

What is the Role of Financial Supervision and Financial Sector Regulation to Secure Lending to SMEs?

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GOVERNMENT POLICIES

LENDING INFRASTRUCTURE

- Information environment
 - Accounting standards and firms
 - Sharing of information (credit bureaus)
- Legal, judicial, bankruptcy environment
 - Commercial laws on property, security interests
 - Enforcement (judicial/bankruptcy)
- Social environment
 - Social norms, religion, culture
- Tax/regulatory environment
 - Stamp and value-added taxes
 - Capital regulation, bank supervision

FINANCIAL INDUSTRY STRUCTURE

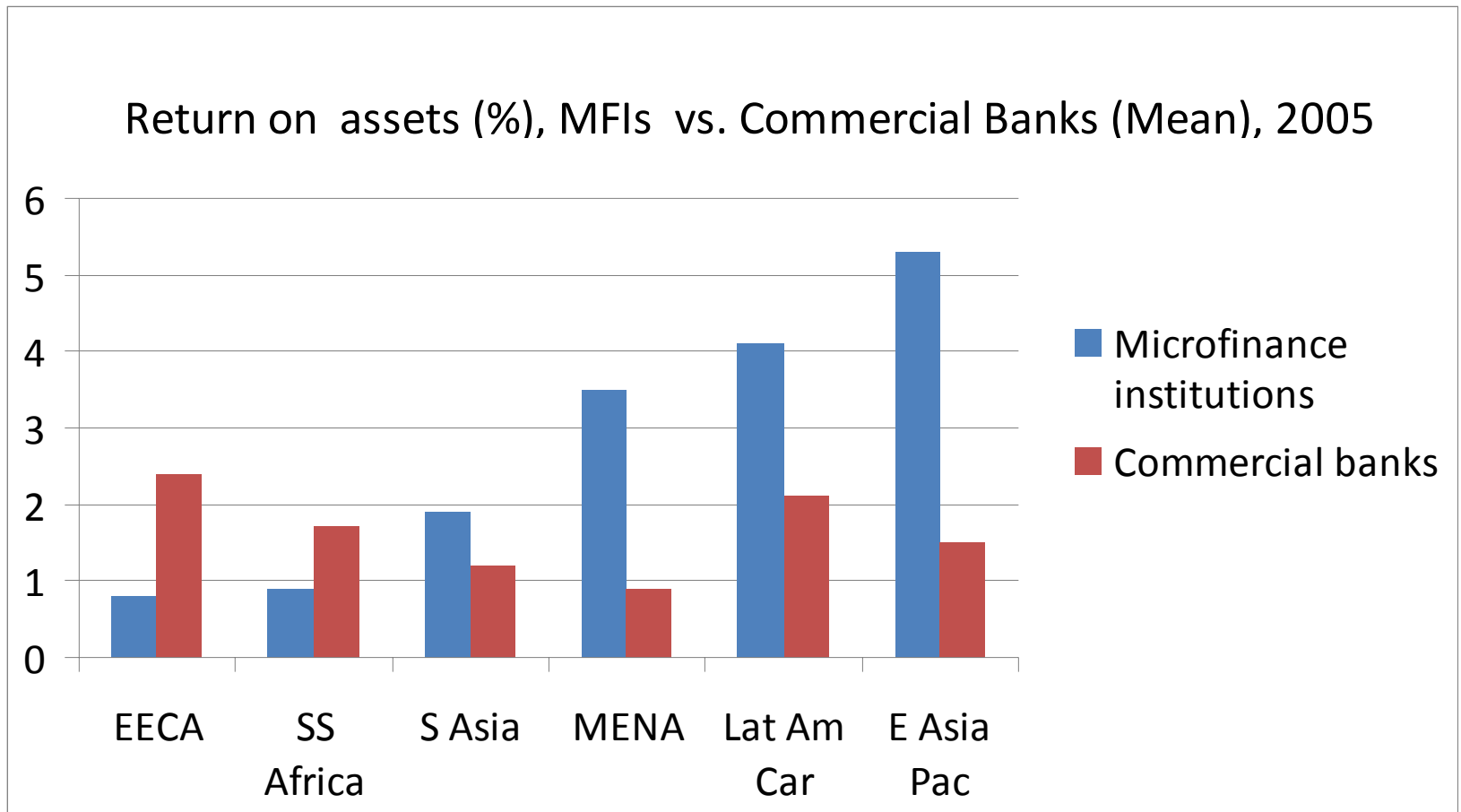
- Size of financial institutions
- Ownership (state vs. private)
- Market competition

LENDING TECHNOLOGIES

- Transactions-based lending
 - Financial statement lending
 - Credit scoring
 - Asset-based lending
 - Factoring
 - Fixed-asset lending
 - Leasing
- Relationship-based lending
- Trade credit

SME CREDIT AVAILABILITY

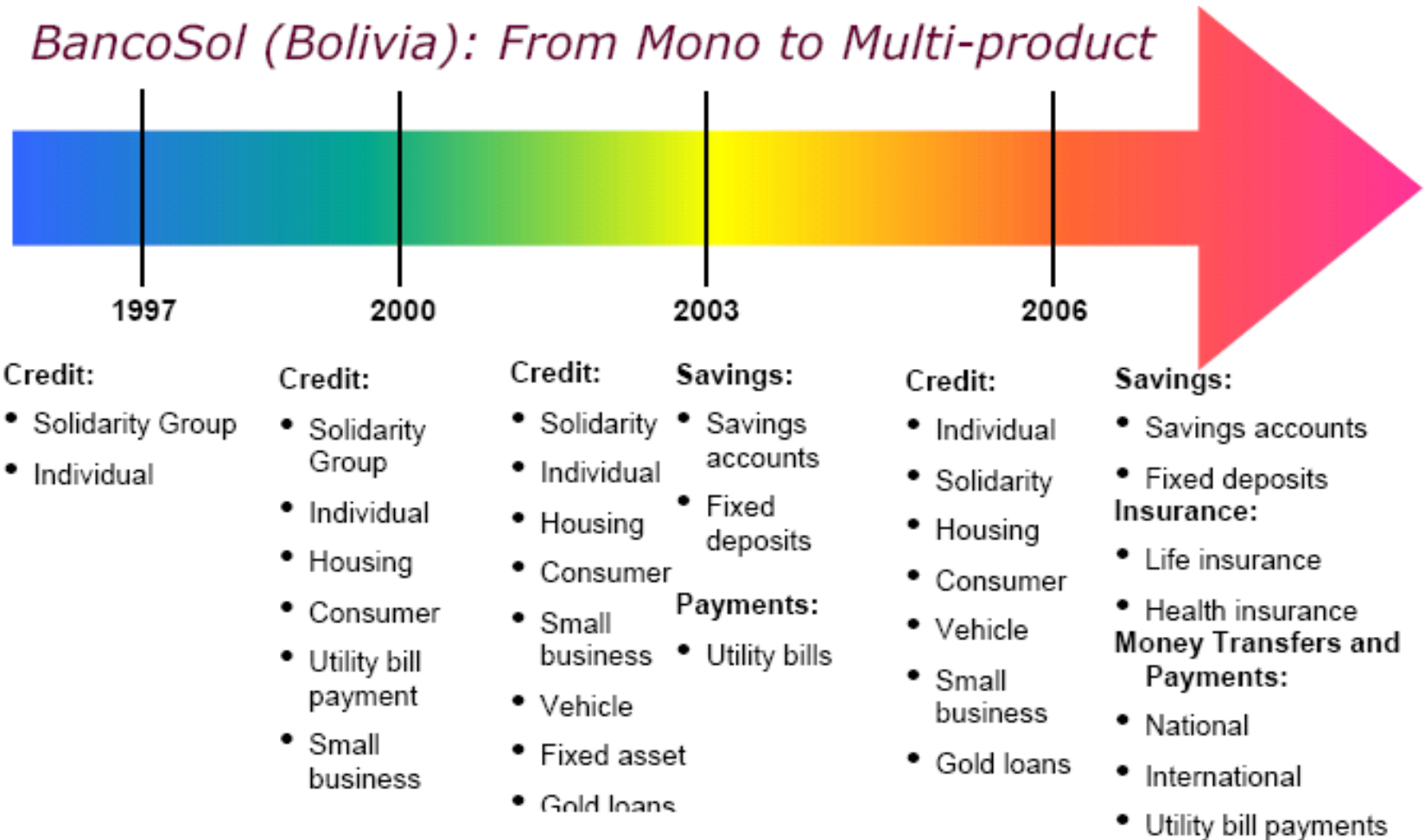
Profitability of Regulated MFIS



Source: Microfinance Information eXchange Inc (MIX)

Microfinance's Expanding Scope

BancoSol (Bolivia): From Mono to Multi-product



Microfinance: Key Issues

