

ASSOCIATION OF ASIAN CONFEDERATION OF CREDIT UNIONS (ACCU)



Organisation Profile

2006, Bangkok





2006 Profiling Series - ACRONYM



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i. ACRONYMS

ACCU	Association of Asian Confederation of Credit Unions
BDC	Business Development Centres
CCA	Canadian Co-operative Association
CU	Credit Union
FAO	Food and Agricultural Organisation
ICA	International Cooperative Alliance
ILO	International Labour Organisation
IRU	International Raiffeisen Union
SACCOS	Savings and Credit Cooperatives
SorKorPor	Farmer' s Federations Association for Development (Thailand)
UNDP	United Nations Development Program
WOCCU	World Council of Credit Unions

A. COUNTRY INDICATORS¹

Human Development Index (HDI) (0.1–1) (2003)*	0.70
Gender related Development Index (GDI) (0–1)	no data
Women's Political Participation Index (WPPI) (0–1)	no data
Economic Freedom Index (Fraser Index) (0–10)	no data
Political Rights and Civil Liberties Index (7–1)	no data
Efficiency in Poverty Combat (EPC) Ratio	no data
GDP recent year x billion US\$*	3,278.8
GDP Growth (2004)	7.6%
Inflation %	no data
Investments in Agriculture, value added (2004)*	18.2%
Population x 1.000 (2003)	3,823,389
Rural Population x 1.000 (2003)	2,341,989
EAP (Economic Active Pop.) Country x 1.000 (2003)	1,153,378
EAP in Agriculture x 1.000 (2003)	1,055,987
EAP Female in Agriculture x 1.000 (2003)	469,273
Surface Area Region (x 1.000 ha)	2,140,000
Arable land (x 1.000 ha)	375,000
Average farm size	no data
Gini ratio land distribution	no data
Backdonor priority (1–10)	N.A.

* Non-weighted average of indices for East Asia & Pacific and South Asia

¹ Please see Annex 1 for an explanation of the Country indicators. 2003 and 2004 data. Sources: WB, UNDP, FAO, Freedomhouse, Freetheworld, CIA, IMF, Eastwood 2003-2005.

B. ORGANISATION INDICATORS

General indicators ²	2006
Foundation year	1971
Main activity	Interest Rep.
Legal status	Association
Working level	International
Number of organisational layers	4
Number of member organisations	30
Potential number of member organisations	35
Membership registration system	yes
Number of registered members in this system	1,724
Number of female members (as % of registered members)	50%
Number of represented members (farming households)	32,257,439
Potential number of farming households to be represented (target group)	820,000,000

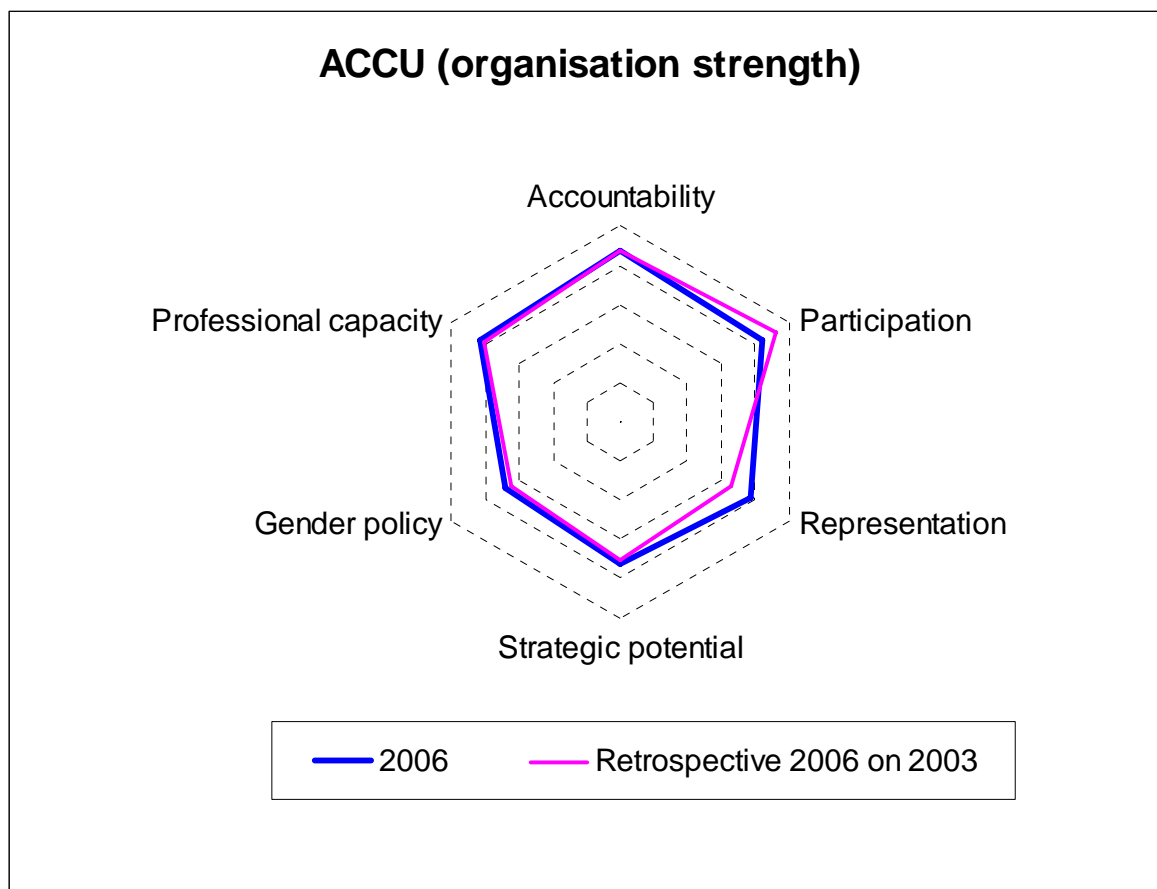
Leading indicators ³	2006
Member binding capacity	89%
Representation indicator	76%
Participation indicator	83%
Accountability score	87%
Strategic potential	73%
Professional Capacity	82%
Gender policy indicator	67%
Organisation degree	4%

Financial indicators ⁴	2006
Income Diversification indicator	43%
Liquidity ratio	2838%
Solvency ratio	73%
Rentability ratio	5%
Dependency ratio	27%
Activity ratio	14%
Continuity ratio	852%

² Sources: WB, UNDP, FAO, Freedomhouse, Freetheworld, CIA, IMF, Eastwood 2003–2005.

³ For an explanation of these indicators, please see Appendix 2.

⁴ Please see Appendix 3 for an explanation of the financial indicators.



The ‘spider-diagram’ shows six (out of 8) ‘leading indicators’, which Agriterra uses in order to visualise the strengths and weaknesses of an organisation. The outer dotted line is the ideal situation, representing a score of 100%. The leading indicators are the result of information obtained from a combination of two types of information: facts and opinions. On the one hand there is quantitative information about human and financial resources, on the other hand there are the results from opinions given by different panels in a specific year about the involvement of the organisation over a three-year period: 1) The board of the profiled organisation; 2) members or member-organisations of the profiled organization; 3) external organizations who know the profiled organisation relatively well (NGOs, government agencies, research institutes); and 4) principal technical advisors of Agriterra who have been dealing with the profiled organization over the years. The combination of the two types of data gives us weighted average scores and thus an overall picture of the organisation.

Why are only six principal indicators visualised and not all eight? For the moment, Agriterra has decided to leave “organisation degree” and “income diversification” out of the spider diagram as these two indicators are based exclusively on concrete data, and not on opinions, which complicates the relative comparison between the indicators.



C. CONTACT INFORMATION

Head office	24, Soi 60 Ramkhamheag Road
Address	Bangkapi Bangkok Thailand 10240
Telephone number	+66-2374-3170
Fax number	+66-2374-5321
E-mail	accu@aaccu.coop ceo@aaccu.coop
WEB Site	www.aaccu.coop
Contact persons	Dr. Sawat Saengbangpla, President Mr Ranjith Hettiarachchi, Chief Executive Officer

D. ORGANISATION DESCRIPTION

The Association of Asian Confederation of Credit Unions (ACCU) is the Asian regional based representative organization of credit cooperatives/unions and similar cooperative financial organizations. The association is known as "Samakom Samaphan Sahakorn Omsap Lae Kredit Nai E-Sia" using monogram "So.So.Cho." and known as "The Association of Asian Confederation of Credit Unions" by using English monogram "ACCU".

ACCU supports members to strengthen the credit union by providing technical assistance, training, and information. ACCU takes active development role in credit promotion and project development and evaluation. Since its birth on 28 April 1971 to date, ACCU serves more than 16,000 credit unions with 20.5 million individual members in 26 countries in the region along with 17 affiliates promoting credit unionism in Asia.

Membership to ACCU is open to national credit union leagues/federations or other national cooperative financial or similar organizations that follow international credit union operating principles and with membership of at least 20,000 individuals or one percent of the population of the country where the organization operates.

ACCU is affiliated with the following international organizations of credit unions/cooperatives:

- World Council of Credit Unions (WOCCU)
- International Raiffeisen Union (IRU)
- International Cooperative Alliance (ICA)
- United Nations Bodies (eg. FAO, ILO, UNDP and others)

In following the cooperative/credit union operating principle, ACCU is organized according to members need. Member representatives control and administer ACCU.

History of the Organisation

Today's credit unions trace their origin back to 150 years ago in Europe when leaders such as Raiffeisen and Schulze-Delitzsch initiated the first cooperative schemes that provided for those lacking access to financial services. The goal was to provide members with the opportunity to borrow from the savings that they themselves pooled and the credit union idea spread quickly throughout Europe and early in the 20th century, expanded to North America and many Asian countries. The dynamic growth of the Credit Union Movement in Asia led, in the late 1960s, to the formation of National Leagues and Federations. In 1971, the respective credit union organizations of Japan, Hong Kong, Korea, the Philippines, and Taiwan ROC, formed the Asian Confederation of Credit Unions. ACCU serves as both a trade association and a development organization. Its vision is the establishment of sustainable credit unions throughout Asia and its mission is to work in



partnership with its members to strengthen and promote credit unions as effective instruments for the socioeconomic development of the people.

Vision and Mission

ACCU's vision is "Sustainable credit unions in Asia." ACCU's prime purpose is to ensure that credit unions are thriving in our communities and continually providing affordable financial services to their members. ACCU believes that a credit union is born out of human need, grows as it serves people, and endures as long as it is useful and wanted. To ACCU, credit unions are institutions through which relations between their members-savers and borrowers are based upon humane basis-service. It is a business with a special purpose, a business with a heart. The credit union should have the following characteristics:

- Financial viability
- Knowledgeable and Involved Board
- Member-customer orientation
- Technological Competence
- Price-competitive Products and Services
- Proficient Staff and Sales Culture
- Focus on Continual Growth

ACCU's mission is "ACCU Works in partnership with members to strengthen and promote credit unions as effective instruments for socioeconomic development of people."

Objectives⁵

- To promote the organization of credit unions in Asia.
- To represent the interest of the Asian credit unions movement before the general public, government entities, public and private international organizations, cooperative institutions and other appropriate groups, and to develop and maintain the best possible relation with these groups.
- To facilitate technical and financial services essential to the establishment, stability, growth and unity of credit unions in the region.
- To ascertain the needs of Asian credit unions through research and other means, and to assist those concerned to identify projects and activities designed to meet those needs.

⁵ Source: Bylaws ACCU, 1997



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- To assist member organizations in undertaking country projects and activities and to implement or coordinate such projects and activities undertaken at the inter-country or regional level.
- To collect information of interest to credit unions and to disseminate the same, through publications and other media, to credit union organizations and other groups who deal with credit unions in the ordinary course of their business.
- To identify, develop and effectively use available human and institutional resources and to promote their interchange for the benefit of the credit union movements.
- To obtain such provisional orders or legislative acts that will protect and serve the best interest of the credit union movements.
- To enter into arrangement with governments, public or private international organizations, cooperative institutions and other appropriate groups that are deemed consistent with the objectives of the Confederation and its member organizations.
- To implement or manage on behalf of members those central functions identified by them as necessary for their common benefit.
- Not to set up any snooker tables.
- To be a private organization, operating without any connections with politics.

Goals and Strategy of the Organisation⁶

GOAL 1: Movement Growth

The growth of the Asian Credit Union Movement can be achieved in four components:

- System growth (assets growth),
- A stretching growth target by market segment which supports the system growth (membership growth),
- Exploring untapped markets (developing economies in transition)

The following strategies will be introduced by ACCU to its member organizations:

Needs Based & Competitively Packaged Products Strategy

The growth of Asian credit unions is very slow because it is operating on share capital. It is envisioned that credit unions should have a range of product offerings where members can shop. Innovating new products and services would be a hard task for a credit union considering the present challenges faced by them.

As a regional organization, ACCU sees its role in this Strategy as follows:

- Develop Market Opportunity Analysis Tools on different segments of the market for both members and non-members of credit unions. The member organization will collect market information randomly using the tools.
- Conduct study and research with the Member organization to establish needs and demands common to members.
- With member organizations, package the products and services along with marketing tools, materials and advertising slogans.

The products are not intended to be limiting nor are the credit unions restricted to the core products. If variations make more sense in the local marketplace, they should be pursued as additional offerings. Further, the product price could be changed based on costs, however, the characteristics and marketing graphical support and tag line should be maintained.

Repositioning Strategy as Trusted Wealth Management Advisor

Having the right product at the right time is still not sufficient to attract members to use it. Each

⁶ Source: ACCU Road map 2004–09



core product is a solution to the financial problem of each member. The value of the products is designed to be as flexible as possible to fit the capacity and needs of every single member of the credit union. The credit union staff and front liners should have a skill in financial counseling to advise members on wealth creation and this is the only way in which credit unions can help members to help themselves.

ACCU sees its role in this area as:

- Developing Wealth Advisory Tools that can be used by credit unions
- Developing Training Modules on Financial Counseling or Wealth Management
- Training Trainers of Member organizations on Wealth Management

Customer Relationship Management (CRM) Strategy

The most valuable asset a credit union has is its relationship with its members/owners. The key growth strategy is to deepen our relationship with existing members and broaden them to embrace new members. When a member uses the services of the credit union, he/she is a customer. Thus, we are expecting that credit unions would maintain their customers for intimacy, for life, and loyalty.

ACCU considers itself to be:

- Conducting research to establish member service expectations
- Designing tools for CRM
- Providing technical assistance for members to launch programs for the establishment of business relationships and membership loyalty i.e. Membership Reward Program
- Providing training opportunities on CRM (Trainers Training for member organizations)

Market Segment Targeting Strategy

The initial survey made of selected credit unions disclosed an imbalance of membership distribution by market segment. The most highly penetrated segment of the market is between ages 30–50 years. This is attributed to the fact that credit unions are credit driven and this age group includes people who are more productive. If credit unions were more effective in their competence as trusted wealth advisors, then there would be greater potential to increase membership in this segment that is not tapped at present. Senior citizens for example are a potential market for savings, especially if they are pensioners. Credit Unions should be both savings and credit institutions.

ACCU considers itself to be:

- Developing tools on market segmentation
- Introducing innovative strategy for recruiting new members like High Profile “Member Get



Member" campaign

- Providing Technical Assistance for members to develop their own strategies

Reaching Out Strategy

ACCU will continue its work in reaching out to countries where a National Credit Union Federation is not in existence. Credit unions existing in economies in transition like Cambodia, Vietnam, Mongolia and Lao PDR are thriving and have a great potential for growth. However, ACCU will focus its resources on these countries in strengthening and consolidating the credit union movement.

The services that would be made available are:

- Technical assistance aimed at putting in place systems, procedures and policies for the prudent management of credit unions
- Technical assistance on planning for growth
- Technical assistance in establishing their own national federations

GOAL 2: Competitiveness of Credit Unions in Asia

Goal 2 is the translation of the vision defined earlier as:

- Financial viability
- Knowledgeable and Involved Board
- Member–customer orientation (addressed as a Strategy in Goal 1)
- Technological Competence
- Price–competitive Products and Services (addressed as a Strategy in Goal 1)
- Proficient Staff and Sales Culture (addressed as a Strategy in Goal 1)
- Focus on Continual Growth (addressed as a Strategy in Goal 1)

To sum it up, items 1, 2 and 4 have not been addressed as a Strategy. All the other strategies in Goal 1 also support the attainment of this goal.

Credit Union Monitoring Standardization Strategy

Adopting a benchmark to assess the performance of credit unions is a very important aspect of prudent management. The credit union industry has a standard but it has to be strictly followed and achieved, it should be the basis for planning, if the goals of each credit union are to reach the standards in a reasonable time. Being an autonomous organization, self-regulation is extremely difficult and an institution independent of the credit union should enforce the industry standards. In the Asian context, the Cooperative Department has the role to do so and a good case is the Philippines where it has developed its own standards COOP–PESOS of which most of the ratios are derived from PEARLS. The standards are adopted without changing the Cooperative Law.



Thus, ACCU considers itself to be playing the following role:

- Advocating International Credit Union Standards with the respective country regulators
- Providing technical assistance in conducting Training on International Standards for Financial Reporting and Benchmarking
- Providing technical assistance to the Cooperative Department to Develop the Standards for Credit Unions

Changing Leadership Competencies Strategy

The Relationship between Board and Management is crucial for the efficient operation of a credit union and failure to establish an effective understanding can be attributed to a stagnating credit union. Board and Committees are volunteers elected from the general membership. Unlike management and staff, Boards and Committees are elected not in accordance with their competencies to run a financial institution, but according to how people trust and respect them. However, the credit union system in Asia does not have compulsory training to ensure that board and committees are able to perform their duties with full competence. In the present environment, the following are critical competencies for effective leadership expected of Credit Union Directors:

- Articulate a tangible vision, values and strategy
- Empower other to do their best
- Be a catalyst/manager of strategic change
- Get results/manage strategy to action
- Exhibit a strong customer orientation
- Communicate effectively on a day-to-day basis
- Be a catalyst/manager of cultural change
- Think integratively about the total business
- Be flexible and adaptive
- Have a “global mindset”

In this area, ACCU will be supporting its member organizations to:

- Develop the Curriculum for a Directors Achievement Program
- Develop the mechanisms and Policies for Certification of Volunteers (Certified Volunteer)
- Develop the Curriculum for Continuing Directors Competence Educational Program
- The above program will be adopted by member organizations and this would be the new training program that will be offered to affiliate credit unions on a fee basis.

Connectivity/Convenience Strategy

The ability to provide connectivity and member portability is the key to an integral relationship management strategy for our system. At present, big credit unions hire software developers to



develop the accounting package for them, resulting in a very expensive outcome. An alternative and cheaper solution would be for the National Federation to acquire the system and distribute it to their members.

ACCU has sought advice and conducted research in other developed credit union movements with effective connectivity with their members. We came up with the conclusion that the National Federation should provide this as a service to their members. Adopting only one system in the country would reduce the cost, risk and develop new financial products using latest technology. Thus, the national federation should have the capacity and resources to run an IT company or within the existing structure as a support service.

In this strategy ACCU will focus on:

- Developing strategic partnership with the best Software Solutions company
- Negotiating the terms and conditions with the service providers and member organizations

Branding Strategy

Branding is critical to successful growth strategies. The brand is not simply the logo for the national entity it is much broader. It is the reputation of the credit union movement in the marketplace. What is truly being branded is the vision, offering and reputation of the credit unions themselves, with the brand acting as both the collective expression of credit union values at a national level, and the local expression of national capabilities.

In doing so, ACCU will work along:

- Developing branding strategies for credit unions, capitalizing the competitive advantage of credit unions such as: Friendly Financial Institutions; Humane Financial Institutions; Dream Financial Institutions; World Financial Institutions; Nearest Financial Institution.
- Providing technical assistance for members to implement the branding strategies
- Developing advertising materials that will serve as model for member organizations.

The branding strategies will define the role of the Credit Union Movement as a new leader in the Financial Service Sector. In so doing, it will promote those characteristics that differentiate credit unions from other financial institutions in the marketplace. Further, branding will also communicate our capabilities to a broad national audience that does not realize how closely attuned their values are with those of credit unions. Most importantly, credit union operation will turn around into a dynamic and creative cooperative financial institution.

GOAL 3: Sustainability of ACCU as a Regional Credit Union Organization

Goals number 1 and 2 support this goal. The viability of ACCU relies mainly on the viability of the primary credit unions. Thus, the focus of ACCU's services to its members is to ensure that value is



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added to their efforts to strengthen credit unions. All the strategies described in this document support this goal of creating a sustainable regional organization of credit unions in Asia. The following table shows how ACCU can fulfill this role:

	Core Trade Association	Development and Marketing	Business Support Services
Functions	Advocacy with Government International Linkage with bilateral organizations International Cooperative Relations Research and Economic Analysis Planning/Democratic Support Net work and communication Representation in country and Global Promotion of Membership	Operations and Service Support Standards –Management Tools Core Product Development & Marketing (Modeling) Business Development Strategic Alliances and Joint Ventures Advanced Level Training Support Marketing CU in transitional economy	Planning consulting Human Resource Consulting Operations/ Service Consulting Training Consulting Market Consulting Market Consulting Project Management Consulting New Services support like technology Fair trade services
Funding	Membership Dues	Fee-for-Service and Development Partners	Fee-for-Service
Management	Core Staff and Country coordinators	Core Staff/ Technical Staff/ Hired Professionals on assignment basis a need arises	Core Staff/ Technical Staff/ Hired Professionals on assignment basis as need arises
Delivery Channels	Nationally through Member Organizations and Regional program	Nationally through Member Organizations and Regional Program	Nationally through Member Organizations and Locally with Member Organizations
Beneficiaries	All Member Organizations	All Member Organizations and potential members	Those Member Organizations or Primary Credit Unions require services

E. PROGRAMMES AND SERVICES

Key Competencies of the Organisation

ACCU supports members to strengthen the credit union by providing technical assistance, training, information and development in credit promotion and project development and evaluation. ACCU's repertoire of Product and Services were developed to meet the needs of members in the following areas:

Member Services

- Organization of strategic planning, financial management, and policy and product development;
- Coordinating leadership exchange programs on credit union development issues among leaders in Asia;
- Project identification, design and evaluation;
- Organizing the Asian CU Open Forum, CEOs Workshops and networking of specialized committees on gender, youth and human resources;
- Conducting training on micro-finance and micro-enterprise development to create a conducive environment for the entrepreneurial poor;
- Representation at the global credit union/cooperative forums;
- Strengthening interaction with governments and advocacy on policy and legislation that will protect and serve the best interests of the credit union/cooperative movement;
- Fund-raising for the Asia Fund for Credit Union Development (AFCUD). The fund also welcomes monetary and technical resources to support the development of any specific program area;
- Collecting and publishing information of interest to credit unions/cooperatives;
- Conducting feasibility studies and research;
- Developing and facilitating human resource development activities;
- Networking with parallel cultures.

Marketing and Research

- Enhancing women's democratic participation through policy advocacy and targeted training;
- Facilitating youth participation in credit unions by means of awareness programs and specifically designed products and services;
- Promoting the credit union model in the "transition economies" in the region.

Business Development

- Consulting services for development partners;
- Brokering for international lending;
- Promoting ICT, software and hardware;
- Project evaluation;

- Technical assistance in systems development

Programmes and Events	
<p>Title</p> <p>Objectives</p> <p>Supporting agencies</p> <p>Participants</p> <p>Start and end dates</p>	<p>Asian Credit Union Forum 2007</p> <p>Regional net work and sharing Platform for the Credit Unions in Asia</p> <p>ACCU and its members</p> <p>Credit unions leaders, Managers, officers , Government officers and Promoters</p> <p>Sep 17th to 23rd 2007, Indonesia</p>
<p>Title</p> <p>Objectives</p> <p>Participants</p> <p>Start and end dates</p> <p>Supporting agencies</p> <p>Accomplishment</p>	<p>Human Resource Workshop Credit Union Management Tools</p> <p>The purpose of workshop is to enhance and to strengthen Credit Union organizational and governance to become effective and efficient credit unions in Marketplace. This program is designed to focus introducing management tools to counter the challenges faced by credit unions in its operation. Further, the training will provide an opportunity to how to apply the management tools developed by the ACCU.</p> <p>At the end of the workshop, the participants would:</p> <ul style="list-style-type: none"> • Increase awareness on the different tools available for credit union operations • Understand the different tools and use them to credit unions to professionalize its operation • Appreciate the need to professionalize the operation of credit unions • Institutionalize the management tools in the operation of credit unions <p>Officer/s in-charge of HRD/Training of Leagues/Federations.</p> <p>HRD officer Directors Training</p> <p>September 18 – 20, 2006, Sri Lanka</p> <p>ACCU and its members</p> <p>Introduced the management tools</p>
<p>Title</p> <p>Objectives</p> <p>Participants</p>	<p>Change Management</p> <p>Re-examining credit union's culture, values, image, and purpose are the objectives of this sub-theme. Without a collaborative and flexible culture, responding to environmental changes may not be possible for a credit union. A flexible culture does not mean flexible in changing values. Values underpin culture and change is the means to responding to market needs. This could result in altering the structure of an organization or 'the way we work around here'.</p> <p>Credit unions leaders, Managers, officers , Government officers and Promoters</p>

Start and end dates	September 16–18, 2004
Supporting agencies	ACCU and Its members
Accomplishment	Change management Recommendations to Credit Unions and National Federations
Title	Branding Asian Credit Unions "Credit Union Business Excellence Solutions in reaching ACCESS Brand"
Objectives	(Pre–forum Workshops) Introduced standard of operations and quality control
Participants	Credit unions leaders, Managers, officers , Government officers and Promoters
Start and end dates	September 05 – 07, 2005, Philippines
Supporting agencies	Members and ACCU
Accomplishment	Introduced Asian Credit Unions Brands ACCESS
Title	Future Leaders Workshop
Objectives	The workshop will deliberate on 'KILLER' marketing tactics to increase youth in credit unions.
Participants	Participants are the members of the Youth Task Force Committee or staff in–charge in youth promotion of the member–organizations of ACCU.
Start and end dates	September 05 – 07, 2005, Philippines
Supporting agencies	Irish Credit Union League
Accomplishment	Recommendations on Youth Marketing program at National Level
Title	Women Workshop
Objectives	The workshop will share the experience on the promotion of Microfinance and Microenterprise to empower women in credit unions. The workshop will introduce the Business Development Center, a structure at the national federation to support women entrepreneurs.
Participants	Participants are members of the Women Task Force Committee or the staff in–charge in the promotion of women entrepreneurship in credit unions at the national federation.
Start and end dates	September 05 – 07, 2005, Philippines
Supporting agencies	AgriTerra
Accomplishment	Regional Net work on women entrepreneurs program
Title	CEOs Workshop
Objectives	The workshop encourages CEOs to freely deliberate on the critical issues on credit union development. With the guidance of competent technical persons, CEOs collectively generate innovative options to respond to the challenges faced by credit unions. The exercise had assisted the CEOs to get a clearer picture of their challenges and opportunities offered by the present market environment.
Participants	Participants are the Chief Executive Officers and General Managers of the apex organization of credit unions.
Start and end dates	September 05 – 07, 2005, Philippines

Supporting agencies Accomplishment	ACCU and Members Review the ACCU program and Products and services and plan for the implementation of the ACCESS Brand in Asia
Title Objectives Participants Start and end dates Supporting agencies Accomplishment	HRD Workshop The workshop will deliberate on the continuing effort to professionalize the operation of credit unions. This year's workshop will introduce the training manual on Credit Union Director's Competency Course. Participants are the Heads/Key staffs of the Training/HR Department of the apex organization of credit unions and members of the Asian Leaders and Managers Institute. September 05 – 07, 2005, Philippines Members Theory, Values, and Identity. Towards an integrated co-operative HRM strategy for the credit union business and association.
Title Objectives Participants Start and end dates Supporting agencies Accomplishment	CEOs Workshop 2006 on Stabilization of Credit Unions & Good Governance To prepare on the stabilization fund program in Asia and to review the governance issue in Asia related to cooperatives To freely deliberate on the critical issues on credit union development in ACCU and its members To receive feedback about the business plan. CEO of ACCU Members September 18 to 20, 2006, Sri Lanka Colombo Members and ACCU Review ACCU governance
Title Objectives Participants Start and end dates Supporting agencies Accomplishment	CU Marketing Across Generation Promote youth participation in CU and provide business development opportunity in CU Youth Leaders of cooperatives in Asia Sept. 18–20, 2006, Colombo Irish League Action plan on youth marketing at every level
Title Objectives Participants Start and end dates Supporting agencies Accomplishment	Credit Union Director's Competency Course 2006 June 12 –17 To train the Master Trainers on Directors Competency training program National Level Trainers of Members June 12–17, 2006, Bangkok CCA introduces training program to National Federations
Title	8th Credit Union Development Education 2006 June 4 to 9

Objectives	Training The professional to develop their personality and improve the presentation skill
Participants	Credit Unions staff and leaders
Start and end dates	June 4–9, 2006, Bangkok
Supporting agencies	Members
Accomplishment	Trained 26 professional how to be effective in their presentation

Programmes and Services for Women Members	
Title	8th Regional Meeting of On Women Entrepreneurship Development in Credit Union
Objectives	<p>The specific objectives are as follows:</p> <ul style="list-style-type: none"> • To review the achievement on women empowerment in CUs in last two decades. • Review policy environment for women leadership participation in credit unions • Review and develop women entrepreneurship skills program • Institutionalize the Business Development Center as a support services for women Entrepreneurs • Develop entrepreneurship network in national and regional level
Participants	The workshop will be attended by select women entrepreneurs from the credit union and program officers of the credit union national federation/league.
Start and end dates	Sept 18 to 23, 2006
Supporting agencies	AgriTerra
Accomplishment	Prepared business plan for BDC and E-commerce in Credit unions

Mechanisms Ensuring Equal Gender Participation

Gender and Development is an important element within Credit Union development, especially female participation in decision-making, training and benefit of ACCU development activities. To ensure gender equality in credit unions, following measures will be put into practice on all ACCU activities:

1. ACCU encourages member country to send female delegates to the ACCU highest decision-making body;
2. ACCU develops framework and encourages member organizations to promote gender development policy at every level;
3. Female leaders participation to national decision-making is encouraged and such effort is recognized;
4. ACCU products and services encourage equal participation and provide privilege for female participation;
5. ACCU training ensures gender responsive participation;
6. All sponsorship of ACCU should ensure equal gender representation;
7. Staff of ACCU should have gender balance representation.

ACCU conducts programs and projects on policy development and women empowerment training for our member. ACCU provides incentive programs – such as travel subsidy and scholarship – for women candidates to participate in regional programs.

F. STRUCTURE AND LEADERSHIP

Organisation and Operational Structure

The General Meeting is the highest policy-making forum of the organization. It is convened by ACCU annually, with delegates representing each member credit union league or federation. The General Meeting elects five delegates to serve as the Board of Directors. Within the elected Board, they choose the President, two Vice Presidents, Secretary and Treasurer. The Board meets twice a year. A team of professional staff provides technical services and support to members. Specialised groups, such as the CEO's Advisory Committee, Task Force on Gender and Development, Future Leaders Task Force, and the Human Resource Development Committee meet in conjunction with the General Meeting to give advice on ACCU overall policy and programs and to review impacts of ACCU activities. The BOD consists of 5 persons and it has a two year term and ex-officio member. They meet twice a year to review and monitor ACCU's operational plan.

Developed members (Korea, Taiwan, HK, Japan)	Consolidation members (Thailand (2), PNG, Malaysia)	Developing members (Bangladesh, Nepal, Philippines (2), Sri Lanka, Vietnam, Indonesia, India (Maharashtra))	Emerging members (Cambodia, India (DPG), Iran (MAMCU), Mongolia, Russia, Pakistan, Iran (CCCU))
Representation of category in board? Yes	Representation of category in board? Yes	Representation of category in board? No	Representation of category in board? No

According to the four categories into which ACCU lists its members, the board currently has representation from only the Developed and Consolidation Members. Representatives from Developing Members and Emerging Members are not on the board.

The present management structure of ACCU is divided into four divisions; namely,

- Planning and Development,
- Member Service,
- Marketing, and
- Business Development.

Leadership structure

Power and duty of the Board of Directors shall be:

- To issue regulations which are not against the bylaws.
- To employ and dismiss General Manager of the association.
- In case the General Manager has not yet been employed, the Secretary shall be acting General Manager of the association.
- To appoint the advisor or sub-committee whose term of office shall not exceed the term of that Board of Directors.

- To have power and other duties as stipulated by this Bylaws or assigned by the general meeting.

The Board of Directors have the following responsibility:

- The President shall be the chairman of the general meeting and the meetings of the Board of Directors and shall call or send notice of the Board meetings.
- First vice-president shall perform the duty of the President if the President is absent or cannot perform his duty and shall perform other duties as assigned by the President.
- The Second Vice-President shall be the Registrar in charge of the registration of membership, keep the registration Board of Directors as required, and to perform the duty of the President if the President and the First Vice-President are absent or cannot perform their duty.
- The Secretary shall act as secretary of the Board of Directors and take care of the minutes of the meetings of the Board of Directors and the general meeting and supervise the operation according to the Bylaws and regulation.

The Treasurer shall control the finance and accounts of the association in compliance with the Bylaws and regulations.

Operational structure

MANAGEMENT OF OFFICE

The General Manager shall be in charge of the association's employees and take care of the management of the office in compliance with the association's Bylaws and regulations as stipulated by the Board of Directors and shall have the following duties:

- to be responsible for the management of the office and to administer all levels of employees;
- to efficiently plan and control the operation of the association within the existing policies and to forward data, suggestions and reports of the operations to the Board of Directors;
- to be responsible for the association's assets according to the Bylaws and regulations of the association as stipulated;
- to attend in the meetings of the Board of Directors as an ex-officio without vote.

Leaders and Staff		
<i>Leaders / board</i>	<i>Name</i>	<i>In charge Since</i>
President	Dr. Sawat Saengbangpla FSCT , Thailand	2006 Sept 24 th
First Vice President	Mr Oh- Man Kwon NACUFOK , Korea	2006 Sept 24 th
Second Vice President	Mr P. M. Sitanggang CUCO Indonesia	2006 Sept 24 th
Secretary	Dr. Sylvia Flores PFCCO Philippines .	2006 Sept 24 th

Treasurer	Mr G Lahmana WCCS, Malaysia	2006 Sept 24 th
Chief Executive Officer	Mr Ranjith Hettiarachchi (ACCU, Thailand)	1993 November
Advisor	Mr Supachai Srisupaaksorn	2005 March 12
<i>Staff /secretariat</i>		
Chief Executive Officer	Mr Ranjith Hettiarachchi	1993 January 1
Manager, Member Service	Ms Elenita V San Roque (Leni)	1995 Feb 15
Program Officer	Ms Tutuk Ekawati	1995 Jan, to 2000. Currently part-time
Program Assistant	Mr Kamon Kiattisirikumpon	2006 August 1
Secretary Programs	Ms. Parramaphorn Artrit	2005 July 1
Assistant Administrative Officer	Ms Samorn Toscha	1997 February 24
Office Assistant	Mr Panupong Lunakarn	1999 November 16



ACCU staff with visitors from Sorkorpor, and Mr. Supachai and Mr. Hettiarachchi holding a savings-clog from Holland, symbolic gift from AgriTerra.



Staff of the Chumchon Klongchan Credit Union in Bangkok; a local CU which is member of the Credit Union League of Thailand (CULT). CULT, in turn, is an ACCU member.

Procedures and Regulations

The general meeting shall elect five members to the Board of Directors from voting members to administer the association's business. This Board of Directors consists of at least 6 persons but not exceeding 15 persons. Those elected by the general meeting shall elect among themselves:

- President
- First Vice-President
- Second Vice-President and Registrar
- Secretary
- Treasurer and
- the General Manager shall act as an ex-officio member without voting power
- Director

The Board of Directors shall be in their positions for two years and when their terms of office expire and the new Board of Directors has no authorization to take charge of the office. The Board of Directors whose terms of office expire shall be acting directors until the new Board of Directors obtain authorization to be in charge of the association. Then the transfer of

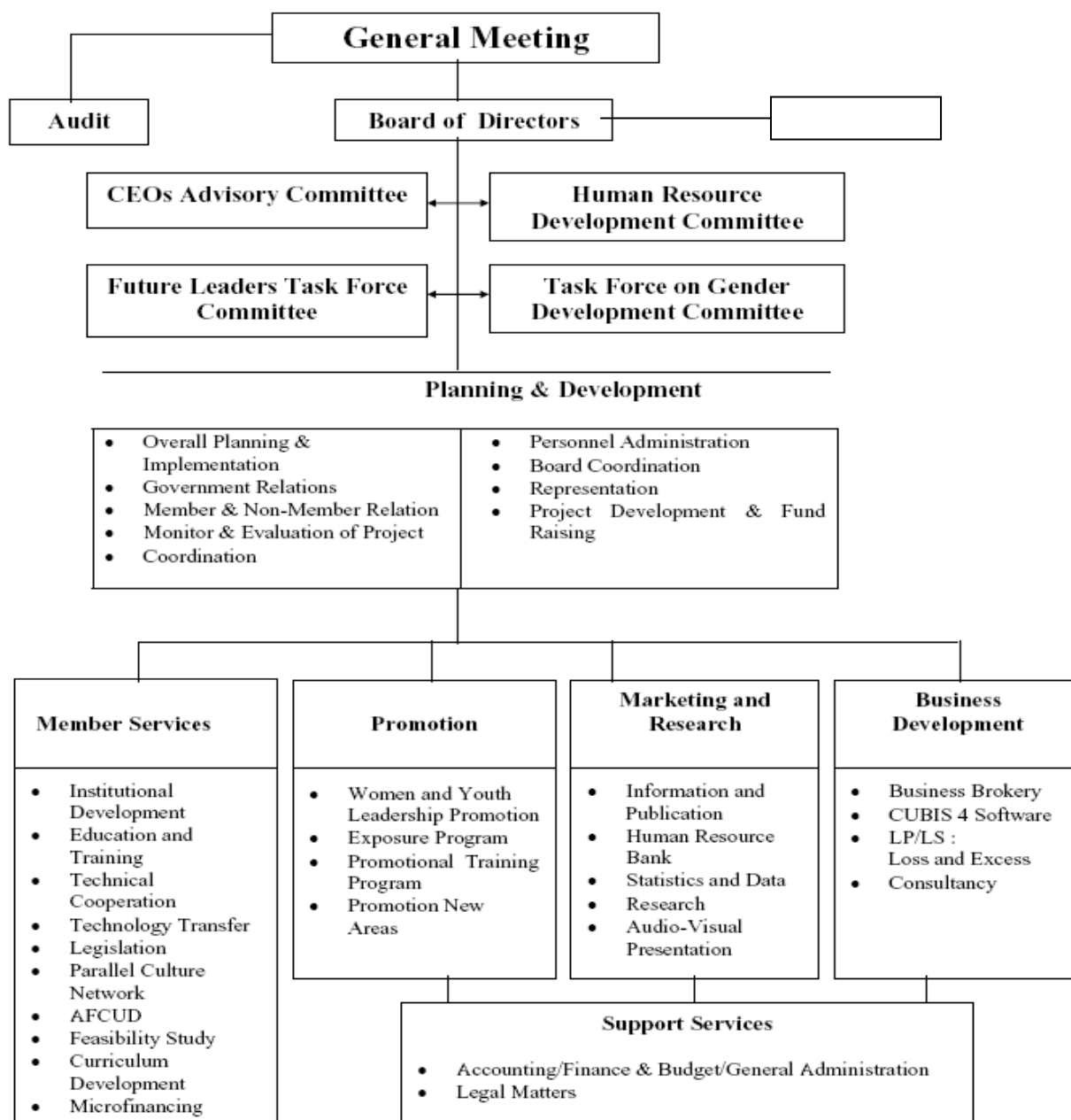
responsibility between the previous and the new Board of Directors shall be completely done within 30 days from the date on which the new Board of Directors gets authorization.

If the position of the Board of Directors is vacant before completion of the term, the Board of Directors shall be empowered to appoint a regular member as deemed appropriate to fill that vacancy whose term of office shall be equal to the remaining term of office of the outgoing director.

The Board of Directors shall be expired upon:

- Death
- Resignation
- Expiration of the term of office
- Termination of membership or being no more a representative of a regular member.
- Employment with the association.
- Resolution of the general meeting to dismiss a director.

Organisation Chart



G. MEMBERSHIP AND MEMBER CHARACTERISTICS

General

Regular Membership

The membership is open to national federation of credit unions/cooperatives/savings and credit cooperatives representing at least 20,000 individual members or 2% of the country's population. The membership due is a minimum of US\$ 2,000 and a maximum of US\$ 5,000 per year, computed based on the aggregated movement's assets.

Affiliate Membership

The membership is open to organizations from both local and abroad promoting and supporting credit union development. The annual dues are US\$ 1,000.

Supporter Membership

Open to any primary credit union willing to participate for international development. The membership would allow accelerated access to information, networking, cooperation among cooperatives and experience sharing at international level. The annual dues are US\$ 400.

Member Organization	Number of board members	Number of staff members	Number of (additional) volunteers
REGULAR MEMBERS:			
1. Cooperative Credit Union League of Bangladesh -CCULB	12	70	9
2. Credit Union League of Hong Kong - CULHK	14	7	9
3. Credit Union Coordination Indonesia - CUCO	5	20	9
4. Japan Credit Union - JCU	11	4	3
5. National Credit Union Federation of Korea - NACUFOK	19	150	15
6. The Workers' Co-operative Credit Society Ltd. - WCCS	14	60	530 ⁷
7. Nepal Federation of Savings and Credit Cooperative Union - NEFSCUN	11	12	6

⁷ Area coordinators in 530 areas of WCCS

8. Federation of Savings and Loans Societies Ltd. – FESALOS	7	5	3
9. National Confederation of Cooperatives – NATCCO (Phillipines)	13	50	8
10. Philippine Federation of Credit Cooperatives – PFCCO	12	7	11
11. Credit Union League of the Republic of China – CULROC	17	50	8
12. Credit Union League of Thailand – CULT	15	60	6
13. Federation of Savings and Credit Cooperatives of Thailand – FSCT	14	50	6
14. Central People’s Credit Fund – CCF (Vietnam)	11	70	6
15. Maharashtra State Co-op Federation of Credit Cooperative Society Ltd.	15	5	6
16. Federation of Thrift and Credit Cooperative Societies Ltd. – SANASA (Sri Lanka)	8	25	8
17. Workers Credit Co-operative Society – WCCS (Malaysia)	15	30	22

AFFILIATE MEMBERS:

18. International Raiffeisen Union (Germany)	N/A		
19. Credit Union Foundation Australia	7	3	0
20. CUNA Mutual Group USA			
21. Cambodian Community Savings Federation – CCSF	5	50	3
22. Development Promotion Group – DPG (India)	5	30	5
23. Mol–Movahedin Credit Union – MAM (Iran)	9	200	15
24. Research Institute of Labour Banks – RILB (Japan)	9	30	6
25. Vocoas Popular Multi–Prupose Cooperative Society Ltd. (Mauritius)	9	20	6
26. Mongolian Confederation of Credit Unions – MOCCU	9	5	6
27. Unitarian Service Committee – Nepal	5	25	6
28. Catholic Social Services	5	10	10

(Pakistan)			
29. Interregional Association of Credit Unions of the Far East and Zabaikalye – Russia	5	5	6
30. Singapore National Cooperative Federation Ltd.–SNCF	9	30	6
31. Central Credit Union of the Islamic Republic of Iran	9	10	6
32. Mauritius Co-operative Savings and Credit League	9	10	6
33. Samen – AI – Aemeh Credit Cooperative (Iran)	15	150	9
SUPPORTING MEMBERS:			
34. St. Martin of Tours Credit and Development Cooperative – Philippines	No data	No data	No data
35. Select Credit Union, Ltd – Australia	No data	No data	No data
36. The NSW Teachers Credit Union – Australia	No data	No data	No data
37. Soonklang Thewa Credit Union Cooperative – Thailand	15	21	0
38. Chumchon Klongchan Credit Union – Thailand	15	16	0
39. Barangka Credit Cooperative – Philippines	15	77	0
40. Baguio–Benguet Community Cooperative – Philippines	15	120	0
41. PNG Police & State Services Savings and Loans Society – Papua New Guinea	No data	No data	No data
42. WAW Credit Union – Australia	No data	No data	No data
43. Sydney Credit Union – Australia	No data	No data	No data

Membership Characteristics

The association's members are divided into 3 categories, namely:

1. **Regular members** are the Credit Union Leagues and Credit Unions with qualifications as follows:

- administering the organization following the International Credit Union Operating Principles;
- having membership of at least 20,000 persons or at least 1% of total population of the country in which such an organization is located;
- having the field of services and the operational area in Asia;
- being a juristic person, and using the bylaws approved by the Board of Directors of the association;
- having been an associate member for at least one year;
- in any area where there is a regular member, the association shall get prior approval from the existing regular member in that area before the acceptance of another organization as regular member.

2. **Associate members** shall be the Credit Union Leagues and Credit Unions without full qualifications for being a regular member and willing to comply with the bylaws of the association.

3. **Affiliate members** shall be the intellectuals in education and research; or the persons having experiences in credit union management from both local and abroad; or organizations and patrons of the association.

MEMBER OF INTERNATIONAL ORGANIZATIONS

The association shall be entitled to apply for membership of the international organizations having the same line of activities. The application for membership of such organizations shall require the approval of the general meeting.

ACCU also categorizes its members into groups from the more to less affluent Credit Unions:

- Developed Members
- Consolidation Members
- Developing Members
- Emerging Members

Membership according to category (2004)	Developed members (Korea, Taiwan, HK, Japan)	Consolidation members (Thailand (2), PNG, Malaysia)	Developing members (Bangladesh, Nepal, Philippines (2), Sri Lanka, Vietnam, Indonesia, India (Maharashtra))	Emerging members (Cambodia, India (DPG), Iran (MAMCU), Mongolia, Russia, Pakistan, Iran (CCCU))
	2006	2006	2006	2006
Membership (households)	5,027,464	2,776,913	23,861,392	591,670

in the organization per category				
Size of target group (households) per category	24,100,000	11,500,000	733,000,000	51,500,000
Representation of category in board?	Yes	Yes	No	No

H. RESOURCES OF THE ORGANISATION

ACCU receives part of its fund from member's dues which covers ACCU's organizational cost. The major development partners of ACCU provide 50% fund to implement development activities. They are

- Canadian Cooperative Association (CCACanada)
- MISEREOR –Germany
- CORDAID–the Netherlands
- HIVOS–the Netherlands
- AgriTerra–the Netherlands
- ILCU – Irish League of Credit Union
- CUNA Mutal Group–USA
- Credit Union Foundation Australia (CUFA)

Member organizations also provide financial support by hosting ACCU activities in their respective country.

Financial Resources

I. Financial resources (in USD)	2002	2003	2004	2005	2006
Annual financial (profit/loss, balance) statement? (yes = 1, no = 0)	1	1	1	1	1
Total income	835,139	994,632	1,119,856	1,044,611	887,683
Income from membership fees	89,768	93,910	105,121	109,828	111,950
Income from services for members	19,861	21,252	23,332	37,969	54,000
Income from services and contracts for third parties	19,861	21,252	23,332	37,969	10,000
Income from own economic activities (including capital investment)	42,349	52,268	64,472	72,096	58,333
Income from local donations for projects	442,200	537,300	602,400	524,500	435,600
Income from international donations for projects	221,100	268,650	301,200	262,250	217,800
Income from public (governmental) subsidies	0	0	0	0	0
Financial resources allocated to gender programmes (as % of total)	18%	19%	17%	18%	15%

Funds (USD)	2005	2006
Current assets	1,898,584	2,096,445
Equity	1,361,836	1,579,656
Current liabilities	60,684	82,326
Balance total	1,920,216	2,115,552
Net result	104,337	108,049
Subsidies	75,937	75,524
Income	260,951	297,556
Expenditures	156,614	89,507

Mechanisms for Internal Resource Generation

The viability of ACCU relies mainly on the viability of the primary credit unions. Thus, the focus of ACCU's services to its members is to ensure that value is added to their efforts to strengthen credit unions. All the strategies described in this document support this goal of creating a sustainable regional organization of credit unions in Asia.

The table in Section D. (Organisational Description; Goals and Strategy of the Organisation) shows how ACCU can fulfil this role (Goal 3).

Information Technology Capacity

IT is very powerful to improve the business profitability and increase the efficiency of operation in Credit Unions. ACCU's role is to evaluate present hard ware and software in the market and negotiate with vendors to get best products with best price. ACCU also encourages building linkages among members to share the experience on IT technology and its application to Credit Union Business. ACCU conducted several regional trainings and seminars on IT applications to Credit Unions in Asia.

I. SYSTEMS AND PROCEDURES

Membership Procedures and Policies

Enrolment of membership:

The applicant for membership of the association shall submit an application to the President of the association. The general meeting shall have the power to accept a regular member. The Board of Directors shall approve the acceptance of associate and affiliate membership. However, a member shall obtain a membership-status upon paying the entrance-fees and annual dues according to the regulation of the association after the resolution to accept such member.

The membership of the member shall expire by the virtue of anyone of the following reasons:

- Death;
- Resignation;
- Disqualification of membership;
- Expulsion of any regular member by the resolution of the general meeting of the association;
- Expulsion of any associate member or any affiliate member by the resolution of the Board of Directors.

Rights and Duties of the member shall be:

- to attend the general meeting of the association in order to express recommendations to the association.
- a regular member is entitled to elect and/or to be elected or to be appointed as Director of the association and to vote at the general meeting.
- to request the Board of Directors for checking accounts and assets of the association.
- to enlist their names to make up at least one-third of all regular members for holding a special general meeting.
- to comply with the bylaws and regulations of the association.
- to pay the membership dues as specified in the regulation approved by the general meeting.
- to cooperate and support the operations of the association.
- to propagate the reputation of the association.

General Meeting:

The founders of the association shall hold the first general meeting within 180 days from the date of registration.

The Board of Directors shall hold the general meeting once a year during the period from July till September of each year.

Special General Meeting shall be held as deemed necessary by the resolution of the Board of Directors or by at least one-third of all regular members enlist their names requesting for such meeting.

In calling for the meeting, the President shall send the notice of the general meeting in writing to the members at least 45 days in advance.

The general meeting shall consider at least the following agenda:

- Progress report of the past business year.
- Financial reports on Statements of revenue and expenses and the balance sheet.
- Election of the new Board of Directors when the term of the Board of Directors expires.
- Appointment of the auditor.
- Approval of yearly plan and budget.

At the general meeting or special general meeting, there shall have at least half of the regular members present to make a quorum. If the quorum of the general meeting cannot be obtained on the day of the scheduled meeting, the meeting shall be called, once again, after 30 days but not exceeding 90 days. Any number of members attending the meeting shall constitute a quorum. If the quorum of the special general meeting upon the request of the members cannot be obtained, such meeting shall not be held and shall be cancelled.

In making resolutions at the general meeting or the meeting of the Board of Directors, only a majority-vote shall be needed if not stipulated in the bylaws. However, if the vote is equal, the chairman of the meeting shall make a decisive vote. Only the regular members shall entitled to vote at the general meeting.

At the general meeting or the meeting of the Board of Directors, if the President and Vice-president of the association are absent or cannot perform their duties, the meeting shall select a Director, who attend the meeting to be the chairman in that meeting.

Finance:

The association's fiscal year shall start on the first day of July of whichever year until June 30 of the consecutive year.

The association's cash shall be kept in the bank, the members' Leagues/Federations or the sound financial institutions.

The association's Board of Directors and/or the General Manager and the employee authorized by the Board of Directors are empowered to sign in juristic acts binding the association. The signing in promissory notes or the association's cheques shall have at least the signatures of two persons along with the association's seal.

Amendment of bylaws and dissolution:

The association's bylaws can be amended by the resolution of the general meeting with at least two-third votes of all regular members who attend the meeting, provided that the notice of a proposed amendment is given at least forty-five days in advance of such meeting.

The dissolution of association can be done by the resolution of the general meeting except the dissolution due to legal enforcement. The resolution to dissolve the association shall have at least three-fourth votes of all regular members who attend the meeting, provided that the notice of the motion to dissolve the association is given at least forty-five days in advance of such meeting.

If the association shall be dissolved, regardless of any reasons, the association's remaining assets after liquidation shall be given to "Sai Jai Thai Foundation" under patronage of His Majesty the King and/or other charitable organizations which shall be approved by the general meeting.

J. NETWORKS AND LINKAGES

In-region Association with Organisations (Asia & Pacific)	
<i>Name</i>	<i>Description / benefits</i>
INAFI International Network for Alternative Finance	Sharing information and experiences on MFI and do some joint work in the field of Microfinance
APRACA Asian Pacific Rural Agricultural Credit Association	Sharing information and experiences on MFI and do some joint work in the field of Microfinance
Card Bank (Philippines); NGO now finance bank	Sharing information and experiences on MFI and do some joint work in the field of Microfinance
SEED (Sri Lanka) biggest micro-finance institution	Sharing information and experiences on MFI and do some joint work in the field of Microfinance

Associations and Contacts with the Government Agencies	
<i>Name</i>	<i>Description / benefits</i>
None	

Participation in Consultative Commissions	
<i>Name</i>	<i>Description / benefits</i>
Presence in savings and credit regulatory bodies of cooperatives in all membership countries	Lobbying with government agency to have appropriate law and prudential standard for credit Unions
Presence in apex bodies for general cooperatives in most membership countries	Lobbying with national body of cooperative to influence better policy on cooperative development
UN consultative status	Lobbying with UN for policy and development of Cooperatives

Associations and Cooperation with Commercials and Privates Sectors	
<i>Name</i>	<i>Description / benefits</i>
None	

Associations and Cooperation with Cooperatives	
<i>Name</i>	<i>Description / benefits</i>
Regulatory national bodies for cooperatives in all membership countries and Apex bodies for general cooperatives in most membership countries	Lobbying with government agency to have appropriate law and prudential standard for credit Unions

Cooperation with Research Institutes	
<i>Name</i>	<i>Description / benefits</i>
KASETSART University (Thailand)	To Lobby with academic group on Cooperative development and develop higher degree courses on credit Unions
National Institute for Cooperative Studies (Sri Lanka)	To Lobby with academic group on Cooperative development and develop higher degree courses on credit Unions
ACCI – Agricultural Credit Cooperative Institute (Philippines)	To Lobby with academic group on Cooperative development and develop higher degree courses on credit Unions
SEARSOLIN (South East Asia Rural Social Leadership Institute) Philippines	To Lobby with academic group on Cooperative development and develop higher degree courses on credit Unions

International Affiliations and Networks (membership)		
<i>Name</i>	<i>Description / benefits</i>	<i>Position</i>
International Cooperative Alliance (ICA)	Intentional representation on Credit Union in ICA	member
World Council of Credit Union (WOCCU)	Intentional representation on Credit Union in Asia	affiliate member since 2001, before: regular member
International Raffeisen Union (IRU)	Intentional representation on Credit Union in Asia	member
International Cooperative Banking Association (ICBA)	Intentional representation on Credit Union in Asia	member, considering withdrawal

International Relations	
<i>Name</i>	<i>Description / benefits</i>
UN Economic and Social Commission for Asia and the Pacific (ESCAP)	UN consultative status
FAO	Working partnership
ILO	Working partnership
Microcredit Summit	International representation with respect to microfinance in Cooperatives in Asia

K. ORGANISATION NEEDS⁸

Agriterra's strength-weakness exercise:

AREA OF INTEREST	STRENGTHS	WEAKNESSES
Organisational Purpose	The entire system is member owned	Members look too much toward social orientation (charity; subsidy, grants, etc.) in stead of economic enterprise. This perception has to change.
Strategies, Programs and Services	More than a bank; we provide means (training for family budgets ; always member training program before joining ; insurance, welfare) to the people to do savings and manage their credit. SEE ALSO 3 GOALS ROAD MAP DOCUMENT	Changing the mindset of the organisation; need to tell members importance of savings.
Structure and Leadership	Leadership goes to powerful members; Korea, Taiwan, Hong Kong; they are in position to contribute more.	Emerging institutions should also have an opportunity to be represented. Only 1 Sri Lankan for one year (1991). Politics prevented him from serving longer. Disconnect between the board members and poor people's lives.
Secretariat	Keep it small; only 6 paid professionals, 26 at field level and 10 volunteers. SEE P. 26-27 DIRECTORY DOCUMENT	Outside perception of small secretariat
Membership	Solidarity of members is strong; WOCCU invited them as members but they said no.	Some donors try to work directly with members ; breaks relationship with members. CUFA, Canadians, Agriterra work with ACCU first, then with members. 3 membership MOU would be desirable. In addition, some agencies may mess up, then ACCU has to fix it. China 1986-1997 ; abandoned all savings and loans ; needed approval from Bank of China ; saw Taiwan and was refused.
Resources	Pay dues in timely fashion; some rich members (Korea, Taiwan, Thailand-FSCT) contribute above minimum fee.	Only 3 members are self-sufficient through internal funds : Korea, Taiwan, and FSCT Thailand
Systems and	Ranjith proposes to hire expert to	When you grow, members request

⁸ Please see Appendix 5 for ACCU's own complete SWOT.

Procedures	review them.	increase in representation; board etc. without logic; prestige to be in the board
Organisational Linkages	Very strong network ; volunteers come on own costs from US, Canada, mostly from developed countries, they pay for registration. The network enables us to mobilize resources for the projects.	Sometimes bad speakers will come and we cannot refuse them.
Other Sectoral Concerns	Long history (150 years) of savings and credit, spread worldwide. We are now looking at the bottom 60%. Since 1976, proposition by Mr. Yunos for banks to guarantee loans for poor without savings but with training program.	Very traditional sector. Difficult to change the mindset of the local level leaders (board members) who run SACCOS who only wish to lend to rich. That the bottom is for the government to deal with.
Women Organising and Gender Mainstreaming	Task force on Gender development committee (since 1992) encourages women to be involved in leadership at national level by outreach at the primary level.	Low level filtration of women. Only one country has chairperson (Philippines). Less than 1% of national leadership is female. At village level approx. 10 % (up from 4% in 1992).

L. INTERVIEW SITUATION AND INFORMATION RESOURCES

INTERVIEWED 6–8 March, 2006 by Jeroen Kruft

Board:

1. Mr. Ranjith Hetiarachchi (CEO)
2. Mr. Supuchai Srisupaaksorn (president) (translator: Mr. Ranjith Hetiarachchi)

External:

1. Mr. Chaiwat Suravichai (Secr. Gen. SorKorPor)
2. Mr. Kanisorn Punyaprasiddhi (National office mgr SorKorPor)
3. Mr. Benedicto Bayahua (Secr. Gen. Asian Pacific Rural Agricultural Credit Association)

Members (member organizations):

1. Sahaphon Sangmek (CULT – Thailand) 6 March 2006
2. Suman Kanahl (CEO NEFSCUN – Nepal) 13 March 2006
3. Mr. Meas Thon (Program director CCSF – Cambodia) 18 March 2006

Information Resources (reports, web-site, documents)

1. ACCU Road Map 2004–09
2. ACCU Bylaws, 1997
3. <http://corp.aaccu.coop/>

Responsible Liaison Officer

Rik Delnoye
Liaison Officer Agriterra
Arnhem – Holland
Tel: (026) 354 2059
E-mail: delnoye@agriterra.org

The interviews were carried out in Bangkok by:

Jeroen (Jerome) Kruft
Amigos Internacional Consultancy
Postbus 401
6700 AK Wageningen
Tel: (06) 29 16 16 11
E-mail: jeromekruft@yahoo.com

Profiling calculations and compilation of report by:

Jeroen (Jerome) Kruft for Wageningen University and Research Centrum,
Leeuwenborch 6022
Wageningen University and Research Centre
Wageningen, The Netherlands
jeroen.kruft@wur.nl
+31-317482927 (office)
+31-6-29161611 (mobile)

M. APPENDICES

APPENDIX 1: Explanation of country indicators

The **UNDP Human Development Index (HDI)**, ranging from 0 (lowest) to 1 (highest) is compiled of three major elements: life expectancy; enrolment in education; and income distribution.

The **Gender related Development Index (GDI)** is compiled from the same elements as the HDI, but for women only. A negative value for a country ($GDI < HDI$) means that the de gender-related development is lower than the average development. A positive value means that gender-related development is higher than the average.

The **Women's Political Participation Index (WPPI)** Index shows the participation of the women in politics; the WIPPI is compiled of three elements: women in government at the ministerial level, women in a lower o single house of parliament, and women in an upper house of parliament or senate. A low WIPPI index at national level could be a representation of the low participation of women at the level of the governance of organisations.

The **Economic Freedom Index**, also called the Fraser Index, ranges from 1 (least freedom) to 10 (most freedom). It Is compiled of economic indicators only.

The **Political Rights and Civil Liberties Indicators** are developed by Freedom House. A scale of 1 to 7 is used, where a ranking closer to 1 indicates a higher degree of freedom. Agriterra uses the average of the two, also on a scale of 1 – 7.

The **Efficiency in Poverty Combat (EPC)** ratio was developed by Agriterra. It is compiled of the HDI, Economic Freedom Index and Political Rights and Civil Liberties indicators. It shows how effective a country is expected to be in poverty alleviation. The higher the economic freedom, political rights and civil liberties, and the lower the ranking on the HDI index, the higher the EPC, so the more likely it is that a country will be effective in poverty alleviation. EPC is expressed on a scale of 0–100%.

The **Gross Domestic Product (GDP)** (in US\$) refers to the total value of final goods and services produced within a country's borders in a year. It is one of the measures of national income and output.

Inflation is the same as the GDP deflator expressed as % of GDP. The GDP deflator measures the difference between the real (or chain volume measure) GDP and the nominal (or current price) GDP.

Investments in Agriculture (Value Added) expressed as % of GDP gives an indication of the (economic) importance of the agricultural sector in a country.

The **Gini index** is a measure of income inequality. The **Gini Index for Land Distribution** is a measure of inequality related to land distribution. Inequality is expressed by higher percentages. Due to the limited data on this index, the scores listed here are from 1992.

The **Back-donor Priority** indicates to what extent the country is included in the concentration policy of the Dutch Donor Organisations ICCO (3 points), Cordaid (3 points) and DGIS (4 points).

APPENDIX 2: Explanation of leading indicators of the organisation

1. Representation

This indicator shows the strength of the organisation's relations and representation in the 'outside world'. It accumulates the panels' opinion-scores of the following factors:

- Presence in governmental commissions;
- Functions and influence in governmental commissions;
- Linkages with civil society;
- Functions and influence in civil society linkages;
- Policy proposals to the government;
- International memberships;
- Functions and influence in international memberships;
- International relations;
- Choice for deliberation and consultation;
- The organisation's presence in the media;
- The organisation's means on external communication;
- The organisation's means on internal communication;
- The quality of foreign delegations visiting the organization;
- The quality of the organisation's visits abroad.

2. Participation

This indicator shows the degree of involvement of the members in (activities of) the organization. It consists of facts and scores given by the different panels on the following factors:

- Total number of men and women that participated in consultation and training organized by the PO in the last two years;
- Number of represented members (households)
- Circulation of members' newsletter x frequency of publication;
- Participation in policy-making and preparation;
- Commitment of the organisation to encourage participation at all levels;
- Representation of social categories in board. Groups are indicated by the organization itself;
- Number of represented members (farming households).

3. Accountability

This indicator shows the measure of accountability of an organisation towards its members and the possibilities for the members to control the organization and the board and to take corrective measures. It consists of yes/no questions and panel scores:

- Presence of annual report;
- Existence of formal general assembly;
- Presence of annual financial report;
- Commitment of the organization to encourage participation at all levels;
- Real internal protest possibilities;
- Real possibilities to change board prematurely;
- Representation at general assembly.

4. Strategic potential

This indicator conveys the strategic capacity of the organisation and its members. Included are the financial strategic position, and the ability of an organisation and its members to engage in strategy development. Includes scores and data on:

- Number of members participating in organisational training;
- Number of members participating in policy preparation training
- Total number of represented members eligible for training;
- Aspiration of the organisation to own its own enterprise(s);
- Quality of a strategy document;
- Total turnover of services and enterprises (as % of total income);

5. Professional capacity

Gives an indication of the values given by the four panels on the expertise and professional ability of the organisation and the board, taking into account the following factors:

- Recruitment on expertise;
- Division of policy and management processes;
- Formalisation in statutes, regulations, procedures.

6. Gender policy

Indicates whether an organisation is aware and actual includes gender issues in their activities. Consists of gender representation and gender mainstreaming in the following bodies:

- Governmental/parliamentary consultative commissions;
- Civil society co-operation linkages (in country);
- Research institutes;
- International memberships;
- International relations.

It furthermore considers:

- The participation of women in the development of propositions to government;
- Equal representation of women within the organisation;
- Expertise of women's issues within the organisation;
- The extent to which gender is considered in the vision, mission and strategy;
- The formalisation of gender in statutes, regulations and procedures;
- Extent to which gender is considered as part of programmes and services;
- The role of women in deciding on policy within the organisation;
- The financial resources dedicated to gender programmes (% of total);
- Female members in the Board of Directors (% of total)

7. Income Diversification

This indicator shows the extent to which an organisation depends on one sole (or very few) sources of financing. A high percentage of this indicator implies that there are multiple sources of income, and that the organisation does not depend exclusively on external donors. The following information is considered:

- Total income;
- Income from membership fees;

- Income from services for members;
- Income from services and contracts for third parties;
- Income of own economic activities, including capital investment

8. Organisation degree

This indicator tells us something about the extent to which the organisation is capable to attract new relevant members within their sector. The indicator is obtained by dividing the number of represented members of the organisation by the potential number of represented members.

APPENDIX 3: Explanation of financial indicators

1. Income Diversification Indicator

The Income Diversification Indicator shows to what extent the organisation is independent from one or very few sources of financing. A high rating of this indicator signifies that there are multiple sources of income and that the organisation does not exclusively depend on external donors. The Income Diversification Indicator is also one of the 'leading indicators' of the organisation (see Appendix 1).

2. General Liquidity Ratio

The liquidity ratio measures the payment capacity that the organization has to face its short term debts, in other words, the cash available with which to cancel debts. The ratio expresses not only the handling of the total finances of the organization, but the management capacity to turn certain active and passive accounts to cash. The *general* liquidity ratio is obtained by dividing the current assets by the current liabilities. Here, the current assets basically include cash, bank accounts, receivables, stocks and bonds, and inventories.

$$\text{General Liquidity} = \frac{\text{Total current assets}}{\text{Total current liabilities}}$$

3. Solvency Ratio

The solvency ratio indicates the financial standing (payment capacity) of the organization to fulfil its short-term obligations. In other words, it shows the relation between the organisation's equity and debts. It is obtained by dividing equity by the result of the total balance:

$$\text{Solvency} = \frac{\text{Equity}}{\text{Balance total}}$$

4. Rentability Ratio

The rentability ratio measures the effectiveness of the management of an organization, demonstrated by the obtained profit of sales and investments. These utilities are the product of a competent administration, intelligent planning, integral reduction of costs and expenses. The ratio is obtained by dividing the total balance (income – costs, or earnings before taxes) by the result of the total balance (current liabilities + equity):

$$\text{Rentability} = \frac{\text{Total Result (Income – Costs)}}{\text{Result Balance Total (Equity + Current liabilities)}}$$

5. Dependency Ratio

The (economic) dependency ratio is obtained by dividing the obtained income from governments and/or foreign subsidies (and donations) of by the total income. The smaller the relation between subsidies (and donations) and the total income, the more financially independent is the organisation in carrying out her operations, making her more sustainable in time.

$$\text{Dependency} = \frac{\text{Subsidies and Donations}}{\text{Total Income}}$$

6. Activity Ratio

La tasa de actividad da una indicación de cuánto dinero circula dentro de una organización en relación a sus fondos totales. Se obtiene la tasa haciendo una división de los ingresos totales por el promedio del balance de 2 años:

The activity ratio gives an indication of how much money circulates within an organization in relation to its total funds. The rate is obtained by dividing the total income by the average of 2 years' balances:

$$\text{Activity} = \frac{\text{Total Income}}{\text{Total Balance (average of 2 years)}}$$

7. Continuity Ratio

The continuity ratio shows what part of one year's activities (expressed in a percentage) can continue if the organisation's income were to come to a halt and would have to cover its operations with equity held:

$$\text{Continuity} = \frac{\text{Equity}}{\text{Total Costs}}$$

APPENDIX 4: Questionnaire

ORGANISATION	ACCU	YEAR PROFILING: 2006
COUNTRY / REGION	Asia	YEAR IN RETROSPECT: 2003

COUNTRY INDICATORS	2002	2003	2004	2005	2006
Population x 1,000	477,948	3,823,389	no data yet	no data yet	no data yet
Rural Population x 1,000	2,333,125	2,341,989	no data yet	no data yet	no data yet
EAP (Economic Active Population) in Country x 1.000	1,903,976	1,153,378	no data yet	no data yet	no data yet
EAP in Agriculture x 1.000	1,050,739	1,055,987	no data yet	no data yet	no data yet
EAP Female in Agriculture x 1.000	466,439	469,273	no data yet	no data yet	no data yet

ORGANISATION INDICATORS

Organisation was founded in	1971	W.A.S. = Weighted Average Score R = Retrospective
Main activity (interest representation, economic, training/education)	Interest Repr.	
Legal status (cooperative, association, enterprise, other)	Association	
Working level (international, national, provincial, district, local)	International	
Number of organisational layers	4	
Organisation targets agricultural population only (yes = 1, no = 0)	0	
Organisation targets women only (yes = 1, no = 0)	0	

	Score								W.A.S.	
A. Presence in governmental/parliamentary commissions	LO/CTA		Board		Extern		Members		A	
	2006	2003	2006	2003	2006	2003	2006	2003	2006	2003
Presence in savings and credit regulatory bodies of cooperatives in all membership countries	7	7	6	8	7	6	8.7	8.0	7.3	7.3
Presence in apex bodies for general cooperatives in most membership countries	7	6	6	3			8.7	8.0	7.4	6.0
UN consultative status (pending for may 2006)	6	0	5	0			6.7	3.0	6.0	1.1
	Overall appreciation								71%	57%

Participation of women	7	6			7		7.0	6.5	0.7	0.625
Mainstreaming of gender issues	8	7			7	6	7.5	7.0	0.7	0.675
Functions and influence										
Lobbyist	8	7	7	4			8.0	6.3	7.8	6.0
Lobbyist			6	5			7.7	5.7	7.0	5.4
Consultation partner	7	7	6	0			6.5	0.0	6.6	0.0
Overall appreciation									71%	38%

	Score								W.A.S.	
B. In-region cooperation linkages (NGOs, cooperatives, associations, governmental agencies, etc.)	LO/CTA		Board		Extern		Members		A	
	200	200	200	200	200	200	200	200	200	200
	6	3	6	3	6	3	6	3	6	3
INAFI International Network for Alternative Finance			8	0			8.0	0.0	8.0	
APRACA Asian Pacific Rural Agricultural Credit Association			9	6			7.5	6.5	8.1	6.3
Card Bank (Philippines); NGO now finance bank	7		9	0			7.0	0.0	7.5	
SEED (Sri Lanka) biggest micro-finance institution	7		7	0			8.0	0.0	7.4	
	Overall appreciation								85%	75%
Participation of women	7	7	6	6			5.5	5.0	62%	60%
Mainstreaming of gender issues	7	7	6	6			6.5	5.0	66%	60%
Functions and influence										
INAFI – resource persons; facilitators			6	0			6.0	0.0	6.0	
APRCA – strategic partner			8	6			5.5	5.0	6.5	5.4
Card Bank – share resources	7		8	0			5.5	2.5	6.7	1.5
SEED – paying party for training	7		5	0			6.0	0.0	6.1	
	Overall appreciation								64%	35%

	Score								W.A.S.	
C. Cooperation with research institutes	LO/CTA		Board		Extern		Members		A	
	200	200	200	200	200	200	200	200	200	200
	6	3	6	3	6	3	6	3	6	3
KASETSART University (Thailand)			8	8			5.5	5.5	6.5	6.5
National Institute for Cooperative Studies (Sri			8	7			7.0	7.0	7.4	7.0

Lanka)										
ACCI – Agricultural Credit Cooperative Institute (Philippines)			7	7			7.0	7.0	7.0	7.0
SEARSOLIN (South East Asia Rural Social Leadership Institute) Philippines			9	9			7.5	7.0	8.1	7.8
	Overall appreciation								82%	81%
Participation of women			6	6			4.5	3.5	51%	45%
Mainstreaming of gender issues			6	6			5.3	5.0	56%	54%
	Score								W.A.S.	
D. Quality policy proposals to the government	LO/CTA		Board		Extern		Members		W.A.S.	
	200 6	200 3	200 6	200 3	200 6	200 3	200 6	200 3	200 6	2003
Separate Law for Savings and Credit Cooperative from general cooperative Law	7	6	8	7	8	7	7.0	5.7	7.4	6.3
Make standardization (operational efficiency, financial viability = PEARLS prudential standard, member satisfaction, market positions)	8	7	8	8			8.7	7.0	8.3	7.3
Law for prerequisites for board membership (competency training program); prevent politicization of the organization	8	7	8	7			8.0	6.3	8.0	6.8
Tax exemptions for SACCOS	7	7	7	7			6.5	5.5	6.8	6.4
	Overall appreciation								84%	78%
Participation of women	7	7	6	5	7	6	6.8	6.2	68%	62%
Mainstreaming of gender	7	7	6	6			6.3	6.0	65%	64%

	Score								W.A.S.	
E. International memberships	LO/CTA		Board		Extern		Members		A	R
	200 6	200 3	200 6	200 3	200 6	200 3	200 6	200 3	200 6	2003
International Cooperative Alliance (ICA)	6	6	8	8			7.5	7.0	7.1	6.9
World Council of Credit Union (WOCCU)	7	5	7	7			8.0	8.0	7.4	6.6
International Raffeisen Union (IRU)	7	7	7	7					7.0	7.0
International Cooperative Banking Association (ICBA)			6	0			5.0	0.0	5.4	
	Overall appreciation								78%	79%
Participation of women			3	3			5.3	5.0	44%	0.42
Mainstreaming of gender issues			5	5			5.5	5.0	53%	0.5
Functions and influence										
ICA – member	6	6	7	5			5.0	5.0	5.9	5.4
WOCCU – affiliate member since 2001, before: regular member	7	5	6	2			6.3	6.0	6.5	4.6
IRU – member	7	7	5	5					6.2	6.2
ICBA – member, considering withdrawal			3	0			4.3	0.0	3.8	0.0
	Overall appreciation								56%	41%
	Score								W.A.S.	
F. International Relations	LO/CTA		Board		Extern		Members		A	R
	200 6	200 3	200 6	200 3	200 6	200 3	200 6	200 3	200 6	2003
UN Economic and Social Commission for Asia and the Pacific (ESCAP)	7		9	9			6.0	6.0	7.1	7.2
FAO	6		9	9			6.5	6.0	6.9	7.2
ILO	8		9	9			5.0	5.0	7.1	6.6
Microcredit Summit	8		8	8			8.0	8.0	8.0	8.0
	Overall appreciation								82%	82%
Participation of women	7		2	2			4.5	4.5	48%	35%
Mainstreaming of gender issues	7		6	6			5.0	5.0	60%	54%

G. Participation of members in consultation and training in the last year (2005)	Men reached		Women reached		Total	
	200	200	200	200	200	200

	6	3		6	3		6	3
Technical programmes (production, trade, standards, etc.)	36	155		19	90		55	245
Policy proposals and evaluation	391	898		311	610		702	1508
Organisational issues	695	214		710	259		1405	473
Other programs	0	0		0	0		0	0
Total	1,122	1,267		1,040	959		2162	2226
Equal gender representation							96%	86%

	Score								W.A.S.	
H. Qualitative features	LO/CTA		Board		Extern		Members		A	
	2006	2003	2006	2003	2006	2003	2006	2003	2006	2003
1. Willingness to deliberate and consult with other actors	8	8	9	8	7	6	8.3	8.3	81%	77%
2. Own enterprise as aspiration (products or services e.g. insurance)	8	7					7.3	7.3	77%	72%
3. Commitment of the PO to encourage participation at all levels	8	8	9	9	8	7	8.7	8.7	84%	82%
4. Presence in media	7	7	8	8			6.0	5.5	69%	67%
5. Image in the media	8	8	9	8			7.0	6.5	79%	74%
6. Means of external communications (Web-site, publications, etc.)	8	7	8	8	8	7	8.3	7.3	81%	73%
7. Means of internal communications (newsletters, e-mail, etc.)	8	7	9	9			8.7	8.0	85%	79%
8. Real protest (=low) or proposals (=high)	7	6	7.5	7.5	6	6	6.7	6.3	68%	64%
9. Ability to mobilize people	8	7	9	9	7	7	8.3	8.0	81%	77%
10. Expertise on gender issues	8	7	8	8	8	8	6.3	6.3	75%	72%
11. Recruitment of staff with expertise	8	8	9	9	7	7	8.3	8.0	81%	80%
12. Separation of policy and management processes	8	8	9	9	7	7	8.3	8.3	81%	81%
13. Formalisation in statutes, regulations and procedures	9	8	9	9	7	7	8.3	8.0	84%	80%
14. Real internal protest possibilities members	8	8	9	9	7	7	7.7	7.7	79%	79%
15. Real possibilities to change board prematurely	6	6	8	8	7	7	8.0	8.0	72%	72%
16. Quality of the PO's strategy document	8	8	9	9			8.7	8.3	85%	84%
17. Representation of members at general assembly	8	8	10	10	7	7	9.0	8.7	85%	84%
18. Participation of members in policy-making and preparation	7	7	9	9			8.7	8.7	81%	81%
19. Gender as part of vision, mission and strategy	8	7	9	9	7	7	8.0	8.0	80%	77%

20. Gender as part of policy content in statutes, regulations and procedures	7	7	9	9			8.0	8.0	79%	79%
21. Gender as part of programmes and services	8	7	9	9			7.7	7.7	81%	78%
22. Role of women in policy- and decision making	7	7	3	3			4.3	4.3	50%	50%
23. Possibility for women to gain full membership at local level	9	9	10	10			9.3	9.3	94%	94%
24. Expertise of visits of foreign delegations	8	8	9	9	7	7	8.7	8.7	82%	82%
25. Quality of visits abroad	8	8	8	8	7	7	8.3	8.3	79%	79%

I. Financial resources (in USD)	2002	2003	2004	2005	2006
Annual financial (profit/loss, balance) statement? (yes = 1, no = 0)	1	1	1	1	1
Total income	835,139	994,632	1,119,856	1,044,611	887,683
Income from membership fees	89,768	93,910	105,121	109,828	111,950
Income from services for members	19,861	21,252	23,332	37,969	54,000
Income from services and contracts for third parties	19,861	21,252	23,332	37,969	10,000
Income from own economic activities (including capital investment)	42,349	52,268	64,472	72,096	58,333
Income from local donations for projects	442,200	537,300	602,400	524,500	435,600
Income from international donations for projects	221,100	268,650	301,200	262,250	217,800
Income from public (governmental) subsidies	0	0	0	0	0
Financial resources allocated to gender programmes (as % of total)	18%	19%	17%	18%	15%

J. Members and staff	2002	2003	2004	2005	2006
Number of salaried board members	0	0	0	0	0
Number of unpaid board members (volunteers)	5	5	5	5	5
Number of paid staff	6	6	6	6	6
Number of unpaid staff (volunteers)	0	0	0	0	0
Number of member organisations	19	19	24	25	30
Potential number of member organisations	24	24	30	35	35
Household membership registration system (yes = 1, no = 0)	1	1	1	1	1
Number of board, staff, volunteers of member organisations (in case of umbrella organization, this is	1,092	1,092	1,379	1,437	1,724

the target group for training)					
Number of female members (as % of registered members)	50%	50%	50%	50%	50%
Number of represented members (households)	10,620,000	11,656,000	11,867,835	12,500,000	32,257,439
Potential number of households to be represented (target group)	820,000,000	820,000,000	820,000,000	820,000,000	820,000,000
Average number of years board members are in charge	4	4	4	4	4
Female board members (as % of total)	0%	0%	20%	0%	0%
Circulation members' newsletter x frequency of publication	4,000	4,000	4,000	4,000	4,000
Presence of annual report (yes = 1, no = 0)	1	1	1	1	1
Formal general assembly	1	1	1	1	1

	Developed members (Korea, Taiwan, HK, Japan)	Consolidation members (Thailand (2), PNG, Malaysia)	Developing members (Bangladesh, Nepal, Philippines (2), Sri Lanka, Vietnam, Indonesia, India (Maharashtra))	Emerging members (Cambodia, India (DPG), Iran (MAMCU), Mongolia, Russia, Pakistan, Iran (CCCU))	Total
K. Membership according to category (2004)	2006	2006	2006	2006	2006
Membership (households) in the organization per category	5,027,464	2,776,913	23,861,392	591,670	32,257,439
Size of target group (households) per category	24,100,000	11,500,000	733,000,000	51,500,000	820,100,000
Representation of category in board (yes = 1, no = 0)	1	1	0	0	50%

Members (households) of other farmer organisations per category

RCBA – Regional Cooperative Banking Association			3,000,000	1,000,000	4,000,000
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L. Services	Planning & Dev't (interest repr.)		Member Service (training, assessment)		Marketing (brochures, banners)		Business Dev't (for third parties)		Total	
	2006	03	06	03	06	03	06	03	2006	03
Turnover latest year	111,950	93,910	54,000	21,252	0	0	10,000	21,252	175,950	136,414
M. Enterprises	1.....		2.....		3.....		4.....		Total	
Turnover latest year									0	0
Total turnover of services and enterprises (% of total income)	13%	11%	6%	2%	0%	0%	1%	2%	20%	15%

LEADING INDICATORS	2006	2003	Completeness of Info	2006	2003
1. Representation Indicator	76%	65%		67%	63%
2. Participation Indicator	83%	91%		94%	71%
3. Accountability Indicator	87%	87%		100%	100%
4. Strategic Potential Indicator	73%	70%		73%	73%
5. Professional Capacity Indicator	82%	80%		100%	100%
6. Gender Indicator	67%	65%		78%	76%
7. Income Diversification	43%	35%		100%	100%
8. Organisation degree	3.9%	1.4%		n.a.	n.a.
9. Cooperation with research institutes	82%	81%		50%	50%
10. Dialogue with government	78%	74%		100%	100%
11. Participatory Policy Research	51%	48%		100%	100%



2006 Profiling Series - ACRONYM

Capacity (Average of 7 – 10)					
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APPENDIX 5: ACCU's Own SWOT; Assessment of Credit Unions, ACCU's members and ACCU itself

In the same way that members identified their SWOT, ACCU also spends time analyzing its own Strengths, Weaknesses, Opportunities and Threats. The summary is enclosed as part of this document (see appendix 5).

Among the strengths highlighted is the strong partnership relationship with the donors (CUFA, CCA, Cordaid, AgriTerra, and Irish League of Credit Unions). Significant development relationships are also in the pipeline like the Japan Foundation Asia Office. However, the trend of financial support from the development partners is phasing out and ACCU can no longer rely on financial support to pay for the salaries of technical staff. Activities currently supported by our partners are the direct delivery of development services to member organizations. Further, ACCU has to deal with the credit union challenges across Asia, but development partners have a specific country of focus, with most interest at present focused on countries in transition like Cambodia, Laos, Vietnam and Mongolia.

ACCU has built its credibility as a regional networking body of credit unions in Asia over the 32 years of its existence. The recent collaboration with UN-ESCAP, APDC and APRACA has enhanced the status of ACCU as a regional organization. At present, we are listed among the top 10 networking organizations with an outreach of 2.2 million poor families at the Micro Credit Summit Campaign.

There are quite a number of opportunities in the Technological side of credit union operation. There are three software solutions initiating collaboration with ACCU. These IT companies want economy of scale in dealing with the credit union market.

Over the years, ACCU has worked hard to establish relationships with government regulators. It has been successful in establishing linkages with the Cooperative Departments in the Philippines, Bangladesh, Nepal and Sri Lanka. However, this may not have permanence because of the political situation in each country. ACCU has to continually work on this line to advocate a level playing field for credit unions.

Recognizing the need for constant change and development, ACCU has to focus on quality documentation of training manuals, best practices, and management tools. Along with this need is a continuous strengthening of ACCU's human resource capacity. Our human resources should seek personal and professional growth at all times. This would mean ACCU staff should always be in quest of new knowledge and greater challenges, striving to remain on the leading edge of our respective professions.

ACCU staff is expected to always be open for change and continually self-renewing to meet the growing and diverse needs of members.

EXTERNAL ENVIRONMENT OF CREDIT UNIONS

ACCU takes advantage of the opportunities and analyzes the threats posed by the external environment to member-organizations so as to respond to any possible challenges. The challenges

to ACCU's member organizations from the East to the South are very diverse due to varying economic, environmental and cultural differences. It is therefore essential that this plan should be strategically focused based on the most urgent needs of each movement.

The membership penetration of credit unions in Asia is still insignificant at 0.38% of the total working population. With the exception of Korea and Sri Lanka, all member organizations have less than 1% membership penetration and according to members' feedback on the questionnaire, the following are major threats to credit unions:

- Low public awareness of credit unions –this is true for the majority of ACCU's member organizations. The reality was revealed in the survey conducted by ACCU under the Project on Professionalization. "Do not know credit union" ranks the top answer and in second place "No time for the pre-membership seminar." The question then arises. Do credit unions know the market pulse?
- Aggressive players in the financial market in Bangladesh are new players like Microfinance Institutions. However, in countries throughout East Asia it is the new financial services like pre-approved credit cards, charge cards, ATMs, % split payments offered to consumers who are also members of credit unions. For Southeast Asia it is a combination of both. While banks are introducing sweeping innovation to their financial services, Microfinance institutions are encroaching aggressively into credit union territory. People are increasingly mobile today because of their changing lifestyle, standards and choices in the market.
- Rising unemployment in the country as a result of the financial crisis that started in 1997 is still affecting the lives of many ordinary Asians and consequently since then employment opportunities have been very limited.
- Technology is turning out to be a double-edge sword. In earlier times, sending a telegram to another province would take two days, but in today's technology, it is only a matter of seconds. Technology is an advantage to credit unions if used appropriately but it has a cost. The question arises, can credit unions afford it or are they planning for it? Big credit unions attempted to computerize their operations by developing their own programs, with the resulting exposure to high costs producing limited results. Again, technological applications in credit unions are another test of how credit unions are willing to work with each other...i.e. Cooperation.

Credit unions in Asia lack an enabling regulatory environment. They are given registration to operate but without guidelines on how the operation should run according to market conditions. Credit Unions should not be seen as social organizations alone, because they are financial cooperative organizations and thus, should be viable and competitive. ACCU's member organizations have realized that the government should regulate credit unions. With the exception of Korea and Philippines, the Asian countries do not impose industry standards for credit unions. We recognize the value of self-regulation through the national federation; however, it is very difficult to impose because the national federation is still part of the structure. In imposing a standard, an independent institution should be responsible for supervision.

Further, members indicated in their feedback that they have established a relationship between the government and credit unions. The government has also a strong focus on poverty alleviation and therefore credit unions should strive to maintain close contact.

No doubt, a major market is still waiting for credit unions; this is an opportunity. The question is how do we enter this market? Credit unions do not even have market information regarding their existing members, so how do they measure the needs of potential members? Ask what your potential market is; it would then be a guessing game. If we only knew our market, we would be all winners. The young generation (18–25) is a large market, but they are the people fascinated with technology, fast and efficient service and tend to be mobile.

INTERNAL ENVIRONMENT OF CREDIT UNIONS

Credit unions have a number of weaknesses too. According to the survey, non-members of credit unions do not know us very well. We are perceived as less sophisticated and a less attractive choice for financial services. We lack connectivity, which disadvantages us in a highly mobile society, which is concentrated on the middle-income level population. However, in the low-income level sector of the population, we are even more inflexible with our financial services. Looking into the membership profile of an individual credit union, members with income below the poverty line is averaging to 2–5% of the total membership and in fact, Asia is the home for more than 800 million poor people.

Other important constraints are solely within the competence of the credit unions. Some examples are:

- A troublesome age-gap among the membership: The random survey results indicate the age demographics of membership in credit unions as less than 10% of membership aged 30 years and below. If we are not more successful in attracting and retaining younger members, our current membership base will erode over time and our growth prospects will diminish.
- A misinterpretation of the practice of “democracy” is hampering the efficient business operations in many credit unions: A practical example is the Board unknowingly interfering in the role of the General Manager of the credit union. This can be attributed to the absence of policies and guidelines for credit union operation.
- A delayed and often fragmented decision-making process: While the decision making process requires independent thinking and consideration of all points of view. The interest of the institution and its members must be the first consideration as opposed to any personal interest, which may arise.
- A serious lack of information about members/owners: Although credit unions know their members individually or even by name, they are still lacking detailed knowledge regarding the demographics of their members and consequently the ability to use it to

meet emerging needs. This ability is fundamental to effective relations marketing, and the gap between our capacity in this area and that of our competitors is growing.

- **Traditional product offerings:** This could be associated with the lack of market information. Credit unions loan and savings products are very general i.e. regular, special, and emergency loans. Credit unions should have a range of products and services that allow members to choose from according to their financial needs. Serious gaps lie along this line especially with wealth creation, which should be the main factor in cementing the relationship between members and their credit union. As a result, the vast majority of credit union members also have financial relationships with other competitors. A dangerous factor is that members tend to have only a credit relationship with credit unions because our rates are lower and the loan evaluation system is based on the amount of share capital the member holds.
- **Inability to offer inter-credit union connectivity:** This is indeed an urgent need. Technology is just within our reach but it is not working until now because many credit unions are hesitant to cooperate with the credit union next door. A single credit union cannot do this and it should be a collaborative effort of the movement catering for the mobility of our members. Many credit union members definitely have savings with the Banks because the ATM network enables access to savings possible anywhere (even outside the country) at anytime.
- **An equally serious lack of knowledge about sales culture:** Sales culture could turn around the operation of a credit union and while some credit unions have pioneered in this area, sales culture should be incorporated in the whole system not only in part. Branding is a way forward that needs to be explored to upgrade the image of credit unions. Moreover, a sales culture is not only advertising and branding, but it is also about the role of every person in the credit union with their day-to-day dealings with the members.
- **Lack of systems, procedures and policy guidelines for the prudent management of credit unions:** This is the fundamental requirement of any organization. However, credit unions in Asia, except Korea have no such comprehensive system to follow. Thus, the credit union sometime has a dilemma regarding the succession of volunteers. The existence of such a system would put in place guidelines for the organization to follow and enable monitoring of policy implementation. There are many problems arising through this deficiency such as high delinquency ratio because of undisciplined credit management, a credit oriented membership, inefficiency, and many others.

It is very clear that drastic changes have to be made in the credit unions of Asia and that ACCU has a role to play.

INTERNAL SITUATION OF ACCU'S MEMBERS		
Strengths	Member	Weaknesses
<ul style="list-style-type: none"> People are open to the idea of standardization and new management trends because of irregularities surfacing large corporations There are software for standard accounting for members' database and general ledger Benchmark system for evaluation of performance of the Board and Committee Most Asian countries have policy for the promo of SCCs Good number of cooperatives are gaining good public support as shown by their increase in assets and deposits Support received from ACCU, wide variety of trainings provided by ACCU Member credit unions are ready to pay for quality Availability of success stories of the practice of international standards for credit unions Evolving prudential standards Uniqueness of members as shareholders instead of customers 	NATCCO	<ul style="list-style-type: none"> Member organization's competence and capacity to strengthen credit unions
	CULHK	<ul style="list-style-type: none"> Low participation of the members of credit unions-decreased (developed movements)
	CULHK	<ul style="list-style-type: none"> Not Market orientated operation of credit unions – not market practices, no innovation on products, share base lending no market promotion, less interest and ability to apply money
	FSCT	<ul style="list-style-type: none"> Lack of financial disciplines such as lack of proper recovery loans, credit driven resulting to high delinquency
	NATCCO	<ul style="list-style-type: none"> Governance and Management-lack of entrepreneurial leadership in operation
	CCULB, PFCCO	<ul style="list-style-type: none"> Lack of Strategic Management and strategic marketing & management
		<ul style="list-style-type: none"> Aging leadership and lack of successors to replace them
	CCULB	<ul style="list-style-type: none"> Increasing number of members declared bankrupt causing delinquent loans to be written off from reserve fund
	PFCCO	<ul style="list-style-type: none"> Lack of education on credit union philosophy
	PFCCO	<ul style="list-style-type: none"> Creating strategic alliance with government and international supporting SCC
	CULHK	<ul style="list-style-type: none"> Enabling the SCC to fulfill their potential as effective tools for development Lack of information and research about cooperatives National federations are not more reliable and strong Low penetration of rate in Asia (.38%) and large potential demand Viability of credit unions Traditional management cannot cope up with the changes Lack of marketing materials, marketing skills, flexibilities and products available compared with other financial institutions Cannot cope with the speed of technological changes Poor monitoring of cooperatives, poor image and capabilities of organizations on branding, competing brands are global brands mentality of leaders

EXTERNAL SITUATION OF ACCU'S MEMBER		
Opportunities	Member	Threats
<ul style="list-style-type: none"> Various government agencies are willing to help and have similar initiatives–this could be exploited Basic prudential standards (CCOP-PESOS), framework with legal support, Standard Chart of Accounts approved for credit unions on March 20, 2002 Friendly relationship with the Cooperative department, they also have interest in cooperative sector, good image of the credit union movement in the Coop Ministry and new coop law in the country Work is on-going; legislators and government agencies are receptive A coop Technical Working Group started the drafting of the proposed bills to support coops Standard ordinance and by laws for different countries A big market that could be penetrated to gain market share (Youth, women, and poor) Social responsibility and accountability gaining support by both civil society and government A strong focus of government to penetrate the “have Less” Educated young generation 	NATCCO	<ul style="list-style-type: none"> For developed countries –New services available in the market, approved credit cards, charge interest split payments offered For developing countries–aggressive players in the financial market, MFIs, the government support microfinance, NGOs, bank for Rising unemployment in the Lack of public confidence on Legislations not favorable for such as abolition of share capital, the interest rates Low public awareness on credit Attention of the regulators too low, and priority is low as with Banks has more to offer in technology and they are entering the union's market. Fast pace of technological b
	NATCCO	
	CCULB	
	NATCCO	
	NATCCO	
	CULHK	
	CCULB, FESALOS	
	NATCCO	
	PFCCO	
	CCULB	

INTERNAL SITUATION ACCU	
Strengths	
<ul style="list-style-type: none"> Should development partners stopped support, has accumulated resources sufficient to continue development work with member organizations for at least 5 years Developed credibility in the Asia region as a networking body for credit unions Developed partnerships with bilateral and parallel organizations like UN-ESCAP, APDC, and APRACA Have developed pool of technical expertise that could be tapped for member services Has started the focus on addressing issues on professionalism, market penetration and marketing Have established contacts with government regulators in Bangladesh, Philippines, Nepal and a good potential for other countries too. Established Team spirit among the Team Members in Bangkok. 	<ul style="list-style-type: none"> Lack of quality manuals, best p Lack of human union that coul The increasing enumerated by delinquency, lo members' capa Vulnerability of NEFSCUN) Lack of tools in members.
EXTERNAL SITUATION ACCU	
Opportunities	
<ul style="list-style-type: none"> Should development partners stopped support, has accumulated resources to continue development work with member organizations for at least ___ years Developed high profile credibility in the Asia region as a networking body for credit unions The present trend in microfinance emphasizing on "poor's ownership" of the financial institution, which is a cooperative model. CCA's increasing confidence to ACCU as indicated by its Project Manager for Asian and Eastern Europe. He proposed that the upcoming projects of CCA would have ACCU's involvement. Strong partnership with existing development partners such as Agriterra, Cordaid and CUFA Software companies are paying respect to ACCU and would like to deal with ACCU instead of going from country to country. (I-Flex, Microfinance Manager) 	<ul style="list-style-type: none"> The continuation of the hamper the members' p ACCU's forum serves as WOCCU's "Open Up" po member of WOCCU. Unresolved issue on WO WOCCU's indication tha implementing their proj WOCCU's presence in A Possibility of not attract Possibility of losing the financial problem Most likely stopping of because of they have pu

#of families gaining access to the financial services of credit unions