



**ASSOCIATION
OF ASIAN
CONFEDERATION
OF CREDIT UNIONS**

Management Report August 2011



Stakeholders Continuously Support SCU Development in Laos

Various stakeholders such as the Department of Planning and Investment, Integrated Rural Development Department, and Bank of Lao PDR attended the semi-annual review meeting of the credit union promotion program in Laos on August 4. The meeting reported the achievements, challenges and one-year business plan of the project. DPI and IRD suggested that the project should continue to build close working relationship at the village level. They also indicated their support to the one-year plan of the project. Prior to the meeting, the technical person of the accounting software provider assisted the project staff in entering the financial transactions of one SCU on July 31-August 3. The project staff will continue updating the transactions of two SCUs. Three SCUs are now being prepared for registration with the Bank of Lao PDR.

Partners in Laos Raise Credit Union Knowledge

ACCU welcomed nine delegates from Laos on their credit union study visit on August 22 to 25 in Thailand. Five officers of the Financial Institution Supervision Department of the Bank of Lao PDR (BoL), one from the Prime Minister’s Office, and 3 from the provincial government office of the southern province of Laos enthusiastically learn from FSCT, CULT, Klongchan CU, Soonklang Thewa CU and Thamasart University SCC. ACCU considers BoL and the provincial government in Laos as important partners in the development of credit unions in Laos.



In 1992, ACCU initiated the credit union promotion in Laos with the BoL or the central bank, now the supervisory body for savings and credit unions. ACCU and BoL partnership is going strength to strength. Currently, the promotion program in Luang Prabhang is with the partnership of the provincial government.



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Boosting Standard Performance for Credit Unions

The ACCESS Auditors Training conducted by ACCU, PFCCO and NATCCO in the Philippines on August 16-20 is seen to boost the number of credit unions meeting the standards. The training was attended by 36 participants from PFCCO Leagues and staff, and NATCCO staff and coops enrolling for ACCESS accreditation. The training concluded that the staff of both NATCCO and PFCCO should target at least three coops per staff – approximately 18 coops (9 from NATCCO and 9 from PFCCO). Representatives from four coops in attendance confirmed their participation in the accreditation. Participants visited the three coops that received Bronze ACCESS Accreditation.

ACCESS Accreditation Renewal for 3 Coops in the Philippines

Based on the audit of PFCCO and NATCCO, the validation of ACCESS accreditation of 3 coops in the Philippines (Manatal MPC, St. Martin of Tours and San Jose Koop) was made on August 15. The three coops are challenged in maintaining the Net Institutional Capital ratio (minimum 10% of Total Assets) due to unprecedented growth in assets. Since delinquency and net institutional capital are requirements for accreditation, the three coops were given until November 2011 to comply with them. Further, national federations' auditors will have to review the ageing of loans.

The final reports of the auditors will have to be submitted to ACCU. The ACCESS Bronze accreditation is expiring on August 31, 2011.

Forum Preparations all Set for September Events in Malaysia

The management has completed the preparations for 2011 Asian Credit Union Forum and events in Malaysia on September 16-22. The Forum Program circulated to all participants provides detailed information on the logistics and forum program. The meeting book for the Board of Directors and Delegates of the AGM was also sent out. This month, ACCU has also sent out the 2010/2011 Annual Report.

The forum this year closed with total participants of 560 from 24 countries – the largest in the last 21 years. For more information and clarifications, e-mail us to accumail@accu.coop. It is our pleasure to provide necessary information to ensure your valuable and memorable attendance in the forum.



Beyond Boundaries: Kenyan CU Leaders Study Visit in Thailand

ACCU facilitated the study visit of the four delegates from Kenyan Mwalimu Cooperative Savings and Credit Society Limited (SACCO) on August 28 to September 3 in Thailand. The group was very impressed on the performance of the two federations and three credit unions visited - FSCT, CULT, Klongchan CU, St. Peter CU and Soon Klang Thewa CU. The Deputy CEO pointed out that education to members is one of the major areas they would adopt immediately. "We urge ACCU to open up its doors for our credit union leaders in Kenya to learn from the rich experience of Asian credit unions," said Board Member J.O. Oruko, also a Board member at the Kenyan credit union federation. ACCU assured them that the Asian credit union forum and development education workshops would be opened for Kenyan credit union leaders. Founded in 1974, Mwalimu Cooperative SACCO draws its membership from the employees of the Teachers' Service Commission (TSC) in post primary institutions. Currently, the society is serving over 46,000 members in its 40 branches nationally.



Audit Committee Meeting

ACCU Audit and Supervisory Committee met on August 12 in Bangkok. Prior to the meeting, ACCU Treasurer Mr. Tae-jong Zhang sent two NACUFOK staff on August 8-12 who conducted examination of ACCU accounts.