Peer-to-Peer Visit Report

BT Microfinantare IFN (BT MIC) visited ADIE on 13th-15th November 2019

Background of the meeting and the visiting delegation

BT Microfinantare IFN S.A. (known as BT MIC) was founded on December 2016. The organisation is dedicated to servicing micro entrepreneurs, with focus on the smallest players in the market, the ones with turnover less than EUR 100.000. Therefore, BT MIC’s desired to learn from more experienced microfinance institutions and looked towards ADIE which has a history of 30 years in microfinance, providing clients with financial services along with non-financial ones. BT MIC considered that finding out more about their business model, their products, their processes and their best practices would be a good learning experience for its main activity. BT MIC joined the EaSI Technical Assistance Study Visit hosted by Adie as an EMN member, on this days the agenda touched business model, financial and non-financial services, future perspectives (digital services), partnerships with banks, legal framework, ADIE’s volunteering model.

After this, BT MIC stayed another day to learn more about the financing of start-up micro entrepreneurs and about the non-financial services provided to them in order to help then transform their ideas into a sustainable business. During this day, BT Mic took part in several meetings with clients and observed, in a practical way, how the analysis is performed for the start-ups and what is the assessment done for this category of clients.

Lessons learnt during the visit

BT MIC had the opportunity to receive a lot of information about ADIE’s business model, legal framework and specific products like micro loans for entrepreneurs, mobility loans for unemployed people, insurance services for micro companies and training programmes for entrepreneurs. Having had the chance to visit a branch and meet a client, a loan officer and a volunteer helped BT MIC to have a deeper understanding of ADIE as an institution and how they organised their activity, what is the flow from application to disbursement, what clients perceive as benefits of a loan but also of a business development service and what makes ADIE a choice for them.
BT MIC learnt the following lessons during the visit to ADIE:
first, that microfinance institutions play an important role in the advocacy of this sector in our countries by having to take constant actions toward specific legal framework that are more favourable to micro entrepreneurs or to their financing; second, that non-financial services bring an important benefit for the micro entrepreneur as it helps them to develop more stable business (e.g. consultancy on commercial, financial and business development areas, specific coaching, legal advising, etc); third that there are different solutions in order to provide more than just microloans and that we need to find them in our specific economic and social environments (e.g. how ADIE found the volunteers support).

The visiting organisation’s plans to adapt some key lessons to its own organisation

BT MIC aims to implement the lessons learnt on non-financial services. In October 2019 the organisation reached a portfolio of over 10,000 business clients that benefit of microloans. Though BT MIC provides individual consultancy via the relationship officers, our aim for 2020 is to develop a line of non-financial services that would further help clients and that would be adapted to both start-ups and business already started.