



ASSOCIATION
OF ASIAN
CONFEDERATION
OF CREDIT UNIONS

MANAGEMENT REPORT

August 1-September 15, 2012



The Bar of Participation to ACCU Forum Continuously Climbs

Considered as the most attended in 23 years, the Asian Credit Union Forum in the Philippines on September 6-8, 2012 drew 630 credit union leaders and professionals from 27 countries. The forum and celebration of the International Year of Cooperatives adopted the IYC theme: Cooperative Enterprises Build a Better World. For the very first time in ACCU history, the President of the International Co-operative Alliance President Dame Pauline Green graced the historic occasion of the Asian credit union movement.

The forum featured resource persons from the best and the brightest in credit union industry across the world. Breakout session presenters were selected from caliber credit union practitioners and international experts in the field. The learning tracks represented high interest issues on the three aims of IYC: Cooperatives & credit unions' public awareness, growth and policies. Recommendations emanating from the topics discussed were adopted at the closing program. Addressed to all levels, ACCU considers these recommendations as inputs to its programming. The forum is another means for ACCU and its member organizations to solicit inputs pertinent to the current needs and issues faced by credit unions. The forum was hosted by the Philippine Federation of Credit Cooperatives and National Confederation of Cooperatives in collaboration with CARD-MRI.





ACCU Board of Directors 2012 to 2014

The 31st Annual General Meeting of ACCU on September 9, 2012 in the Philippines elected Board of Directors for two years term 2012 to 2014. From left to right: 1st Vice President Mr. Min Raj Kadel, NEFSCUN - Nepal, 2nd Vice President Mr. Romanus Woga, CUCO - Indonesia, President Mr. Simon A. Pereira, CCULB - Bangladesh, Secretary Atty. Soledad D.V. Cabangis, NATCCO - Philippines, Treasurer Mr. Mana Sudsanguan, CULT - Thailand, and Ex-Officio Mr. Ranjith Hettiarachchi, CEO-ACCU.



CUMI Performance Bestowed to Two CUs

The award is presented to Buldana Urban Credit Cooperative Society, India and Sahara Nepal Savings and Credit Cooperative Society Ltd. in recognition of the fulfillment of its social responsibility by offering opportunities to low-income and disadvantaged communities through the provision of affordable financial services, instilling the value of thrift and generating means to create wealth for 'have less' families.



ACCU commends the cooperatives for reaching out more than 40,000 Indians and 55,000 Nepalese 'have less' women who are given a glimpse of hope and better lives through cooperative means. The award is bestowed on the 7th day of September 2012 at the Asian Credit Union Forum in the Philippines.

ACCU inspires Asian credit unions to fulfill their mission of helping members particularly the poor and disadvantaged improve lives through the services they provide. Consequently, credit unions contribute to the achievement of the MDG on poverty alleviation.



Five SACCOS from Nepal Receive Bronze ACCESS Accreditation

ACCU has accredited five savings and credit cooperatives in Nepal for Bronze ACCESS Brand valid for one year until August 31, 2013. The credit unions have demonstrated significant changes as seen in their Balance Sheets such as full provision of delinquent loans, decrease in delinquency, increase of net institutional capital and reaching key ratios of PEARLS. The credit unions have also adopted comprehensive policies, systems and procedures that compel their leaders and staff to be more professional.

The credit unions recognized that ACCESS helped them focused on the key operational problems that may have considerable risks in the future. The five credit unions received Bronze ACCESS Brand:

1. Janasachetan Savings & Credit Cooperative Society Ltd.
2. Bindhasasini Savings & Credit Cooperative Society Ltd.
3. Budol Samudayik Savings & Credit Cooperative Society Ltd.
4. Siddhi Ganesh Savings & Credit Cooperative Society Ltd.
5. Samudayik Savings & Credit Cooperative Society Ltd.

ACCESS Validation carried out in the Philippines

The Manager Member Services conducted validation of ACCESS final audit of MSU IIT Multi-purpose Cooperative in the southern Philippines on August 29. The final audit was conducted by the ACCESS auditors of the National Confederation of Cooperatives (NATCCO). MSU IIT MPC is a potential candidate for ACCESS accreditation. It has been under ACCESS accreditation process for almost a year. The recommendations made during the validation specifically pointed out the gaps that need to fill to qualify for accreditation.

Pre-Forum Workshops, September 3-5, 2012



CEOs: The workshop was attended by 20 CEOs and designated delegates of member organizations on the theme 'Corporate Governance in Federations and Credit Unions in Asia.' The presentations of the Chief Executive of Select Credit Union Mark Worthington on governance framework and prudential standards used by credit unions in Australia enlightened the CEOs on the need to introduce minimum prudential standards for credit unions in Asia. Among others, the CEOs recommended exploring the payment gateway system for Asian credit unions, develop disaster risk reduction and management policy, publication of Credit Union Technical magazine, and federation's diagnostics.



HRD: 63 technical staff of member organizations in nine countries attended the workshop that introduced the Trainer Manual on Audit/Supervisory Competency Course as Solution no. 19. The training marks the start of the full deployment of the solution to member organizations. ACCU anticipates that the solution will help audit committee in fulfilling their responsibility in ensuring the safety and soundness of credit unions. The workshop suggested ACCU to provide Audit committee self-assessment form, Audit Report format and Social Audit Materials.



Youth: 25 youth attended in this year's workshop on Youth Leadership. The workshop provided an opportunity to analyze the leadership involvement, issues and future direction of youth in credit unions. The youth recommended to create a youth council with representation from different countries with organized youth organizations. The council shall hold an annual regular meeting to monitor the implementation of existing programs, formulate new programs and projects, and discuss current youth issues and concerns. The Youth council shall also formulate environmental programs such as waste management, tree planting, coastal clean-up, etc. WAW Credit Union director Mark Dixen facilitated the workshop.



Women: 15 women attended the workshop: Training Women to Win: Enterprise Development. The workshop provided practical skills on enterprise development such as product innovation, forward and backward linkage, pricing, product presentation and fair trade. The workshop recommended livelihood training program so that women can continuously participate in the cooperative enterprise build a better world. It was also recommended that ACCU will develop women empowerment program to change the lives of women coop members like introducing new technologies to enhance livelihood activities, communication skills and financial literacy program. The women suggest ACCU to conduct/coordinate once a year women international assembly to strengthen and develop the network of coop women leaders.

Summary of Pre-Forum Recommendations

September 3-5, 2012

CEOs Workshop: Corporate Governance in Federations and Credit Unions in Asia

1. ACCU to come up with minimum prudential standards for credit unions
2. Exploring the development of payment gateway among credit unions in Asia through ACCU and technical group has been created (Sylvia, Anan, Dr. Sukesh)
3. Finalize the ACCESS for federation, pilot with a member federation and present the result in April 2013 CEOs workshop
4. Develop AgriFinance solution that will be piloted to Philippines, Nepal and Bangladesh
5. Implement young Managers (youth) internship program – Russia and India
6. Develop a Disaster Risk Reduction & Management Policy for credit unions
7. Publication of Asian Credit Union Technical Magazine

HRD: Trainers Training on Credit Union Audit/Supervisory Committee Competency Course

Levels	Recommendations
Credit Union	<ul style="list-style-type: none">• Orientation to the BOD, Audit/Supervision Committee and staff about the competency course• Adoption of Audit Committee Charter• Creation of Social Performance Committee
Federation	<ul style="list-style-type: none">• Translation of the Manual to mother tongue• Train primaries' audit committee and Internal Auditors thru regular training program
ACCU	<ul style="list-style-type: none">• Provide Audit committee self-assessment form• Provide Audit Report format• Provide Social Audit Materials• Develop standards re: Sample size, frequency of audit etc.

Women workshop: Training Women to Win: Enterprise Development

1. ACCU will create a continuous livelihood training program so that women can continuously participate in the cooperative enterprise build a better world.
2. ACCU will develop women empowerment program to change the lives of women coop members like introducing new technologies to enhance livelihood activities, communication skills and financial literacy program.
3. ACCU conduct/coordinate once a year women international assembly to strengthen and develop the network of coop women leaders.

Youth Workshop: Youth Leadership Workshop

1. Conduct an awareness campaign worldwide
2. Add a youth page in ACCU website where youth can visit, share their ideas, suggest and interact with other youth all over the world
3. Create a youth council which is represented by different countries with organized youth organizations that will hold an annual regular meeting to monitor the implementation of existing programs, formulate new programs and projects, and discuss current youth issues and concerns
4. Youth council shall formulate environmental programs such as waste management, tree planting, coastal clean-up, etc.

ASIAN CREDIT UNION FORUM Theme: Cooperative Enterprises Build a Better World September 6-8, 2012, Philippines
Summary of Recommendations
Forum
2020 Targets of the Asian Credit Union Movement: <ul style="list-style-type: none">• 120 million outreach of individual members of credit unions• 20 million outreach of the have less by credit unions in Asia• 1,000 credit unions are Supporter Members of ACCU• 1,000 credit unions are ACCESS Branded
Revisiting our PLEDGE OF COMMITMENT I am committed to co-operative development and the ethical values of honesty, openness, social responsibility and caring for others, and I will actively advocate the benefits of cooperative organization and the building of financial stability. In the 2012 International Year of Cooperatives and beyond, I pledge to support the universal credit union principles, philosophy, and values.
Breakout Session 1
Topic 1: Developing Cadre of Coops & Credit Union Advocates through Development Education <ul style="list-style-type: none">• Socialize cost of Development Education• Continue the Development Education Program• Enrich the DE Program to inspire Educators to extend development work in the community

Topic 2: Reinforcing Credit Union Value Proposition: Helping Members Achieve their Life Goals & Aspirations

- Comprehensive Training Program for Board for effective Governance
- Federations to support Credit Unions in planning for reinforcing Credit Union Value Proposition
- Commit to provide fund for community development projects.
- Always consider development programs for the Youth

Topic 3: Credit Union Image Building Tools

- Every Credit Union to improve the image in the market place and must show a difference, not just like banks.
- Actively communicate to our credit union values by having a good brand
- Learn the process and do it right to improve the credit union brand
- The federation should support the credit unions in helping them improve their image/brand. Maximize networking.

Breakout Session 2

Topic 1: Case Presentation: Reaching the 'Have Less' through Credit Unions

- Pooling of funds of co-operatives especially those big ones to answer the needs of small co-ops
- Creation/building of infrastructure innovation (systems design)
- Co-operatives to exchange technologies and share technical assistance to co-operatives in need
- Existence of written fundamentals on successful CUMI operations

Topic 2: Mission Check: Are Members Growing in the Same Pace as the Credit Union Grow?

- To position/market **cooperatives** as the only option for a better world, not just an alternative
- To realize the creation of Stabilization Fund in the Philippines and other countries
- Merger of co-operatives
- To change Association of Asian Confederation of Credit Unions (ACCU) to Association of Asian Confederation of Co-operatives
- To promote co-operatives like a religion

Topic 3: Leadership Growth and Development: Strengthening your Character Traits

- To treat people differently as each one is unique
- Youth members to undergo DE training
- Continuous trainings on business know-how, dealing with people and personal development
- Trainings on spiritual awareness
- Trainings on supervisory skills and existence of supervisory tools

Breakout Session 3

Topic 1: Securing Foundation for Credit Union Strength

- Existence of Joint Oversight Congressional Committee on Cooperative Development agenda (coordination and communication with LGUs and other stakeholders)
- Cooperative regulators must strengthen regulations on credit union activities whether adhering to state policy and financial standards
- Harmonizing similar state policy on tax exemptions that may apply for credit unions (i.e. senior citizens discounts)
- Institutionalizing singular/centralized financial indicators among credit unions

Topic 2: How Federations can help Strengthening the Cooperatives through Adapted Services

- Expanding the DID Project in Asian countries apart from the Philippines
- Establishment of stabilization fund for credit unions and deposit insurances for its members
- Credit unions must develop reserve fund.
- Credit unions should never get into politics.
- FOCUS on member's needs.
- Adopting new technologies and innovations.

Topic 3: Effective Regulation and Supervision, a Safeguard to Credit Union Stability

- Upholding the cooperative identity as a unique organization compared to banks
- Reinforcing the implementation of prudential standards