

Meaningful Growth

Social Accountability
Report 2019

Meaningful Growth

Social Accountability Report 2019

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Message From The Founder & CEO



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2019 is the year of growth. Our expansion to Sulawesi and Sumatra shows our commitment in reducing the barrier to access financial services for micro entrepreneurs throughout Indonesia

Thanks to our lenders, partners and stakeholders, Amartha has been able to scale sustainably and continue our endeavour in providing a more equal opportunity for micro businesses and women entrepreneurs in Indonesia to grow. Through our financial products and dedicated teams on the fields and at the headquarter office, Amartha was able to support more than 350,000 jobs in the villages, 100% operated by women. Our lender base was also significantly improved, with 68% of our individual lenders were dominated by the Millennials.

Looking ahead, Amartha envisions an integrated ecosystem of rural economy which provides better chance of those with lower income to prosper. This can be done through series of interventions to improve their income while at the same time reducing their economic cost. With this philosophy in mind, Amartha is committed to develop future financial products that would enable underserved and rural communities to do transactions at lower cost while enabling them to plan for their future and fulfil their potential.

This annual Social Accountability Report 2019 highlights some of our milestones in serving rural communities for nearly a decade. We thank you all for being part of our journey and growth, the growth that we believe a meaningful one.

Andi Taufan Garuda Putra
Founder & CEO Amartha



About Social Accountability Report

Social Accountability Report is an annual presentation of impact research and management as a result of Amartha’s presence in the community. Using Sustainable Development Goals (SDG) metrics as reference, we measure the improvement of living conditions of our borrowers in the area of financial access improvement, job creation and wellbeing.

This report marks our progress in serving the unbanked and underserved micro entrepreneurs in Indonesia. Through our strategy in promoting financial inclusion, we also come with intervention programs to ensure the sustainability of the entire society, because we believe a long term partnership and presence in the community are the keys to transform the people from borderline poverty into a more stable and long lasting prosperity.

With the spirit of becoming a preferred impact-investment platform, Amartha aims at transforming public funding into an infrastructure to bring prosperity available for everyone in Indonesia.

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Empowering women
is the key to building
a future we want
Amartya Sen



The
Growth

Amartha started its humble journey from a small village in Bogor, West Java with two branch offices in 2010. The Peer-to-Peer Lending (P2P) model was then introduced in 2016. Since then, Amartha has been able to grow exponentially by maintaining a good quality portfolio. As of December 31, 2019, Amartha has channeled Rp 1,89 trillion (US\$ 129 million) funds from mostly urban lenders to 357,661 women micro entrepreneurs across 10.000+ villages in Java, Sulawesi, and Sumatra.

1. Borrowers' Journey

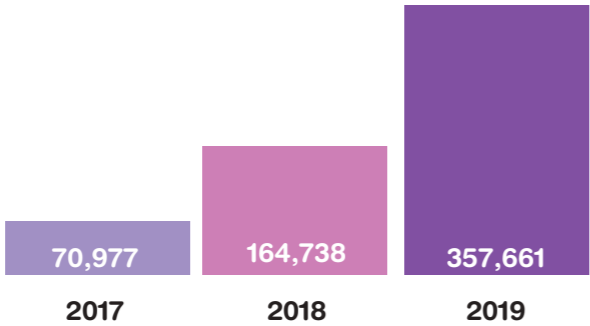


Four years ago, Bu Satiah and her husband explored a new business opportunity and discovered a tutorial of making mushroom farms on Youtube. Starting with 5,000 seeds, she now cultivates a fungiculture farm with 15,000 trays capacities.

“Currently, I can harvest a minimum of 20kg of fresh mushrooms everyday. At the best season, my farms can produce 40kg and people from my husband’s network from his Facebook community came to pick up some kgs. My next plan is to have a dryer machine for making mushroom chips. By processing the mushroom as chips, it will last longer and I could have a higher selling price. Also, I might be able to create more jobs for my neighbors.”

In the past three years, Amarthas number of borrowers have grown exponentially and sustainably, starting from around 70,000 people in 2017 to 160,000 people last year and more than 350,000 people by the end of 2019, or more than double growth each year. The demand is mainly driven by the gap of financial access particularly in less developed areas in East Java, Sumatera and Sulawesi.

Growth of Borrower



2. Lenders' Journey



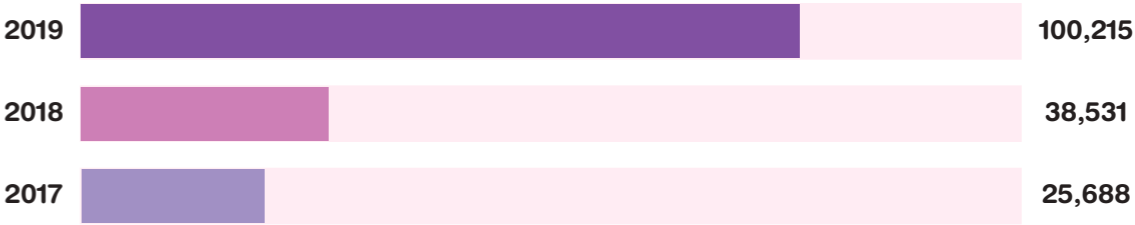
Faris Katili (26 years old, hospitality professional) has been Amarthas good investor since 2017.

“I started my first funding at Amarthas since I got my first salary while working abroad. I found out from their 2018 Social Accountability Report that my fund could help the microbusinesses in rural areas to scale up and generate more income up to three times. It feels so good to know that I could gain financial return from my investment and at the same time create a huge impact for the life of the rural community. I am looking forward to seeing Amarthas start building a marketplace for trading the products of their borrowers. That would be exciting.”

Our record shows that nearly 70% of our individual lenders are Millennials like Faris. Many of them know Amarthas from impact activities that we share through social media and offline events, which also involve public including lenders. Millennial lenders are typically interested in an impactful investment, which brings monetary profit as well as delivering real impact values to the customers.

The number of individual lenders at Amarthas platform are also showing a steady growth, as we registered about 25,000 lenders back in 2017, then grew to nearly 40,000 last year, and eventually exceed 100,000 individual lenders by the end of 2019.

Growth of Lender



3. Amartha Team’s Jouney

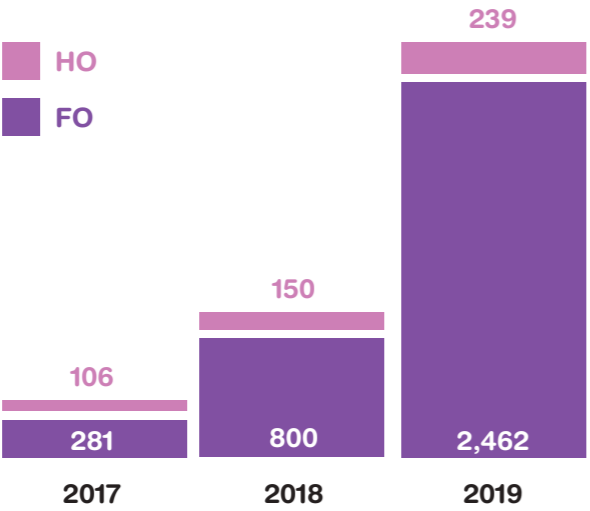


Tedi started his journey with Amartha in 2012. With his former experience in Grameen model from other institutions, he chose Amartha as his career path to better serve the unbanked people.

“I was inspired by the founder’s vision in promoting financial inclusion for the low income and unbanked people. Personally, I believe that good financial literacy could help these people to better manage their money, both for the household needs and for their business. If we can promote access to finance, it will give them the knowledge to be financially independent as well.”

Starting from less than 400 team members in 2017, Amartha is supported by growing numbers of field staff as well as team at Head Office in Jakarta. In 2019, we have 2,701 staff which grew from previous year of 950 team members.

Growth of A-Team Member



Impact Summary

As a business entity, Amartha has profitability goals. However, we believe that sustainable business can also be achieved, by integrating value creation and improvement of wellbeing as part of our business process. This mindset has shaped the way Amartha is doing business.



Financial Access Improvement	Number of Individual borrower	357.661
	Micro and SME clients	100%
	Ratio of Low-income clients from total client	LPL=3% UPL=73%
		LPL=lower poverty line \$1/day/person UPL=upper poverty line \$3/day/person
	Female clients	100%
	Rural and Underserved Clients	339.778
Job Creation	Jobs Supported	350.508
	Job Supported (Female)	350.508
	Total Amartha's Employee	2.701
	Percentage of Female Employee	52%
Business Growth	Loan Volume (IDR)	1.748.903.500.000
	Average loan size (IDR)	3.472.914
	Number of Loan Accounts	523.759
Outreach and Barrier Reduction	Island	3
	Provinces	17
	Points	449
	Village	11.500
Wellbeing Improvement	General Health Checkup	112
	Eye Checkup	1.996
	Free Eyeglass	2.646
	Reusable Bag	1.766
	Financial Literacy Training (Playbook)	59.210
	Entrepreneurship and Softskill Training	4.256



Financial Access Improvement

Provision of financial products for the unbanked and underserved helps create opportunities for them to prosper. Amartha's "banking at the doorstep" concept also reduce the barrier to access financial service and make financial transaction more affordable.



1. Framework of Financial Inclusion

While Financial Inclusion is a multidimensional concept, Amarthas business model has been designed to be the key driver to improve financial inclusion in Indonesia through three pillars of enablement, which consists of provision of financial products, access improvement and As a business entity, Amarthas has profitability goals. However, we believe that sustainable business can also be achieved, by integrating value creation and improvement of wellbeing as part of our business process. This mindset has shaped the way Amarthas is doing business.. Along with the business growth and Amarthas geographical expansion, Amarthas helped Indonesia achieve its vision of a financially inclusive nation.

Financial Inclusion	Provision of Financial Products	Provision of loan product for working capital, aimed at improving capability to generate more income for the family
		Development of saving products, bills payment, social commerce and micro insurance to bring digital financial services to frontier market
	Access Improvement	Banking at your doorstep, the agent will visit the community to perform the transaction, improving physical proximity and convenience
		Loan product for women microentrepreneurs from unbanked and low education background in rural areas, who typically have difficulties entering formal employment / work force
	Reduction of Cost of Transaction	Amartha uses agent (field officer) equipped with mobile application to perform loan disbursement and repayment, no smartphone is required to apply for loan product from Amarthas
		Reduce cost of accessing financial services to zero, no travel cost and no other costs related to service
		Loan without collateral, reduce barrier related to documentation and credit requirements
		Improve trust through personalized interaction and the presence of local agent

2. Poverty and Access to Finance

As of December 2019, Amarthas have provided financial product to 357,661 individuals. In terms of socio-economic status, our survey indicated that 3% of our borrowers still live below US\$1/day/person as lower monetary poverty threshold. Access to finance is one of the solutions for them to achieve better prosperity.

Using World Bank’s upper poverty line of US\$3/day/person, the figure stood at 73%. It signifies the intention of Amarthas to serve those in the borderline of monetary poverty who are fragile of falling back to extreme poverty if their prosperity and wellbeing are not improved sustainably.

As majority of borrowers are in these category, it is important that financial literacy must go along with the micro lending process that Amarthas provides, to prevent over-indebtedness and ensure that the loan are used for productive purposes that stimulates better income in the family. In this case, the role of our field agents mentor for the borrowers become more critical. As a result, in 2019 the average income of those who have been with Amarthas for a year are averaged at IDR 6,346,117 per month or equal to US\$4/person/day.

“Private sector like Amarthas can also play significant role in reducing the gap of financial access, helping the nation to prosper.”

3. Women Micro Entrepreneurs

World Economic Forum's Global Gender Gap Report 2017 mentioned that the majority of the unbanked population, or more than 50 million, are women from low educated segments and underprivileged families. In a recent internal research by Amartha, only less than 20% of Amartha's borrowers have bank accounts.

Since the very beginning of its establishment, Amartha's business model is focused on women in rural areas who experience double or even triple deprivation, such as coming from lower educational background, lower socio economic status and living in geographically excluded remote villages.

Our statistic suggests that 53% of our borrowers are in fact only graduate from elementary school, which prone to formal job exclusion since they will not be able to compete with their peers with higher diplomas. Provision of financial access to these group of society that promotes better income will help cut the poverty cycle.

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Amartha gives opportunity for women in the villages to prosper, regardless of their educational background or social status.



5. MSME Outreach

Smaller ticket size loan are considered difficult and expensive to be served by the bank. Alternative source of financiers are needed to ensure the rights to access financial service are equally available across socio-economic classes.

With the loan size between IDR 3 million to 15 million, Amarta supports aspiring ultra-micro entrepreneurs before they are commercially bankable. While the segment is considered riskier due to the absence of collateral and other digital footprints, Amarta has been able to develop a proven risk management tool to ensure risks are properly mitigated as evidenced by the non-performing loan rate of less than 1%.

6. Rural Business Growth

With formal jobs are mostly available in urban areas, villages are generally rely on informal or non-labor income as primary source of employment. In this regard, support to informal economy is critical to fuel the growth and bring prosperity in the villages.

In 2019, Amarta's presence can be seen in more than 11,500 villages in all parts of Java and partly in Sulawesi island. Some 95% of Amarta's total borrowers live in these rural villages, while the remaining 5% live in suburban and peri-urban towns, normally surrounding an industrial area. In terms of business sector, almost 50% of the loan purpose are for working capital in commercial and small trading activities, followed by home industries of about 20%, and agriculture and fisheries at 18%.



Job Creation

Limited opportunities for formal jobs in the villages should not stop women from supporting their families' income. With Amarta, women from all background can start doing their own businesses at home and create job for other women in their neighborhood.



1. Job that Creates Job

As 98% of Amarta's loan purpose are for income generating activities, the IDR 1,7 trillion total working capital disbursed until 2019 have supported more than 350,000 jobs in the villages, of which 100% of them are women.

Interestingly, the job supported from Amarta's loan create another job within the community. Our research indicated that 25% of our borrowers recruited one or more people into their business, which means an addition of 87,000 people into the informal workforce that contributes to their families' income. Of the total additional workforce, 75% of them are filled by women, mainly working in the small groceries sectors.

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More than 87,000 additional new jobs were created in the villages during 2019, of which 75% are occupied by women.



2. Employment Gap Reduction

While we cannot totally prevent urbanization due to opportunity gap between urban and rural areas, fueling rural economy will help provide a more equal right for those who stay in the village to obtain non-labor income from the informal business activities.

As of 2019, we do not have the statistics of how informal business activities in the villages and better access to finance in rural areas have prevented urbanization. However, our hypothesis suggest that any improvement in the villages' economy will contribute to re-consideration to urbanize as being a migrant worker, especially for women, may expose them to uncertainties, violence and higher risk of failure.



Rural Business Growth

Investing in women, especially in rural villages, has multiplier effects. From direct impact of income improvement up to prevention of urbanization flow that exposes women to migrant worker issues such as violence and sexual harassment.

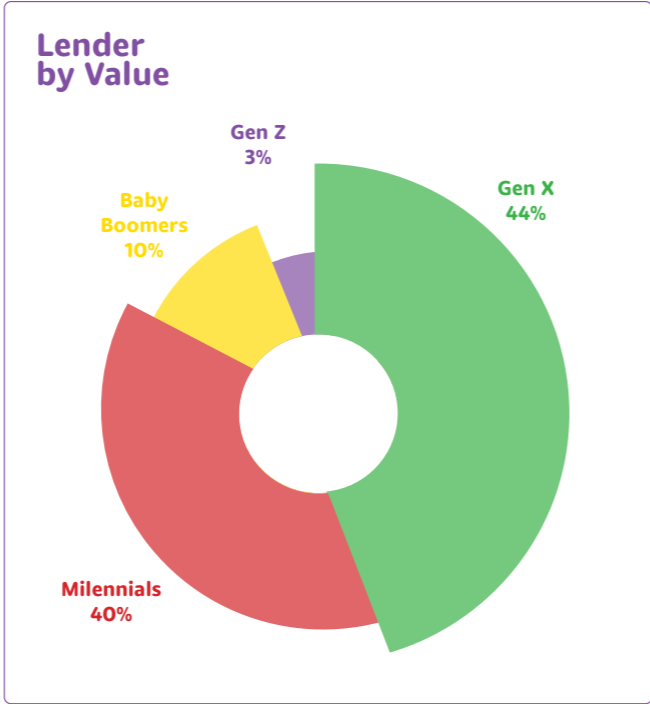
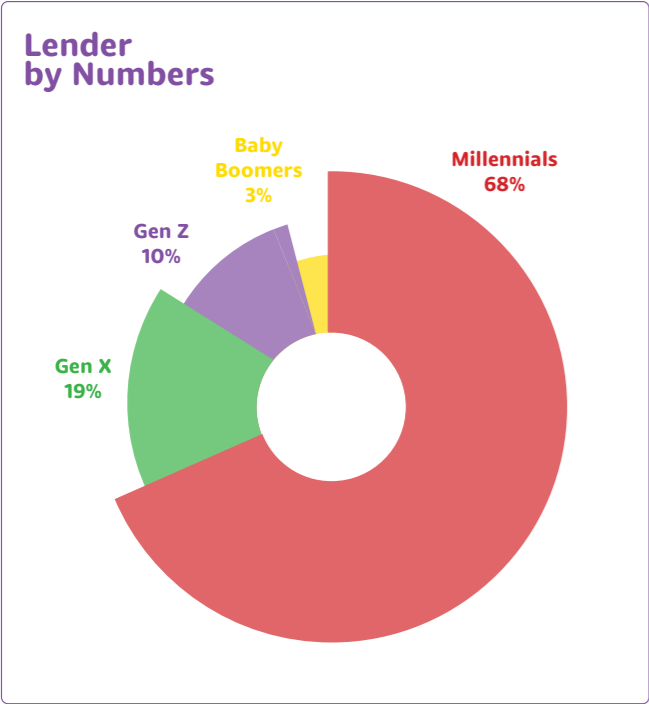


1. Impact Investment

Through Amarthas digital platform, investing in micro and small businesses in rural villages can now be done through mobile or web based portal. The peer-to-peer lending model directly bridge capital from cities into real sectors that stimulate the growth of business in rural areas.

Villagers who wish to start their business can now access working capital from Amarthas lenders that consists of avid investors, banks, institutional lenders and individual who are typically millennials. Many of our lenders are motivated by the impact created from stimulating growth in rural areas, that translates into better income and improved wellbeing.

With the strong support from millennial lenders, we continuously promote impact investment as a new way of investing, optimizing growth of the funds while creating good impact for the society.



2. Driver for Informal Income

Micro and small businesses are the backbone of informal economy. While they are resilient to external shock, informal economy are less attractive for conventional banks to serve due to lack of formalities and collateral. Alternative source of financing from Amarthas help the informal economy grow and drive improvement in informal income of the villagers.

Based on a research published by the Center for Digital Society (CfDS) of Gadjah Mada University in 2019, the average income of Amarthas borrower grew between 200% to 700% after joining Amarthas. The numbers show that productive loan can drive informal income in the villages. When the income increases, the consumption also increases that stimulate the economy in the village.

Region	Minimum Wage in Urban (IDR)	Minimum Wage in Rural (IDR)	Average Income Before Amarthas	Average Income After Amarthas
Bandung	3,339,580	2,893,074	1,254,167	7,125,000
Banyumas	1,750,000	1,750,000	1,509,091	6,381,818
Bogor	3,842,785	3,763,405	987,500	5,958,333
Kediri	1,899,294	1,850,986	2,166,667	7,322,222
Klaten	1,795,061	1,795,061	1,479,054	10,091,667
Mojokerto	3,851,983	2,263,665	1,833,333	5,044,444
Subang	2,331,752	2,791,016	1,588,461	6,127,273
Sukabumi	2,732,899	2,72,899	1,400,000	2,718,182
Average	2,692,919	2,480,013	1,527,284	6,346,117

3. Growth Beyond Java

During the second half of 2019, Amarta started to expand beyond Java. The expansion signifies Amarta’s commitment to bring digital financial services to frontier market that shows promising growth but challenged by limited access to working capital.

In Sulawesi, Amarta have covered four provinces in the southern part of the island, while in Sumatra the coverage includes North Sumatra, Riau, West Sumatra, South Sumatra and Lampung provinces.

In total IDR 33.5 billion of working capital have been disbursed to nearly 10,000 borrowers in Sulawesi and Sumatra. From month to month, the figure shows exponential growth with quality portfolio maintained. We plan to launch up to 80 points in Sulawesi and more than 130 points in Sumatra to support women micro entrepreneurs build their businesses.



Outreach and Barrier Reduction

In Amarta’s framework of financial inclusion, simplicity of product and proximity of financial service provider are key to reduce the barrier of access. While gradually shifting to digital financial services, the current role of field agent is still the key element of success.

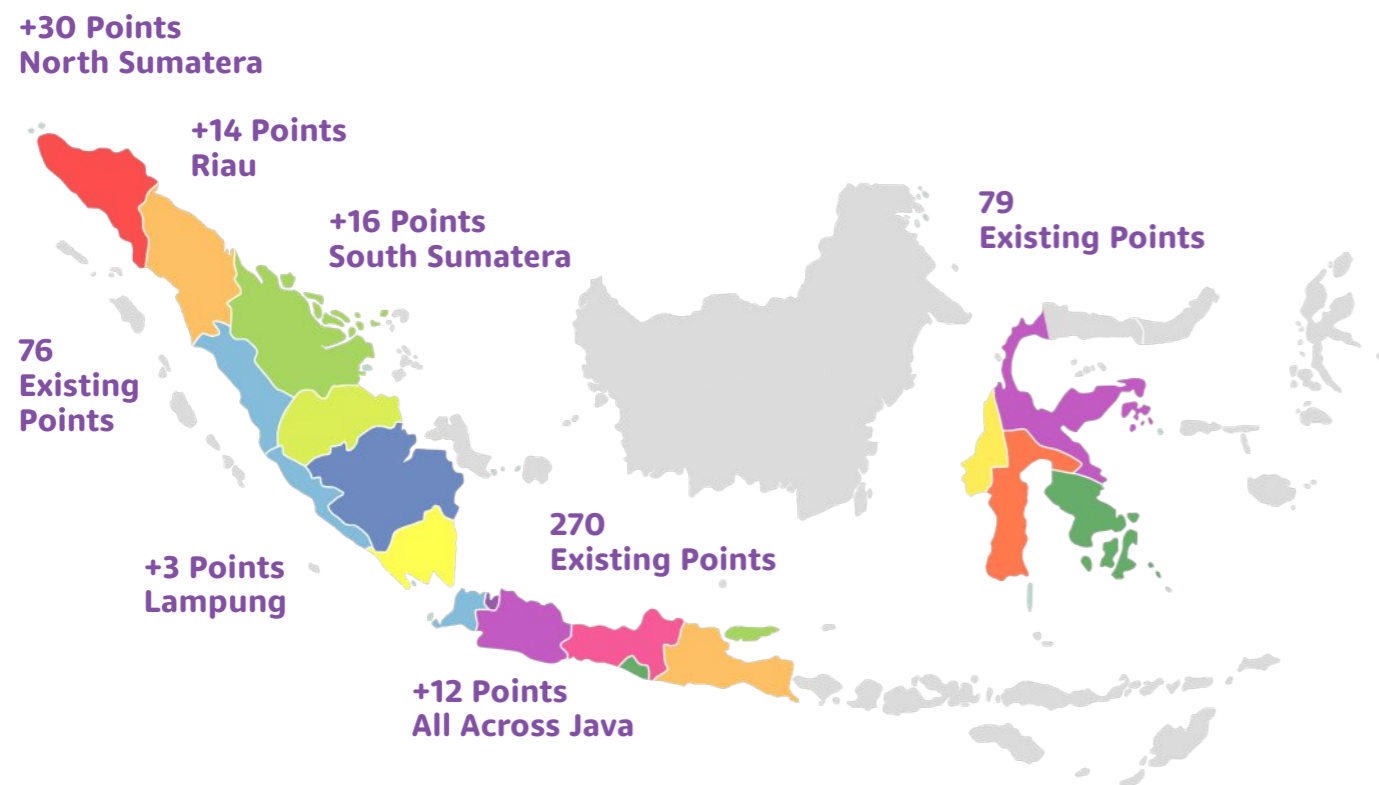
1. Outreach Expansion

As of 2019, Amarthas have presence in 449 points across three major islands of Java, Sulawesi and Sumatra. Our presence in the middle of micro and small medium enterprise markets is aimed at reducing barrier to access financial services, especially for those who are unbaked or underbanked.

In Sulawesi, 79 points have been in operations as of December 2019, while in Sumatra, 103 points are active. On the other hand, Java with its 267 existing points, remains the largest market share for Amarthas.

Amartha's presence in the villages improve the infrastructure to access digital financial services that currently becomes one of the biggest obstacle in improving financial penetration among rural communities.

Distribution of Existing Points and Additional Points during 2019



2. Financial Cost Reduction

Many of our customers are reluctant to go to the bank because they need to travel to nearby town just to make a small amount of saving or borrow money. Simplicity of service and proximity are two key elements to reduce barrier to access financial services in rural areas.

Cost of transaction to access financial service is considered an important aspect that prevents villagers to use formal banking services. Our recent surveys indicated that there are two features that would reduce barrier in accessing financial services: simplicity and proximity. Those two features have become Amarthas' core strength, by providing hassle free, non-collateralized loan products and deliver the product right into their doorstep.



Joint research between UN Pulselab Jakarta and Amarthas on Bankin on Fintech.

Full report available at: <https://www.unglobalpulse.org/document/banking-on-fintech-financial-inclusion-for-micro-enterprises-in-indonesia/>

3. Online to Offline Bridging

Amartha believes that digital financial service has to be accessible for everyone, with or without smartphone ownership. In 2019, 62% of rural villagers in Amartha's area of service have no smartphone and internet connections. Thanks to the field officers, they can now access financial services from Amartha.

In 2019, Amartha deploys 2,462 field officers to serve more than 350,000 borrowers and their financial needs, more than half of those women borrowers have no smartphones or internet. When internet access are not available for everyone, the role of Amartha's field officers are to bridge the offline market so that they are not left behind, while proactively transform this segment into a more digitally savvy society.

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Amartha's field officers, or called Business Partners, hold a key role in helping the transformation in the villages into a digital society.



4. Trust and Social Cohesion

In addition to financial literacy improvement, Amartha’s group lending model have helped the society to be more socially cohesive and improve the roles of our borrowers in family decision making.

Research findings by Gadjah Mada University’s Center for Digital Society (CfDS) showed positive correlation between improvement of economic capabilities of women borrowers with their ability to raise voice and make decision in the family. Further, the sharing responsibility principle or tanggung renteng within the group have a substantial influence in the improvement of cohesion and partnership among the borrowers.

Some selected results from the research with CfDS are highlighted below.



Welbeing Improvement

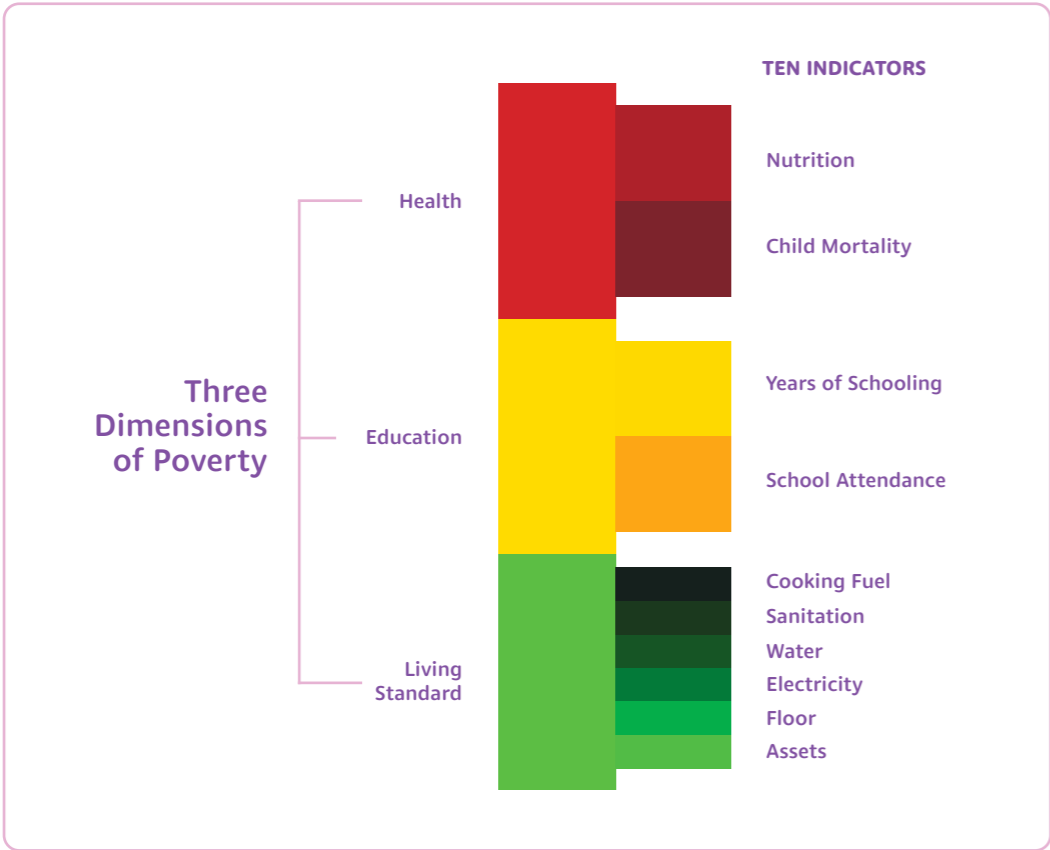
In addition to monetary poverty index, multidimensional poverty indicators or MPI is useful to be used as measurement of poverty depth and quality of life. Amartha have been continuously monitor the journey of borrowers to ensure their prosperity improvement is in line with the advancement of their quality of life.



1. Framework of Wellbeing

Among all aspects of wellbeing and deprivation factors that contributes to multidimensional poverty indicators, Amartha focuses on three elements of intervention to help improve the overall prosperity of the borrowers, which includes financial literacy, entrepreneurship education as well as health and environmental awareness.

According to Oxford Poverty and Human Development Initiative (OPHI), there are ten indicators of multidimensional poverty which are grouped into three dimensions of poverty, consisting of health, education and living standard.



From time to time, Amartha tried to collect information on how improvement in prosperity could drive other aspects of wellbeing as indicated by MPI metrics. For instance, during the due diligence process of onboarding new customers, our field officers will collect basic data of living standards of our borrowers to be compared with the result one year after being Amartha’s customers. Insight from this research will be beneficial in determining the priority of intervention that Amartha can provide, in line with the mission of the businesses. For 2019, three areas of priority intervention are chosen, which includes financial literacy, entrepreneurship training, health and environmental awareness.

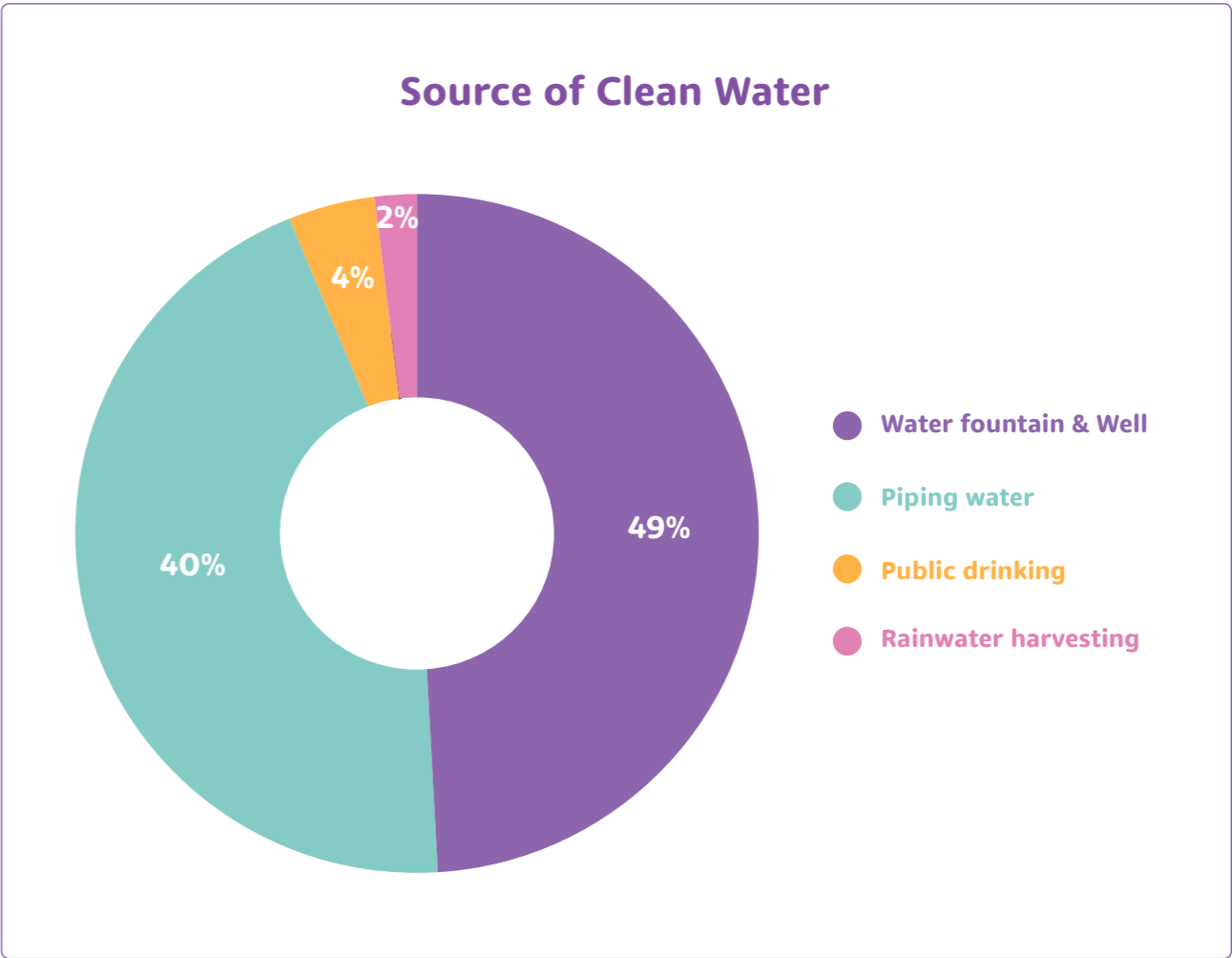
2. Living Standard Measurement

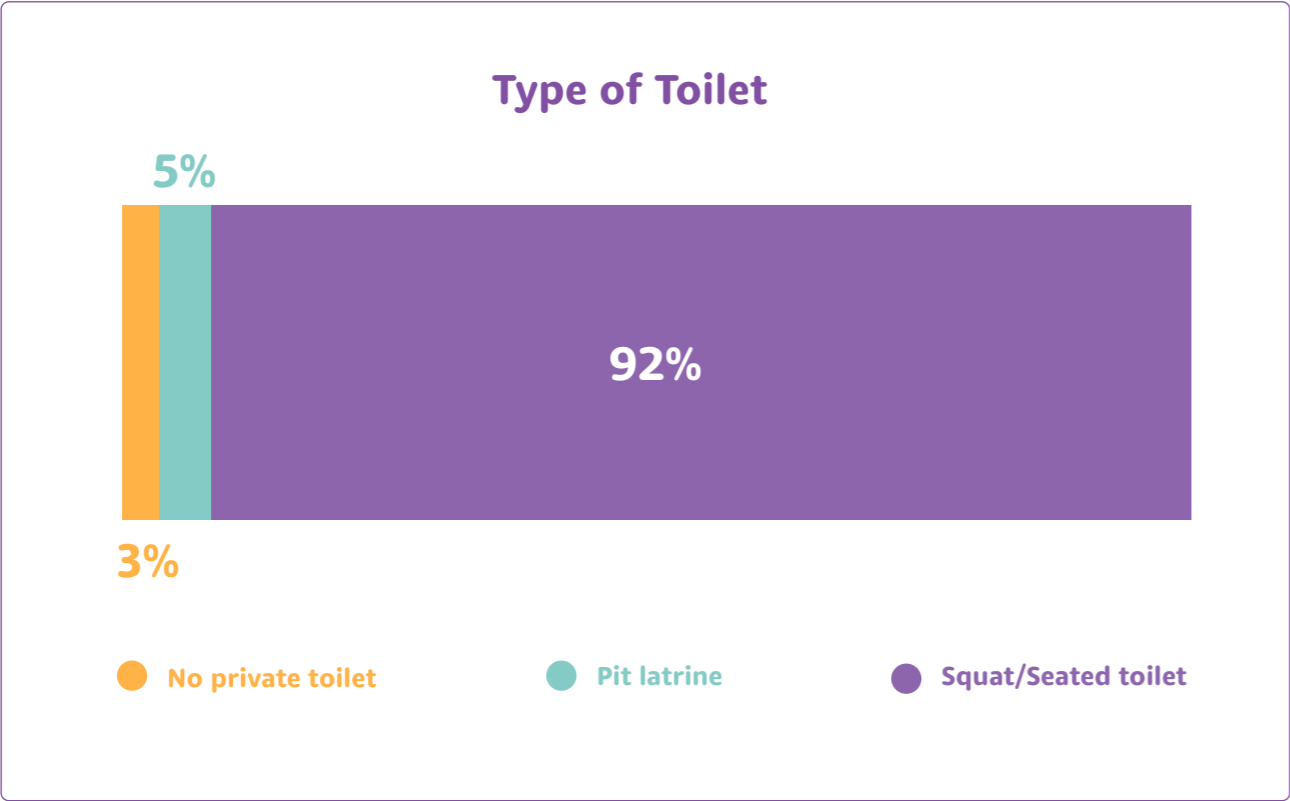
As part of Multidimensional Poverty measurement, ability to send and keep children in school is an important aspect of wellbeing. In 2019, 97,7% of Amartha’s borrowers were able to send their children to school.

Some 2,3% of borrowers who have children but not attending primary schools might belong to the extreme monetary poverty population or live in a rural area where basic education facility are not properly available.

In terms of cooking fuel and electricity, 100% of Amartha’s borrower have proper cooking fuel using LPG or electric stove and all of them have been electrified and connected to the power grid.

With regard to access to clean water sources, only 2% of Amartha’s borrower have no proper clean water access. Some 45% of borrowers have access to water piping facility, while 49% others have personal water well at home and 4% use public drinking water facility.





Based on Progress on Drinking-Water and Sanitation 2014 Report by WHO/UNICEF, 26% of households in rural areas have no access to clean water and sanitation. According to the Indonesian Bureau Statistics (Badan Pusat Statistik or BPS) report in 2017, 17% of rural households in Indonesia still have no toilet and defecate carelessly. These facts show the risk of an unhealthy household environment that contributes to poverty dimension as well. In our measurement, 94% of Amartha borrowers already have personal access to clean water, and 93% of them already use squat/seated toilets in their house. However, some issues remain in terms of the quality of sanitation facilities

Amartha has initiated a partnership project with Rumah Zakat called “Desa Sejahtera” to overcome this issue. By our expertise in serving rural areas, we both plan to provide communal toilets and water well in West Java. This project designed to solve the issue of sanitation facilities and to reduce the risk of stunting that have significant contribution to level of household income in the long run (Ministry of Health, 2018).

3. Financial Literacy and Entrepreneurship Education

In 2019, Amartha worked together with the World Bank in developing a user-centric financial literacy training module to help educate the public about basic understanding of money management at household level. During the eight-week long prototype phase, some 15-minute per module content were delivered each week, to adjust the learning habit of our borrowers who are mostly coming from a lower educational level. One of the notable result was the fact that 23% of them are now adopting habit of recording their financial income and expenses everyday, a foundation of an improved financial literacy before they understand money management and financial products available in the market.

Throughout 2019, besides World Bank, Amartha worked closely with DFAT Australia and Unilever to continue the production of revamped module of financial and entrepreneurship education. This multi stakeholder partnership have enabled 59,210 people to receive our trainings during 2019. The West Java Government through “Sekoper Cinta” project have also adopted Amartha’s financial literacy and entrepreneurship modules as part of their women school curriculum taught to more than 2,700 women across West Java province.

23.15%
Improvement in book keeping record

Some women noted that they started recording businesses income and expenses as the Business Partners strongly encouraged them to do so. This is a habit they did not previously practice and only started after borrowing from Amartha

“
I was able to buy a new motorbike instead of a bicycle so now I can travel further to go visit family

Since the very first contact with the customer, being productive is embedded in the heart of Amarthas services. Scalable business is what makes Amarthas business grow, thus it is essential to give equal opportunities to all borrowers to gain knowledge of how to improve their businesses. Amarthas holds a series of entrepreneurship clinics consisting of basic marketing, financial planning, marketing, and hygiene. In 2019, Amarthas has initiated partnership with Unilever to conduct a business clinic called “Rahasia Usaha Untung Lebih Cepat”, aiming to inspire Amarthas borrowers to learn how to sustain as high-paced entrepreneurs.

4. Health and Environmental Awareness

During 2019, we focused some of our impact activities in the area of health services and environmental awareness program, especially in the effort to reduce plastic waste going into the ocean.

By partnering with donors and other implementing partners, Amarthas have delivered free general medical checkup to 112 people and 2,996 eye examinations to borrowers and villagers in West Java, Sulawesi and East Java areas. Amarthas also distributed free eye glasses to 2,646 people during 2019. We discovered that the improvement of eyesight, especially for the elderly, will improve their productivity by 1 to 4 hours per day.

In terms of entrepreneurship and soft skill trainings, 4,256 borrowers have participated in our sessions during 2019 in all areas of Amarthas operations.

In the effort to promote the usage of reusable shopping bags to reduce disposable plastic in the household, Amarthas have distributed free reusable shopping bags and educated 1,766 women entrepreneurs in Java.

Amartha's Intervention to Improve Wellbeing	General Health Checkup	112
	Eye Checkup	2.996
	Free Eyeglasses	2.646
	Reusable Bag	1.766
	Financial Literacy Training (Playbook)	59.210
	Entrepreneurship and Softskill Training	4.256



5. Financial Education for Lenders and Public

As part of our responsibility to educate the public about the role of financial technology, including the risks and its opportunity, public events have been held by Amarth in 24 cities that reached out to more than 34,043 audiences during 2019.

In total Amarth held 49 events which consists of seminar, public lectures at universities, conferences, as well as fintech exhibition partnering with OJK and other sponsors. During the seminar and conferences, especially targeting the lenders, Amarth introduce alternative of funding instrument directly in the real sector through a peer-to-peer lending platform as complement to the previously known investment instruments such as banking deposits, bonds, properties or money markets. In addition to that, Amarth offers a one of a kind opportunity to generate competitive return while create a real social impacts for the beneficiaries, known as impact investment.



Way Foward

Journey towards prosperity is long and challenging. Therefore, partnership among stakeholders of public, private, individuals and NGOs alike become more important than ever. It is Amarth's long standing commitment to always open to partner with individuals and institutions in sharing the dream that Indonesia without poverty is possible.



1. Partnership for Impact



During 2019, Amartha performed 2,996 eye examinations and distributed 2,646 free eye glasses in more than 100 villages across Java.



Government of West Java have adopted Amartha's financial literacy and entrepreneurship modules for their Sekoper Cinta women schools, participated by more than 2,700 women across all regencies in West Java.



Amartha partnering with Unilever have designed an entrepreneurship module to be delivered to more than 20,000 aspiring micro women microentrepreneurs.



Partnering with health tech startup ProSehat, Amartha performed free medical checkups for more than 300 underprivileged families during 2019, mainly in Banten Province.



To reward successful women entrepreneurs from the villages, Amartha partnered with PermataBank to organise women leadership event called Perempuan Pencipta Perubahan, which recognised 10 outstanding micro entrepreneurs from Amartha's borrowers.



Partnering with World Bank and partly funded by UNCDF grant, Amartha performed a pilot project to deliver Training for Trainers (ToT) to enhance capacity of our field team to deliver financial literacy education.



Sharing session about entrepreneurship, partnered with Sunlight, a brand of Unilever to strengthen entrepreneurial capacity of our borrowers.



Awarding night of "Perempuan Tangguh" during an event partnered with PermataBank, a selection of successful women entrepreneurs chosen from Amartha's borrowers.



Handicraft workshop at refugee center. As part of our commitment to nurture volunteerism among our employee, Amartha hold regular volunteering events involving Amartha's team at Head Office and at field offices.



Another volunteering event with our employee by organising Financial Literacy Session during Pekan Inklusi Keuangan, initiated by OJK. The event was held at Sekolah Luar Biasa SLBN 10 Kalideres, Jakarta for the difable students.



As part of Amartha's responsibility in educating the public about financial literacy and entrepreneurship, our volunteers also participated in delivering entrepreneurship sessions to the children prisoner at LPKA Salemba.

2. Our Impact Partners



Australian Government
Department of Foreign Affairs and Trade



THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP



Unlocking
Public and Private
Finance for
the Poor



PULSE
LAB JAKARTA



MELBOURNE
MICROFINANCE
INITIATIVE



odc



2.5 new vision generation
An ESSILOR Group Initiative



CIMSA
CENTER FOR
INDONESIAN
MEDICAL
STUDENTS'
ACTIVITIES



Unilever



PROSEHAT
Aplikasi Kesehatan Indonesia



UNIVERSITAS
BRAWIJAYA



CfDS
CENTER FOR DIGITAL SOCIETY

3. Awards and Accolades

1. Digital Innovation Award 2019
Warta Ekonomi



The award was conferred to Amartha as an innovative company that promotes financial inclusion in the category of Financial Technology. Indonesia Digital Innovation Award 2019 was organised by Warta Ekonomi, a leading economic and business magazine.

The nomination process includes internal research of Warta Ekonomi from December 2018 to January 2019, qualitative surveys, and official publication from government institutions such as Central Bank of Indonesia and Financial Services Authority (Otoritas Jasa Keuangan or OJK), as well as media monitoring from 40 national online media during the period of January-December 2018.

3. Anugerah Syariah Republika 2019



2. SDG Finance Geneva Summit 2019



Amartha received UN SDG Finance Award in Geneva as a growth stage venture that supports SDG implementation. Selected among startups in 40 developing countries, Amartha was the only winner from Southeast Asia. Initiated by UNDP, EPFL, Orange, and SAP, the award was aimed at identifying companies, categorised as Growth Stage Impact Ventures (GSIV), that focus their activities not only on business objectives, but also in providing products and services that will contribute to human development.

Amartha was honored Anugerah Syariah Republika 2019 as a fintech with the best micro-loan product. This recognition is awarded for Amartha contribution in implementing sharia principles that helped promoting economic growth, improving the well-being of society and bridging the gap of access to financial services.

Our Partnership for the Goals



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As part of SDGs, Amartha partnered with Governments, NGOs, international organisations, private sectors and civil society to deliver impact interventions to our communities. Partnership brings us closer to our goals

We believe that sustainability of the community contributes significantly to the growth of our business. Therefore, along with growing our business portfolio, Amartha also continue expanding interventions to help our borrowers improve their ability in managing money and scale up their businesses. During 2019, more than 68,000 women received our impact programs, which consists of financial education, entrepreneurship trainings as well as health and hygiene related activities. These interlinked efforts were aimed at improving the overall wellbeing of the community.

We also conducted numerous research activities with universities and international organisations to better understand the needs of our communities and what impact programs are better suitable for future interventions.

This report highlights some of the achievements we made as well as challenges ahead that we need to tackle together. For what we have achieved, we would like to thank Otoritas Jasa Keuangan (OJK), the United Nations Capital Development Fund (UNCDF), the World Bank, Melbourne Microfinance Initiative, ProSehat, CIMSA, Gadjah Mada University Center for Digital Society, Universitas Brawijaya, PermataBank, Unilever and other impact partners that have supported our endeavour in improving the wellbeing of Indonesian through financial inclusion strategy.

Aria Widyanto
Chief Risk and Sustainability Officer

Published by Impact and Sustainability Team of Amartha.

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