

# Module Leveraging Indonesian Ultra-Micro For Resilience & Economic Growth

Made and Presented by: BRI Research Institute,  
Ultra Micro Business - BRI





# Leveraging Indonesian **Ultra-Micro** for Resilience & Economic Growth

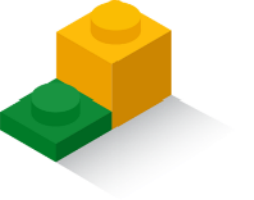


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# Indonesian Ultra-Micro & MSME at a Glance

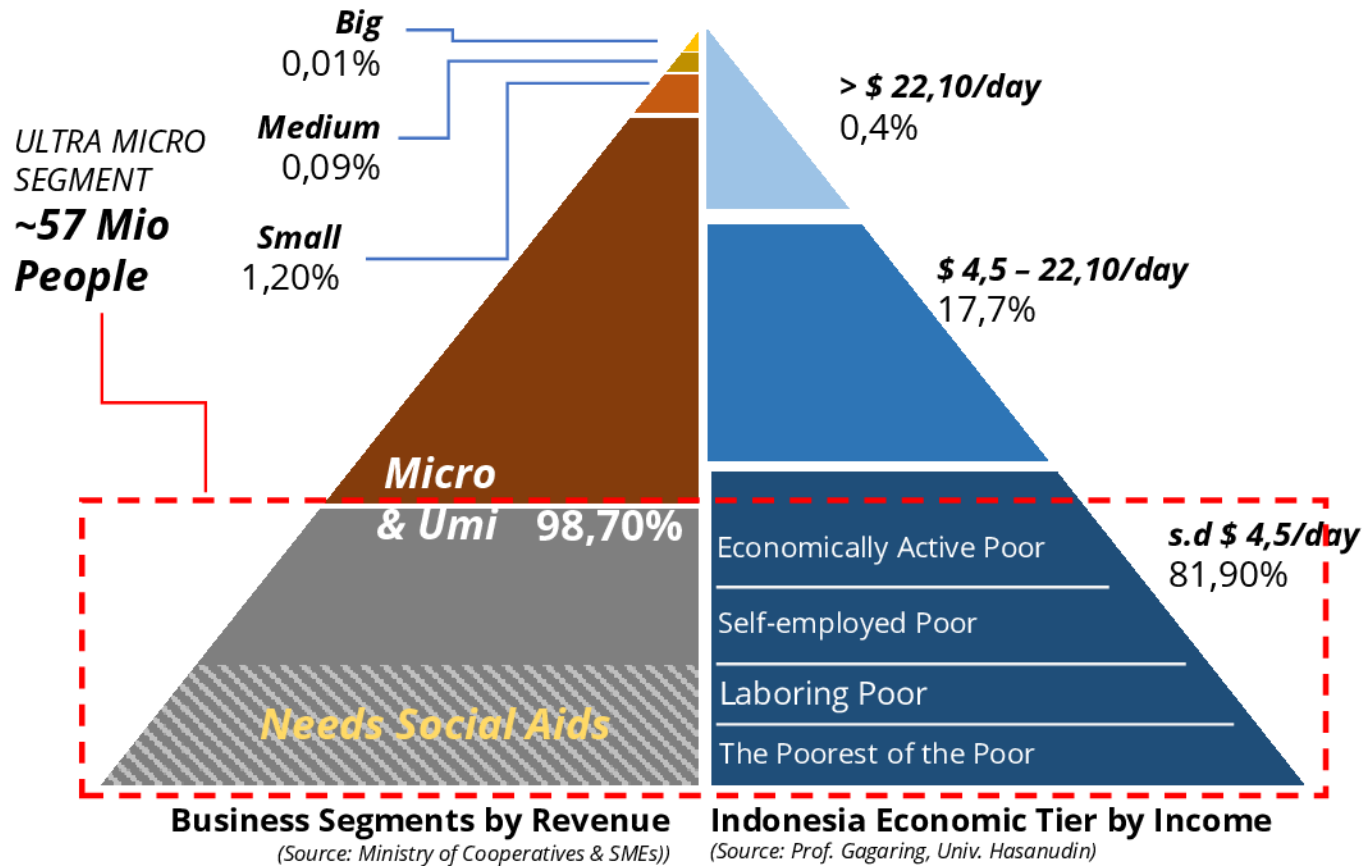
MSME has been the backbone to the nation's economy, biggest contributor to the national GDP. Yet, there is a huge untapped potential in Ultra-Micro.





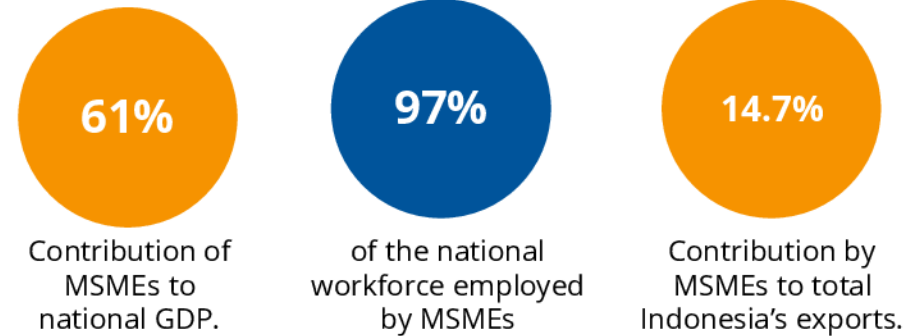
# Major Economy Contraction: MSMEs Holds the Key to Resilience, Economic Recovery, and Growth

## Indonesian Economic & Business Pyramids

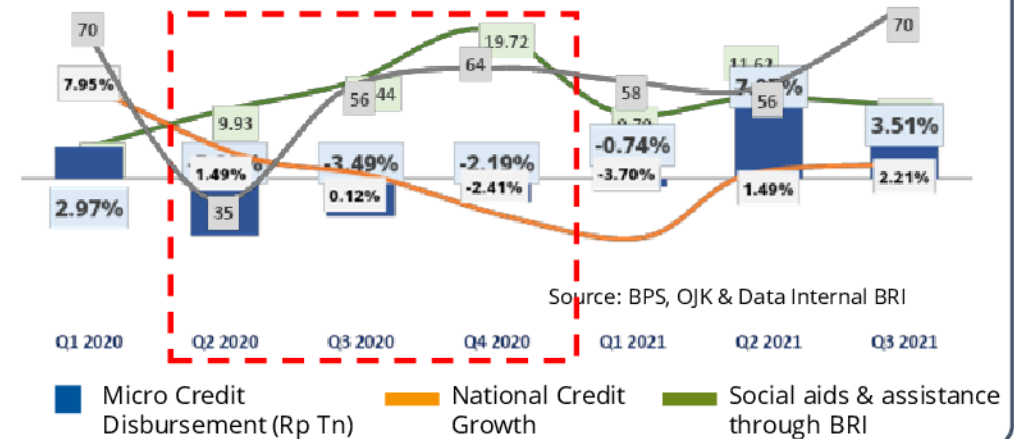


**Ultra-Micro (UMi)** segment, including those who required Social Aids, are the **most susceptible to crisis**. It requires efforts to **strengthen** the segment, build **resiliency**, **leverage**, and **upgrade** them.

## Meanwhile...



## Driver to Economic Growth



**The National Economic Recovery Program** through social protection & MSME sector can maintain the community's supply % demand to build **resilience** and accelerate **recovery**.

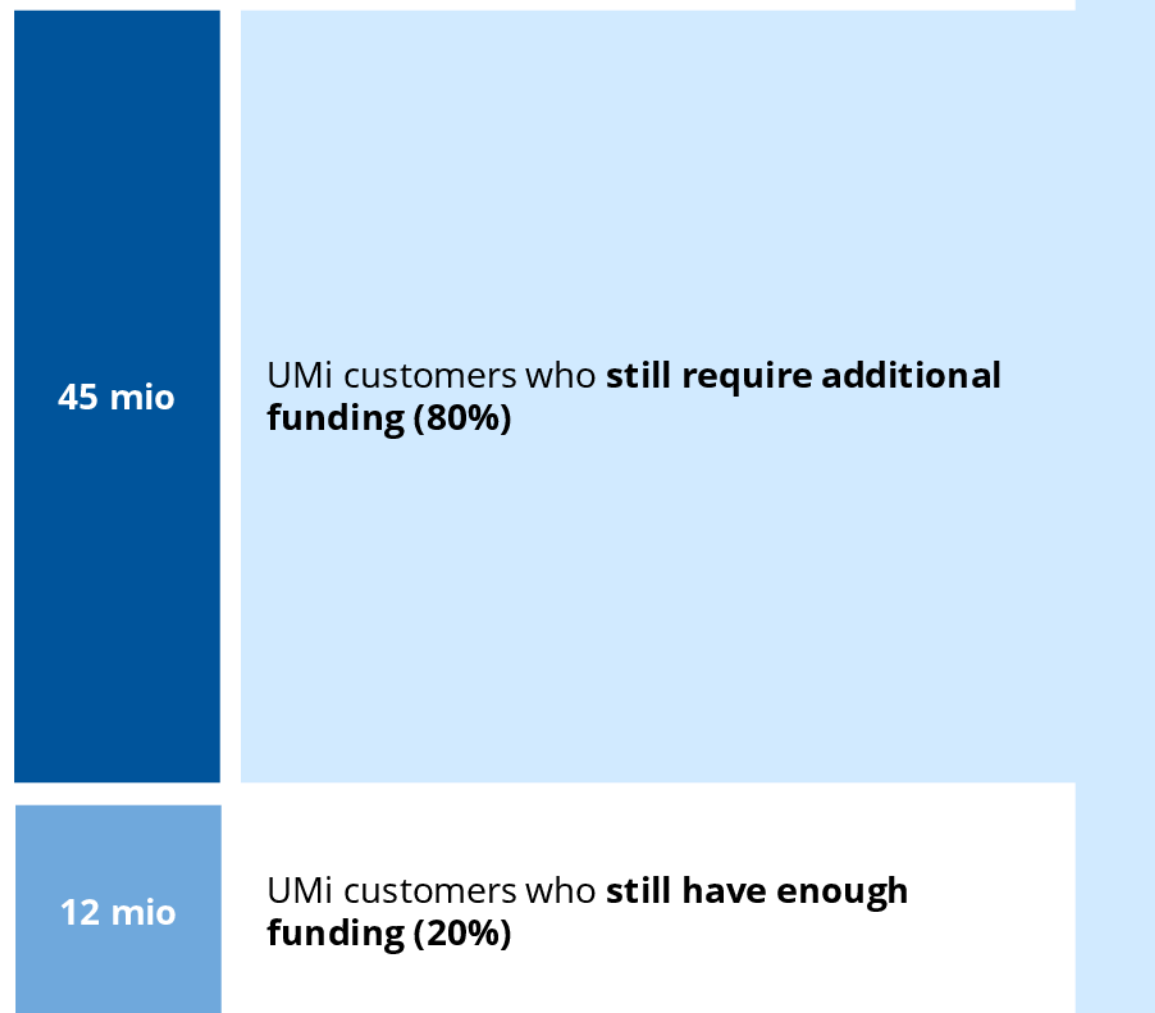




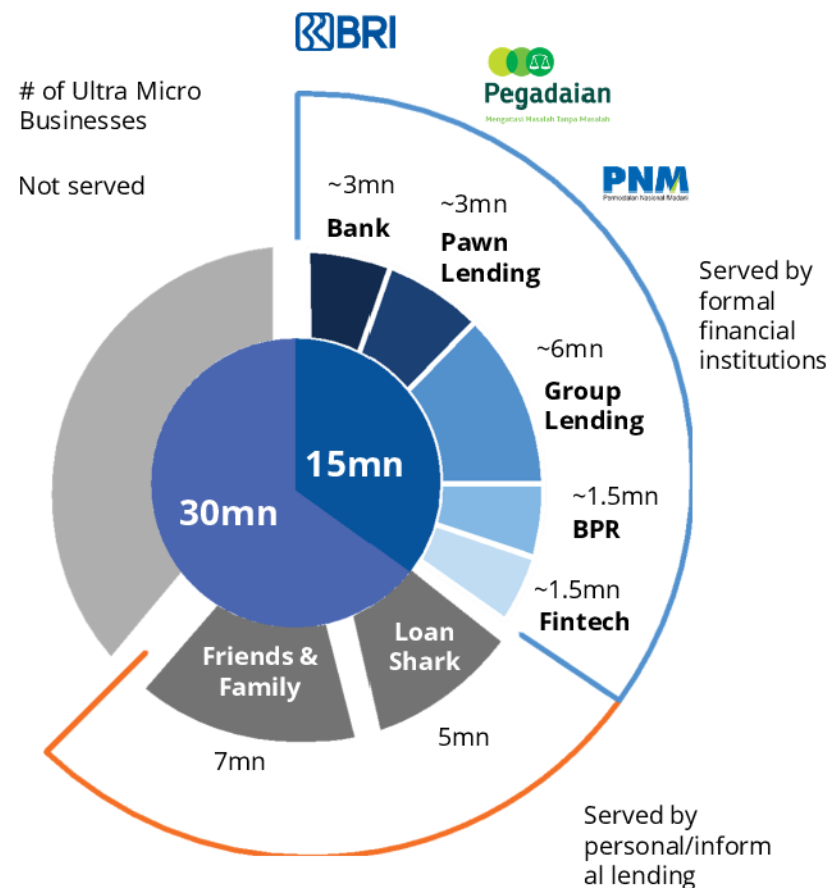
## Market Potentials:

**52% Indonesian Ultra Micro (UMi) businesses have not had access to formal funding**

**57 mio UMi businesses that requires funds, separated into:**  
*(eligible for loans up to Rp50 mio)*



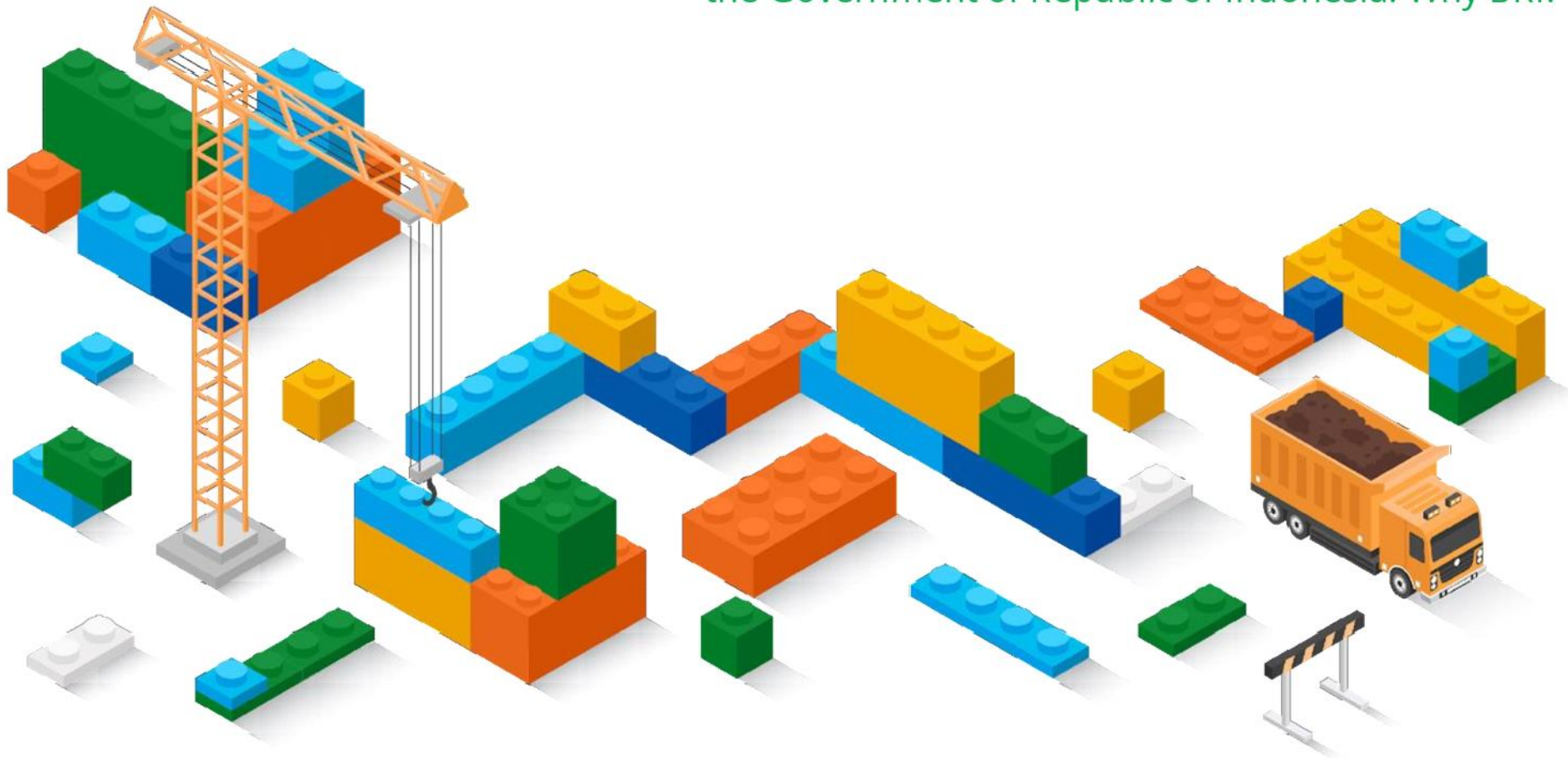
**Market share calculation for the 45 Mio UMi businesses that requires additional funds:**



- 45mn required additional funding
- 1 But only 15mn were served by formal financial institutions
- 2 and 12mn were served by personal lending/informal lending
- 3 With the remaining 18mn still not served by any providers

# BRI & UMi Holding

BRI is leading the Ultra-Micro Holding, consolidated by the Government of Republic of Indonesia. Why BRI?







# 126 Years of Serving Indonesia: Largest MSME Bank & Largest Microfinance Institution in SEA

**Market Cap** As of Dec 2021  
**Rp. 616 T**

**Financial Highlight:**  
**Assets** As of Dec 2021  
**Rp. 1.678,9 T**

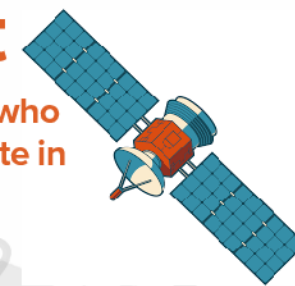
**Net Profit** As of Dec 2021  
**Rp. 32,22 T**



**160+ Mio**  
**Unique Customers**

**BRI**sat

The only bank who  
owned a satellite in  
the world!



**504.000+**  
**BRILink Agents**



**9.200+**  
**Outlets**



**220.000+**  
**ATM**



**+2.72 Bn**  
**Internet Banking Trx**



**+766 Mio**  
**M-Banking Trx**



# BRI Vision 2025: Financial Inclusion Roadmap

## BRI Vision 2025

*The Most VALUABLE  
Banking Group in Southeast Asia  
& Champion of FINANCIAL INCLUSION*

### MISSION

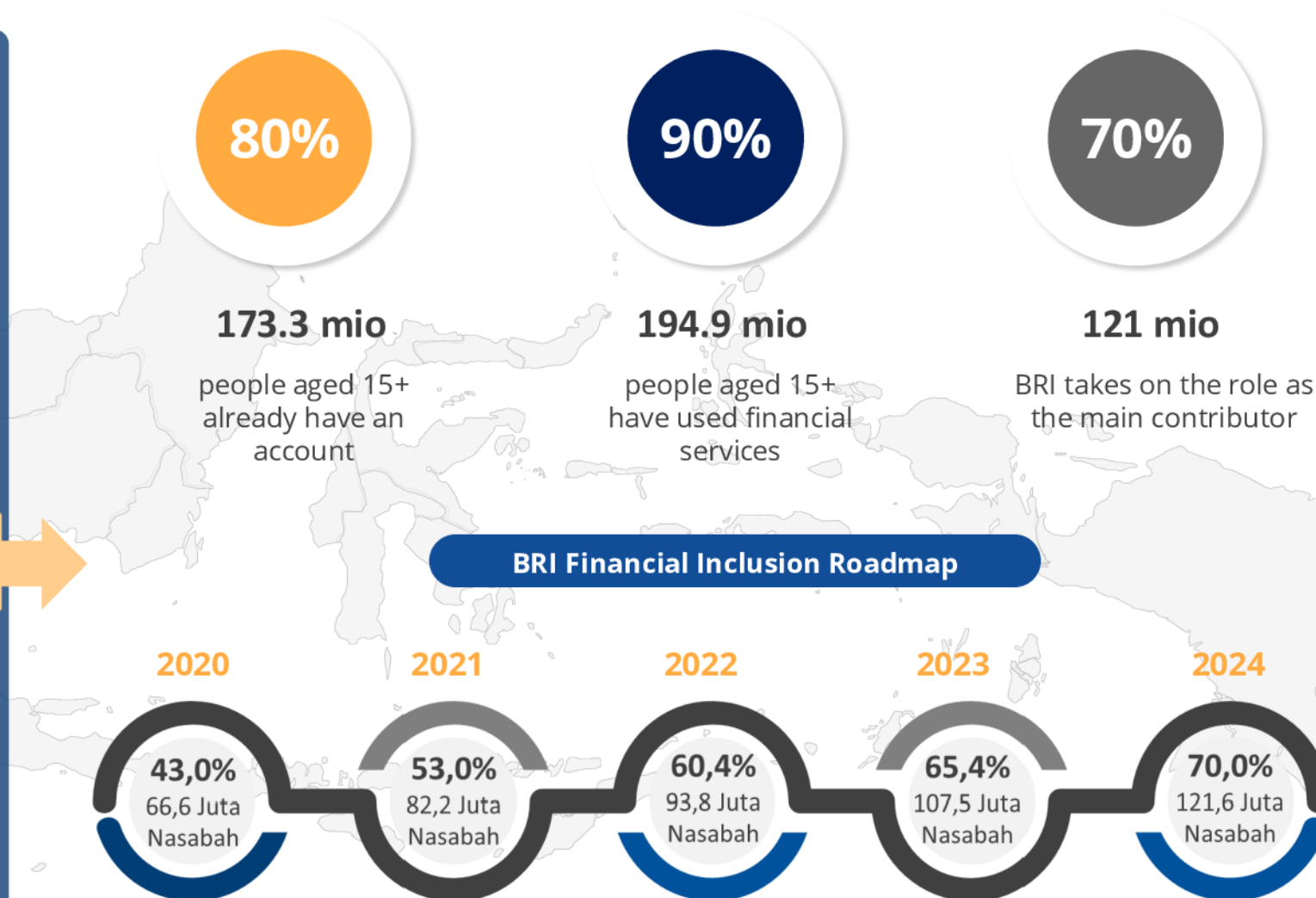
\$ USD 75 Bn. Market Cap

👏 90% Financial Inclusion

🌟 Home to the Best Talent

🧬 "Digital First" DNA

🧠 "Agile & Entrepreneurial" Mindset



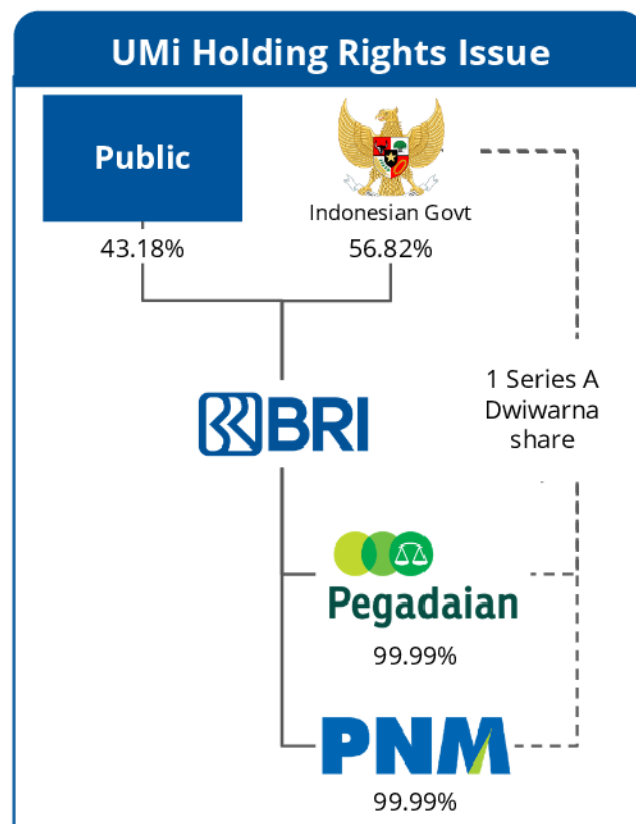
... Data Analytics is an Enabler in achieving the Financial Inclusion target...





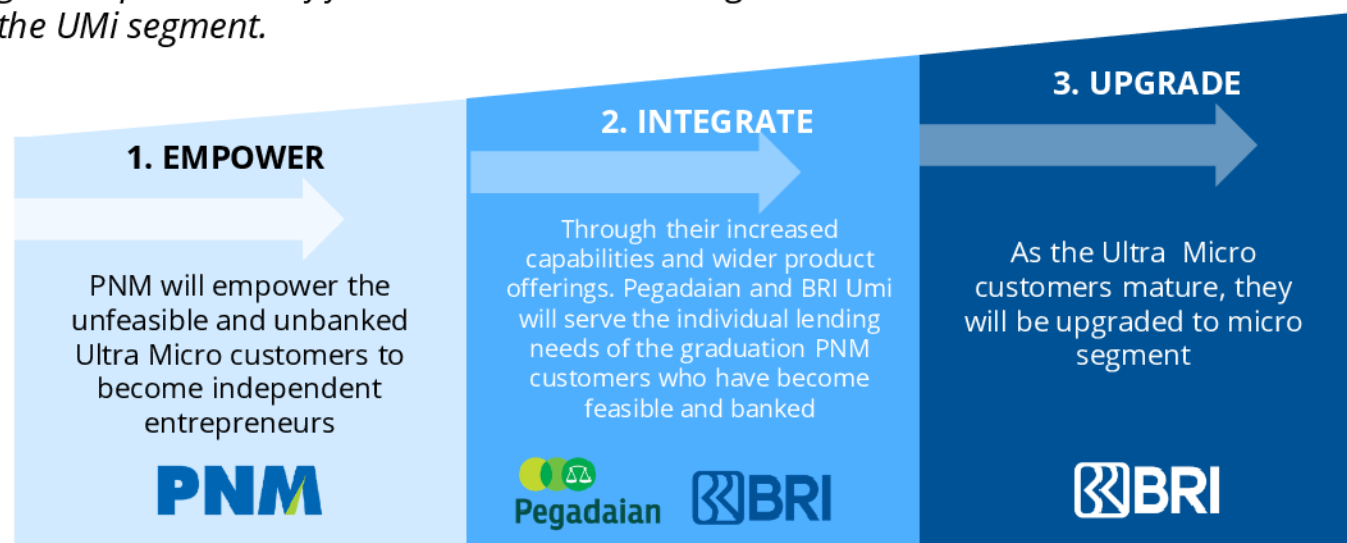
# Establishment of Ultra-Micro Ecosystem and Ultra-Micro (UMi) Holding

UMi ecosystem aims to enhance nations economic potential and accelerate financial inclusion. The UMi holding company, consisted of 3 business entities, offering a complete suite of financial services including commercial banking, pawn businesses, and group lending to the UMi segment.



The holding successfully raised **\$6.71 billion** in its rights issue. This records as the **largest rights issue in SEA**, even Asia and globally.

Source: Indonesia Stock Exchange



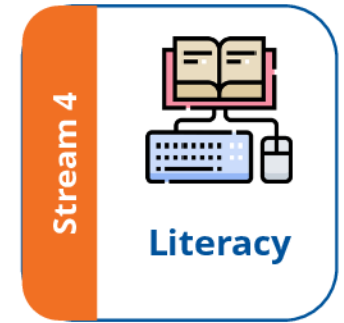
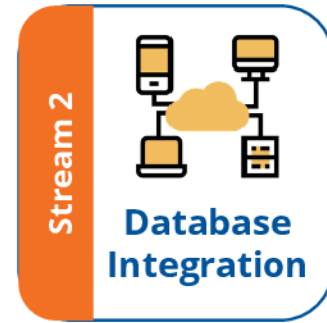
**Consolidated Ultra Micro Ecosystem for a More Integrated Journey for Customers**

Entities	
	Market leader in micro banking, serving the feasible and banked segment
	Market leader in pawn lending, serving the feasible and banked segment
	Group lending, empowering the unfeasible and unbanked segment

Benefits	
	<b>Economics</b> Increasing entity's valuation and hence shareholders' value
	<b>Social</b> Improve living standards and reduce financing costs for UMi customers
	<b>Sustainable</b> Contribute to financial literacy and social inclusion for all Indonesians



# UMi Holding Guiding Streams for UMi Ecosystem Implementation



**SenyuM Mobile** offers **products & services tailored to the needs** of Indonesian UMi.

Data integration among 3 entities will allow:



Increase **underwriting model quality**



Sharing leads for **cross-selling** among entities



**Early Warning System & Fraud Detection**



**Expanding Network and Extended Services**



**Product marketing**

Widen **customer access points** leveraging BRI, Pegadaian, and PNM **strong physical networks** across the nation.

## 3 steps of BRI Literacy:



Increase awareness and gain basic understanding on finance



Directing UMi to use banking products in their daily life



Increasing the number of financial products & services used by UMi



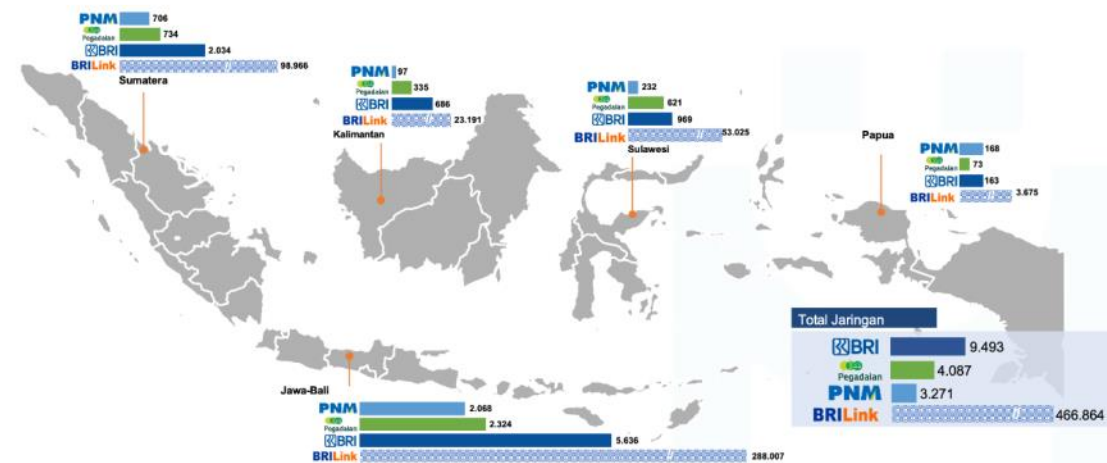
# Senyum Co-Location: a hub for financial inclusion

Co-location will play a pivotal role in establishing UMi ecosystem, with extensive offering and integrated customer journeys

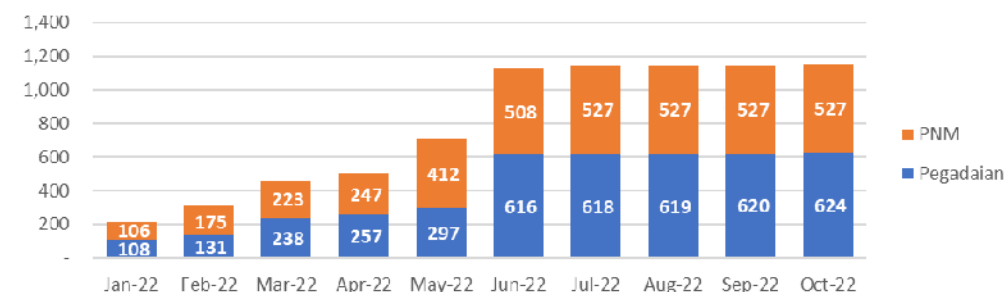


# Unit Senyum Co-location Network Utilization for Joint UMI Business Expansion

- PT PNM and PT Pegadaian optimized the 9,493 BRI network and more than 550 thousand agents throughout Indonesia.
- Optimization is increasingly relevant for areas where PT PNM and PT Pegadaian's network is still limited, such as Papua, Kalimantan, and Sulawesi. It can reduce overall network investment costs for PT PNM and PT Pegadaian.



## Senyum Co-location Implementation



## Co-Location Portfolio

	BRI	Pegadaian	PNM
Simpedes UMi	526.153 Rek avg Rp 500rb	Gadai 122.118 cust Rp 694,8 billion	Tab. Emas 62.638 acct Rp. 4,2 billion
		Cashless(cust) Cashless Graduated (cust)	: 11.196 cust : Rp 155,48 billion : 11.196 cust

The Co-location (unit Senyum) opening in 2022 have been significant and can meet the set targets.



SenyuM Co-location expands customer access to UMi's extensive range of products and services and social empowerment and financial inclusion programs.





# Sentra Layanan Ultra Mikro will be delivered across archetypes to maximize customer reach leveraging BRI existing network



Pegadaian

PNM

## Branch-in-branch



Presence of **Pegadaian counter and collateral safe boxes** within BRI outlets – full suite product offering available at co-location

## KC unit extension



Presence of **Pegadaian appraisal counter** within BRI outlets – full suite product offering available at co-location

## Gadai-on-demand



Setup of **Pegadaian sales** with **scheduled collateral pick-up service** to be appraised at Pegadaian outlets – full suite product offering available at co-location

## Branch-in-branch



**Extension of PNM branch** at co-location outlets with **dedicated workspace for PNM branch staffs** (branch head, AO, FAO)

## Cash management hub



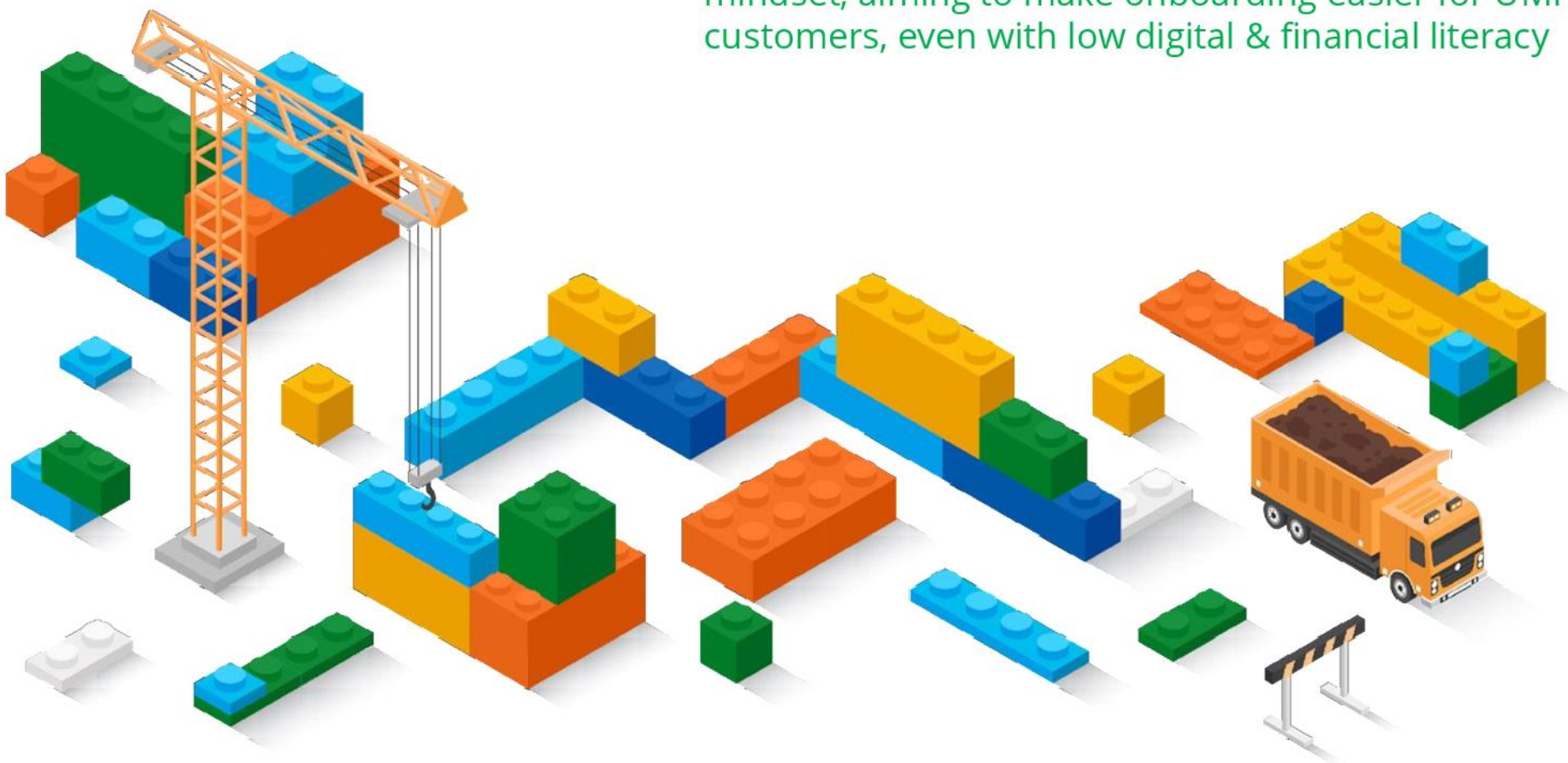
**Integration of PNM daily cash operations** (disbursement and repayments) with BRI units through placement of PNM financial account officer at BRI outlets



**Integrated Sentra Layanan Ultra Mikro:** locations where BRI, Pegadaian and PNM co-located in 1 unit and the full suite of UMi offerings are available to customers

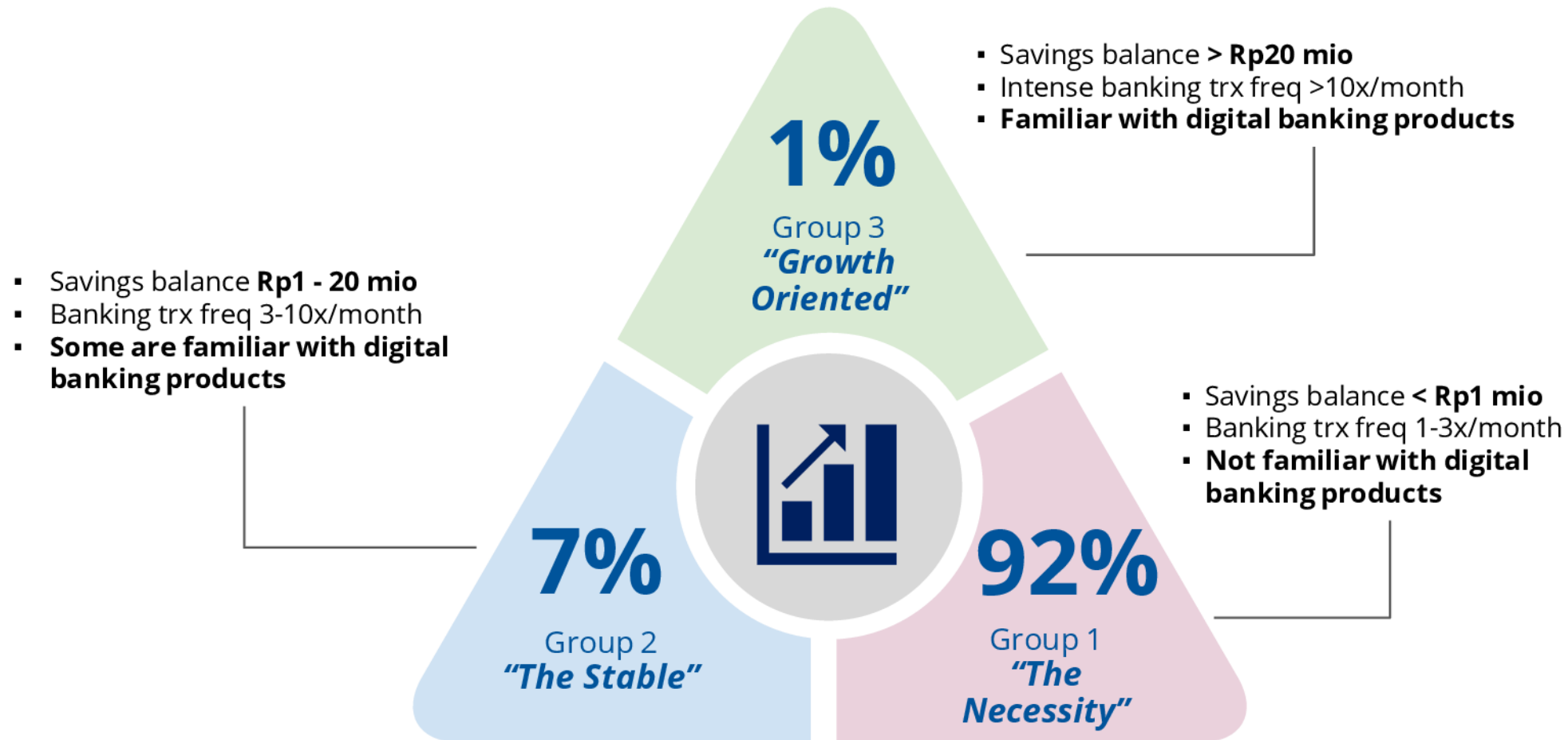
# Introducing SenyuM Mobile

A joint-acquisition app made with a customer-obsessed mindset, aiming to make onboarding easier for UMi customers, even with low digital & financial literacy





# Delivering Customer-Obsessed Solutions: **UMi Customers** **Grouping** After Receiving Government Assistance



Source: BRI Enterprise Data Management

UMi holding through SenyuM Mobile aims to **strengthen the UMi ecosystem**, and further **upgrade** the Group 1 customers into Group 2 or 3, utilizing the **3 main factors** of UMi customers: **access to financing, smartphone utilization, and increase awareness for savings**





# Delivering Customer-Obsessed Solutions: **The Three Personas in UMi Segments**



***The Necessity***



***The Stable***



***The Growth Oriented***

Funding/Capital	Personal/Family savings		
	Informal loans	Informal loans & non-bank FIs	Formal loans
Business Permit	Not necessary	Not necessary unless required by lending companies	Necessary
Profit management	Mixed with other income for personal & daily use	Separated, only use in emergency	Separated, has its own budget post
Use of profits	Household needs & emergency	Emergency funds, circulated as capital	Circulated as capital
Financial preferences & behavior	Cash	Dominated by cash, combined with transfer	Combination of cash & digital (transfer, QRIS, e-wallet)
Use of mobile phone	Personal use	Mixed personal & business	Mixed personal & business
Savings balance	< Rp 1 mio	Rp 1 - 20 mio	> Rp 20 mio
Banking trx freq.	1-3x/month	3-10x/month	>10x/month



# Product Offered & Easy Features

Currently **SenyuM Mobile** offers savings and lending products from BRI, PNM, and Pegadaian, tailored to the needs of UMi customers.

## Savings

Tabungan BRI  
**Simpedes**

### Simpedes (BRI Savings)

Savings account for individuals with low initial balance deposit, aimed for the unbanked.

Tabungan Emas

### Gold Savings

deposit gold balance for investments.

## Lending

 **Pegadaian**  
Mengatasi Masalah Tanpa Masalah

### Gadai Emas (Gold Pawn Lending)

Pawn system loan with movable goods as collaterals (gold, diamonds, vehicles).

**PinjamanBRI**

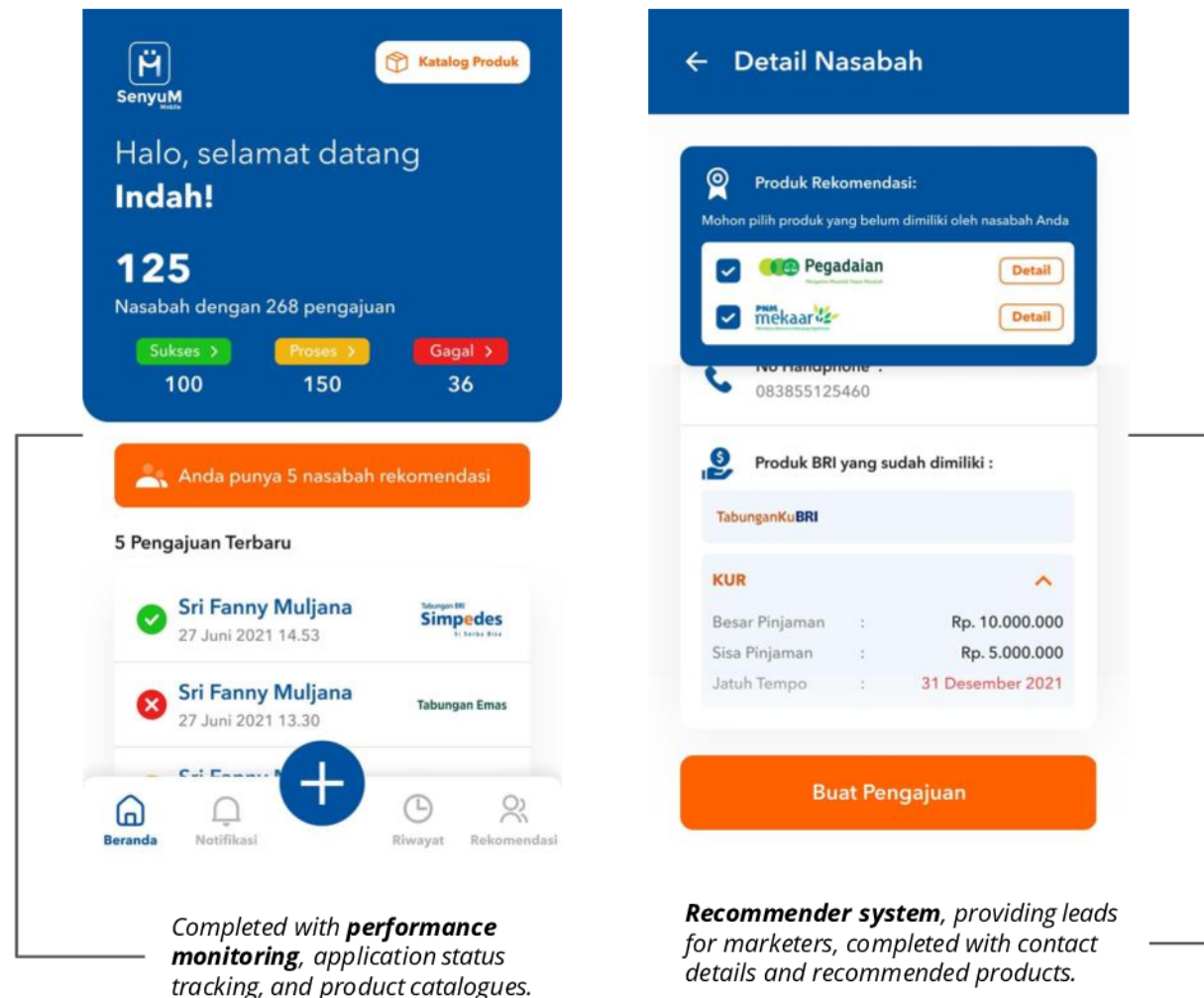
### Pinjaman BRI (BRI Loan)

Loan aimed for UMi and micro businesses who needs working capital or investments

**PNM mekaar**  
Memبina Ekonomi Keluarga Sejahtera

### PNM Mekaar

Capital loan for UMi business owned by underprivileged women



SenyuM Mobile for **internal account officers and external agents** are equipped with features that will help them for **easy onboarding** process.



# SenyuM Mobile Latest Numbers



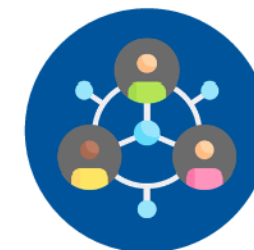
## SenyuM Mobile Piloting

SenyuM Mobile has been piloted by more than **~600.000 BRI, Pegadaian, and PNM sales force** that are located in co-location branch, as well as **BRI Link Agents** & UMi partners.



## Data Integration & Analytics

Currently there are **~22.5 million** customer's database identified based on measured parameters (i.e personal info, business info, historical transactions)



## #Referrals SenyuM Mobile



**~12k borrowers Mekaar**



**~348k borrowers BRI Loan**



**~316k borrowers Pawn Lending**



**~67k customers BRI Savings**



**~126k customers Gold Savings**



2021



**+63.000**

Marketers



**SenyuM Mobile**  
Tenaga Pemasar

2021



**+520.000**

Agen BRILink & Agen Pegadaian



**SenyuM Mobile**  
Agen

2023



**Now Available for All  
Ultra Micro Customer**

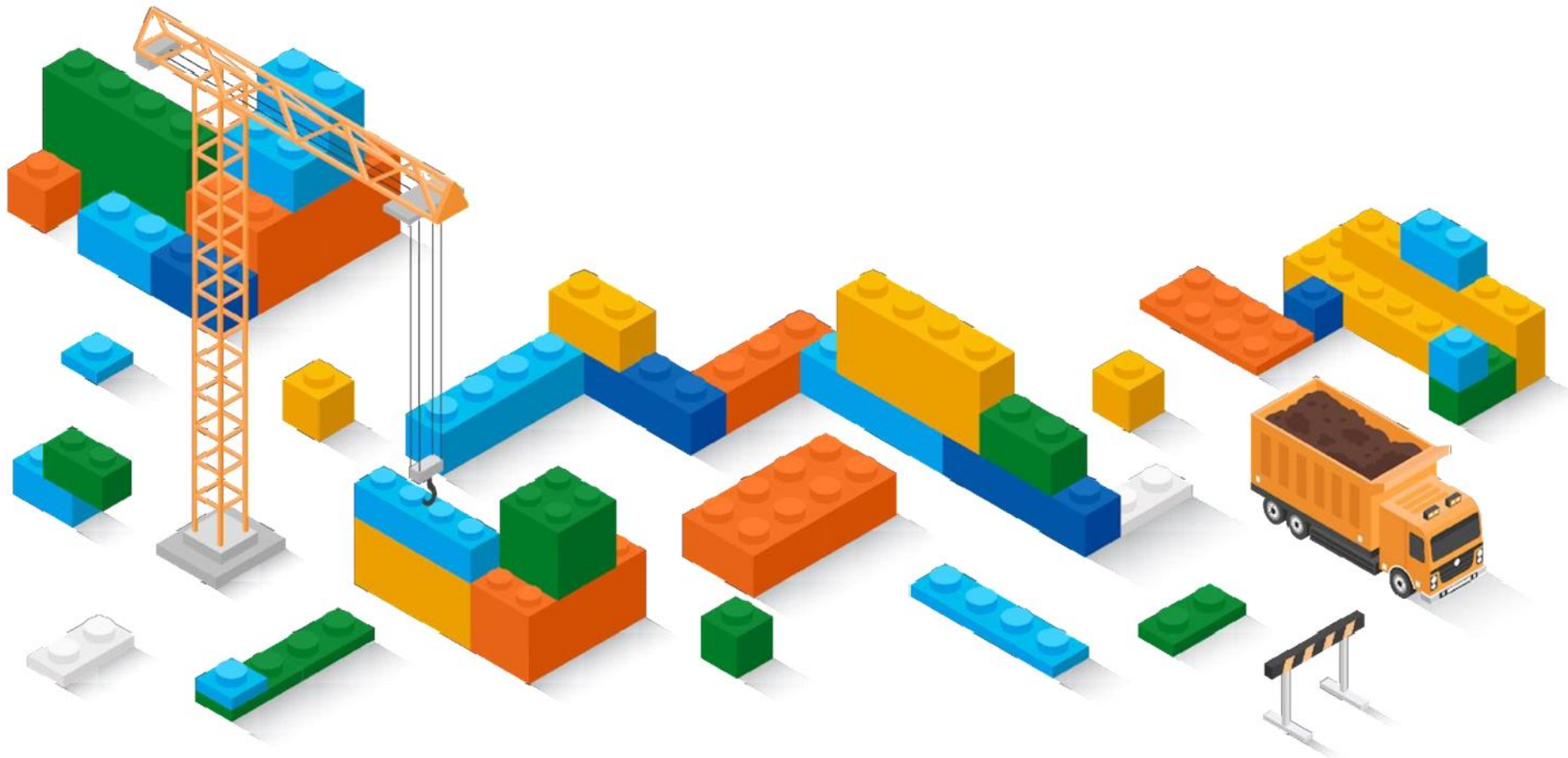


**SenyuM Mobile (self-serve)**  
Nasabah Ultra Mikro

**Our Journey** to give wider access for ultra micro entrepreneurs

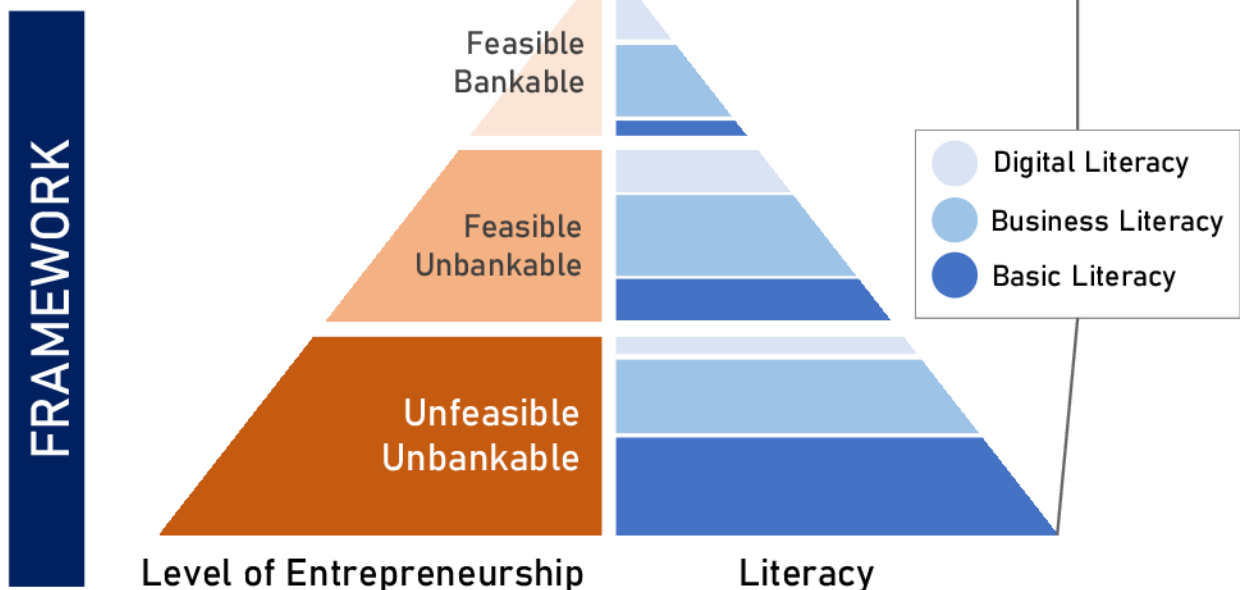
# Social empowerment: Value Proposition

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# Use Cases in UMi Empowerment through SenyuM Mobile



## EMPOWERMENT PHASES

### Basic Phase

- Mapping Using SME Self Assement
- Target: BRI SMEs

### Integration Phase

Integrating system and database with related institutions to become SME data center

### Interconnection Phase

Integrating BRI system & database, related institutions on permit, halal certification, exporting SMEs

Klaster UMKM, UU Cipta Kerja, NIB



- Financial inclusion (financial product and services education)
- Basic financial management (basic accounting)



- Managerial capacity development
- Legal & compliance
- Innovation culture
- Market and industry understanding
- Leadership
- Long term goal mindset
- Scalability



- SME literacy with several goals:
- Go Modern
  - Go Digital
  - Go Global

### Entity

Clusters

Rumah BUMN

Non Rumah BUMN

**Link  
UMKM**

### Expert & Institutions

- Kementerian
- Asosiasi
- Mentor



*Funding and empowerment in the Ultra Micro segment can improve people's standard of living.*



**Cicih Sunarsih**

Nasabah PNM (Mekaar)

Sells Nasi Uduk. Received Mekaar Regular loan with Rp4 million ceilings.



*"Thank god. I used Rp2.4 million to buy new display window, a rice warmer, bigger rice cooker, frying pans, and ingredients. My business has only grown more and more."*



**Mariyani**

Nasabah PNM (Mekaar)

Sells equipments with installments. Received Mekaar Regular loan with Rp5 million ceilings.



*"I used the money to recapital my business, purchase goods, and recirculated for capital."*



**Nani**

PKH\* & KUR Super Mikro

Sews clothes and sells snacks. PKH\* recipient since 2021, KUR Super Micro debtors.



*"Now I can buy more goods at once. I don't need to go back and forth to the market, thus, I save more from the taxi fares, it can costs me Rp50.000."*



**Yuli Senawati**

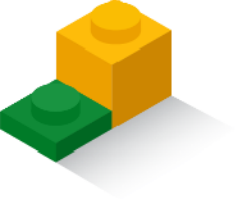
PKH & KUR Super Mikro

Sells snacks. PKH\* recipient since 2011, KUR Super Micro debtors.



*"I have more snacks to sell in my store now. Hopefully, this will smoothen my business, smoothen my repayment, so I can add more capital and expand my store."*

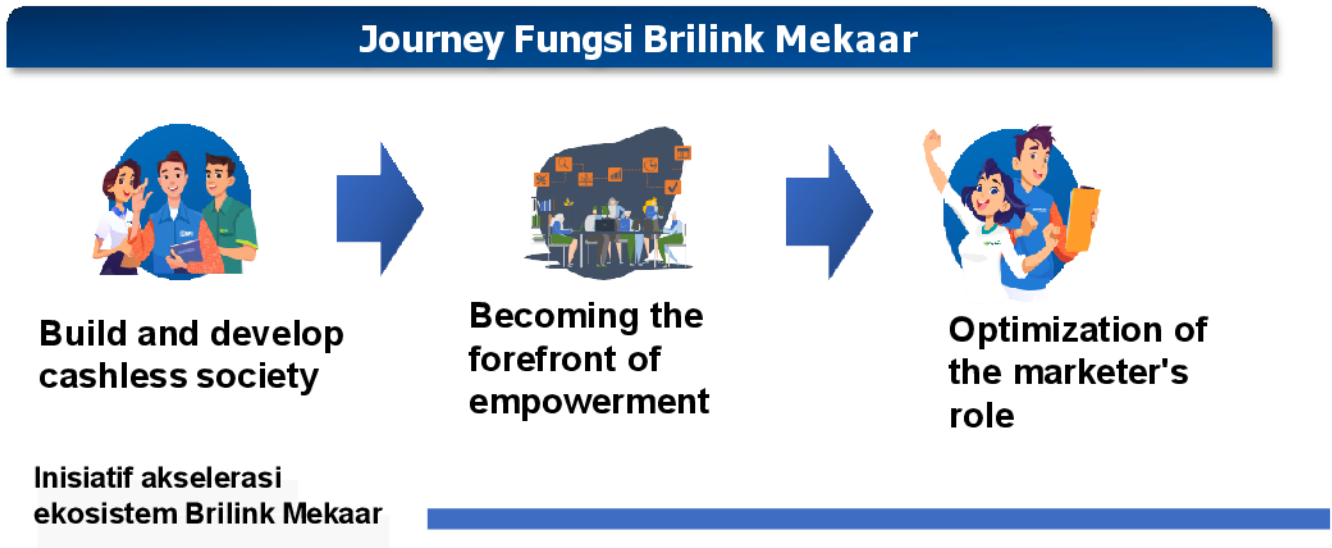
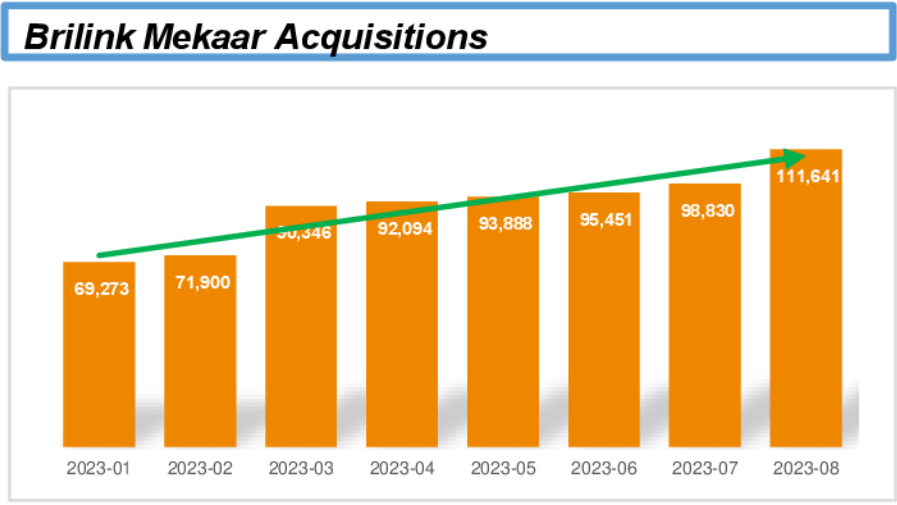
*\*PKH: Family Hope Program is a program to provide conditional social assistance for underprivileged families. PKH aims to reduce the burden of household/family expenditure while investing in improved health and education to sustainably lift PKH recipients out of poverty.*



# UMi Empowerment activities

## actively involves women's role

Group based Literacy Enhancement Program	Joint Distribution Government Program	Targeted Small Business Course of Female Entrepreneur	UMi Business Community Development	Social Media Marketplace
<ul style="list-style-type: none"><li>Opening <b>10 million Simpedes UMi accounts</b>.</li><li>Increasing Simpedes UMi utilization to a total balance of <b>1.1 trillion</b>.</li><li>Providing financial literacy education through Weekly Group Meetings (PKM) by the Business Capacity Development Division (PKU)</li></ul>	<ul style="list-style-type: none"><li>•Pasar Senyum Rakyat" festival program conducted in three cities: Cirebon on March 26, 2022 Denpasar on July 23, 2022 Medan on October 22, 2022</li><li>•<b>1,000 participants</b> in each city attended the event.</li></ul>	<ul style="list-style-type: none"><li>•NIB training in 2022 with the following outcomes: <b>340,595 NIB issuances</b>.</li><li>•Successfully conducted <b>11,672 training</b> sessions on financial literacy, business legality, and digital marketing, attended by 564,816 female entrepreneurs.</li></ul>	<ul style="list-style-type: none"><li>•Business development program for UMi (Ultra Micro) enterprises through digital services in collaboration with Grab and shopee. <b>52,538 customers onboarded to Grab and Shopee</b>.</li><li>•<b>300 UMi businesses</b> participating in the program across 5 cities (Cirebon, Malang, Kupang, Makassar, Semarang).</li><li>•<b>50 UMi businesses</b> participating in the accelerator program for business capacity enhancement.</li></ul>	<p>Establishment of the Senyum Community accounts on Instagram and Facebook as platforms for educating UMi customers.</p> <ul style="list-style-type: none"><li>• IG Followers: 9,678</li><li>• FB Group Members: 28,000</li></ul>
Community-based Empowerment Program	BRI Menanam (Flagship)	Entrepreneurship and Empowerment Index	UMi Incubation Program	Self-declare Halal Certification
<ul style="list-style-type: none"><li>•254,346 members in the WhatsApp empowerment group.</li><li>•77,957 customers registered through the LinkUMKM</li></ul>	<ul style="list-style-type: none"><li>• BRI Menanam implemented in 3 prime spots.</li></ul>	<p>Quantitative and Qualitative Research, and Interviews for the output of the Customer Empowerment Index Report.</p>	<p>Incubating 303 participants nation wide</p>	<p>100 Semarang RO (Regional Office) customers have self-declared halal certificates</p>



Total Agents: 111K Agents

Total Fee: ~41 Billion

Total Fee: ~30 Trillion

- Pipeline Management for BRILink Mekaar Agent Acquisition**

Potential Mekaar customers (Mekaar members/groups) have been prepared to be acquired as BRILink Mekar agents

**Supporting Infrastructure**

Supporting tools or equipment are prepared for the activities of BRILink Mekar, such as MPOS

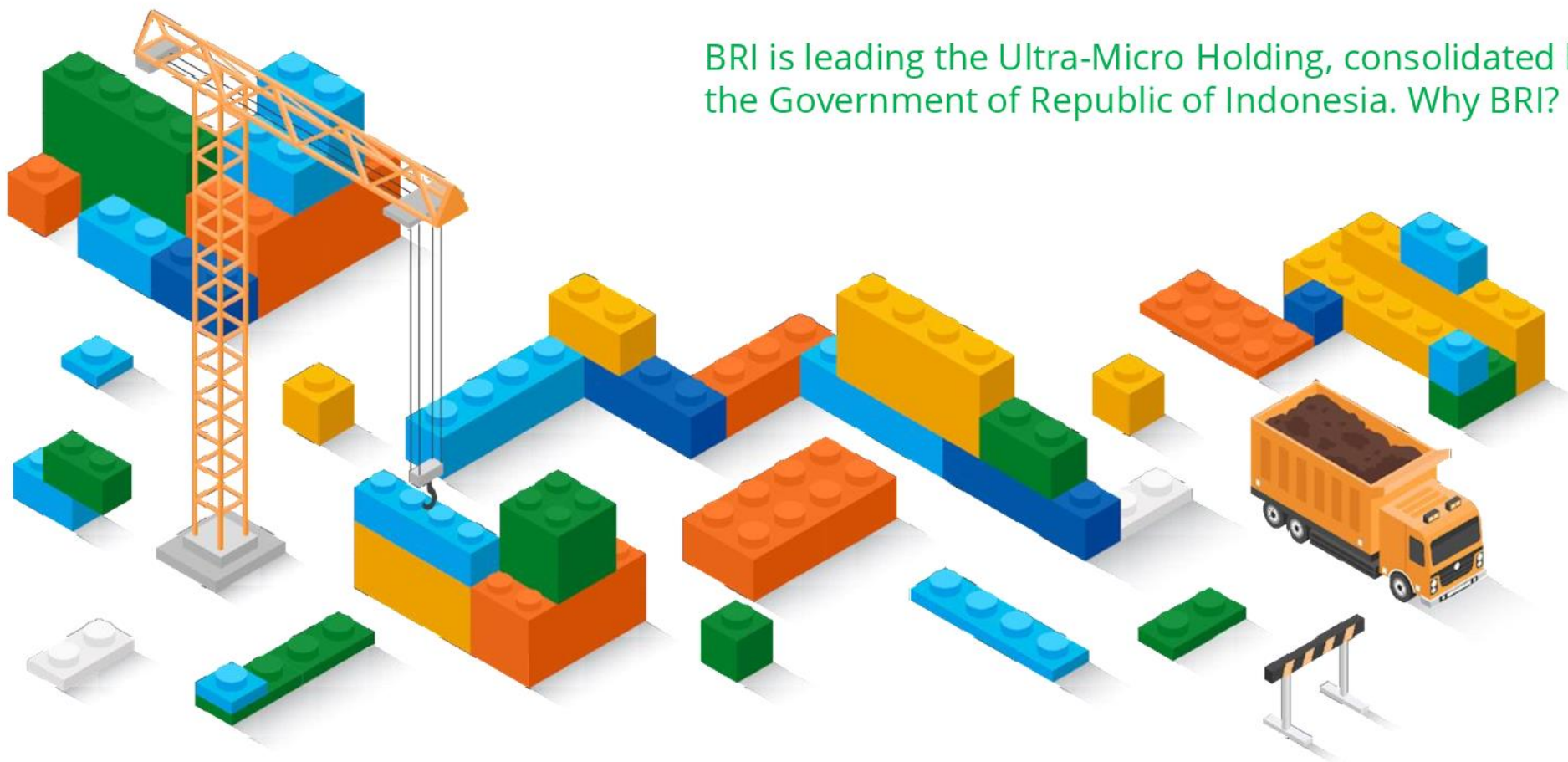
**BRILink Mekaar's Capability Enhancement**

Training program for BRILink Mekar in performing activities as BRILink agents



# Mitra UMI: Value Proposition

BRI is leading the Ultra-Micro Holding, consolidated by the Government of Republic of Indonesia. Why BRI?





# New Source of Growth in the challenge of financial inclusion

## Challenge – UMI Segments



Have limited access, time, and knowledge



Operational cost (OHC) is too high



Not ready for on-boarding digitization

## Mantri Revitalization

Digital  
Assistancy



Pendamping  
UMKM Naik  
Kelas



Financial  
Advisor

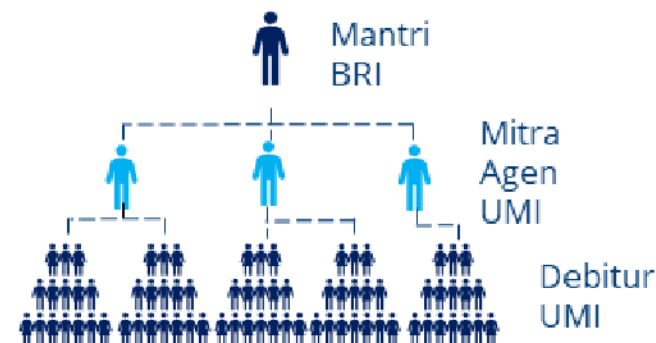


Supervisi  
Agen BRILink



As the Brilink Agent's supervisor, Mantri is obliged to carry out Digital Counseling, Manage BRILink Agents, and provide Socialization Education, Monitoring, and Evaluation of BRILink Agents.

## Business Model Mitra UMI Partnership



New Source Of Ultra Micro Loan Growth with partnership Concept. Mantri manages UMI Agent Partners as "ride sharing concept"



UMi loans through the Mitra UMI business model (280 thousand partners in 2025) and PNM customers graduation



The potential for Ultra Micro Loans up to 2025 is Rp. 34 T

## Business Model : Mitra agen UMI

"Target 280 ribu mitra di tahun 2025"

Access lending with closer & more practical services

## Loan Product

- Digital-based loans
- One stop services
- Flexible installments (daily/weekly/monthly)
- Term of up to 3 months (6 months of agriculture)
- Maximum ceiling of IDR 10 million
- Interest Rate 1.75%

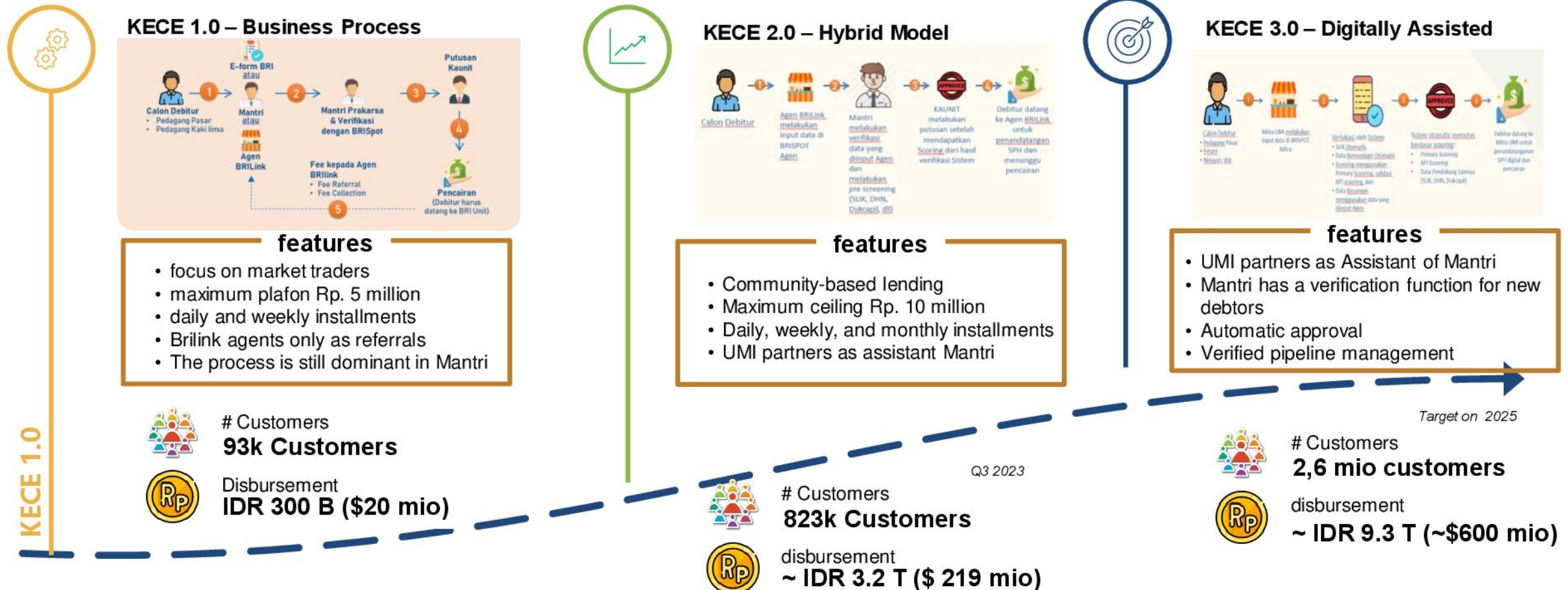




# Kupedes KECE as a personalized product needed by the Ultra Micro community

KECE is a Kupedes product rejuvenation that focuses on targeting the Ultra Micro segment (market traders, farmers, fishermen, community members/business clusters) with a maximum ceiling of **IDR 10 million**, which is offered with **daily, weekly and one-time installment** features.

## KECE Journey for Exponential Growth







# Use Cases in UMi Empowerment through Mitra UMi

“ To achieve the vision of Inclusion and Financial Literacy, Partners need the role of Mantri BRI to increase the capabilities of UMi Partners to the Ultra business process. ”



Empowerment activities, as a meeting of Mantri and UMi Partners to deepen and level financial inclusion and literacy in Indonesia

**Financial Literacy Deepening**

**Deeper Financial Inclusion**

**BRI Digital Assistant**

**Education - Lending**

- Duration: 1 Month / 4 Weeks
- Frequency: 1x per week
- Method: On Site
- Material: 5C, Product knowledge KECE, Customer monitoring, Calculating loan needs, BRISPOT application, Marketing Skills

**Mitra UMi Monitoring**

- Duration: ~
- Frequency: 1x per Month
- Method: On Site
- Material: Sharing session, empowerment, monitoring, evaluation

*BRI Mantri must carry out the UMi meeting to maximize the performance of UMi Partners. The YUMi meeting is expected to strengthen the collaboration between Mantri and its management, namely the UMi Partners*



# Thank you

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