67,741	71,365
2010	3,624	67,741	71,365
2011	3,163	66,583	69,746

Source: Coop Ministry RI



Identify The Problem

- In practice microfinance developed in accordance with the conditions, culture, environment and character of the nation in which it is implemented microfinance. Form of microfinance practices that differ from country to country to encourage the emergence of a certain pattern (model) which is typical in the region and become a reference for the practices of microfinance in other areas.



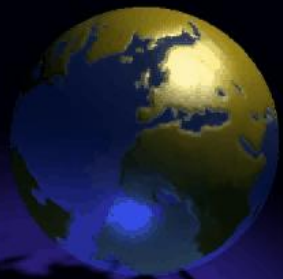
Scope

- So the analysis of the microfinance model is restricted to variables microfinance principles consisting of:
 - (1) Target financing,
 - (2) Security financing,
- While variable microfinance principles of Islam, consisting of:
 - (1) The purpose of financing;
 - (2) financing Agreement
- The above four variables called exogenous variables.



Indegenous variables

- Quantitative data which is an indicator of performance (financial structure) of institutions, among others:
 - a) Total assets of the institution
 - b) The amount of non-performing financing
 - c) Loan to Deposit Ratio (LDR)
 - d) The ratio of the number of customers with financing (outreach)



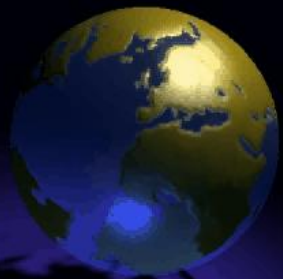
Problem Statement:

1. How does the practice of Islamic microfinance in Indonesia in terms of aspects of compliance with the principles of the shari'ah and the principles of microfinance?
2. Does the variable compliance (compliance) significantly affect the performance of microfinance institutions of Islam in Indonesia?



Objective

1. To find the model of Islamic microfinance in Indonesia.
2. To test the significance of the relationship between the variables compliance with the performance of microfinance institutions of Islam in Indonesia.



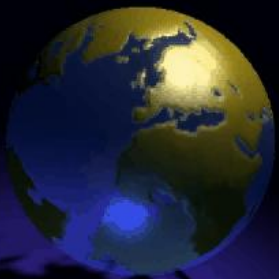
RESEARCH METHODOLOGY

Types of Research

- In accordance with the purposes of this study, the research method chosen was a qualitative descriptive approach phenomenologi;

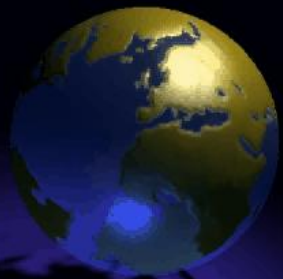
Approach system

- This study uses a dynamic system (system dynamics) is a methodology for studying complex problems in a system



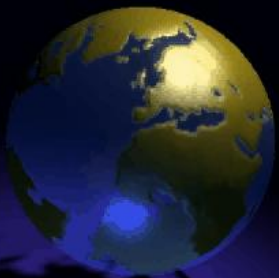
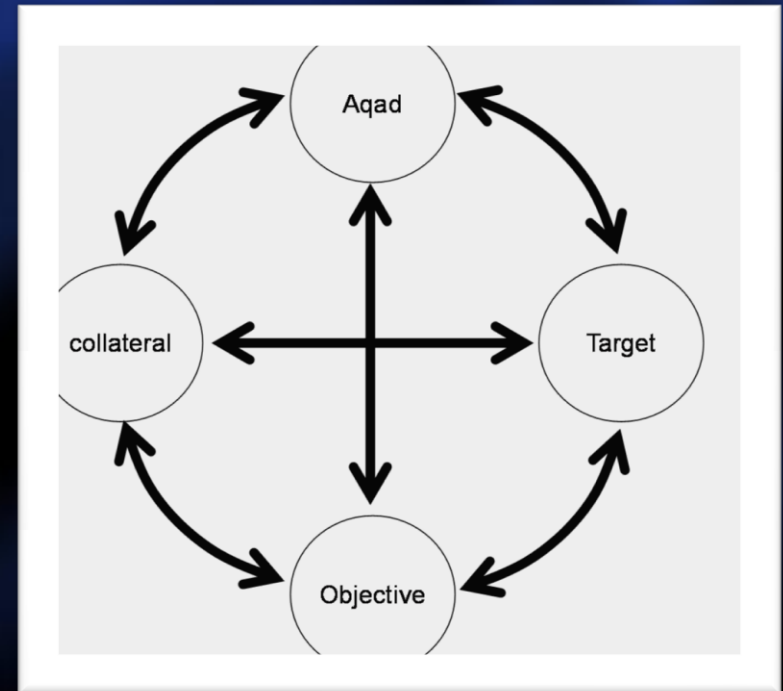
B. Islamic Microfinance Institution Model (IMFI) in Indonesia

- Principle of Islamic Microfinance
- Variabel and Indicator



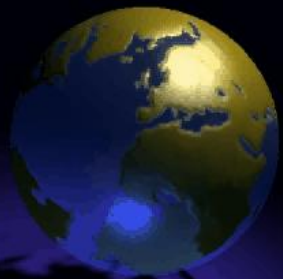
Behaviour validation describe the behavior of IMFI

1. Target microfinance products
2. The purpose of Islamic financing products
3. Akad agreement
4. Security financing



Structure validation describe the performance

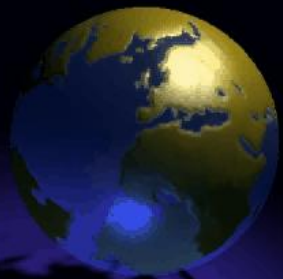
- (1) the total assets of the institution,
- (2) Loan to deposit ratio (LDR),.
- (3) Non-performing Finance (NPF).
- (4) Ceiling per-member



Variable Indicators:

1. Target financing

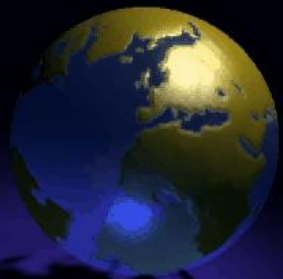
- a. People are very poor
- b. woman
- c. Have a job (productive)
- d. Revenues of approximately Rp. 20,000 per day or less
- e. Reach customer locations away from the office service



Variable Indicators:

2. The purpose of financing

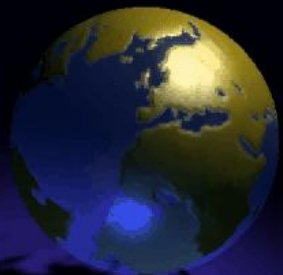
- a. Increased family income
- b. Improve the relationship between citizens
- c. Provide guidance to members
- d. Increase faith and piety
- e. get peace



Variable Indicators:

3. Agreement (type of financing)

- a. Without the cost of binding
- b. Using the basis for the results
- c. No transactions of money
- d. Margin / profit sharing does not burden the customer
- e. No clause of the agreement

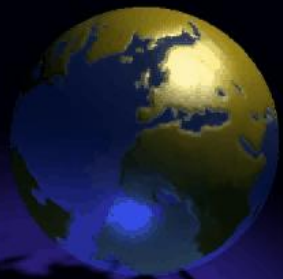


Variable Indicators:

4. Form a guarantee of payment.

Unconventional forms of collateral

- a. The certainty that the customer can repay its obligations
- b. Lapses get a good solution and not be fined
- c. Guarantor is the recipient of financing and partner
- d. Social pressure group if there are members who commit violations

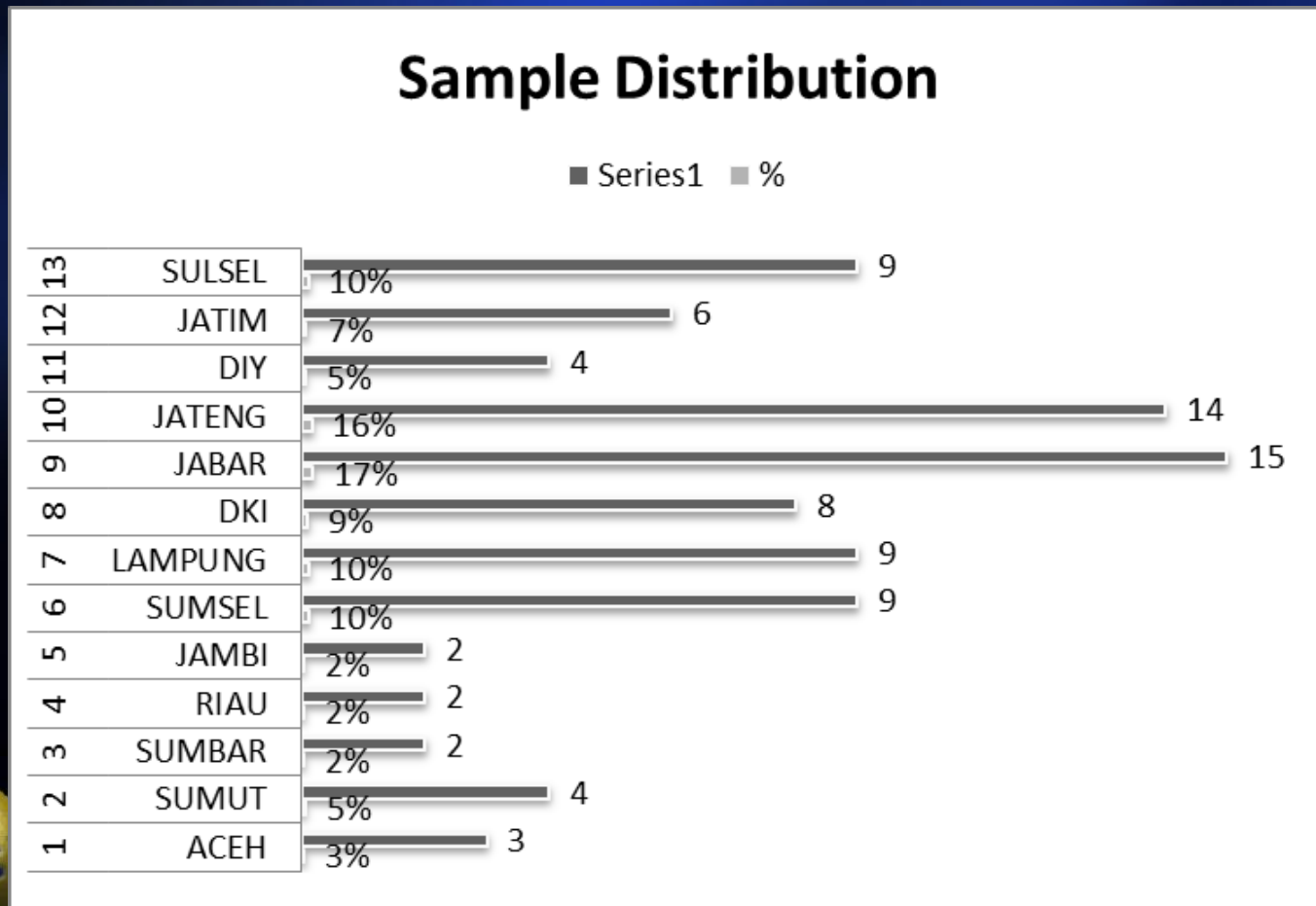


Sampling Techniques & Sample

- The sampling technique in this study uses probability sampling, with a proportionate stratified random sampling technique. Based on these techniques, researchers determined the proportion of the sample based on the representation of all regions in Indonesia. Researchers obtain **data samples** candidates who meet the requirements of the proportion of representation as much as 74 IMFI

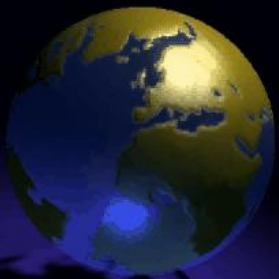
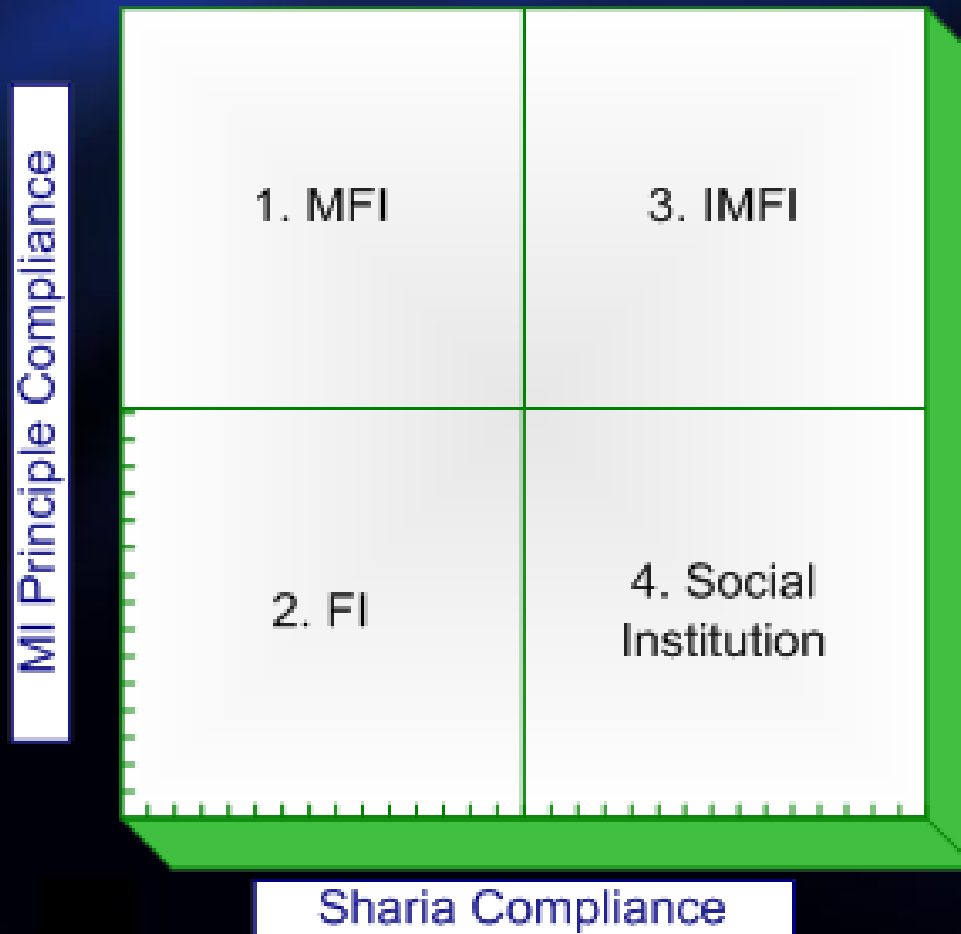


The distribution of the location area as follows:

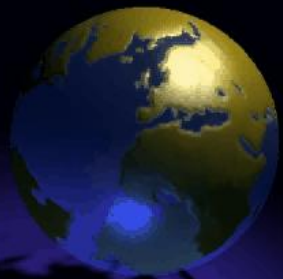
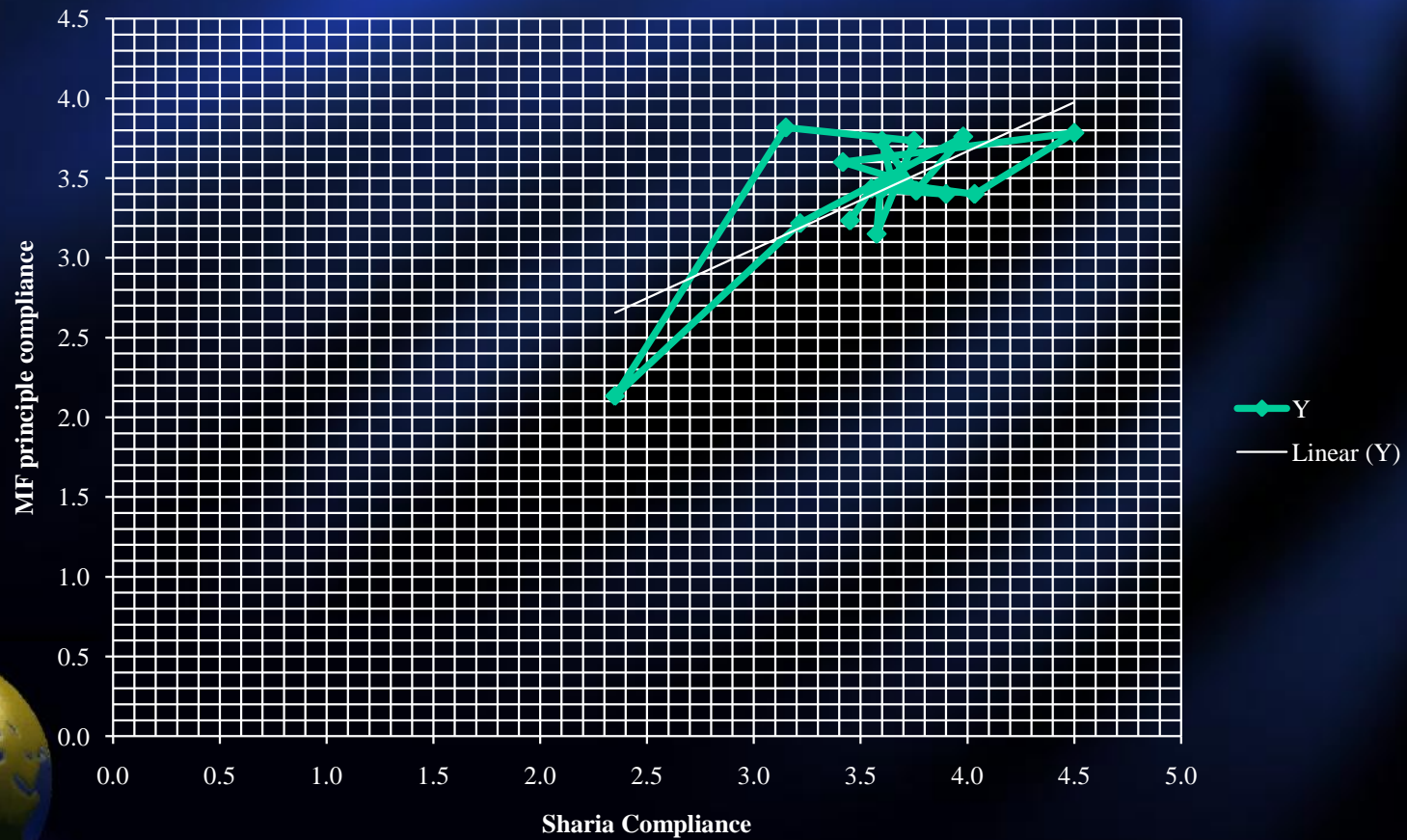


B. DATA ANALYSIS

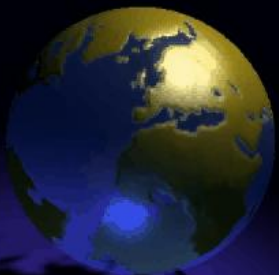
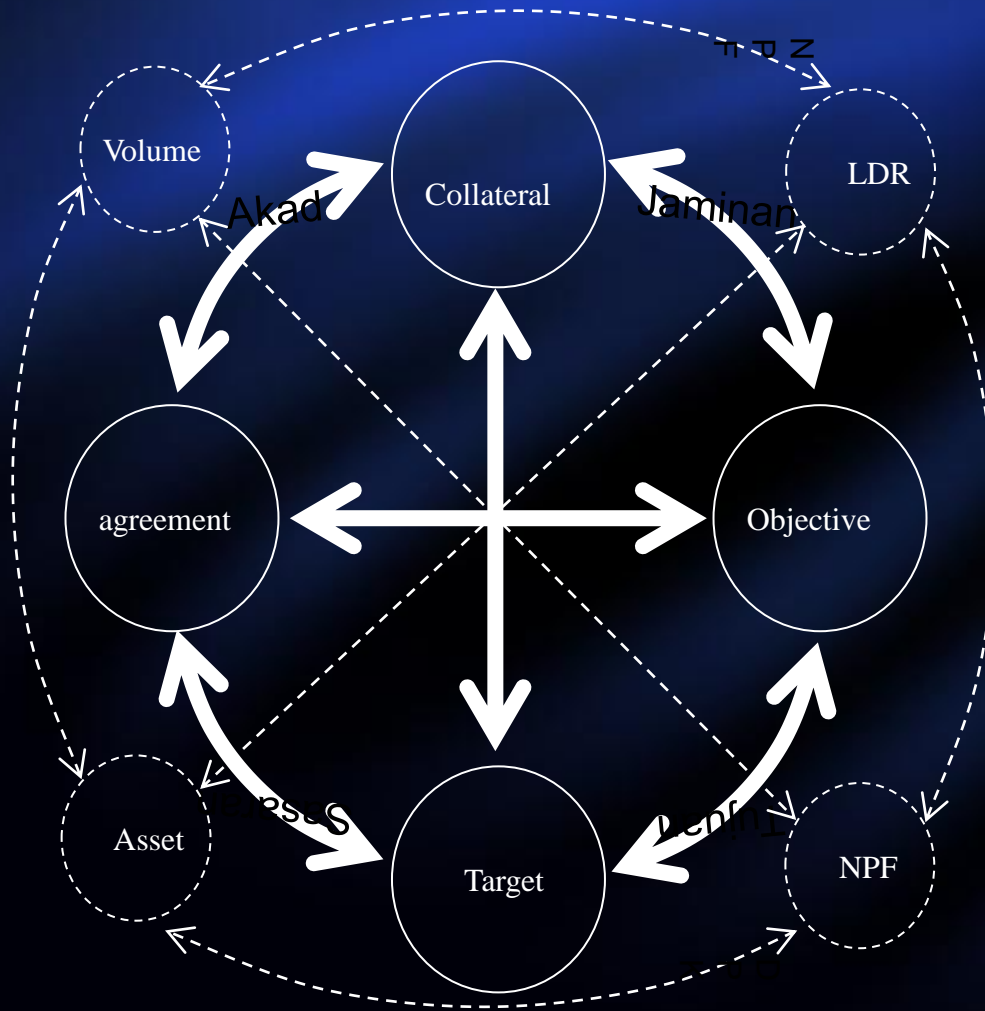
- Quadrant portfolio IMFI Compliance



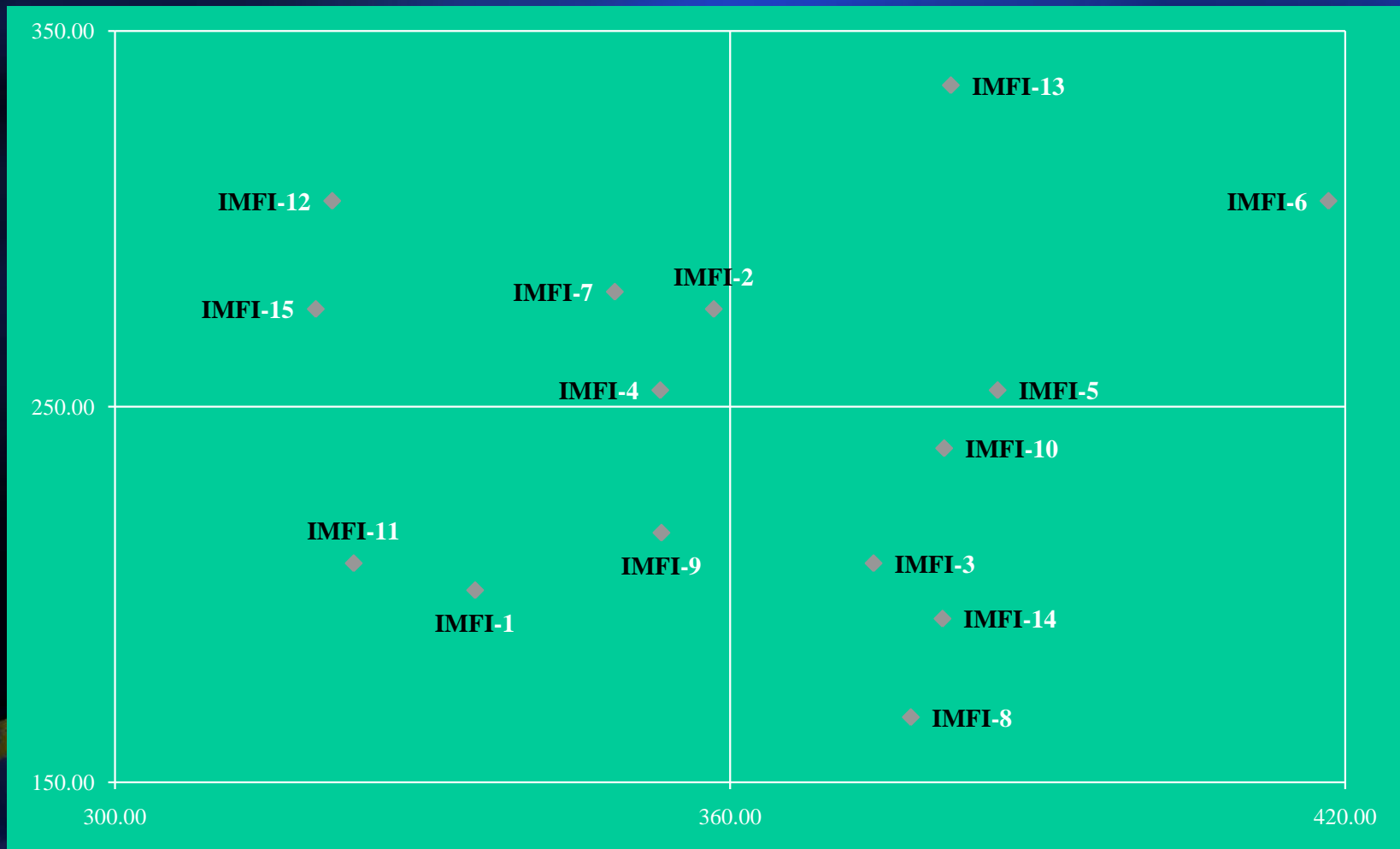
Result



Changes in structural and behavioral variables will form a particular pattern called MODEL

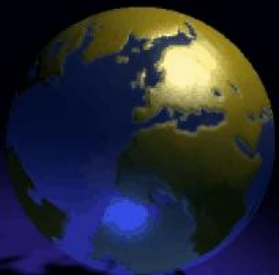


Profile Samples of aspects of financial performance



Position IMFI Quadrant Compliance portfolio

LKMS	X	Y
1	3,5	3,2
2	3,6	3,4
3	3,9	3,4
4	3,4	3,6
5	4,5	3,8
6	4,0	3,4
7	3,7	3,5
8	3,6	3,7
9	3,8	3,4
10	4,0	3,8
11	3,2	3,2
12	2,4	2,1
13	3,2	3,8
14	3,8	3,7
15	3,6	3,2
rata-2	3,6	3,4
mean	3,6	3,4



Of the 15 IMFI sample has the highest compliance rate is the sample no. 13 ie BMT Bina Ummah Welfare. The IMFI profile is as follows:

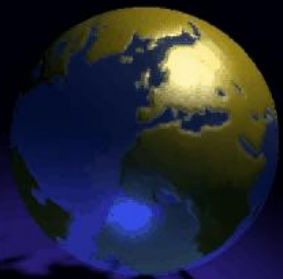
NO	NAMA LEMBAGA	JML ASSET (Rp.000,-)	FUNDING (Rp.000,-)	FINANCING (Rp.000,-)	LDR	NPF	Jml Nsbh	Rata2 Plafon
13	BMT BINA UMMAT SEJAHTERA	136.610.359	101.163.946	114.895.438	114%	0,8%	35.716	3.217

- While IMFI sample with the lowest compliance rate is the sample no. 1 ie BMT Kube Prosperous 003 with the following performance:

NO	NAMA LEMBAGA	JML ASSET (Rp.000,-)	FUNDING (Rp.000,-)	FINANCING (Rp.000,-)	LDR	NPF	Jml Nsbh	Rata2 Plafon
1	KSU-BMT KUBE SEJATERA 003	1.093.735	610.000	758.601	124%	15%	619	1.226

CONCLUSION

- Principles of Islamic microfinance as a synthesis between Islamic financial principles with the principles of microfinance produce features in the microfinance Islamic finance products that include financing target variable, the variable funding purposes, the variable financing agreement and variable financial guarantees. These variables studied and analyzed using structural equation modeling (SEM) which will show the results of the relationship of these variables on the financial performance of Islamic microfinance institutions.



THANK YOU

