



SUNRISE
Mikrokreditna Fondacija

Crisis Management - MCF Sunrise

MCF Sunrise
Anis Aganović
MFC Conference 2016

June, 2016

The circumstances of the economic crisis in BH

- A significant reduction in capital inflows and foreign direct investment in BH
- Reduced demand BH products and services to foreign markets
- A lack of strong system banks to manage market activities
- The activities of commercial banks to reduce operating assets in the segment of corporate and SME
- Poor funding structure of commercial banks for corporate clients (increased NPL)
- The lack of quick measures by the BH government to mitigate the impact of the crisis
- Late implementation of Credit Bureau 2007 (CRK Central Register of Cliets for banks)
- Indebtedness of the economy and individuals with commercial banks in precrisis period
- Over 40 % unemployment still upward trend

MC Sector in circumstances of economic crisis and measures

- Different approaches to the crisis of microcredit organizations
- The exit strategy for a large number of creditors
- Inability to consolidate debt on the client level through the application of the late introduction of credit bureaus in the MF sector (late 2009)
- Some organizations see the growth opportunity in the crisis period - different approaches of creditors
- Low Risk awareness
- The regulatory regime does not recognize the crisis as a phenomenon only individual problem cases and way of dealing with such
- The lack of experience of crisis management in the region

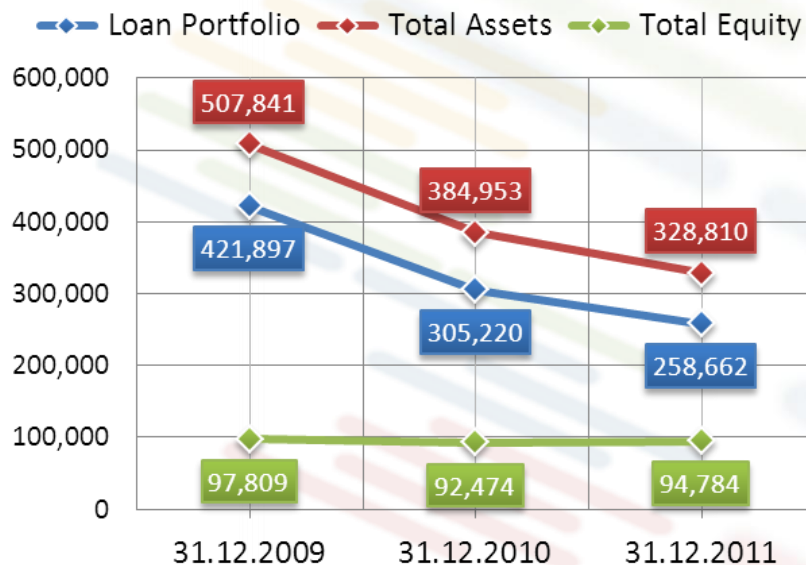
MCF Sunrise in circumstances of economic crisis and measures

- ✓ Analysis of assets quality MCF Sunrise and Action Plan (Health check)
- ✓ The establishment of the club of creditors and coordination body
- ✓ Separation of the loan portfolio on the basis of risk type of customers
- ✓ The new organizational structure, reporting system and new body as RISK-ALCo
- ✓ Improving IT systems in the function of monitoring the entire process of collection of problem loans as well as new reporting system
- ✓ Structured training program
- ✓ Risk awareness

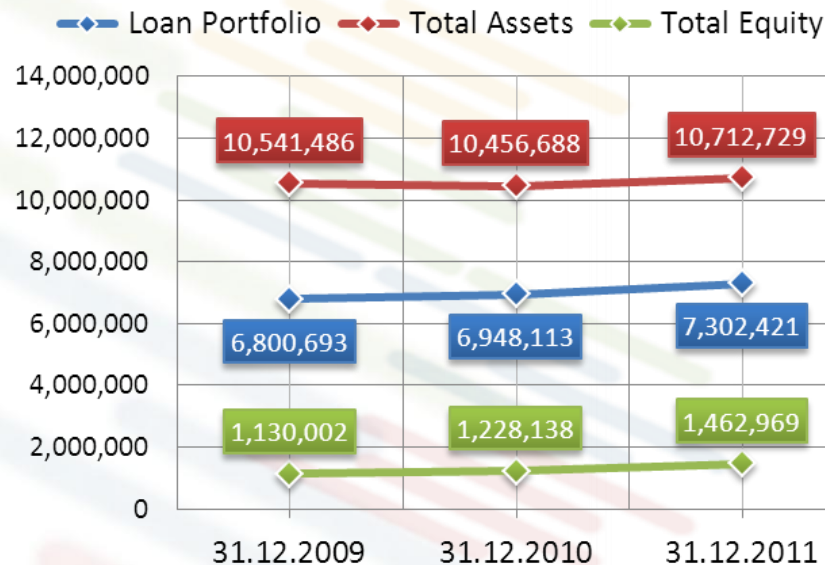
MC Industry vs Banking sector

31.12.2009. – 31.12.2011.

MC Industry



Banking sector



Numbers are expressed in thousands EUR.

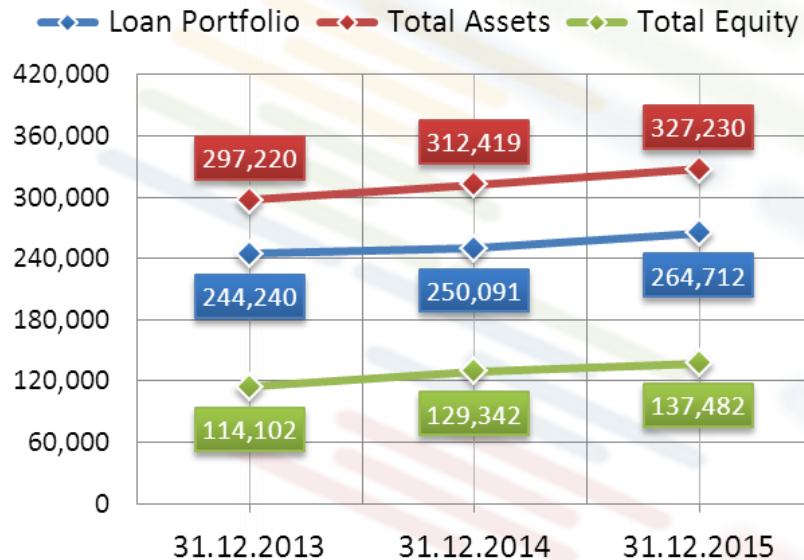
The official currency in BH KM (convertible mark) EUR 1 = KM 1,95583

Source of information: The Federal Banking Agency (Information on microcredit system of the Federation of Bosnia and Herzegovina and Information of the banking system of the Federation of Bosnia and Herzegovina for the period from 31.12.2013. to 31.12.2015.), Banking Agency of the Republic of Serbia (Annual Reports of the banking system of the Republic of Serbian) and Microcredit Foundation Sunrise (Annual Financial Statements)

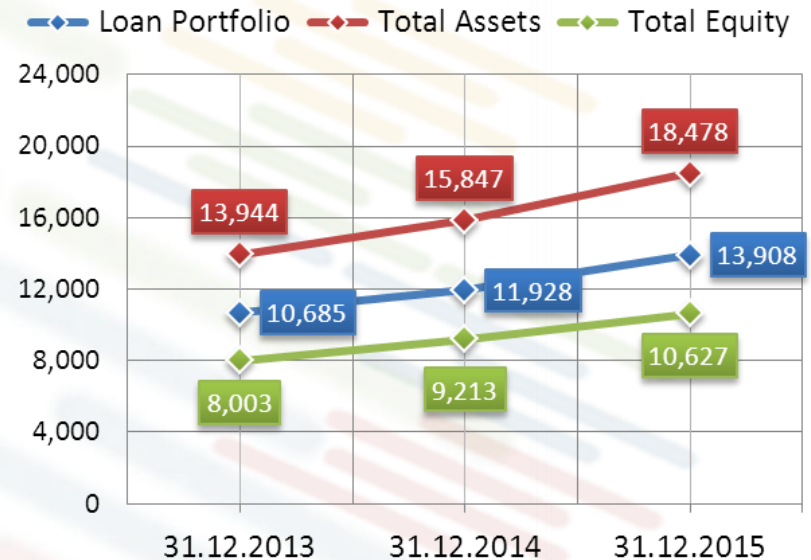
MCF Sunrise vs MC Industry

31.12.2013. – 31.12.2015.

MC Industry



MCF Sunrise



Numbers are expressed in thousands EUR.

The official currency in BH KM (convertible mark) EUR 1 = KM 1,95583

Source of information: The Federal Banking Agency (Information on microcredit system of the Federation of Bosnia and Herzegovina for the period from 31.12.2009. to 31.12.2015.), Banking Agency of the Republic of Serbia (Annual Reports of the banking system of the Republic of Serbian) and Microcredit Foundation Sunrise (Annual Financial Statements)