

## 学位論文要旨

Establishing the Sustainability of Community-Based Microfinance:  
A Case Study of *Lembaga Perkreditan Desa* (LPD) in Kedonganan Customary Village, Bali  
共同体を基盤としたマイクロファイナンスの持続可能性  
—バリ島ケドンナン村金融組織 (LPD) の事例研究—

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Microfinance institutions (MFIs) have supported the alleviation of poverty thus the national economic development efforts in developing countries. The large number of poor households is benefitted by microfinance programs. Since the improved household income and living standard induces the changes in behavioral responses to the socioeconomic condition of poor people, it results the increased difficulties in measuring the precise extent of the socioeconomic impacts of improved livelihood. While Microcredit Summit Campaign still struggle collecting and verifying data to measure movement out of poverty, this research tries to provide a deeper study of one of community-based microfinance in Indonesia so-called *Lembaga Perkreditan Desa* (LPD) which successfully have improved Balinese community life.

In Indonesia, recently more than 600 thousand MFIs are operated in two broad categories, bank and non-bank type. The non-bank type is further grouped into formal and non-formal types based on the legislation of Indonesian Microfinance Act. LPDs in Bali are categorized as the “non-bank” and “formal” MFI. These institutions are established uniquely by upholding Balinese Hinduism in managements, rules, and practices. One LPD is owned and governed by one customary village (*Desa Pakraman*) of Bali. To strengthen its position as customary-village institution, LPD attends village/hamlet meeting (*Paruman Desa/Banjar*) which is the highest authority of Balinese culture. LPD serves two kinds of customers, i.e. native (*Krama Desa*) and non-native residents (*Krama Tamiu/Tamiu*) who are tied particularly with social capital system. The management regularly allocated 20% of profits for village development programs and 5% of profits for social activities. In addition, the services and facilitations keep improved by adopting the current technology of rural banks. Recently 1,422 of 1,472 customary villages in Bali have established their own LPD and 94% of them were categorized as well-performing MFIs in

Indonesia.

Through the case study of LPD in Kedonganan Customary Village, this research found two major changes along with the above summarized development of LPDs in Bali: (1) the downward trend of borrowers but the increment of loan outstanding, and (2) the large account numbers of non-native residents in all products. The first finding raises the concerns as it coincided with the stagnated foreign and domestic investment to the service sector, which includes the tourism, for the last five years. Bali, known to be established as the target location of international and domestic tourists, also received less investment lately. Hence, the community tended to diminish the number of credit application. The second finding is caused by the rapid growth in number of migrating population to Bali due to its relatively attractive job market situation than other parts of the country although the situation in Bali was not much favorable for all. From the field survey, it was found that a large portion of incoming-migrant to Bali is employed as temporary workers in primary sectors. In addition, this study also found two minor findings: (1) lowering asset quality index figures in 2013 and 2014, and (2) unfinished agenda of successor issue in head position which is depicted the behavior nature of community and LPD in Kedonganan Customary Village.

In order to promote the sustainability of LPDs and Balinese community life, the situations of the community as well as of the regions need to be well understood and known. Moreover, there are indispensable needs of nation-wide or regional wide efforts to support the LPDs as well as other MFIs because the situations of the village community have been largely modified by the external economic or social factors. Local and central governments should provide the adequate guidance to village communities for help developing their decisions. In this context, the ongoing “transformations in national socioeconomic conditions” need to be measured and monitored in comprehensively and in systematic manner.