IFC SME Toolkit Program

Using technology to reach and support businesses
IFC: A Member of the World Bank Group

International Bank for Reconstruction and Development, 1945

International Finance Corporation, 1956

International Development Association, 1960

International Centre for Settlement of Investment Disputes, 1966

Multilateral Investment Guarantee Agency, 1988
IFC’s Mission

*Promote sustainable private sector investment*

- to reduce poverty and
- improve people’s lives

- Provide loans and equity for viable projects
- Mobilize capital from other sources
- Provide technical assistance and advisory services
- In India - committed **US$ 3.5 Billion** of financing
Why Does IFC Care About SMEs?

- In low-income countries, SMEs account for:
  - 60 percent of GDP
  - 70 percent of employment

- In middle-income countries, SMEs account for:
  - 70 percent of GDP
  - 95 percent of employment

- In OECD countries, SMEs account for:
  - 55 percent of GDP
  - 65 percent of employment
IFC works through partner banks and other FIs to help provide $96 Bil of MSME loans...

IFC's Micro and SME Commitments in FIs

<table>
<thead>
<tr>
<th>Year</th>
<th>Micro Loans ($)</th>
<th>Small Loans ($)</th>
<th>Medium Loans ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY03</td>
<td>509</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY04</td>
<td>721</td>
<td></td>
<td></td>
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<tr>
<td>FY05</td>
<td>1,086</td>
<td></td>
<td></td>
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<tr>
<td>FY06</td>
<td>1,416</td>
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<tr>
<td>FY07</td>
<td>1,958</td>
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</tbody>
</table>

Number of Micro Small and Medium Enterprise Disbursements = 8.8 Million (Chart in Thousands)

- Micro Loans (#): 7,930
- Small Loans (#): 752
- Medium Loans (#): 184

Volume of Micro Small and Medium Enterprise Disbursements = $96.4 Billion (Chart in Millions)

- Micro Loans ($): 21,484
- Small Loans ($): 66,181
- Medium Loans ($): 8,813
IFC also works to improve the business environment...
The SME Toolkit offers software, business forms, training, and more to help small businesses in emerging markets grow and succeed.

It's free and easy to use. Just search or browse the categories for the information you need.

IFC and IBM announce major cooperation initiative to build the next generation of the SME Toolkit

FEATURED ITEMS

Business Anti-Corruption in...
Success Story: A Business P...
Success Story: Optimizing P...
Success Story: Streamlining...
Managing the Workplace

RECENTLY UPDATED
Developed by IFC in 2002

- 29 global & local sites
- 15 languages
- 22 local/regional partnerships to promote, build and localize content
- 9+ content partners
SME Toolkit: Partnerships

Functions of Local Partners

- Develop & add local content
- Distribute and promote Toolkit product locally
- Update and maintain local regional Toolkit sites
- Localize relevant global Toolkit content

Types of Local Partners

- Financial Institutions
- Private SME Service Providers/Consultancies
- NGO’s/Government Agencies
End User Profile…

High focus on smaller firms users…

• **45% work directly in for-profit businesses**
  – while 21% for local financial institutions/professional services firms
  – 9% for non-profits, 10% for government, 8% students

• **Of for-profit firms, 45% work in firms with less than 10 employees**
  – 25% with 10-49 employees,
  – 13% with 50-249 employees,
  – 17% with 250 or more
  – While 40% were the chief executive of their firm.

60% of users reported using the site to improve business
User response to date…

- **Sharp increase in usage**
  - 2.5 million+ visits per year

- **Positive Feedback**
  - 83% of users report Toolkit content is useful to SMEs
  - 67% of repeat users use it to improve their businesses
  - 66% of users say its one of the best online training
  - 90% rate workshops as “good” or “excellent”
  - Rated best global small business program by IBM
Success Story: Hasina Jahan

• Hasina Jahan is the CEO of a small business in Bangladesh that produces mattresses
• Attended an experience-sharing session organized by the local SME Toolkit partner
• She had previously presented company financials & business plan to a loan officer but was turned down.
• Learned to use the SME Toolkit to generate a formal business plan
• **New business plan enabled her to obtain a US$2000 loan and allowed her to grow her business**
Success Story: Anjana Tamrakar

- Executive Director of Creative Women’s Craft
- Founded CWC to help low-income women
- Participated in a training workshop, and began using local SME Toolkit website
- Replaced her traditional bookkeeping method with the format available in the Toolkit
- Developed a new business plan using the Toolkit
- Generated new ways of marketing her products based on Toolkit marketing training modules

“BizMantra has fed me with the management perspective of streamlining my business to achieve greater goals and targets.”
V2 SME Toolkit – New Tools with IBM

Financial Calculators

**Operating Profit Percentage Calculator**
- Operating Income
- Sales

**Current Ratio Calculator**
- Current Assets
- Current Liabilities
- Current Ratio

**Debt To Assets Calculator**
- Total Debt
- Total Assets
- Debt To Assets

Business Planning Tools

The Power of Planning. Whether you're starting a business or running one, planning is an essential process. The MiniPlan is a simple, 8-step process to starting your complete business plan.

1. **Step 1** Executive Summary
2. **Step 2** Objectives
3. **Step 3** Mission Statement
4. **Step 4** Keys to Success
5. **Step 5** Market Analysis Table
6. **Step 6** Market Analysis Text
7. **Step 7** Break Even
8. **Step 8** Profit and Loss

Print View your Plan

Start Your MiniPlan
V2 SME Toolkit – Export Information

International Business Exporting Channel

Information on the 65 most exported to countries
Users are also Supported by training

• Supports online material
• 2,200 + SMEs & Business Service providers trained
• Types of Trainings Delivered:
  • Accounting & Financial Tools
  • Human Resources
  • Marketing and Sales
  • Business Planning
  • Marketing Your Website
ICICI is IFC’s partner for India
ICICI are very active partners…

- **Thousands of legal forms**
  - Content agreement with Legal Pandit
- **Daily news updates** from 12 industries
  - provided by indiatimes.com
- **Updates in tender information**
  - for 25 industries from tenderinfo.com.
- Online in **English and Hindi**
- **Free mobile alerts** with business news
- **Training** roadshow in 8 cities
- **Online banking and other banking services**
- Future plans for expert chats and blogs
Please visit our site:

www.smetoolkit.org

And ICICI’s site at:

www.india.smetoolkit.org