



Indonesia Guarantee Corporation Association

The International Guarantee Seminar 2015

**Westin Hotel, Nusa Dua Bali
November, 16th 2015**



**“The Challenge of
Borderless SMEs in the
Developing Economies and
the Role of Guarantee
Corporation”**

Diding S Anwar

**Chairman of ASIPPINDO
(The Indonesia Guarantee Corporation Association)**

**President Director of JAMKRINDO
(Indonesia Credit Guarantee Company)**

Bismillahirrahmannirrahim,
Assalamu'alaikumWarrahmatullahi Wabarakatuh,
Peace Be Upon Us All,
Om Swastiastu.

Your Excellency,

Bapak Muliaman D Hadad, Chairman of Board of Commissioners, OJK, Financial Services Authority, Republic of Indonesia.

Bapak Anak Agung Gede Ngurah (AAGN) Puspayoga, Minister of Cooperative and Small Medium Enterprises (SMEs), Republic of Indonesia

Bapak Made Mangku Pastika, Governor of Bali, Republic of Indonesia, represented by Bapak I Gusti Ngurah Alit, Assistant Regional Secretary.

Bapak Darmin Nasution Coordinating Minister of Economic, represented by Bapak Bobby Hamzar Rafinus, Deputy Minister.

Bapak Firdaus Djaelani, Chief Executive Non-Bank Financial Institutions Supervisor, OJK, Financial Services Authority, Republic of Indonesia

Ibu Kusumaningtuti S Soetiono, Commissioner In Charge of Consumer Education and Protection, OJK, Financial Services Authority, Republic of Indonesia

Representatives of Ministry of State Owned Enterprises and Ministry of Finance Republic of Indonesia.

Members of Parliament, Republic of Indonesia

Honorable delegates of ACSIC member countries, Japan, South Korea, Taiwan, India, Sri Lanka, Malaysia, Thailand, The Phillipines, Nepal, and Papua New Guinea

Honorable delegates of Asippindo member Perum Jamkrindo, PT. PKPI, PT.

Jamkrida Jawa Timur, PT. Jamkrida Bali Mandara, PT. Jamkrida Riau, PT.

Jamkrida Nusa Tenggara Barat, PT. Jamkrida Sumatera Barat, PT. Jamkrida Jawa Barat, PT. Jamkrida Sumatera Selatan, PT. Jamkrida Kalimantan Selatan, PT. UAF

Jaminan Kredit, PT. Jamkrida Bangka Belitung, PT. Jamkrida Kalimantan Tengah, PT. Jamkrida Kalimantan Timur, PT. Jamkrida Banten, PT. Penjaminan Jamkrindo

Syariah, PT. Jamkrida Nusa Tenggara Timur, PT. Jamkrida Papua, PT. Jamkrida

Jawa Tengah, PT, Jamkrida Jakarta

Seminar Panelists, Mr Jose Fernando Figueiredo, from AECM, Mr Alessandro Bozzo from Chile, Mr Jong Hyung Yoo from Korea, Mr Zac Bentum from Ghana, Mr Mohammed Al-Jafari from Jordania and Mr Bernd Leidner from Tajikistan and Bapak Gunawan Yasni from Indonesia

Moderators, Bapak Tony Prasetyantono from Gajah Mada University, Bapak Choirul Djamhari, Deputy Ministry of Cooperative and Small Medium Enterprises Distinguished Guests

Ladies and gentlemen seminar Participants

It is a great honour for me to speak at this seminar.

I am very happy that this Guarantee Seminar is held at Nusa Dua Bali, Indonesia.

As one of the beautiful islands in Bali, Nusa Dua may be one of your favorite spots during your stay in Bali.

I highly appreciate members of Parliament of Republic of Indonesia for their support to initiate the Guarantee Bill for the sake of SMEs and Indonesian people.

It is hoped that the Guarantee Bill is passed soon.

Also to our Government Republic of Indonesia and Financial Services Authority for their continuous support to make Guarantee Industry play more roles in developing SMEs.

This seminar is very important at this time. As 99% of business players in Indonesia are Micro, SMEs and Cooperatives, providing guarantee for them has a direct relationship with improving our economy.

The theme of today's seminar, "The Challenge of Borderless SMEs in the Developing Economies and the Role of Guarantee Corporation", is appropriate to today's conditions.

A survey indicates that access to finance is problematic for SMEs. 82% of SMEs reported problems in accessing external funds.

Two major factors to that matter are the lack of appropriate collateral and high risk of default.

In the condition above, the role of Guarantee Corporation is significant.

It provides not only enhancement to banks and other financial institutions, but also fostering lending by them to SMEs and Cooperatives.

The creation of well-designed guarantee scheme can increase the external funds access to which lead to dynamic entrepreneurial environment. Such schemes must be well designed in terms of risk sharing, risk management and so on.

Moreover, it is important that SMEs are supported in the formulation of business proposals, management and record-keeping, and in compliance with legal requirements.

This seminar therefore has a very important role in providing excellent opportunity to deepen our understanding on the wide potential contribution of guarantees in making SMEs grow bigger.

Based on benchmark studies, some of lessons learned to develop guarantee industry in Indonesia are:

- First find alternative sources of funding,
- Second create variety of Guarantee Schemes
- Third have SMEs Rating system

I hope that the discussion will lead to more constructive partnerships with active involvement of all stake-holders.

Kindly also be informed that tomorrow ACSIC members are holding their 28th annual conference here.

I thank you very much for your kind attention and on behalf of JAMKRINDO, Indonesia National Guarantee Corporation, ASIPPINDO, the Indonesia Guarantee

Corporation Association and ACSIC, Asian Credit Supplementation Institution Confederation I do humbly request His Excellency Bapak Muliaman D Hadad to give the key-note address and formally open the International Guarantee Seminar.

Later at the end of the seminar, I also would like to ask His Excellency Bapak Firdaus Djaelani to conclude and officially close this seminar.

Good luck. I wish you have successful and fruitful discussions.

Thank you.

Wassalamualaikum Warrahmatullahi Wabarakatuh

Om Shanti, Shanti, Shanti, Om.

Diding S Anwar

Chairman of ASIPPINDO

President Director of JAMKRINDO