

# Annual Brochure 2012



Making a difference in creating **social enterprises**, **SME** and promoting **microfinance** best practices



# Our identity



## OUR MISSION

Making a difference in creating Social Businesses, SMEs and promoting microfinance best practices.



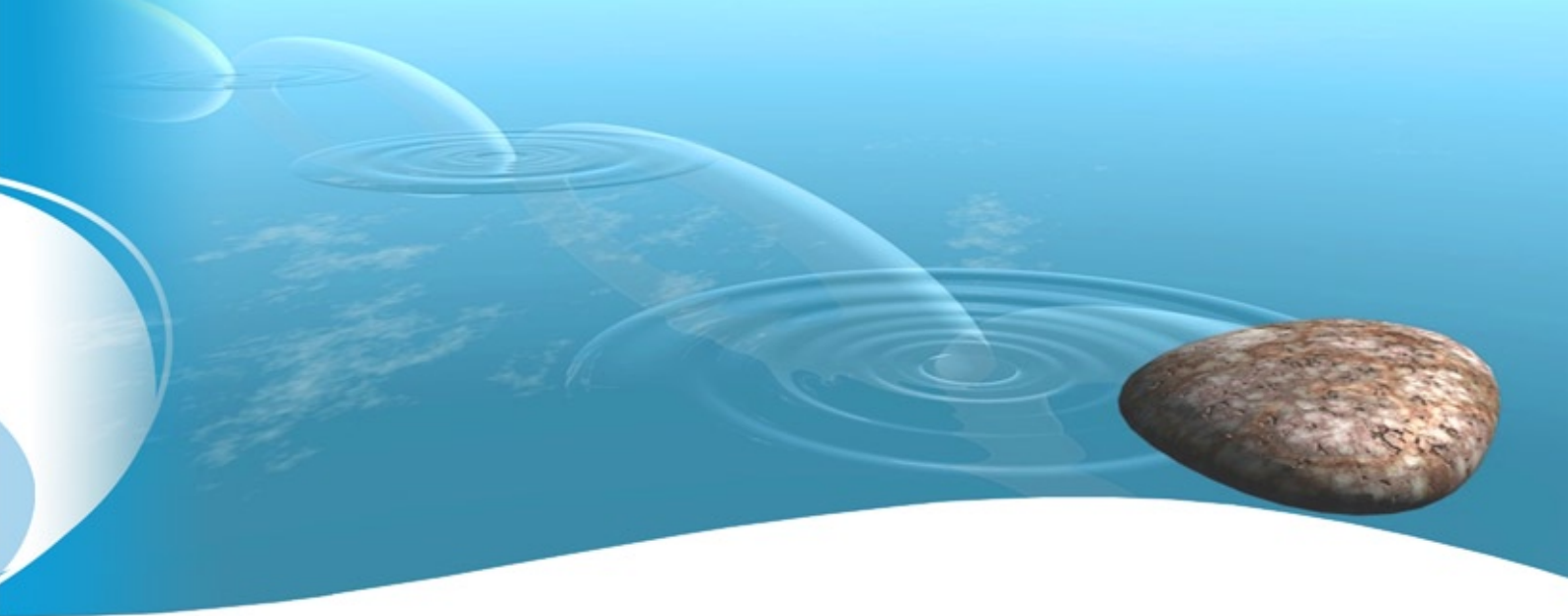
## OUR STRATEGY

While creating a linkage to corporate businesses and prestigious training institutions, ICMSE contributes to foster and promote innovative business and product development in a perspective of social and economic growth.



## What is Social Business ?

A social business is an enterprise whose goal is to create a sustainable and efficient activity that serves a broader human development purpose. ICMSE believes that social entrepreneurship is the sole way to substantially and durably alleviate populations from multidimensional poverty. Indeed, a long term development of the under-privileged population requires innovative ideas and products which suit the needs and the means of low segment populations. In that light, ICMSE aims to create a platform for business ventures that bring under-privileged populations closer to corporate services.



## Challenges in Microfinance & Social Business Development



For the past 30 years, microfinance has demonstrated its ability to lift people out of poverty across the globe. Yet, today's worldwide development picture quite rightly demonstrates that poverty has many facets and that microfinance can not be the unique tool in creating a dynamic and rapid development to solve this major issue. Indeed, the impact of credit lending to under-privileged people is limited in that it fails to create substantial export oriented businesses and jobs. This lack of connection to wider domestic and international markets does not allow for substantial growth and development which is vital when tackling wide scale poverty.

ICMSE believes that promoting entrepreneurship, not only at the lowest



*Dr. Mostaq Ahmmed  
President & Founder of ICMSE*

level but also amongst middle class populations, is crucial to bring about a substantial evolution. This is why it aims to act as a platform linking microfinance institutions and corporate businesses in a combined assistance to promote social businesses and support small and medium businesses in further growth. To achieve this aim, ICMSE is working on downscaling banking products, up scaling microfinance activities to support missing middle and finding innovative ways to improve the integration of newly created enterprises to wider markets.

# Products & services

## Our Competence

As a Microfinance and development expert, ICMSE is responding to the increasing global demand from Small and Medium Enterprises (SME), Microfinance and corporate sector development in maximizing client's outreach and capital through appropriate product development and capacity building programs.

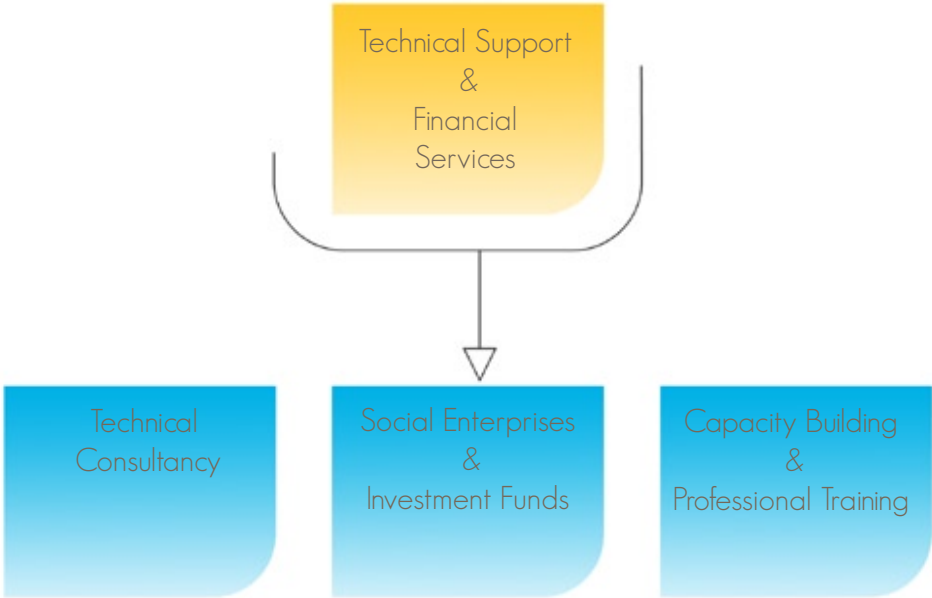
## Our Core Businesses





# Our Services & Delivery Structure

ICMSE offers technical assistance & financial services to development programs that link MFIs, NGOs and local banks to corporate businesses and universities while aiming to strengthen the capacities of the emerging institutions and businesses through management best practices and organisational capacity building monitoring and evaluation. ICMSE expertise and capacity covers the following three areas :



# Investment funds

## Social Enterprises & Investment Funds

Microfinance & SME's have already had a positive influence on the life of millions of people in the world. However, a majority of people still lack access to financial services that can significantly raise their standard of living and provide them with a better tool to manage their lives. The emerging MFI's lack access to growth capital, despite good operational and financial performance. In order to accelerate the development of microfinance, the knowledge of outstanding microfinance practitioners has to be linked with international corporate finance expertise to effectively help hasten the growth of promising, emerging MFIs. Therefore, the objective of the social investment funds is to make sure that these emerging MFI's can benefit from investors and can also build partnership programs with corporate businesses to create social enterprises that have the capabilities of delivering effective support and diversified services to their clients.

The aim of our Social Enterprises and Investment Funds is to establish a bridge

between the financial resources from the corporate sector and microfinance & SME practitioners to create social enterprises. The available knowledge of the investors is often focused on financial issues in general but is not specifically related to microfinance or social enterprises. Therefore, it is crucial to involve proficient microfinance practitioners in order to upgrade the capacity and reach the maximum possible outcome. The focus is on emerging, high-potential MFI's that have not yet necessarily reached profitability, those MFI's who have rapidly expanded or those who just started or switched into the field of microfinance or SME businesses. An active role is played in creating adequate return through intensive instructions, coaching and supervision of the management of the MFI's along with financial support. At the same time this fund will be dedicated to developing new businesses and through the creation of social enterprises, low cost products will be designed to address the needs of low-income people so that they can improve their living conditions.

### Social enterprises & investment funds

Investment in creation of social enterprises :  
Setting up professional training institutions and vocational centres.

Investment in microfinance & SME sector

Investment in creation of social enterprises :  
foods & agriculture, energy, water, health & sanitation, low-cost housing





## Technical Assistance and Consultancy Support

ICMSE is dedicated for the development of social business, microfinance and SME sector throughout developing countries and maintains very ambitious objectives to develop skilled human resources and to dispatch innovative mechanisms for creating new opportunities for the poor self development. As a Technical Support Provider principally concerned about the need to enhance the capacities and capabilities of microfinance institutions and banks and to implement a people-centred approach to long-term sustainable development ICMSE recognizes that microfinance services should be redirected to better serve the needs of the poor through enhanced capacity building and

sector-based development service provision. Through technical support and staff training provision designed on the basis of need analysis and focused primarily on cost-effective microfinance operations, Microfinance institutions and banks in developing countries will increase their understanding of the salient elements needed to effectively and efficiently operate a sustainable microfinance scheme. Technical support and training provision constitute a comprehensive management support tool which can greatly enhance effective microfinance operations and thus better assist MFI, banks and communities in the fight against extreme poverty and exclusion.

### Fields of interventions

- **Microfinance Consultancy**

Over the past decades, Microfinance has by and large been adopted in developing countries as a global solution to the empowerment of low-income people. However, all Microfinance Institutions (MFIs) do not have the same objectives and targets. For instance, some organizations are more focus on women whereas others target the farmers. In the same way, some institutions are located in rural areas, whereas others are only working in the cities.

All in all, this vast and tight network of Microfinance Institutions is a precious source of information for decision-makers who are acting in various fields, such as resource management, business development and other economic activities. ICMSE has become aware of that tool and has set up a Training Program to enable MFIs to act in the Microfinance sector with more professional expertise.

- **SME Consultancy**

The development of Small and Middle Enterprises (SMEs) thanks to Microfinance Institutions has already contributed to improve the life of millions of people. Their small-scale organization is particularly adapted to meet the expectations of grassroots communities, in terms of product, marketing, communication and distribution channels. ICMSE believes that fostering enterprise creation at the village level, as well as improving and expanding the operations of existing enterprises, is the key to sustainable development and

rise in income level for rural areas.

However, previous development efforts have failed in addressing the need of capacity building of microentrepreneurs. Therefore, ICMSE has set up a new approach by combining both capital and consultancy expertise. On the one hand, MFIs will provide capital through equity or debt financing, whereas, on the other hand, ICMSE will offer skill trainings, technological and operational support, and legal, administrative and market assistance.

- **Energy Consultancy**

Bangladesh is facing a severe energy crisis. Only one third of rural areas is currently covered by the national grid, whereas most households rely on expensive and harmful fossil fuels, such as kerosene and wood. Since reliable energy sources are the backbone of any economic advancement, ICMSE has decided to make solar energy accessible for every Bangladeshi household. Thanks to the technological expertise of INES, ICMSE has designed a Solar Home System for remote communities that are not covered by the national grid. Through a customized payment scheme,

the system can be paid in a flexible manner according to the capacity of the household. In a more global approach, ICMSE has introduced the Mini Grid, an off grid solar energy system intended to supply electricity to households through collective distribution and centralized monitoring. At a larger scale, the Mini Grid will reduce the dependency on fossil fuels and allow villagers to enjoy the health and cost benefits of renewable energies. Lit after the sunset, the system will also allow for more time spent on studying and an increased productivity for home-grown businesses.

- **Low Cost Housing Consultancy**

In the most densely populated country of the world, housing is a serious issue. 75% of the Bangladeshi population is still living in simple huts or houses made of mud. This kind of accommodation does not provide the basic standards of hygiene, security and comfort. ICMSE believes that every household deserves a decent home, whatever their income level. More than a simple commodity, housing is a vital investment leading to a better upbringing of children and an increased productivity for home-grown businesses. That is why,

ICMSE has introduced in 2010 a Low Cost Housing program, specially designed for low and middle-income people living in rural areas. Architects and engineers have designed 5 models of houses (from 350 ft<sup>2</sup> to 1,000 ft<sup>2</sup>) and integrated the best materials as regards the tropical climate. With a strong experience in Microfinance, ICMSE has set up a customized repayment scheme so that all clients can pay back their house over a period of 1 to 8 years after the completion of the house.





# Recent activities

- **River State Sustainable Development Agency (RSSDA)**

From 2011 to 2012, ICMSE has led a gap analysis of the Microfinance and SME sector in the River State of Nigeria for RSSDA. By binding knowledge and pragmatism, ICMSE has implemented 3 phases to set up a Microfinance and SME Training Institute in this area. First, RSSDA officials, MFIs, banks and state agencies were questioned to assess the current situation and highlight the available resources. Then a common action plan was elaborated and shared with the various institutions, along with the legal structure of the Training Institute. Finally, the site was selected, the staff deployed and the training programs designed to efficiently launch the activities of the Institute. In addition, a Funding Unit was added in September 2012 to raise funds from 4 countries over a period of 6 months.

- **Setting up Microfinance and SME Training Institution**

Over the past decades, the model of Microfinance and SME development has been replicated in many developing countries to tackle poverty and create a positive environment for socioeconomic advancement. That is why ICMSE has decided to provide technical support and consultancy to governments and international organizations, willing to implement effective and sustainable Microfinance and SME operations. In 2011, Nigerian Delegates were thus invited by ICMSE to its office in Dhaka to discover its activity and also collaboration with Green Housing and Energy Limited in the energy sector. ICMSE exposed its vision and knowledge for both Microfinance and SME sectors. Then, ICMSE took the Nigerian representatives to its dairy farm in Bogra, where a Solar Irrigation program is being implemented.

- **Capacity Building Program for corporate sector**

In 2011, ICMSE has introduced a leadership program for the top management in corporate sector. By giving the corporate sector the keys to run efficiently an organization and foster the growth of the economy, ICMSE believes that companies can contribute to the welfare of a nation. Therefore, a training was organized for 25 officials of the Nigerian National Petroleum Corporation on the topic "Detection of Fraud, Internal Control & Risk Management". During this session, ICMSE addressed the different issues relative to control of the risks, limitation of dependence and successful management of the organization.

- **Capacity Building for National Bank of Rwanda**

In 2009, ICMSE has trained supervisors of the National Bank of Rwanda on the topic "Accounting and financial performance analysis". Through this training, the National Bank of Rwanda has been able to develop monitoring and supervision tools for a better management of its activities. In 2011, four other trainings have been designed by ICMSE for the national bank of Rwanda about Business Ethics, Supervision Methods for MFIs, Financial Analysis and Credit Scoring Methodology.

# Training

## Executive Education

In partnership with the best European Business School, launching of an executive education program for young professional which focuses on social business and entrepreneurship studies.

Such a program would include some credits in a regular executive education program, a Masters in Sustainable Development and a Masters in Social Business and Enterprise. To foster that partnership there will be academic exchanges between Bangladeshi students and European students.

Such a kind of partnership already exists in HEC Business School, in France. The HEC Sustainable Development Management master offers various courses of microfinance, finance, law, corporate responsibility and entrepreneurship.

Intensive Training for Microfinance, SME and Corporate Business Development
Academic Program Development
Financial Education Program & Project Management
Distance Learning & E-learning Program
Field Training & Exposure Visits
Internship & Exchange Program
Client Satisfaction studies
Impact Evaluation
Market Studies
Conferences and Workshops
Research & Thematic Studies

Unesco confirmed its future collaboration with ICMSE focusing on promoting social enterprise for young people. ICMSE network of universities, training center and microfinance institution would perfectly fits the unesco purpose of social development through education.

Supporting entrepreneurship skills is a first step toward development.



## Capacity Building and Professional Training

Module	Training Curriculum of ICMSE	Level	Target People	Timeframe
MF1	Basic Microfinance	Basic	MFIs/NGOs	2 days
MF2	Set up Microfinance program	Basic/Advanced	MFIs/NGOs	3 days
MF3	Individual Lending Methodology	Basic/Advanced	MFIs/NGOs	2 days
MF4	Savings and Credit Management	Basic/Advanced	MFIs/NGOs	5 days
MF5	Business Strategy for Microfinance Operations	Advanced	MFIs/NGOs	2 days
MF6	Strategic Planning	Advanced	MFIs/NGOs	3 days
MF7	Institutional Business Planning	Advanced	MFIs/NGOs	3 days
MF8	Financial Planning	Advanced	MFIs/NGOs	3 days
MF9	Strategic Marketing	Advanced	MFIs/NGOs	2 days
MF10	Human Resource Planning and Development	Advanced	MFIs/NGOs	5 days
MF11	Staff Training and Motivation	Basic/Advanced	MFIs/NGOs	3 days
MF12	Good Governance	Advanced	MFIs/NGOs	3 days
MF13	Detection of Fraud, Internal Control & Risk Management	Basic/Advanced	MFIs/NGOs	3 days
MF14	Monitoring and Supervision System	Basic/Advanced	MFIs/NGOs	3 days
MF15	Accounting & Record Keeping System for MFIs	Basic/Advanced	MFIs/NGOs	3 days
MF16	Microfinance Audit	Basic/Advanced	MFIs/NGOs	3 days
MF18	Financial Analysis	Advanced	MFIs/NGOs	3 days
MF19	Interest rate setting	Advanced	MFIs/NGOs	2 days
MF20	Products and Client Satisfaction	Basic/Advanced	MFIs/NGOs	3 days
MF22	Web site design for MFI	Basic/Advanced	MFIs/NGOs	2 days
SME	Training for SME Lending Program & Bank Downscaling			
SME1	Strategic Planning for Bank Down Scaling and SME Program Development	Basic/Advanced	Banks	3 days
SME2	SME Products and Procedures	Basic/Advanced	Banks	3 days
SME3	SME Lending Methodology	Basic/Advanced	Banks	3 days
SME4	SME Clients Targeting Methodology and Marketing Strategy	Basic/Advanced	Banks	2 days
SME5	Monitoring and Supervision Methods for effective SME Lending	Basic/Advanced	Banks	3 days
CB	Training for Corporate Businesses			
CB1	Leadership Training	Advanced	Corporate Business	2 days
CB2	Innovative and Non-conventional Decision Making Process	Advanced	Corporate Business	2 days
CB3	Creating & Sustaining a Quality Management Committee	Advanced	Corporate Business	3 days
CB4	New Product Design and Business Model Development	Advanced	Corporate Business	2 days
CB5	How to Create Social Enterprises?	Advanced	Corporate Business	2 days
FE	Training for Financial Education & Micro Enterprise Development			
FE1	Project Management & Micro Enterprise Development	Basic/Advanced	Microentrepreneurs	3 days
FE2	Product Marketing	Basic/Advanced	Microentrepreneurs	3 days
FE3	How to Calculate Cost & Simple Accounting for Project Management	Basic/Advanced	Microentrepreneurs	3 days

# Networking and Partnership

ICMSE strongly believes in targeted investment from innovative and competitive countries to developing areas as the most efficient tool to reduce the socioeconomic discrepancies and foster a sustainable development. Therefore, ICMSE has been working in collaboration with the most reputed organizations and companies to create new opportunities of social and economic advancement for deprived areas. Through a reciprocal exchange of service and knowledge, ICMSE ensures its partners with a win-win relationship.

This way, ICMSE invites any interested institution or company – who wishes to eradicate poverty and undertake an innovative approach through capital and Social Business linkage – to contact us. A new way to do business is possible. Business creation can contribute to a broader human development purpose and lift entire communities out of poverty.

The poorest have been too long forgotten by capitalism, reserved to those who own the capital. ICMSE considers that the socioeconomic system can be reconfigured in order to take underprivileged people into account. Adapting enterprises to their expectations and social conditions can, in fact, see a dramatic rise in their living standards and incomes. Many international institutions and companies have already adopted this revolutionary approach and led successful projects in collaboration with us.

- **GHEL**



GHEL is a social business dedicated to combating poverty in Bangladesh through empowering low-income people and fostering a better living environment. Since 2010, GHEL has been launching development programs for rural areas with the knowledge assistance of ICMSE. Among the most successful projects, GHEL has implemented the Solar Home System program for both households and microentrepreneurs. GHEL has also installed 153 Biogas plants throughout Bangladesh as a healthy and cost-efficient energy source for cooking. Many local entrepreneurs have also been trained.

- **INES**



INES is the first centre in France dedicated to research, innovation and training on solar energy. Thanks to INES technical expertise and knowledge transfer, ICMSE has been able to develop various programs on solar energy management. ICMSE promotes, in fact, solar energy as the best alternative to expensive fossil fuels and unreliable electrical grid in Bangladesh. ICMSE has thus introduced in collaboration with INES a Solar Home System, a Mini Grid and a Solar Irrigation program.





- **IDCOL**



IDCOL is a major actor in the development of medium and large-scale infrastructures and renewable energy projects in Bangladesh. Thanks to a long experience on the field, as well as multi-skilled employees, IDCOL now stands as the national market leader in private sector energy and facilities financing. IDCOL has provided ICMSE with the financial and technical support to set up the Solar Home System Program. The expertise of IDCOL's economists, engineers and market analysts has been one of the key drivers of the success of this project.

- **Citi Foundation**

**Citi Foundation**



Citi Foundation supports the economic empowerment and financial inclusion of low- to moderate-income people in communities. Together with ICMSE, Citi Foundation has started a project of Solar Home System for microentrepreneurs and remote areas of Bangladesh. Indeed, 141 microenterprises and 369 households have benefit from solar home systems and a significant rise in income level, as well as an increasing productivity within their business, has been noticed.

- **AFTA**



AFTA Technology Co. Ltd. has more than 30 years of experience in plastic technologies and has been working in 80 countries all over the world. The company has provided ICMSE with a precious technological support to develop suitable products for the remotes areas of Bangladesh. By adapting high added value technologies to the needs and capacity of underprivileged people, AFTA has overcome the obstacle of their low purchasing power.

- **HEC**



HEC Paris is one of the most reputed business schools in the world. Over 130 years, HEC Paris has been the leader in educating talented managers and entrepreneurs at an international scale. Moreover, the institution has always adapted its organization and programs to the socioeconomic changings of our time. That is why, HEC Paris has recently introduced a new syllabus about Social Business and encouraged his students to share their knowledge with ICMSE in the context of trainings and internships.



# and Management

Successful projects rely on a deep analysis of the expectations and needs of the targeted population, as well as a constant adaptation to the situation on the field. For a better implementation and monitoring of its projects, ICMSE has thus adopted a 4-step approach.

Upstream from the project design, ICMSE firstly runs market studies and field surveys to determine the available resources and the potential stakeholders. Thanks to this database, ICMSE then elaborates the Business Plan, gathers the stakeholders, designs human resource and management policies, and sets up a common roadmap. Third, the project is deployed on the selected site by local officers and technicians, while ICMSE supervises the implementation and meets the deadlines as scheduled in the action plan. Finally, ICMSE assesses periodically the outcome of the project and compare it with the expected results. According to the project evaluation, ICMSE adjusts the components of the project or leverage, if necessary, new resources.

So far, ICMSE has applied the precedent demarche to four key development sectors.

- **Microfinance**

Through its expertise in Microfinance, ICMSE has been leading different projects from the setting up of Microfinance Training Institutes to the creation of capacity building contents for Microfinance Institutions (MFIs). By working in 3 different countries, namely Bangladesh, Nigeria and Rwanda, ICMSE has developed cross-cultural skills and a broader knowledge of the sector, which enable us to replicate the Microfinance model in different parts of the world.

- **Energy**

To expand the use of solar energy in remote areas that are not covered by the national grid, ICMSE has set up different programs according to the local economy. Solar panels have thus been installed to supply electricity to households, SMEs and irrigation systems. Significant achievements have been noted in terms of productivity, income generation, food security and living conditions in those regions.

- **SME Development**

Along with Microfinance, ICMSE has made of SME Development a top priority to achieve a cross-sectional development within poor communities. In fact, ICMSE believes in the entrepreneurship potential of all human beings and provides them with the support they need to unleash their potential. This way, ICMSE has set up SME Training Institutes in different localities and met the need of knowledge, technology, legal, administrative and market assistance of the microentrepreneurs.

- **Low Cost Housing**

In collaboration with GHFL, the Low Cost Housing Program is now being implemented in rural Bangladesh, where low-income people do not have access to durable and affordable houses. All the technical aspects have been previously studied by ICMSE to minimize the cost of the houses and fit the daily life of rural communities. ICMSE believes that a better quality of life will raise the social status of the households and benefit to next generations.

# Who we are ?

## Dr. Mostaq Ahmmed

President and Founder

Currently Dr. Mostaq Ahmmed is the Deputy Chief Operating Officer at ASA International. Before joining ASA International he was respectively Director of the Training and Technical Support department at FINCA International, Planet Finance-France and Deputy General Manager and Head of the International Training & Information Department for ASA, one of the largest MFls operating with over 6 million clients.

He provided technical assistance to different MFls and NGOs located in developing countries. Some of the projects include, but are not limited to Microfinance & Health in Benin, Microfinance & ICTs, Microfinance and Capacity Building in Argentina,

Morocco, China, India, Pakistan, Togo, Benin and Ivory Coast.

Dr. Mostaq Ahmmed has a Masters Degree of Social Sciences from Dhaka University in Bangladesh, a Masters Degree in International Relations and European Politics from the University of Liege, and a PhD. in International Relations from Washington University-USA.

Visiting professor at HEC-France and ULB-Belgium where he has conducted several courses on "Microfinance and Sustainable Development Program" for last six years.

## Olivier Tavignot

Chief Operational Officer

Deeply involved in management and mergers across Europe for 8 years, then Olivier has spent the last 12 years working as adviser in strategic management.

In Consulting, he developed an approach integrating business strategic development and coaching of leaders.

In early 2005, he created the company Question de Sens, working with Company founders and corporate leaders. He focuses on either personal Coaching or leading a management team which is engaged in a strategic reflection or which must succeed in making an important transition.

Olivier is also :

- o Member of the advisory network Trinity Partnership, operating from London, Paris and New-Delhi.
- o Lecturer for Business and engineering Schools, and for Executive MBA programs in France (HEC, Edhec) and abroad, on subjects relating to strategy and decision-making processes in a complex environment.
- o Active investor and member of strategic committees innovative companies devoted to bio-energy, health and finance.



## Rafiza Rahman

Director Development and Communication

Expert in development journalism and microfinance, heading the development and communication department at ICMSE. Assistant Instructor at the Press Institute of Bangladesh where she worked for five years and carried out several training activities and has written many reviews and articles on various issues regarding development, poverty and micro finance.

She has a M.S.S. degree in mass communication and journalism from the university of Dhaka in 1994. Masters degree in european microfinance program from the Université Libre de Bruxelles in Belgium, 2007.

Mrs. Rafiza Rahman is highly specialized in micro savings product and management and has carried out intensive research on ASA product diversification and savings program.

## Dr. Abdul Khaleque

Technical Advisor

Dr. Abdul Khaleque is the Technical Advisor of ICMSE and Head of the Dairy Farm Unit. He is highly specialized in livestock and veterinary sector with more than 30 years working experience. He is also actively associated with a large number of training activities for livestock and firm management development and working as a Strategic Advisor working on integrated agricultural development strategy deployments, evaluation & concurrent monitoring etc.

## Pasha Ferdowski

Programme Coordinator

University of British Columbia's Sauder School of Business. Worked with FINCA International, an influential microfinance organization. His contributions to the microfinance management and developed program have ranged from mapping the organization's business processes and tracking policy changes, to developing training & promotional tools and a security concept, to contributing towards an MIS implementation strategy and the development of an operations manual. Worked in Nepal as a community developer with ECTA, a local NGO, where he established a rural elementary school, trained teachers, and promoted a microfinance program.

