

MSC (MicroSave Consulting Indonesia)

Driving financial, economic, and social inclusion in the digital ecosystems

Indonesia

Corporate brochure



We are MSC

The world's local expert in financial, economic, and social inclusion

- MSC is a boutique consulting company that drives financial, economic, and social inclusion by partnering with participants in digital ecosystems.
- We work with our clients and partners across the globe to achieve sustainable performance improvements and unlock enduring value.
- With our support, you can seize the digital opportunity, address the mass market, and future-proof your operations.



International financial, economic, and social inclusion consulting firm with **25+** years of experience



>300 staff in **10** offices around the world



Projects in **~68** developing countries

>550
clients

>1,400
publications

Assisted development of digital G2P services used by
>875 million people

Implemented
>950 DFS projects

Developed
>300 FI products
and channels now used by
>1.7 billion people

Trained >11,000
leading FI specialists globally

Sectors we work in

Impact-oriented business consulting services

MSC has a strong reputation for high-quality work with a wide range of institutions. Over the past 25 years, we managed over 3,500 projects in more than 68 developing countries. Our experts come from a variety of fields and can help you gain the critical edge in a competitive market.



Banking, financial services, and insurance (BFSI)



Water, sanitation, and hygiene (WASH)



Government and regulators



Micro, small, and medium enterprise (MSME)



Social payments and refugees



Gender equality and social inclusion (GESI)



Education and skills



Digital and FinTech



Agriculture and food systems



Youth



Climate change and sustainability



Health and nutrition

Multi-faceted expertise

Advisory that helps you succeed in a rapidly evolving market

MSC helps you gain a deep understanding of your clients, their needs, aspirations, perceptions, and behavior. We use the opportunities of the digital age to help you create a better, more efficient, and profitable business that focuses on your customers and markets.



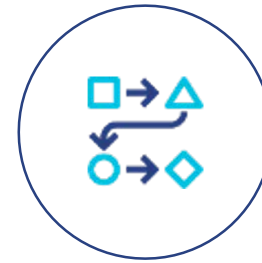
Policy and strategy



Products and channels



Research and analytics



Organizational transformation



Digital technology and channels



Catalytic finance



Design thinking and innovation



Marketing and communication



Training



Government and regulations and policy



Customer protection and engagement for responsible finance



Data and insights

MSC's operations in Indonesia

In 2011, MSC started operations in Indonesia. We have driven the social, digital, and economic inclusion of poor and low-income communities for more than a decade. Evidence-based support to policymakers, consultative dialogue with stakeholders, and consumer-centric solutions for clients have fueled our success. Our engagements focus on critical barriers that could impede the development of an inclusive digital economy in Indonesia.



Our local team in Jakarta offers extensive experience in banking, microfinance, digital financial services, FinTechs, women's economic empowerment, and MSME development.

Our work in Indonesia receives seamless support from 250+ sector specialists and functional experts across countries in Asia and Africa.

We work with a range of organizations to build enduring change

Government and policymakers



Commercial banks



Academic institutions



International development organizations



Microfinance institutions



Industry associations



FinTech



Networks



Consulting companies



NGOs



Key thematic areas of our work in Indonesia

01



Banking, financial services, and insurance (BFSI)

02



Digital and FinTech

03



Gender equality and social inclusion (GESI)

04



Social assistance delivery

05



MSME development

06



Climate change and sustainable finance



MFIs' capacity building

MSC provided various financial service providers with product development, digital transformation, and capacity-building support. These financial service providers range from community-level microfinance institutions (MFIs) to large commercial banks. Our partners for capacity-building programs include Rabobank Foundation, IFC, and Opportunity International Australia. MSC helped projects that engaged the MFIs build a solid foundation to serve more than 3 million households across 15+ provinces countrywide.

Agent banking strategy for service providers



We developed agent banking strategies for two of Indonesia's largest commercial banks. The strategic support included advisory on product development, agent and customer acquisition, monitoring protocols, liquidity management processes, risk management, and other support services. MSC's support helped these banks launch and scale up agent banking services in remote regions. These banks have 750,000+ agents across Indonesia who serve millions of customers through digital banking solutions.



Research on KYC practices

We conducted a first-of-its-kind comprehensive assessment of the existing KYC practices in Indonesia with support from the Bill & Melinda Gates Foundation (BMGF). This project supported the National Financial Inclusion Council to implement an e-KYC pilot with a large commercial bank. It evaluated the feasibility of using the national identity database to accelerate financial inclusion. Policymakers, regulators, and industry practitioners extensively used MSC's study on KYC practices to strategize their engagement on policy priorities on e-KYC.

Capacity-building support to regulators

MSC provided technical advisory to Indonesia's Financial Services Authority (OJK). It advised the use of artificial intelligence (AI) and machine learning (ML) tools to strengthen the supervision of digital financial services in Indonesia. It developed a social media crawling tool and an omnichannel chatbot to gauge consumer sentiments, educate consumers on relevant laws and guidelines, detect fraud, and address complaints and grievances.



Sectorial research

We conducted multiple industry-level research studies to gauge the sustainability of agent and merchant networks for digital financial services delivery. The team shared these studies' insights and findings with OJK, BI, and other relevant policymakers. Regulators and policymakers have also implemented key recommendations from these studies, which has led to a more enabling policy and regulatory framework for agent networks in Indonesia.



Policy support for a gender-inclusive digital economy



MSC helped the Ministry of Women's Empowerment and Child Protection (MoWECP) conduct the Ministerial Conference on Women's Empowerment G20 event in Bali in August 2022. We provided technical assistance to develop policy notes on "Women MSMEs in the Digital Economy" and "Women in the Future of Work." The policy notes articulated the Government of Indonesia's vision to mainstream gender as a focus area across all working groups at the G20.

MSC was appointed task force member to redesign the SNKI-P program, the national financial inclusion strategy for women. The redesign intended to produce a Minister Decree under the MoWECP. The task force's recommendations would be shared with the National Development Planning Agency to be considered for inclusion in the RPJMN 2024-2028 (National Long-Term Development Plan).



Community-based agents to accelerate women's digital inclusion

MSC piloted a project in collaboration with the PEKKA foundation or cooperative networks and Bank BRI. The project intended to train and support women's cooperative members to provide mainstream banking services to PEKKA cooperative members and the surrounding community. More than 100 women digital ambassadors received training on digital selling, entrepreneurship, and financial intermediation.

MSC also worked with CGAP (the World Bank Group) to assess and evaluate women-run enterprises' financial and non-financial services needs in Eastern Indonesia. It also sought to provide insights into the potential role banking agents could play to address such needs.



Impact evaluation of social assistance programs

MSC conducted large-scale operational and impact evaluations of the Program Keluarga Harapan (PKH) and Sembako programs under an MoU with Indonesia's Ministry of Social Affairs. MSC assessed critical components of program delivery as part of these assessments. These components included the effectiveness of awareness and education efforts, digital payments infrastructure, supply chain of food items, monitoring of eligibility criteria for CCTs, beneficiary grievances, and resolution protocols. MSC also assessed these programs' impact on female beneficiaries' health and education-seeking behavior and their inclusion in the formal financial services ecosystem.

Policy support for social assistance delivery transformation



MSC provided technical advisory to Bappenas on the G2P 4.0 vision along with the World Bank Group. The G2P 4.0 vision is the Government of Indonesia's ambitious plan to transform the digital delivery of social assistance programs. MSC evaluated the existing incentive structures for payment service providers and recommended a new framework of incentive payments. We also evaluated and recommended a model for education, awareness, and communication with beneficiaries. The new draft of the presidential regulation on social assistance delivery incorporated some of these recommendations.



Implementation of Small Firm Diaries

MSC implemented the Small Firm Diaries research with support from the New York University and the Ministry of Cooperatives and SMEs (MoCSMEs). The research used financial diaries research methodology to collect daily transaction data of more than 160 small firms, coupled with qualitative surveys. The research comprehensively assessed all critical aspects of a small firm's business operations. This included revenues, expenses, loans, savings, cash flows, employee management, inventory management, digitization, and risk management practices. The findings and insights from the study will feed into building an enabling policy ecosystem for MSMEs in Indonesia.

Product development support



MSC provided technical advisory to Bina Artha Ventura (BAV) to design and implement credit products for MSMEs. The advisory included client-level research, the definition of product features, and the finalization of delivery channels for sourcing, disbursement, collection, and payments. The project concluded with the implementation of a pilot test. BAV currently serves more than 25,000 MSMEs through this loan product.



Affordable private school financing

Impact investing firm Gray Matters Capital (GMC) contracted MSC to devise a market entry strategy and assess opportunities to expand financial solutions for low-cost private schools in Indonesia. MSC designed investment models to promote an enabling ecosystem of affordable private education in Indonesia. We developed the models after intensive secondary research and in-depth interviews with industry experts.

Toolkit development in WASH finance

MSC developed a WASH financing toolkit for Water.org in Indonesia to train multiple regional microfinance institutions. These MFIs then designed and implemented loan financing products for poor and vulnerable households' water, sanitation, and hygiene needs. The MFIs disbursed more than 750,000 WASH loans in Indonesia. This benefitted more than 3.9 million people from the low-income segment.



Landscape research on affordable housing sector in Indonesia

International Finance Corporation (IFC) engaged MSC to examine Indonesia's demand and supply of affordable housing or housing finance. The MSC team interacted with key stakeholders, which included the government, policymakers, financial services providers, and affordable housing developers. We also conducted primary research with the low-income segment to assess their housing and finance needs. MSC delivered a comprehensive sectorial report on the affordable housing landscape in Indonesia. The research findings informed the strategic priorities and implementation plan on affordable housing for IFC's Global Partnership on Output-based Aid (GPOBA) program.



What our clients and partners say

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Thanks for MSC's contribution to the Quick Response Code Indonesia Standard (QRIS) study. This study not only helped regulators as a reference but also improved industry players' services to businesses and merchants and user experience. It also provided a broader view of QRIS' benefits.

- Fitria Irmis Triswati

Director of Payment System Policy of Bank Indonesia

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What our clients and partners say

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SAFIRA engaged MSC for two projects. The projects involved mapping value chain finance projects in Eastern Indonesia and providing comprehensive product development technical assistance for the beef value chain to a commercial bank in Indonesia. The projects helped provide access to finance for smallholder cattle farmers and others who lacked other avenues for credit and positively influenced the farmers' livelihoods. We are satisfied with MSC's team of consultants and its work.

- Clay O'Brien
Team Leader, SAFIRA (2015-2017)

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What our clients and partners say

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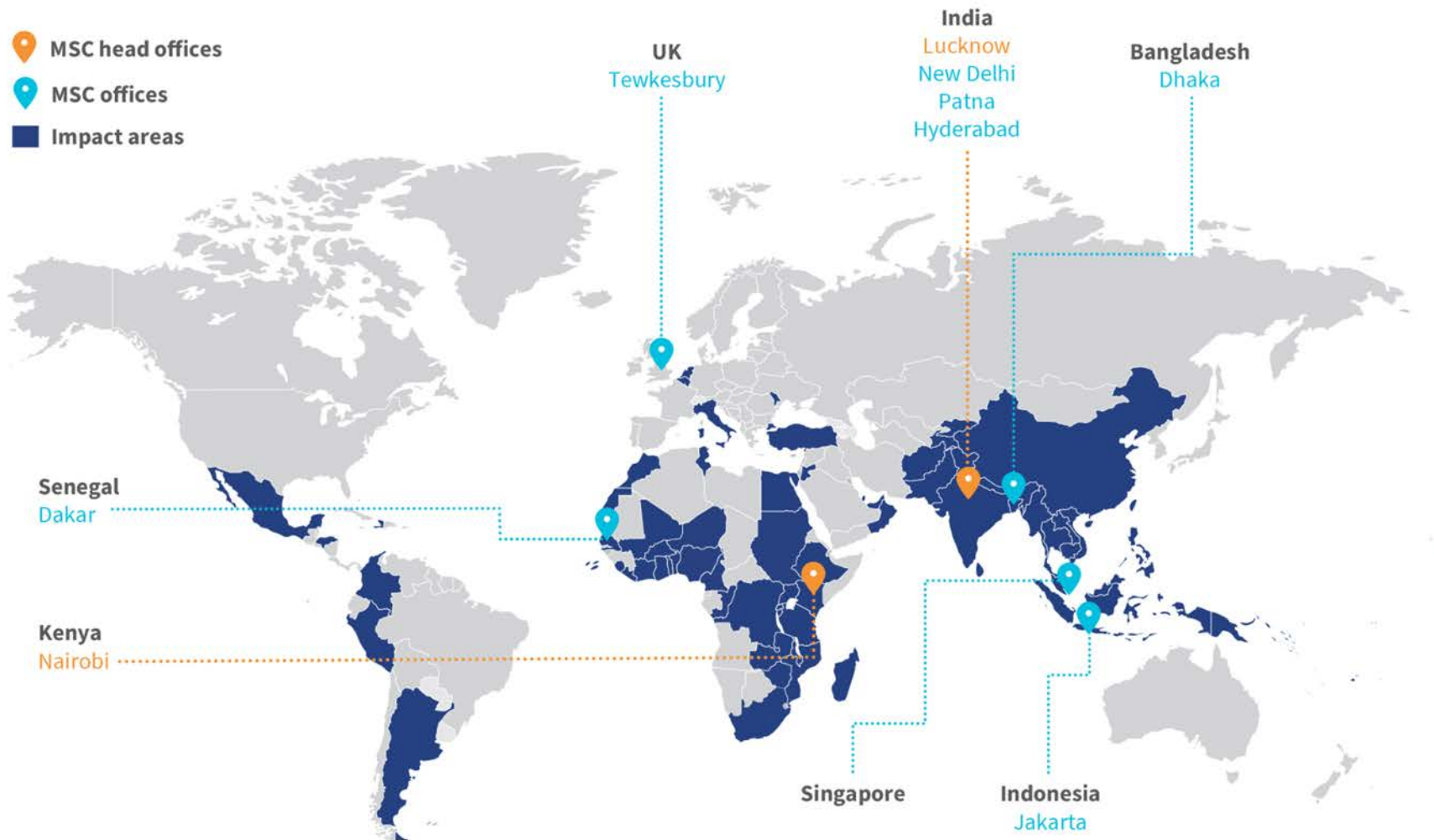


The MSC Indonesia team is always my first port of call for expertise in the inclusive finance market. The team understands the market and regulatory environment. It has expertise in areas, such as mobile money, FinTech, digital banking, agency banking, consumer protection, digital identity, and KYC. A wide group of stakeholders, such as central banks, academics, and donors, acknowledged MSC Indonesia's vast experience in grassroots market research and its capability to hold high-level workshops, FGDs, and other engagements to ensure the best delivery of advice and support. I recommend MSC Indonesia's services highly to help your organization create a significant impact in the Indonesian market.

- Mark Daniels

Asia Programs Director, Opportunity International Australia

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