

ACCU news



Quarterly Publication of the Association of Asian Confederation of Credit Unions

Vol: 42
Issue No.: 2
April to June 2013



CONTENTS

- 3 **ACCU Recognizes DID's Support to the Credit Union Development in Asia; 77th Board Meeting Held; WOCCU values ACCU Membership**
- 4 **Federations Plan to Pilot AgriFinance in CUs**
- 5 **Bangladesh Forum Reviews CU Adherence to its Mission; Two SANASA Districts to Implement Consolidation of CUs**
- 6 **Asian DEs Examine their Hearts as Credit Union Advocates**
- 8 **Credit Unions under ACCESS Uphold Financial Disciplines**
- 9 **Coops Role in Bhutan's Financial Inclusion Policy Essential; Myanmar Farmers Need Support from Coops**
- 10 **CU Interconnection through Study Visits Heightens; Learning from Thai Credit Unions and ACCU**
- 11 **Welcome! New members; Russian CUs host 2013 Youth Internship Program**
- 12 **TIMETABLE**



The Association of Asian Confederation of Credit Unions operates as a regional representative organization of credit unions and similar cooperative financial institutions in the region of Asia. ACCU is representing 41.6 million individual members from more than 22,019 credit unions in 25 countries in Asia. ACCU works in partnership with its member organizations [apex body of credit unions] to promote and strengthen credit unions as vehicles of community development and socioeconomic development of people.

ACCU Recognizes DID's Support to the Credit Union Development in Asia



DID EXPERTS IN ACCU: DID's Training and Organizational Development Advisor Claude Marceau (2nd from left) discusses the administration of the E-learning platform with ACCU team and DID intern Emilie Morissette Grégoire (3rd from left). Left photo: DID Project Director Sylvain Barrette on his visit to ACCU on April 2-3.

The Board of Directors approved the 2013 Recognition Award for institutional category to Développement International Desjardins (DID) for its contribution to credit union development in Asia. DID is sharing the success of the Québec cooperative model with member organizations and ACCU. DID has developed its specific expertise based on Desjardins Group model, its approaches, toolkits and strategies.

ACCU and DID partnership is ongoing. In 2012, DID's Project Director Sylvain Barrette conducted the Seminar on Financial Decision Making for the CEOs of member organizations. It will be followed by the Governance Seminar on September 2013 for the same participants. In his visit on April 2-3, Barrette indicated DID's commitment to work in partnership with ACCU to promote the

federated system for the credit cooperative movements in Asia. On April 22-27, DID's Training and Organizational Development Advisor Claude Marceau worked with ACCU team to develop the concept framework of the E-learning. ACCU is underway in offering four competency courses on e-learning: CUDCC, CUCCC, Loan officers and Audit Committee.

Starting April 16, ACCU welcomes Emilie Morissette Grégoire as DID intern for 6 months. She is working on integrating Social Performance indicators to the ACCESS branding. After the completion of Grégoire's internship, a new intern from DID is joining ACCU team in September 2013.

The award will be presented at the Asian Credit Union Forum in Kathmandu, Nepal come September 2013.

77th ACCU Board Meeting Held in Bangkok



ACCU Board at the opening program of the DE Grand Reunion: L-R Secretary Soledad Cabangis, 2nd VP Romanus Woga and President Simon A. Pereira. Not in photo were 1st Vice President Min Raj Kadel and Treasurer Mana Sudsanguan.

The 77th Board of Directors Meeting was successfully held on March 12 in Bangkok in conjunction with the DE Grand Reunion. It was the first meeting of the Board after having been elected at the Annual General Meeting in September 2012 in the Philippines. "As ACCU Board, we need to represent the interest of the whole Asian credit union movement, not merely our respective country," said the President Simon Pereira. In that respect, the Board needs to work as a team in order to fulfill our mandate, he added. The Board meets in person twice a year (March & Sept.) and electronically as the need arises. The Audit and Supervisory Committee also met on March 10.

Branch: WOCCU values ACCU Membership



WOCCU President and CEO Brian Branch conveyed on March 10-11 visit that WOCCU values ACCU membership. The Board of Directors and CEOs of member organizations attending the DE Grand Reunion gladly welcomed Branch. ACCU CEO Ranjith Hettiarachchi informed that he and Branch agreed to work closely on a project that will generate an income source for ACCU and consequently returns as full member of WOCCU. The technical team of WOCCU is due to visit ACCU in August 2013 to see the possibility of the global payment system for Asian credit unions. World Council of Credit Unions is the leading international trade association and development agency for credit unions. Brian Branch, President and CEO of World Council of Credit Unions (WOCCU), was appointed in 2011. Dr. Branch has worked at WOCCU since 1990 and has been engaged in development fieldwork, research and implementation for more than 30 years.



27 credit union experts from 11 countries (Bangladesh, Bhutan, Cambodia, India, Indonesia, Mongolia, Myanmar, Nepal, Philippines, Sri Lanka, and Thailand) trained on AgriFinance Methodology for CUs.

Federations Plan to Pilot AgriFinance in CUs

Although access to financial services may prove crucial, credit unions need to fill the needs of the farmer-members to improve their lives.



The Regional workshop on AgriFinance was successfully completed on January 26-30 in Bangkok, Thailand. It was attended by 27 credit union experts from 11 countries (Bangladesh, Bhutan, Cambodia, India, Indonesia, Mongolia, Myanmar, Nepal, Philippines, Sri Lanka, and Thailand). The workshop introduced the credit union business solution no. 20- Credit Union AgriFinance Methodology. Written in their action plan, the participants indicated piloting the program to select credit unions in their respective countries.

As observed, farmers rely on agriculture for their livelihoods, which are growing more uncertain due to the threats of climate

change, the recent food and financial crises, and falling investments in agriculture. All are also being affected by human-made climate change. Farmers are the worst sufferers. The seasons, the time to plant, the time to harvest are changing. Much of the indigenous knowledge of farmers is no longer always applicable. It seems that every year, they lose their yield to floods or storms. The marginal farmers become most vulnerable. They become the poorest of the poor.

Although access to financial services may prove crucial, credit unions need to fill the needs of the farmer-members to improve their lives. Financial access alone may not be

sufficient to alleviate farmers from poverty. ACCU recognizes that credit unions provide loans to farmers. However, there is a need for credit unions to be more active in making use of the available technical expertise of specialized agencies to address watershed development, livelihood promotions, organic farming, agriculture extension services, environmental impact assessments, training and capacity building, education, skills development and financial literacy among farmers. Almost one third of the world's populations are members of farming households in Asia. The graduates will serve as promoters of AgriFinance in their respective countries. The methodology is designated as Business Solution No. 20.

Bangladesh Forum Reviews CU Adherence to its Mission

Presentations at the CCULB forum on February 16-17 in Cox's Bazaar were mainly highlighting the credit unions' adherence to its original mission of helping people improve lives through the provision of quality financial services.

The forum adopted the theme of the IYC 2012 "Cooperative Enterprises Build a Better World." CCULB replicates the Asian Credit Union Forum in Bangladesh to keep the credit unions abreast on the current market trends and credit union developments.

The forum was attended by 400 credit unions leaders and managers across Bangladesh. ACCU CEO and Manager Member Services were resource persons at the forum. The Managing Director of Buldana Urban Cooperative Credit Society Dr. Sukesh Zamwar made two presentations at the forum. The forum is organized every two years. The forum was graced by Advocate Promode Mankin, the Minister of Social Welfare of Bangladesh. He served as CCULB's Vice Chairman in the 90s.



ANNUAL GATHERING OF CUs RENEWS UNITY.

Top Photo: On behalf of the CU movement, Hon. Minister of Social Welfare Advocate Promode Mankin presents a plaque to officially honor Simon A. Pereira for having been elected as ACCU President. Below: Women leaders and professionals actively participate at the credit union annual gathering in Bangladesh.

Two SANASA Districts to Implement Consolidation of CUs



R. M. K. B. Madawela

The workshop conducted by ACCU for the Monoragala and Kalmuna SANASA (credit union) districts in Sri Lanka on April 5-7 concluded to adopt a policy requiring its member credit unions to reach at least 1,000 members for its sustainability. This would also mean consolidation of small societies. Majority of the districts' 800 primary SANASA members have less than 1,000 members.

In response to the action plan of the Monoragala SANASA District Executive Director R. M. K. B. Madawela who attended the regional training on AgriFinance in January 2013, ACCU CEO Ranjith Hettiarachchi assisted in carrying the

workshop. "The three days workshop was a reawakening for us leaders of SANASA," according to Madawala. We have realized that we should put our efforts to provide financial services that meet the real needs of members, added Madawala.

"The methodology is an appropriate approach for the societies to increase their members and help farmers improve lives. Currently, farmers are living in subsistence economy," said SANASA Federation General Manager L.B. Dasanayake. The workshop adopted the AgriFinance methodology since most of the credit union members are deriving their income from agriculture.



DEVELOPMENT EDUCATORS - 101 FROM 11 COUNTRIES attended the first Asian DE Grand Reunion held on March 9-11 in Bangkok, Thailand sponsored by the U Group.

Asian DEs Examine their Hearts as Credit Union Advocates

The theme of the grand reunion: Value Based Professionalism for Gross Happiness of Members is in recognition that Development Educators are supposed to be role models in leadership and professionalism.

High impact sessions were featured at the Asian Development Educators' Grand Reunion on the theme: Value Based Professionalism for the Gross Happiness of Members on March 8-12, 2013 in Bangkok, Thailand. The 101 DEs from 11 countries reflected on the realization of the credit union mission, the impact of credit union services as measured in the number of members whose lives are improved, the role of DEs in promoting the values and principles of cooperatives and their ethical compass as Development Educators.

"Let us examine our hearts," suggested Irene Prudenciano, a Philippine DE. As development educators, we must ensure that our own credit unions are living the true mission of cooperatives, she emphasized. "We are meant to help our members improve lives and not consider them as bunch of people whom we can conduct business to generate income," reminded Irene. In his presentation, Fr. Fredy Taruk from Indonesia shared that the role of DEs

must be focused on promoting spirituality (heart) and professionalism (governance) of credit union leaders. "DEs need to play a role in the credit union movement's education for small, weak, poor and marginalized people," reiterated Fr. Freddy.

The theme of the grand reunion: Value Based Professionalism for Gross Happiness of Members is in recognition that Development Educators are supposed to be role models in leadership and professionalism. DEs must possess the ability to influence, motivate, and enable others to contribute toward the effectiveness and success of the credit unions of which they are leaders or employees or members. Their professional values are the guiding beliefs and principles that influence their work behavior. While these values may change over time and around different life events, their core beliefs should stay the same. DE professional values are usually an extension of their personal values--things like honesty, generosity and helpfulness. And once they know what their



WHERE IS OUR HEART FOR THE POOR?
Philippine DE Irene Prudenciano asks . . .

values are, they can start building on them and figuring out how they engage them with the members' values. Professional values differentiate the DEs from the rest molded through a five-day initiation process at the DE workshop. The DEs tend to look for values that align with their own and beliefs that will contribute to their professional goals.

Within their capacity as a leader, employee or member of a credit union, the reunion culminated with a Declaration deepening the DE commitment to fulfill the objectives

of the International Year of Cooperatives: poverty alleviation, employment generation and social integration. Arising from this conference, the DEs adopt and embrace the Development Educator Ethical Compass: IDEALS (Integrity, Duty bound and Disciplined, Empowering, Accountability, Learner-Leader and Selfless with Strong Sense of Mission) emanating from the presentation of DE Lecira Juarez of the Philippines.

The reunion would not be possible without the sponsorship of the U Group comprising of the Cooperative Development Foundation for Asia, Klongchan Credit Union, Monkhol Sethi Credit Union, Union Life Insurance Public Co. Ltd., and Union Inter Insurance Public Co. Ltd., through the kind and able leadership of President Dr. Supachai Srisupaakorn. Attendees of the reunion are DEs from Bangladesh, Indonesia, Laos, Malaysia, Nepal, Philippines, Sri Lanka, and Thailand. The President and CEO of the World Council of Credit Unions Brian Branch was a special guest to the event.

The DE Workshop is an intensive personal motivation and awareness raising process that begins with the participation in a five days residential workshop conducted by ACCU. The Asian DE program shares the unique experience and culture of DEs extending to every part of Asia Pacific and Africa (Australia, Bangladesh, Fiji, Philippines, Taiwan, Thailand, Sri Lanka, Malaysia, Mauritius, Nepal, New Zealand, Singapore, Indonesia, Cambodia, Hong Kong and Korea). With the support of all members, ACCU is facing a new decade of commitment to offer this unique educational and transformational experience for credit union leaders and professionals in Asia through the DE program. From 1999, 426 DEs have graduated from the Asian DEP. They have performed extremely well in their presentations, developed self-confidence, and widened understanding of global credit union system and issues.



EXCEPTIONAL GENEROSITY: (1st photo) sponsors' representatives display the plaque of appreciation from ACCU recognizing their all out support to organize the reunion.

DE GANGNAM STYLE: (2nd photo) DEs dance Gangnam style before the start of the sessions.

CEOs' APPROVAL. (3rd photo) At the closing program, CEOs of ACCU member organizations as witnessed by the WOCCU President and CEO (seated 4th from left) pledged to support DE projects and tap them as resource in their respective countries. They also agree to provide platform to facilitate the DEs in their continuing professional growth.



Left: The Chairmen and Managers of the first 10 ACCESS credit unions in Bangladesh. Top: The Chairman and Manager of a credit union hand over Tk. 50,000 (US\$625) as initial payment for CCULB's technical assistance on ACCESS.

Credit Unions under ACCESS Uphold Financial Disciplines

Eight credit unions are accredited under Bronze ACCESS Brand - 3 from the Philippines and 5 from Nepal.

Capital adequacy or ideal level institutional capital of at least 10% of the total assets is the main concern of the credit unions undergoing ACCESS accreditation in Bangladesh and Nepal as revealed in the separate review meetings one February 13-14 and April 22-23 respectively.

"Frankly, we have only realized the importance of institutional capital after undergoing ACCESS," according to Krishna Kumar, Manager of Samudayik SACCOS in Nepal. Over the years, we have maximized the dividends to our members without setting aside sufficient amount to build our reserves, he added. Krishna said he does not consider this as a problem, but a situation they need to overcome because there is no other choice.

Of the four countries known to be implementing ACCESS, Nepal ranks number in terms of the numbers of credit unions enrolled – 36 SACCOS. The federation – NEFSCUN sees its future of establishing the Stabilization Fund. On his presentation at the Stabilization Fund seminar attended by more than 100 credit union leaders, Vice-President Rishi Raj Ghimire said ACCESS can be used



BUILDERS OF INSTITUTIONAL CAPITAL: Managers and Chairmen of 7 SACCOS (1st batch) address strategies to achieve the institutional capital requirement of minimum 10% of total assets at the review meeting on April 23 in Kathmandu.

as the supervision tool for the fund. The ACCESS SACCOS has instilled financial disciplines in their operation which can guarantee for its safety and soundness.

In Bangladesh, 20 Chairmen and General Managers of 10 credit unions enrolled in ACCESS branding attended the workshop on February 13-14, 2013 organized by the Cooperative Credit Union League of Bangladesh with the technical assistance of ACCU. The workshop was focused on analysis of the financial perspectives of the credit unions. Automated financial reporting, manual of policies, aging of loans based on standard, and provisioning of delinquent

loans are the target set until March 31, 2013. The targets are out of the 17 goals the credit unions have to meet until December 31. The technical assistance of CCULB is on a fee for service basis.

PFCCO and NATCCO are assisting at least 5 new cooperatives. The final audit will be conducted in June and July.

ACCU has given Bronze Accreditation to 8 credit unions (5 in Nepal and 3 in the Philippines) valid for one year until August 31, 2013. ACCESS as a quality standard inculcates professional and prudent culture to credit union operation.

Coops Role in Bhutan's Financial Inclusion Policy Essential

The three days training on Organization and Management of Credit Cooperatives on March 26-28 in Thimpu were attended by at least 30 coop leaders, key officers of leading government agencies and Coop Task Force members involved in the promotion of cooperatives. Speaking at the opening, the Deputy Governor of the Royal Monetary Authority of Bhutan Ms. Eden Dema highlighted the important role of credit unions in promoting financial inclusion in Bhutan. The workshop reviewed the regulations based on best practices, thus, the Task Force would need to finalize the proposed amendments on the regulation. It was clarified that credit cooperatives are meant for everyone as there was a notion that cooperatives are meant for farmers and rural areas. Increasing membership, introduction of savings services and organizing new cooperative in Thimpu were listed among the action steps to be taken by the participants. The cooperative act was passed on 2009 followed by the creation of the Dept. of Agricultural Marketing & Cooperatives in charge on the promotion of coops.



CHARTING COOP HISTORY IN BHUTAN: Top Photo: Considered as pioneers of the cooperative movement in Bhutan posed for a group photo in Thimpu. Heightened interest on cooperatives dominates the workshop. ACCU supports the initiative to organize the first credit cooperative in Bhutan. Below: (R) An officer of DAMC (center) discusses the introduction of savings program with the group of dairy farmers and their manager (L).



Myanmar Farmers Need Support from Coops

30 cooperative managers and Board of Directors and officers attended the training-workshop on AgriFinance on March 19-21 organized by the Central Cooperative Union of Myanmar. The workshop concluded on the introduction of AgriFinance program in cooperatives that includes need base agrifinance (savings and loans), organizing farmers association, training members on financial literacy, linkage with the Agricultural extension offices and promotion of community agricultural undertaking. CCS has introduced microfinance program for cooperatives that has reached approximately 90,000 have less. It has also recognized that farmers equally need support from the cooperatives as they are still living in subsistence economy. Accordingly, the farmers are characterized by low levels of production, yielding a surplus capable of meeting little more than the basic necessities of life - a major constituent to poverty and a cause of underdevelopment.

CU Interconnection through Study Visits Heightens

As the world of the 21st century emerges, it becomes increasingly more apparent that people around the world have become and continue to become more interconnected than at any other time in history. As a result, credit union learning steps forward and serves leaders and professionals living in the political, economic and cultural world of today and tomorrow. The study visit abroad provides opportunity to expand knowledge and increase credit union leaders and professionals' excellence through intercultural learning. International programs have proven to provide excellent opportunities for personal and professional growth, cultural understanding, and a unique exchange of ideas. ACCU and its members in Thailand welcomed Kenyans, Indonesians, Bhutanese and Sri Lankans during their study visit to Thailand on February 18-23. A group of Sri Lankans also visited on March 29. Klongchan Credit Union, St. Peter Credit Union, Monkhon Sethi Credit Union, Credit Union League of Thailand and the Federation of Savings and Credit Cooperatives of Thailand welcomed the visiting credit union leaders.



LEARNING FROM THAI CREDIT UNIONS AND ACCU:

Top Photo: 17 delegates from Kenyan Union of Savings & Credit Cooperatives (KUSCCO) learn the Asian credit union system.

Top Photo on the Right: 19 Indonesian CU leaders from Borneo Chapter had consultation on ACCESS

2nd and 3rd Right Photo: On a separate visit, the Senior officers of the Department of Cooperatives and SANASA leaders learn ACCU Business solutions and

Below Photo on the Right: 14 senior officers of Bhutan's Department of Agricultural Marketing and Cooperatives study the cooperatives and credit unions in Thailand.

WELCOME!

New Members



COURTESY VISIT: ACCU meets the Board and Committee members of the National Cooperative Bank Limited of Nepal as its new Affiliate Member.

The Board of Directors of ACCU on its meeting on March 12, 2013 approved the affiliate membership of the National Cooperative Bank Ltd. of Nepal. At least 5,000 cooperatives are members of the Bank, of which 50% are savings and credit cooperatives. The bank is owned by cooperatives and provides services only to cooperatives that are members of the bank.

ACCU also welcomes the following supporter members from the Philippines: Manatal Multi-Purpose Cooperative and Lamac Multi-Purpose Cooperative.



PARTICIPANTS OF 2013 INTERNSHIP: Patcharin Chindasai of U Life, Thailand (standing 2nd from left), Rolita Yecla Tiedra of Panabo Multi-Purpose Cooperative, Philippines (standing in red jacket), Clyjenee Solis Dairo of Tagum Cooperative (standing 5th from right) Philippines, and K.W.Udeepa Maduranga of SANASA Sri Lanka (3rd from right)

Russian CUs host 2013 Youth Internship Program

The Interregional Association of Credit Unions of the Far East and Zabaikalye hosts the 2nd Youth Internship Program on April 21 – May 5, 2013 in Khabarovsk, Russia. The internship program will provide young managers and senior staff of credit unions with a unique opportunity for professional development. ACCU member organization and their network serve as host for 15 days or two weeks overseas internship. In those 15 days, the interns become immersed in the credit union and community, receiving general leadership training and learning the ins-and-outs of day to day operations.

**Registration closes
June 30, 2013**

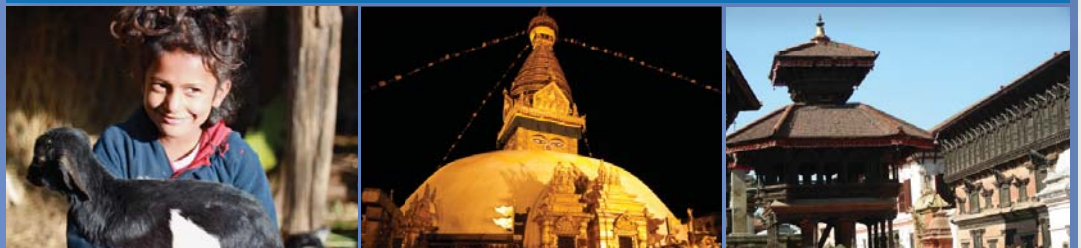
Asian Credit Union Forum 2013

Soaltee Crowne Plaza,
Kathmandu, Nepal

- September 9 to 11 - Pre-Forum Workshops: CEO, HRD, Women & Youth
- September 12 - Credit Union Visits
- September 13 to 14 - Asian Credit Union Forum
- September 15 - Annual General Meeting

Host: Nepal Federation of Savings & Credit Cooperatives Ltd. ((NEFSCUN)

NEPAL: Top of the World



TIMETABLE

2013 Regional Programs and Meetings

June 14 to 20	15th Development Education Workshop	Bangkok, Thailand	September 12-14	Asian Credit Union Forum "Blueprint for Credit Union Growth and Development"	Kathmandu, Nepal
July 1 - 6	NACUFOK Friendship Program (10 attendees, one participant per member organization)	Korea	September 15	ACCU Annual General Meeting	Kathmandu, Nepal
September 9 - 11	CEOs, HRD, Women and Youth Workshop	Kathmandu, Nepal	November	Exposure Program by the Credit Union League of the Republic of China (CULROC)	Taiwan
September 10	ACCU Board of Directors Meeting	Kathmandu, Nepal	December	International Credit Union Day Celebration of the Credit Union League of Thailand (CULT)	Thailand

Board of Directors

Simon A. Pereira
President - Bangladesh

Min Raj Kadel
1st Vice-President - Nepal

Romanus Woga
2nd Vice-President - Indonesia

Atty. Soledad D. Cabangis
Secretary - Philippines

Mana Sudsanguan
Treasurer - Thailand

Ranjith Hettiarachchi
CEO - Ex-Officio

Editorial Staff

Ranjith Hettiarachchi - Chief Executive Officer
Elenita V. San Roque - Manager Member Services
Nutchakarn Toscha - Assistant Administrative Officer
Vivit Chareonsin - Management Trainee
Sukhmeet Sohal - Secretary/Programs
Seksan Seenil - Office Assistant



ASSOCIATION OF ASIAN CONFEDERATION OF CREDIT UNIONS

8th Floor, U Tower Building, No. 411, Srinakarin Road,
Suanluang, Bangkok 10250, Thailand

Tel: (66) 2 704 4252 to 54 Fax: (66) 2 704 4255

E-mail: accu@aaccu.coop Website: www.aaccu.coop; www.aaccu.asia