From Microfinance to Small **Business Finance**

The Business Case for Private Capital Investments

Edited by

Benoit Leleux.

Stephan Schimidheinv Professor of Entrepreneurship and Finance, IMD, Switzerland

Dinos Constantinou

Managing Director, Global Microfinance Croup, Switzerland

with the assistance of Mope Ogunsulire

macmillan



HOCHSCHULE LIECHTENSTEIN Bibliothek

Contents

Lis	t of Figures	VII		
Lis	t of Tables	viii		
Foi	reword S. Fischer	ix		
Pre	eface 7 /. Pictet	xiii		
Pre	eface 2 IMD	χV		
Pre	eface 3 S. Bernard	xvii		
Pre	eface 4 J.F. FreymondandX. Escobar de Nogales	xix		
Ack	knowledgements •	xxii		
Abl	breviations	xxiv		
Glo	Glossary			
No	Notes on Contributors			
	Introduction B. Leleux, D. Constantinou and M. Ogunsulire Transcript of former UN Secretary-General Kofi Annan's remarks at the Geneva Private Capital Symposium: Investing Private Capital in Micro & Small Business Finance, 10 October 2005	1 16		
Pa 2	Part I: Market Demand The Demand for Micro and Small Business Finance: The \$500 Billion Question V. Mahajan			
Pa 3	rt II: Institution Building An Analysis of Microfinance Business Models 6. Leleux and D. Constantinou	47 49		
4	Downscaling Projects in CIS countries - Revisited C. Freytag	80		
5	Case Study - ICICI Bank S. Chakraborty	100		

vi Contents

		rate Capital in Microfinance	109
6		for Microfinance: From Public and Social Investration into Mainstream Financial Markets	stment 111
7	Challen	ges in the Transition to Private Capital ousa Shields	126
8	A Real I M. Holz	Business Case on its Way	139
	t IV: Structural Factors in Microfinance Building Inclusive Financial Sectors for Development: The Policy Framework K. Imboden		
9			
	t V: Assessing Microfinance Institutions Rating Microfinance Institutions in Latin America and Africa D. von Stauffenberg		
10			
11 Rating Microfinance I S. Sinha		Microfinance Institutions in Asia	174
Appendix 7		The Geneva Private Capital Symposium: Speakers and Chairs'organizations'	s' 177
Арре	endix 2 C	Common Financial Ratios for Assessing Microfina Institutions ••	nce 191
Appendix 3		Comments on the Geneva Private Capital Symposium, 2005	202
Inde	x		205