Starting up: Using the crowd to fund & facilitate SME lending
6000 inhabited islands
250 million Indonesians
350 million mobile phones
88 million active internet users
80 million Facebook users
20% of mSMEs have bank accounts
20% of mSMEs have access to formal finance
85% of eCommerce transactions are still COD & bank transfer
Most business deals are based on personal relations, including lending
MEKAR provides unsecured loans to SMEs via an agent network.

- Since Jan.: 760 SMEs, 22 agents, $2.7m in loans
- Costs (apr): 36% p.a., 7%, 10-15% (in rupiah)
- End 2017: 10,000 SMEs, 2000 agents, $40 m in loans
Mekar SMEs have annual sales of $50,000 - $1.3 million

**Marketing**: Credit Coop’s, Facebook, Path, Instagram; Agent leads & referrals.

**Filtering**: Impact = job growth, women, social & green. Have bookkeeping & internet banking. > 3 years’ sales revenues.

**Scoring inputs (via agents)**: call history, photos, bookkeeping & internet banking data, credit score, references from neighbours, buyers & suppliers.

**Securities**: post-dated cheques; personal guarantees; credit insurance; shares-as-collateral; personal assets.
Mekar Agents are now lending agents, but will gradually become a mobile salesforce for SME services

**Background**: ex-loan officers, accountants, auditors, collectors, business & finance graduates & have a small business history.


**Sales Tool**: a mobile app including: tasks, leads, client data, P&L, B/S, photo library, contract signing, visit records, test quiz & video training.

**Controls**: 10 km zone, blocking, roles & levels, input timing, GPS mapping.
The Agent App notifies agents about arrears & how to plan their routes.
Individuals: Wealthy & middle management Indonesians

Institutions: Indonesian foundations, pensions, state-owned enterprises, CSR funds, cooperatives.

Preferences: Funders set their preferences, this becomes the auto-debit contract with Mekar

Returns: 6% minimum (via insurance & provisions). Normal returns will be 10% to 15% per year.

Impact: Jobs or women-businesses or social/green impact.
Mekar seeks lenders & an additional equity partner.