



## Management Report - May 2009

### ACCESS Auditors Training in Mongolia

Twelve technical persons were trained on ACCESS branding in Mongolia on May 4-8. The participants volunteered to undertake ACCESS diagnostics of select credit unions. Joining on the last day of training were Chairmen and Managers of 15 credit unions who agreed to undertake ACCESS branding process.



The action plan jointly prepared by ACCESS specialist and credit unions targeted to complete the diagnostics by June 30, 2009. It is anticipated that credit unions would be

able to address opportunities for improvement starting July 2009. ACCU has planned a review meeting in October of this year to provide technical assistance in implementing ACCESS branding. MOCCU and the Mongolian Institute for Cooperative Training Centre are coordinating the program.

### Technical Assistance to MOCCU

A written report on the observations and recommendations on the credit union development issues in Mongolia was handed to MOCCU board for their deliberation on May 9. ACCU recognizes the need to support and guide MOCCU on its important steps at initial stage (organized only in 2007). The report highlighted recommendations focused on the credit union sustainability, issues on credit union operation to be addressed by MOCCU in its services and the greater role MOCCU can play in rebuilding the image of credit unions in Mongolia.

Under the CCA Project, MOCCU will carry out Competency Courses for Directors and CEOs of credit unions. Resource persons that have been trained by ACCU on CUDCC and CUCCC will be tapped by MOCCU to carry out the training.

### CEOs Workshop New Programs



The CEOs Workshop on Building Inventive Asian Credit Union System on May 14-15 was attended by 14 CEOs of member organizations. The workshop presented the Aflatoun Children Literacy Program, Governance Framework for Credit Unions, Policy on Microfinance for Credit Unions in Asia, Asian Credit Union Roadmap 2009 to 2014 and Supervision/Stabilization Fund for national federations. The CEOs brought home with them fresh ideas and new programs for the development of credit unions. The CEOs commended ACCU for developing the Governance Framework. Comments of the CEOs will be incorporated in the Governance Framework in time for the HRD Workshop in September.

Further, the CEOs approved two pre-requisites for ACCESS accreditation: the credit union must meet the delinquency ratio of  $\leq 5\%$  of the loan portfolio and the Net Institutional Capital of minimum 10% of the total assets. The CEOs believed that the two standards are test for institutional strength and thus, should be required for ACCESS branded credit unions.

### Governance Framework for Credit Unions Ready for Implementation

As requested, 9 technical persons attended the review and consultation meeting on the Governance Framework for Credit Unions on May 25-26 in NATCCO-Philippines. The review was able to compare the governance framework developed by ACCU with the newly approved cooperative law in the Philippines RA 9520. The policy will be introduced by NATCCO. The final document will be released before June 24 in time for the NATCCO Board governance orientation. The Governance Framework for Credit Unions is a Credit Union Solution no. 14.



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### Asian Credit Unions/Cooperatives Regulators Alliance (ACCRA) Formed



Recognizing the need for a platform to share experiences and discuss regulatory issues in light of the challenging market environment, the regulators adopt a forum structure called Asian Credit Unions/Cooperatives Regulators Alliance (ACCRA) at the 4th Regulators Conference held on May 16-18 in Bangkok, Thailand. The forum will serve as venue for dialogue, collaboration and exchange of regulation and supervision best practices, and share information and technology. The regulators pledged to actively involved in all its undertakings in its yearly gathering. The conference culminated with the Bangkok 2009 Declaration that sealed organizational commitment for credit union growth and competitiveness. In attendance were 42 regulators and CEOs of ACCU member organizations from 13 countries. The conference was able to strengthen the commitment of regulators and federations to work together to create an enabling policy environment for credit unions and cooperatives.

### Intensive Training for Laos Project Staff



ACCU Program Assistant Kamon Kiattisirikumpon and a staff volunteer from CULT Mr. Somchit Kaeo-un-ruen conducted an intensive training on May 23-26 for the four project staff in Laos aimed at sharpening their presentation skills and technical knowledge on credit union governance and operations. The staffs are tasked to provide technical assistance and advice to 15 credit unions organized by the project supported by Agriterra.

### INKOPDIT Indonesia Introduces Stabilization Fund

The Credit Union Central of Indonesia (INKOPDIT), popularly known as CUCO presented a proposal to establish Stabilization Fund for the credit union system in Indonesia at its General Meeting on May 22. ACCU CEO Ranjith Hettiarachchi was requested by CUCO to present the concepts, benefits and steps to be taken to establish the Fund. The members of CUCO welcomed the proposal. ACCU pledges to support CUCO on this undertaking.







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### Kalimantan CUs Aspire for ACCESS by 2011

Ten credit unions represented at the ACCESS orientation seminar facilitated by ACCU on May 24 in Kalimantan, Indonesia aspire to earn ACCESS Brand by 2011. The seminar emphasized the importance of ACCESS in bringing a 380-degree change in the way credit unions operate. ACCU CEO explained to the leaders and Managers of credit unions that ACCESS could be used in both accreditation and management assessment. ACCESS can detect opportunities for improvement for a credit union. The indicators of ACCESS are evolving and constantly reviewed to maintain its global acceptability and standards.

### NEW MEMBERS

*Welcome to ACCU Family!*

**CARD-MRI:** The Board approved the Affiliate membership of CARD-MRI Mutually Reinforcing Institutions in the Philippines. CARD MRI's 629 branches span the Philippines. More than half a million poor women are members and two and a half million people are insured. The center's loan-repayment rate is above 99 percent. Meanwhile, CARD has expanded to Cambodia and beyond. CARD-MRI receives the Ramon Magsaysay Award for Public Service in 2008 recognizing its successful adaptation of microfinance to the Philippines, providing self-sustaining and comprehensive financial services for half a million poor women and their families. CARD-MRI beneficiaries are considered 'members' not the conventional client status in other Microfinance Institutions. CARD-MRI supports cooperatives in the Philippines in reaching the poor market segment.

**Tagum Cooperative:** Has enrolled as Supporter Member of ACCU as a demonstration of its commitment to support international credit union development. Established in 1967, Tagum Cooperative, one of the biggest and fastest growing cooperatives in the Philippines today, registered P658 million (US\$ 14 million) in assets as of Jan. 31, 2009 and more than 38,000 members. Tagum Cooperative is service oriented, development inspired and economically viable cooperative that is owned and managed by God-loving, responsible and proactive members that serves as an effective vehicle for members' empowerment and total human development leading to achieving abundant and happy life. ACCU 1st Vice-President Ms. Norma Pereyras is a Director of Tagum Cooperative.

### Ende CUs Renew Commitment to Reach the Poor



The review meeting with 12 credit unions in Ende Ngada Chapter in Indonesia on May 26-27 resulted to a renewed commitment of reaching at least 20,000 'have less' by June 2010. The meeting emphasized the role of credit unions in providing affordable financial services to low income poor. The meeting emphasized on the original mission of credit unions of helping people especially the disadvantaged ones to improve their living standards.

### 66th ACCU Board Meeting Held in Bangkok



The 66th Board of Directors Meeting of ACCU was held in Bangkok, Thailand on May 19. The Board was in full attendance. Prior to the meeting, the CEO provided a detailed orientation on ACCU evolving role in credit union development, services, partners, financial performance, governance, issues of credit unions in Asia and future direction. The Board approved the Asian Credit Union Roadmap for 2009 - 2014 comprising of strategies addressing challenges and exploiting opportunities.