

CERTIFICATE OF PARTICIPATION

We hereby confirm that

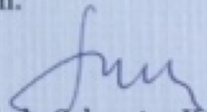
Ktut Silvanita Pane (Indonesia)

has actively participated in the

2nd International Conference for Young Researchers

CONTEMPORARY PROBLEMS IN FINANCE AND ECONOMY - 2017

presenting a paper in the thematic session.


Dr hab. Sylwester Kozak
Chairman of the Program Committee

Warsaw, June 9, 2017



http://www.wne.sggw.pl/wp-content/uploads/2017/06/2nd_Contemporary-Problems-in-Finance-and-Economy_Erasmus_2017.pdf ;
[http://repository.uki.ac.id/135/1/Young%20Researchers Presentation%20for%20Conference_Poland.pptx](http://repository.uki.ac.id/135/1/Young%20Researchers%20Presentation%20for%20Conference_Poland.pptx)



BRANCHLESS BANKING AS A NEW DELIVERY CHANNEL IN RURAL AREA

PREPARED BY :

KTUT SILVANITA MANGANI

BOGOR AGRICULTURAL UNIVERSITY, INDONESIA

Indonesia to Poland





INDONEZJA
262.000.000

MALEZJA
31.000.000

SINGAPUR
5.700.000

BRUNEI
450.000



Dżakarta – stolica indonezji



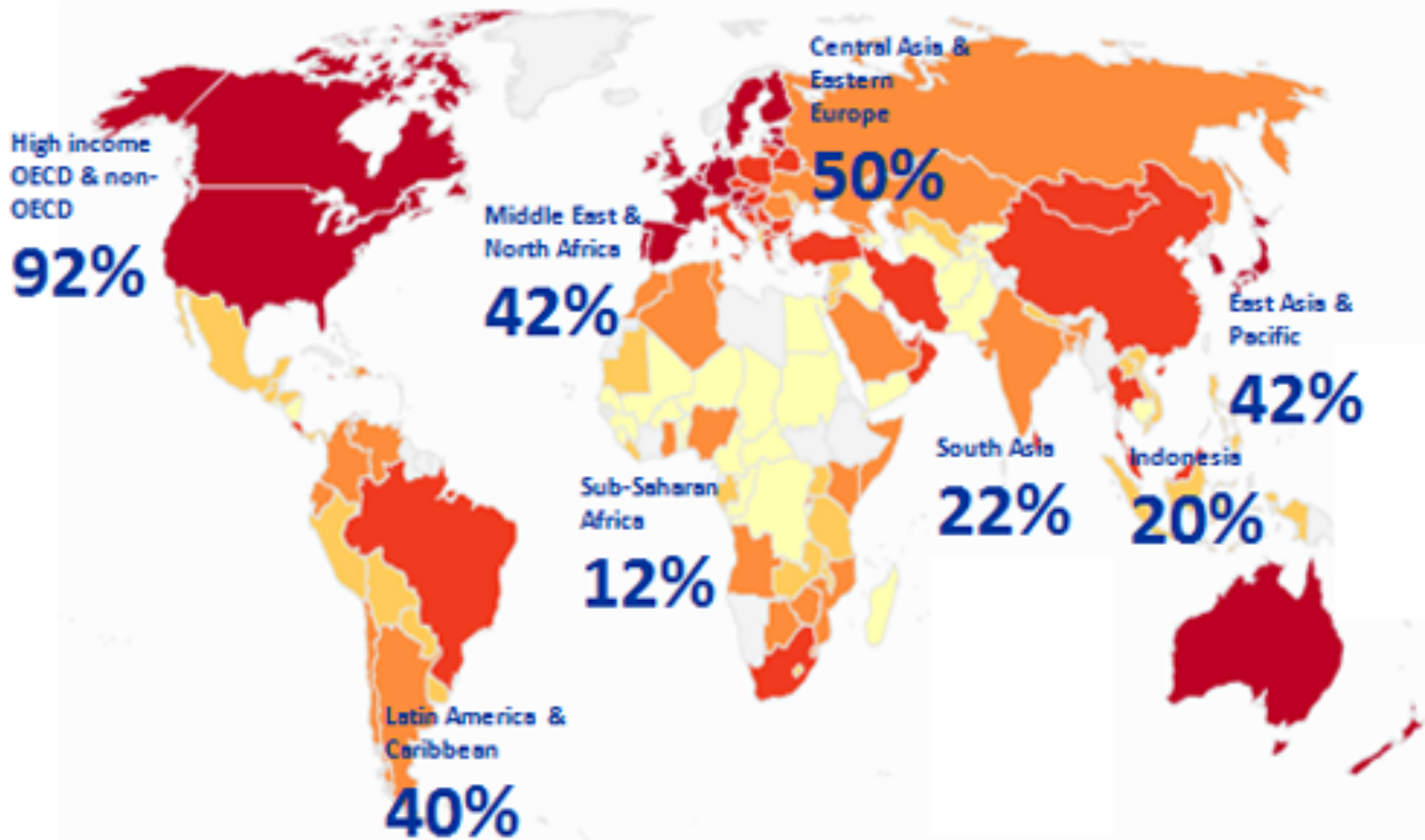
Central Park

Background

- Evenly distribution of financial services will create a new source of rapid and comprehensive economic growth, thus creating a more equitable growth.
- Banking has the capability to distribute opportunities evenly , including to the low income groups and those who live in remote area

Background

- However, the distribution of Bank is not evenly, only some people have access to financial institutions.

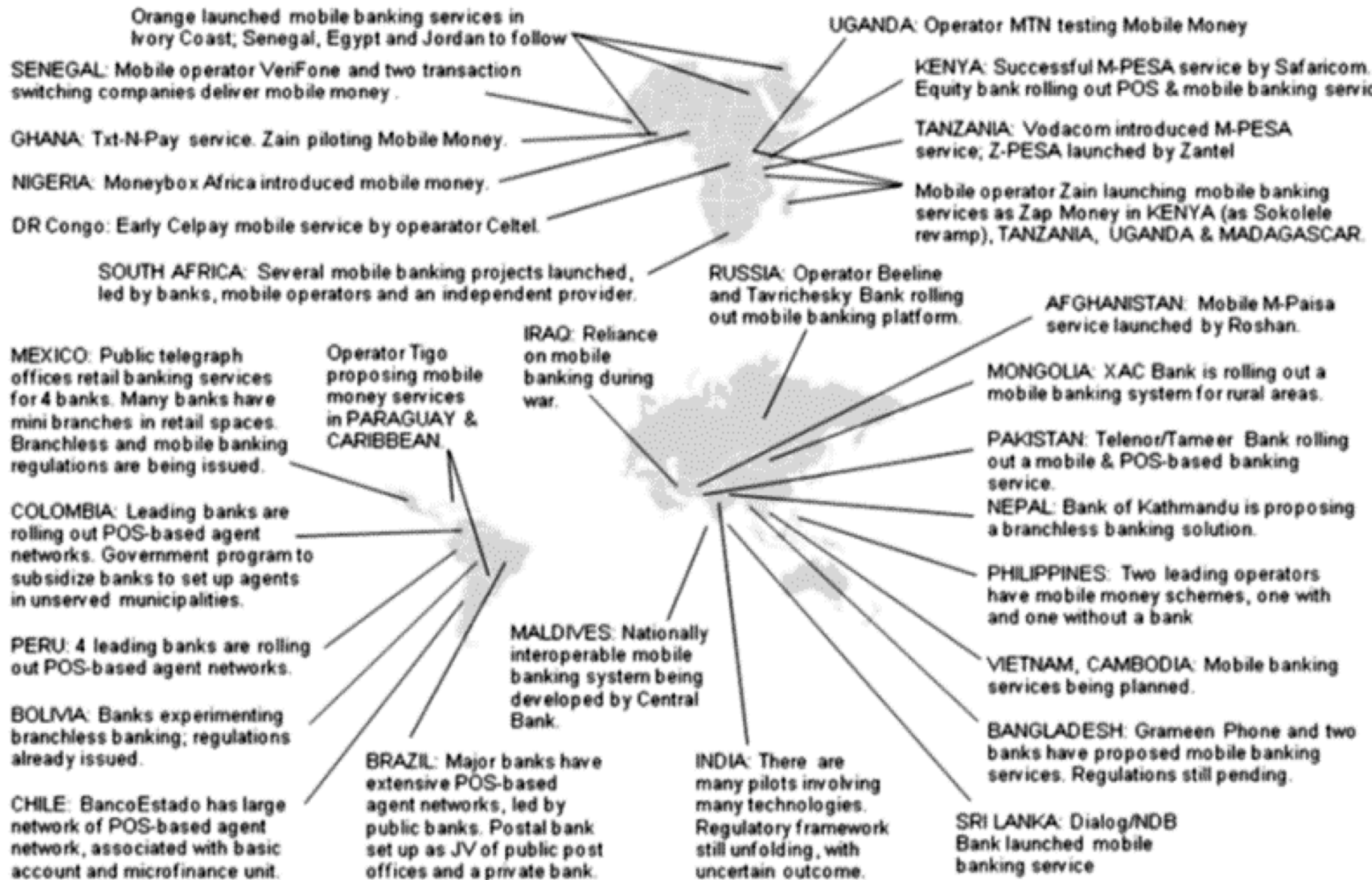


Main constraining factors of low financial access, especially in the rural areas (Hisighsuren, 2006):

- Wide geographical dispersion
- Low population density
- Limited volume of transactions, causing expensive operating costs, and
- Very costly to physically build a bank branch in the rural areas

Pickens et al 2009:

- One of the approaches to stimulate financial inclusion is branchless banking:
- Financial services provided by a financial provider to customers without going to the bank:
 - they avail the services through a third party,
 - use information communication technology
e.g. Computers, EDC, cell phones, etc.



Who Leads	Strengths and Opportunities	Weaknesses and Threats	Examples
<i>Mobile operator</i>	<ul style="list-style-type: none"> ● Comfort with transactional revenue model; makes possible true mass market approach and aspiration of reaching every last customer ● A large base of customers, many unbanked ● A powerful distribution channel (airtime resellers, own stores) ● Brand, reputation, solid finances ● Need to drive revenue from new services and customer loyalty 	<ul style="list-style-type: none"> ● Reluctant to increase scope of regulation (telco+ banking) ● Unfamiliar with core banking processes: reconciliations, exception handling, fraud ● Reputational and financial risks larger than for telco billing ● Very concentrated sector—typically 2-3 operators only 	M-PESA in Kenya and Tanzania, Smart Money and G-Cash in the Philippines, Orange, Zain, and MTN across Africa
<i>Bank</i>	<ul style="list-style-type: none"> ● Banking license, subject to supervision by banking authorities ● Advanced treasury, risk management, and fraud detection skills ● Access to capital markets and investment opportunities 	<ul style="list-style-type: none"> ● Revenue model typically based on float (interest rate) and product cross-selling—presents limited opportunities for the poor ● They operate a costly infrastructure, especially at the front end (branches) but also in the back end (MIS) ● Some customers are too expensive to serve; little presence in the field, where poor people live 	Banking correspondents in Brazil, Chile, Colombia, Peru
<i>Third-party m-payment provider</i>	<ul style="list-style-type: none"> ● Often coming from the technology space ● More eager to drive interoperability across banks and telcos ● Often eager to partner with organizations serving the poor 	<ul style="list-style-type: none"> ● They may not have much power over much larger banks and telcos 	WIZZIT in South Africa, Net1 U.E.P.S. in Africa, Eko in India

-
- Branchless banking for low income people in Indonesia is a form of **new delivery channels**
 - as one of the programs within the **National Strategy of Financial Inclusion 2012.**

Branchless Banking Program in Indonesia

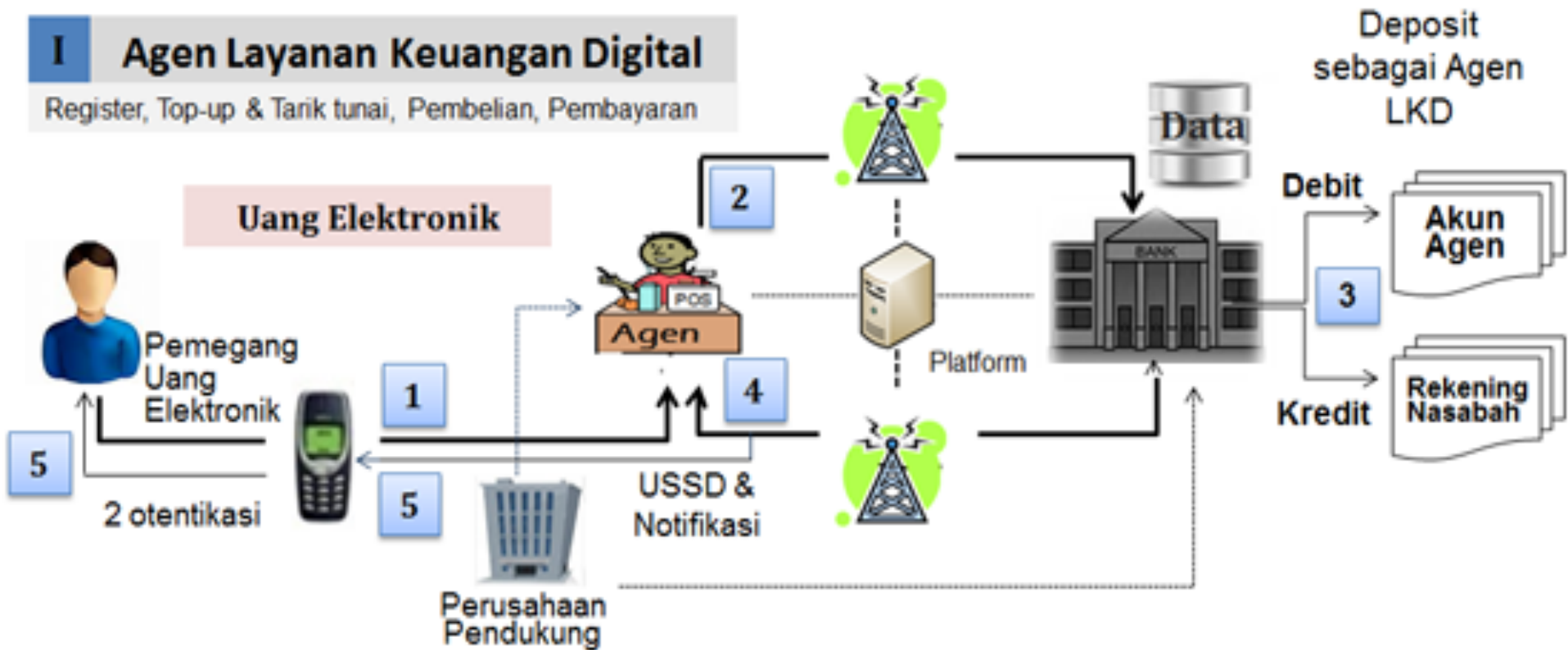
- Central Bank (Digital Financial Services Program):
 - Electronic Money by using Agent as intermediary
- Financial Service Authority (Program Laku Pandai):
 - Provide Basic Financial Products, such as Basic Saving Account, Micro-Credit, and Micro-Insurance by using Agent as intermediary

Purposes of the programs

- To boost **financial access** to the banking system, and as a means to increase economic activity based on technology
- To provide **basic financial products**,
- To speed up economic activity of the society and to promote economic growth and **equal distribution** of economic development among regions in Indonesia, especially **among rural and urban areas.**

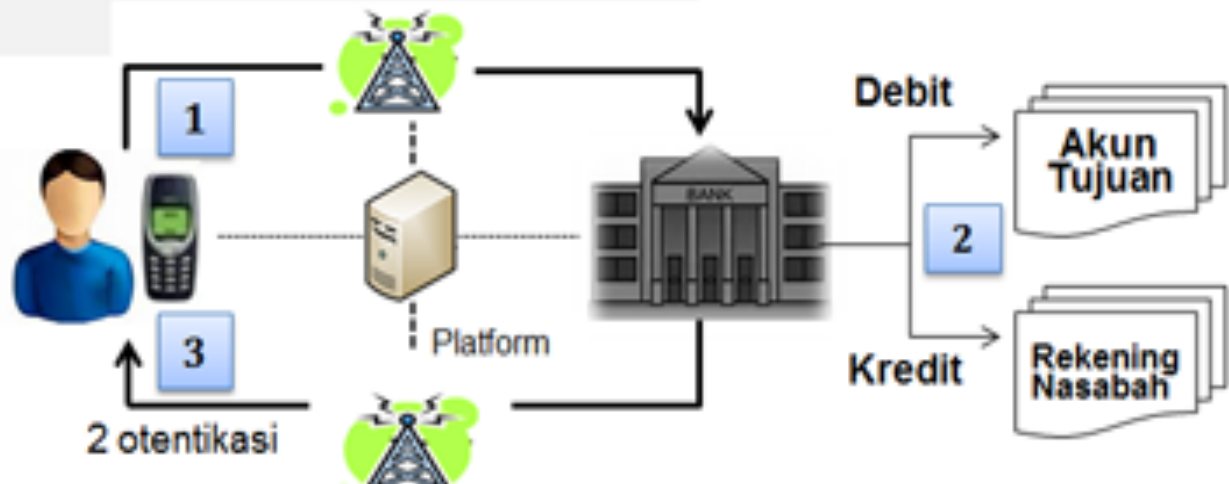
I Agen Layanan Keuangan Digital

Register, Top-up & Tarik tunai, Pembelian, Pembayaran



II Transaksi Keuangan Melalui Telepon Genggam

Transfer, Pembayaran & Pembelian



Devices used by Agent or Customers



Transaction Activities

- Cash deposits (savings)
- Cash withdrawals
- Money Transfers
- Payment of obligatory duties (e.g. water, electricity payments)
- Other financial transactions (cell phone vouchers, electricity vouchers)
- Credit: Agents give recommendation to the bank

The transaction is done by using the funds in the account of the Agents :

➤ If Customer want to save their money through Agent:

- Agent get the cash from the customer
- by swiping ATM card in EDC machine, Agent transfer their money from their account to customer's account






➤ At the end of the transaction:

Agent's cash increases but their account balance in the Bank decreases.

- If Agents have too much cash due to too much saving or too much cash transfers → Agents will go to the Bank office to save the money into their account.
- If Agents do not have enough cash because too much money withdrawals of their customers → Agents will go to the Bank office or ATM machine to take some cash from their balance account
- **Agent gets Fees from every transaction from the Bank.**

- The operation of Branchless Banking in Indonesia is still in the early stages.
- It needs the right approach for a sustainable program so as to achieve its purpose of accelerating economic activity

Data Perkembangan Laku Pandai saat ini*:

Bank Penyelenggara Laku Pandai						
Produk Tabungan	Tabunganku	Tabunganmu	Tabungan WOW BSA	Tabungan Laku	Tabungan Cermat BSA	BNI Pandai
Jumlah Agen	14.276 Agen	1.219 Agen	8.589 Agen	16 Agen	569 Agen	226 Agen
Jumlah Nasabah	3.477 Nasabah	45 Nasabah	159.914 Nasabah	742 Nasabah	930.153 Nasabah	31 Nasabah
Jumlah Saldo	Rp1.131.262.295	Rp399.439	Rp8.495.729.678	Rp95.567.747	Rp31.609.195.172	Rp1.266.000.000

*Perkembangan Laku Pandai s/d Oktober 2015

	Total Jumlah Agen : 24.895 Agen
	Total Jumlah Nasabah : 1.094.362 Nasabah
	Total Jumlah Saldo : Rp41.333.420.331

160.489 Agents
1.948.995 BSA
Rp 93,79 Billion
 (October, 2016)

Agen Omang, 2016






 No. Agen: 
NAZWA CELL 
 Geraf Transaksi Online
LAYANAN Tbank
 • SETOR • REGISTRASI
 • TARUK
 14017
 Melayani Seluruh Masyarakat
 Melayani • BAYAR LISTRIK • BELI PAKSA
 • BAYAR TELEPON • TRANSFER
 • BAYAR CICILAN • ANGGUNAN LEADING

LAUNDRY & DRY CLEANING
LAYANAN MINGGI ATAS
 • BAYAR TELEPON
 • BAYAR LISTRIK
 • BAYAR TELEPON
 • BAYAR LISTRIK
 • BAYAR TELEPON
 • BAYAR LISTRIK
LAYANAN Tbank
LAYANAN LAKU PANDAI
 • TRANSFER
 • BAYAR TELEPON
 • BAYAR LISTRIK
 • BAYAR TELEPON
 • BAYAR LISTRIK
 Melayani Seluruh Masyarakat



Agen Endrotomo, Cimahpar, Bogor Utara



No. Agen:



ENDROTOMO

Agen
BRIlink
Gerai Transaksi Online



LAYANAN *Tbank*

- SETOR • REGISTRASI
- TARIK

Melayani Seluruh Masyarakat

- Melayani:
- BAYAR LISTRIK • BELI PULSA
 - BAYAR TELEPON • TRANSFER
 - BAYAR CICILAN • ANGSURAN LEASING



Metro Cell 2



ooredoo

Murah Itu **IMEB** Indosat

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Nasional/
Tercepat

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CHOTROD 4G

TERCEPAT

smartfren 4G LTE

OK OTORITAS JASA PELUNGAN

BANK INDONESIA

BANK BRI

METRO CELL

No. Agen :

Melayani Seluruh Masyarakat

LAYANAN Tbank

- SETOR TUNAI
- TARIK TUNAI
- REGISTRASI

LAYANAN MINI ATM

- BAYAR LISTRIK
- BAYAR TELEPON
- BAYAR CICILAN
- BELI PULSA

- TRANSFER
- TARIK/SETOR TUNAI
- TOP UP BRIZZI

LAYANAN LAKU PANDAI

- TABUNGAN
- KREDIT MIKRO (REFERRAL/REKOMENDASI)
- ASURANSI MIKRO

*Dijamin oleh Lembaga Penjamin Simpanan (LPS)

LAKU PANDAI

METRO CELL

PERDANA INTERNET INDOSAT!

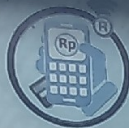
MITO smartphone

ASIA ONE SMARTPHONE

Yellow stools with promotional text.

Motorcycle with license plate F 4082 FH 024.

Agen Ika, Tegal Gundil, Bogor Utara



No. Agen:



TOKO VANS

Agen
BRILink
Gerai Transaksi Online



www.bri.co.id

LAYANAN *Tbank*

- SETOR
- REGISTRASI
- TARIK

Melayani Seluruh Masyarakat

- Melayani:
- BAYAR LISTRIK
 - BELI PULSA
 - BAYAR TELEPON
 - TRANSFER
 - BAYAR CICILAN
 - ANGSURAN LEASING

Toko Vans, Pasir Jambu, Sukaraja

OUTLET RESMI LPG PT. PERTAMINA - PT. PATANTI UTAMA GAS



Bright Gas

TOKO AMEL

PERINGATAN: MEROKOK MEM...

No. Agen: **TOKO AMEL**

BANK BRI

Agen **BRI Link**
Gerai Transaksi Online

LAYANAN Bank

- SETOR • REGISTRASI
- TARIF

Melayani Seluruh Masyarakat

- MELAYANI • BAYAR LISTRIK • BELI PILSA
- BAYAR TELEPON • TRANSFER
- BAYAR CICILAN • ANGSURAN LEASING



Cleo

Ades



Sea Bits



F 2119 BU
06-21

Agen Amel, Cibadak, Tanah Sareal

BANK BRI
TOKO SANTI
BRI
Agen
Kp. Banceuy Rt. 02/01 Babakan Madang Link

AGEN BRI LINK
Melayani Transfer Antar Bank dll
LA
BOLD
PERINGATAN: MEROKOK MEMBUNUHMU
20 BATANG

SANTI
Jl. BABAKAN MADANG (BANCEUY) NO. 15

Agen Resmi **BRI** Link
SETOR TUNAI
TRANFER TUNAI
- BRI
- BCA
- BNI
- MANDIRI
- DLL
- **TARIK TUNAI**
- **TAGIHAN LISTRIK**
- **TOKEN LISTRIK**
- **ANGSURAN MOTOR**
- **DLL**

BRI
Transaksi Online

INTERNET + NELPON + SMS
TEKAN *123#
CAPTEN CILI

SANTI SALON
Gunting Hair Mask Coloring Make Up
Steambath Smoothing Tanning Oil
Air Spa Reboonding Facial

Agen Poltak, Banceuy, Babakan Madang

JUAL
INDOSAT
EPAT TERJAS
registrasi *123#

No. Agen:

RIKAYATI

Agan **BRI Link**
Geral Transaksi Online

LAYANAN bank

- SETOR
- REGISTRASI
- TARIK

Melayani Seluruh Masyarakat

- BAYAR LISTRIK
- BELI PULSA
- BAYAR TELEPON
- TRANSFER
- BAYAR CICILAN
- ANGSURAN LEASING

14017

Rp 10.000
Min 12 BAKANG

LUCKY STRIKE

TASTE OF POWERFUL MILD

TOKO RIKA



Agan Rikayati, Cileungsi, Ciawi



- Agents as MSMEs usually operate their business in their house
- They serve customers 7 days a week - serve customers as long as the store is open and usually until evening
- It gives benefits to customers who live in remote areas to conduct financial transactions through agents, since Banks offices are far and closed on Saturday and Sunday.

- However, there are still obstacles in the implementation, and among others is related to transaction costs problems.

