

# ACCUnews<sup>®</sup>

*Quarterly publication of the Association of Asian Confederation of Credit Unions*

*January to March 2008*

Credit Union



*People Helping People*

## ICU Day Celebration

*IN HONOR of His Majesty*

*King Bhumibol Adulyadej of Thailand*



## Unveiling Youth Financial Products



CUDCC in Bangkok



CEO Exposure in Canada

The Association of Asian Confederation of Credit Unions operates as a regional representative organization of credit unions and similar cooperative financial institutions in the region of Asia. ACCU is representing 34.9 individual members from 49,176 credit unions in 23 countries in Asia. ACCU works in partnership with its member organizations [apex body of credit unions] to promote and strengthen credit unions as vehicles of community development and socioeconomic development of people.



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**ASIAN CREDIT UNION FORUM 2008 - September 25-27**  
**Pre Conference Workshops: CEO, HRD, YOUTH AND WOMEN**  
- September 22-24  
**Dhaka, BANGLADESH**



## Credit Unions Helping People Help Themselves

*If we give them what they need most – **opportunities**  
– we will see real and lasting improvements in their lives.*

**Mr. Oh-man Kwon**

*President - ACCU*

Helping for the poor is a righteous undertaking. No matter how well intentioned credit unions are, our work would not be effective if we simply provide services for them. The more we give poor people what they can learn to do for themselves, the more we strengthen their dependency. However, if we give them what they need most – **opportunities** – we will see real and lasting improvements in their lives.



A job is necessary; however, poor need to be integrated into the economy. In addition to employment, it is important that the poor people learn to manage their money, how and where to save it. Thus, credit unions should be very innovative in responding to the needs of its members. People have reasons to save – to prepare for future expenses and to create wealth. Thus, credit unions need a very

Credit unions must provide opportunities to poor and disadvantaged people in our communities. We need to realize that our job as a credit union is not just to cure the poor from their poverty through our programs. We need to view them as people to respect and build relationships on, instead of treating them as market to sell our financial products.

Credit unions achieving financial success must always reflect back on its original purpose - helping people help themselves. The true essence of Helping People Help Themselves is to provide deserving people with the tools and resources they need to significantly improve their lives and the lives of those around them. Credit unions should strive hard to innovate the tools they can offer to the poor.

The greatest anti-poverty program is a job. Instead of just providing financial services in a poor community, credit unions need to help them meet their needs through a business that poor people can learn to operate themselves. Credit unions need to know that poor setting up their businesses will benefit the community in long-term ways, because it will give the poor opportunities to earn money and gain job skills.

special competence to be able to counsel its members on how and what to save. Every individual has a dream and financial needs arise to fulfill each and everyone's dream. Credit unions should be cautioned that giving loan is not the ultimate financial solution; however, we need to first consider that low-income persons have capacity to save. By exercising financial discipline and proper money management, no doubt low-income persons could increase their capacity to save.

The CUMI methodology has emphasized important aspects of working with the 'have less' – acquiring the habit of thrift, self-confidence, building relationships, bonding, and cooperation. We totally understand that CUMI is challenging the poor to take responsibility for their lives while on the other corner of your community, credit oriented programs are thriving. We are urging our credit union leaders to take a plunge into working with the low-income and poor people because this is our mission. We must always remember that more than two thirds of the world's poor people live in Asia, and nearly half of them are in Southern Asia. ACCU is constantly innovating CUMI to suit to the current needs and challenges. We urged you to get involved, because credit unions can give hope and opportunity to many deserving people in this part of the world.

## Regional Event



## Regional CUDCC Held in Bangkok

*Involved and active Boards ensure the delivery of excellent services by the credit unions.*

“We are going back to our country with fresh challenge, renewed vision and new knowledge to grow and transform our credit unions,” said Mr. Lalit the Chairman of Gampaha District SANASA at the closing of the 2<sup>nd</sup> Regional Credit Union Directors Competency Course organized in Bangkok, Thailand on December 3-10, 2007. Twenty-three (23) Board of Directors attended the course from Sri Lanka, Nepal, Philippines and Indonesia. The Ambassador (designated) of Sri Lanka to Thailand, Prof. J.B. Dissanayake inspired the participants especially his 18 fellow Sri Lankans by gracing the opening program.

Involved and active Boards ensure the delivery of excellent services by the credit unions. The quality of their leadership is the most important factor in credit union's sustainability. It is critical that the Board commits to a continuing professional education to acquire the necessary competence and skills to direct the operation of credit unions. CUDCC provides opportunity for Board to acquire the required competence.

The exposure to successful credit unions in Thailand and attendance to the International Credit Union Day Celebration of

CULT on December 9 were value-added for participants in attending the course. The participants toured the new building of Klongchan Credit Union before participating on the merit making celebration in honor of His Majesty the King Bhimibhol Adulyadej's 80<sup>th</sup> birthday on December 5.

“Klongchan CU building is stunning, well-planned, and very professional,” said Mr. Munaldus of Indonesia. I feel I still have more things to do in my credit union, he added. The participants have to complete 10 credit union projects as post course assignment, a requirement for the completion of CUDCC.

ACCU organized a regional CUDCC and CUCCC at least once a year to give opportunity for leaders to get exposure to credit unions in Thailand. Currently, ACCU members in the Philippines (NATCCO and PFCCO) and Thailand have successfully adopted the courses on fee basis. NATCCO and PFCCO perceive high demand for the course in the event of the approval of Memorandum of Rules and Regulations (MORR) for savings and credit cooperatives, where training for credit union directors is compulsory.



# CEOs Explore Canada's Credit Union System

*CEOs were impressed on the professionalism, prudent operation, unified system, quality products & services, supportive internal and external regulatory framework that promotes growth & competitiveness.*

## Regional Event



Four CEOs from Bangladesh (Ratan F. Costa), Malaysia (R. Gopalsingam), Philippines (Dave Pajaron, Jr.) and Thailand (Anan Chatrupracheewin) braved the Canadian winter for the first CEOs Exposure to Canada on November 12-21, 2007. "The cold weather was the reverse of the warm hospitality and wholeheartedness of our hosts to share their experiences," said Anan of Thailand.

The schedule of the program was well organized which, allowed us gain an overall understanding of the Credit Union System of Canada, according to Gopal. Standard Sound Business Practices, Governance and Risk Based Monitoring, mandatory liquidity management for each credit union are vital services of the National Federation appreciated by CEOs. The CEOs also saw the need to advocate consolidation, amalgamation and mergers of credit unions with the national federation providing technical and advisory support. Ratan mentioned that amalgamation is quite a challenging job for Asian countries considering the legal back up that would permit its efficient implementation. The CEOs were impressed on among others, the professionalism, prudent operation, unified system, quality products and services, supportive internal and external regulatory framework that promotes growth and competitiveness. The Philippine CEO Dave Pajaron said he

particularly appreciated the visit to the Stabilization Fund of the Credit Union Central of British Columbia as NATCCO and PFCCO are stepping forward to the establishment of Stabilization Fund.

The exposure included the visit to Van City Credit Union, the largest credit union in Canada, First Saskatoon CU, Credit Union Central of British Columbia and Saskatchewan, Concentra Financial and Financial Services Commission in BC and Saskatchewan. 4.9 million Canadians and business owners are the grassroots 'shareholders' of cooperative financial services (credit unions) with combined assets of approximately CDN\$88 billion, according to Credit Union Central of Canada.

The Canadian Co-operative Association under the current project with ACCU supports the program. Mr. Derek Cameron, CCA's Project Officer coordinated the exposure. ACCU commits to provide platform for CEOs of member organizations to build and expand their competence and vision for the movement. The four CEOs are getting ready to share their learning at the CEOs workshop this coming March 24-28 in Korea.

# Regional Event

## Facts about Timor- Leste

**National name:** Republika Demokratika Timor Lorosa'e/  
Republica Democratica de Timor-Leste

**President:** Jos  Ramos-Horta (2007)

**Prime Minister:** Xanana Gusm o (2007)

**Total area:** 5,641 sq mi (14,609 sq km)

**Population (2007 est.):** 1,084,971  
(growth rate: 2.1%); birth rate: 26.8/  
1000; infant mortality rate: 44.5/1000;  
life expectancy: 66.6; density per sq mi:  
192

**Capital and largest city (2003 est.):**  
Dili, 50,800

**Monetary unit:** U.S. dollar

**Languages:** Tetum, Portuguese  
(official); Bahasa Indonesia, English;  
other indigenous languages, including  
Tetum, Galole, Mambae, and Kemak

**Ethnicity/race:** Austronesian  
(Malayo-Polynesian), Papuan, small  
Chinese minority

**Religions:** Roman Catholic 90%,  
Islam 4%, Protestant 3%, Hindu 0.5%,  
Buddhist, animist (1992 est.)

**Literacy rate:** 58.6% (2002)

**Economic summary: GDP/PPP**  
(2004 est.): \$370 million; per capita  
\$800.

**Inflation:** 1.4%.

**Unemployment:** 50% estimated;

source: <http://www.infoplease.com>



In the midst of political turmoil, rebellion and violence, people of Timor Leste find optimism in rebuilding their lives and communities through credit union, according to Tutuk Ekawati, ACCU technical person. In collaboration with the Ministry of Development and Economy of Timor Leste, Tutuk conducted a fact-finding mission on December 14-23, 2007 aimed at preparing a program to rehabilitate and strengthen credit unions. "After the new was government installed in 2007, the environment in Timor is getting better and we now began the development of public infrastructure," explained Mr. Novanto Agus, Advisor for Secretary of State Rural Dev't. and Cooperative under the Ministry. He said the visit of ACCU was timely as the government is currently preparing a development plan to support the establishment and strengthening of the credit union system.

Leaders of nine credit unions attended the workshop during the mission. Increasing membership, mobilizing internal funds, building institutional framework, training leaders and strengthening the secondary tier organization were found to be most urgent. In 1990, 50 pre-credit unions were organized with the support of CUCO Indonesia, of which 18 were registered. A national federation was also established in 1994. Nine credit unions and the national federation could still be traced but badly need resuscitation.

Credit unions can present Timorese an opportunity for capital access to start livelihood and rebuild wealth. ACCU has seen credit unions as vehicles to promote peace and unity. ACCU is preparing another technical mission in February. The Credit Union Foundation Australia provides financial support for the mission.





## Member Event



# Thai ICU Day: Beyond Message of Solidarity

*Leaders reaffirm strong commitment to build safe and sound credit union system in Thailand*

More than 10,000 credit union supporters across Thailand gathered in Petchaburi for the grand celebration of the International Credit Union Day. The celebration was especially dedicated in honor of His Majesty King Bhumibol Adulyadej of Thailand, who turned 80 years old on December 5. The two days celebration kicked off with the planting of 10,000 palm trees and releasing of 100,000 horse crabs at Princess Sirindhorn International Environmental Park on December 8. Attendees also joined the parade and educational forum on the 2<sup>nd</sup> day, and then culminated with a banquet dinner and cultural program on the eve of December 9. Gen. Sonthi Boonyaratglin, Deputy Prime Minister and Assoc. Prof. Dr. Theerapat Serirangsan, Minister to the Prime Minister's Office witnessed the commitment of leaders to credit union ideals. The leaders affirmed their commitment in a written 2007 ICU Day declaration.

## 2007 International Credit Union Day Declaration of Thai CU Movement

We, members of credit unions in Thailand join the 172 million individual members of 64,000 credit unions in 97 countries around the world in declaring the great work of credit unions and demonstrate our commitment to be enthusiastically involved as articulated in the theme of 2007 International Credit Union Day: **"Credit Union: Together, We're Better"**

We are aware that the benefit of credit union is to develop the socio-economic condition of people. We are gathering together NOT only to show our solidarity to the public, but to reaffirm our strong commitment to develop our credit unions' effectiveness, professionalism, better image to members and public, quality services, competitiveness and continuously uphold the credit union ideals to people in the community.

The year 2007 is the greatest and golden year for Thai people; in this event, we humbly acknowledge and accept the Self-Sufficiency Economy principle initiated by His Majesty the King; to use the principle in our daily lives and in our credit union operation for the socioeconomic development of members, their families, communities and country as a whole.

## Member Events

### NEW BOARD CHAIR



**MR. JOHN F. RODRIGUES** is elected Chairman of the **Cooperative Credit Union League of Bangladesh** for a period of three years. Mr. Rodrigues was the Founding Treasurer of CCULB from 1979 to 1982, Director from 1982 to 1984 and Chairman from 1988 to 1990. He also served as Director of ACCU from 1987 to 1988. The new CCULB Chair has 41 years of credit union experience.



**MR. MIN RAJ KADEL**, the new Chairman of the **Nepal Federation of Savings and Credit Cooperative Unions** has 11 years of credit union credit union experience. He is also an active leader of various social organizations in Nepal. Mr. Kadel was the Vice Chairman of NEFSCUN prior to his election as Chair.

# ACCESS MOU Signing in the Philippines

*A covenant to Credit Union Excellence*



ACCU witnessed the signing of Memorandum of Understanding between PFCCO/NATCCO and four cooperatives marking the engagement of the federation's services for brand certification. The signing took place on December 20 in Manila, Philippines.

The Chairpersons and General Managers of two coops from PFCCO (San Jose Del Monte KBKI and Manatal Multi-Purpose Cooperative) and two coops from NATCCO (St. Martin Credit & Development Cooperative and NOVADECI) expressed their excitement being the first coops to be branded. The four coops also handed over the check for the first payment of technical fee to their national federations.

"We are committed to achieve the standards set by ACCESS. We have been using the tool in our planning and we need the technical assistance of our federations to achieve all of them," said NOVADECI General Manager, Tita Viesca. "We are aware of the amount of work during the certification process, that is why we appointed a branding team among our staff to work with the ACCESS auditors," shared by the General Manager of St. Martin, Christy Naigan. These coops can serve as models for other cooperatives in the country said Bing Cabal, NATCCO ACCESS auditor. This is really a commitment to excellence added Bing.

PFCCO and NATCCO are jointly implementing ACCESS branding on a fee for service basis. The on-site diagnosis has commenced in January 2008. Consequently, the branding department will come into being after the certification is completed. NATCCO and PFCCO plan to pool qualified ACCESS auditors into the system for nationwide accreditations in the future.





## 2nd PFCCO Internship

*Forms connections that will benefit Interns professionally and personally*

Nice and friendly credit union people, Filipino songs, fried noodles (pansit), churches, jeepneys, and traffic jam are some reminders of the Philippines according to four participants who joined the 8-day Internship Program organized by Philippine Federation of Credit Cooperatives (PFCCO) on November 28 to December 4 in Manila.

“We were welcomed wholeheartedly by Barangka Credit Cooperative, our host credit union. The Board and the staff were just very friendly; I would like to go back to BCC!” said Ms. Tan of FSCT-Thailand. During this program, participants formed connections that will benefit them professionally and personally. According to their sharing, they learn the various aspects of the internal mechanisms of credit unions (i.e., loans, deposits, investing, and marketing). Moreover, they made particular mention of the pre-membership seminar, microfinance, member loyalty programs as

some of the most important learning they gained.

San Jose del Monte KBK hosted Mr. Chie Yoon of NACUFOK; Parish of the Holy Cross Credit Coop hosted Ms. Aoy of FSCT and Barangka Credit Coope hosted Ms. Tan and Mr. Mongkol Thongkam of FSCT.

The second of its kind, PFCCO hosted one intern from Indonesia in 2006. “In our modest way, we in PFCCO are committed to offer an annual internship program to foster the spirit of cooperation among cooperatives,” said Dave Pajaron, GM. Dave pointed out that the internship is a two-way learning. “Most importantly, our credit union people are appreciating the whole difference of credit unions – where people are our most important asset and our relationship with one another - No matter what values and cultural differences we have, we are one,” added Dave.

## Member Events



### ACCU Continues Development Work in SANASA with Caution

Just barely a month ago after ACCU CEO Ranjith and L.B. Dasanayake, SANASA GM left Siyanbalandawa (Sri Lanka), a suspected roadside bomb detonated near a civilian bus in the town of Butalla, located approximately 124 mi/200 km southeast of Colombo, on 16 January 2008. Reports indicated that the blast killed at least 25 people and injured 67 others. The blast occurred just 12 kilometers of ACCU and SANASA Federation project site on credit union amalgamation. On December 14-17, Ranjith and Dasa laid down plans on the proposed amalgamation of credit unions in Siyanbalandawa District. ACCU and SANASA met the leaders of 8 credit unions who are willing to accept the changes introduced by the project. The project, supported by Cordaid is planning to amalgamate 13 credit unions into three. SANASA are the closest financial institutions for people. Despite security challenge, development work must continue with caution in Sri Lanka, stressed Ranjith.



## CU Financial Products for Youth Unveiled

*Credit Unions are ready to deliver great show to young people!*



More than 75 kids and teens went home with cheerful experience and gifts ranging from nibbles to school supplies after the launching of four youth financial products on January 30 at Petchaburi, Thailand. Excited General Managers and Chairmen of the ten pilot credit unions accompanied the children to participate at the launching organized by ACCU and CULT. The signing of the Memorandum of Understanding between ACCU-CULT and Credit Union, that took place on the same event, sealed organizational commitment to connect youth (35 below) to credit unions.

Four brands of Youth Financial Products were unveiled: Youthbee Savers for kids 12 below, Smarteen Savers for age 13-19, Gen X for age 20-35 and EASY Program for 20-35 out of school youth. CULT and ACCU developed marketing materials to communicate the benefits of the product brands to young people and their parents.

"If you want the youth market to take us [credit union] seriously,

we need to take them seriously – they are more brand savvy than what we think," said Ranjith. If you want the market to connect with your brand, it had better be ready to deliver a great show, added Ranjith. He thanked Agriterro for supporting the initiative.

Recognizing that young people have a keen awareness of what is cool and what is artificial, the partner credit unions and CULT assigned marketing team who clearly understands the lifestyles of young people and continuously innovate and enliven the youth market. The workshop conducted prior to the launching identified joint activities of partner credit unions that include Youth Sports Fest, Youth Camp, Drawing Contest and Youth Exhibition.

Remarkably, the partner credit unions targeted to reach 5,760 youth by the end of 2008 with total savings of at least Baht 2.9 million (US\$ 88,000). The target loans for Gen X [education loan] and EASY program [youth in microenterprise] is Baht 3.9 million (US\$ 117,000). More information can be found in the specially designed website for the program: [www.cuyouth.culthai.coop](http://www.cuyouth.culthai.coop).



## Mr. Supachai: Recipient of Thailand's Distinguished National Credit Union Development Award 2008

The Cooperative Promotion Department under the Ministry of Agriculture and Cooperatives announced Mr. Supachai Srisupaaksorn as recipient of the distinguished Recognition Award for National Credit Union Development 2008. The award is given to recognize the great contribution of Mr. Supachai to credit union development in Thailand that demands extraordinary personal commitment and sacrifice, according to the announcement by the Director General of CPD and Chairperson of the Selection Committee Ms. Supatra Thanaseniwat. Mr. Supachai is the first credit union leader to receive such kind of award from the government.

Mr. Supachai had a short stint in serving as President of ACCU from March to September 2006. His voluntary attachment to credit union started in 1983 when he co-founded Klongchan Credit Union. Mr. Supachai served in key leadership positions in

the Credit Union League of Thailand, ACCU and the Asian Women in Cooperative Forum. Mr. Supachai is a dynamic credit union Development Educator.

In recognition of Mr. Supachai's outstanding community involvement, the Royal Thai Government bestowed several awards such as Outstanding Community Leader 1983; Excellent Service to Public 1984; Outstanding Youngest Head of Village in 1994 and Medal of Honor from His Majesty the King Bhumibol Adulyadej in 1987 and 1997.



## On Board as Supporter Member: Maritime Workers of Australia Credit Union

Credit Unions around the world have long appreciated the work of ACCU in its efforts with poverty alleviation among the 900 million poor of the Asia Region. ACCU's twenty-six Regular Members and Affiliates representing 49,176 Credit Unions in developing countries will welcome Maritime Workers of Australia Credit Union's (MWCU) demonstration of its support, by joining the increasing group of Supporter Members.

MWCU is a highly respected Australian Credit Union, which demonstrates high values and a commitment to Credit Union development in developing countries, especially in the South Pacific nation of Tuvalu where it has supported the local people to achieve basic financial services for many years.

With fellow supporter members, WAW Credit Union is proud to continue its support of Asian DE, the Annual Forum and the development and delivery of training courses for Directors and Management leading to ACCU's goal of sustainable credit unions throughout Asia.

While the annual fee for this category of membership is not great, it provides an opportunity to indicate understanding and moral support, for those who work so hard in difficult circumstances to



**Maritime Workers of Australia  
Credit Union** [www.maritimecu.com.au](http://www.maritimecu.com.au)

raise living standards in disadvantaged communities. I am sure we all agree that this is the reason Credit Unions were originally established.

MWCU becomes the sixth Supporter member in Australia. With the addition of MWCU, ACCU now has twenty three supporter members. *By: Bill Field DE, ALMI, Chairman WAW Credit Union*

### Join our Supporters Group!

The Supporter Membership category opens an opportunity for primary credit unions to participate in international development and gain accelerated access to networking, information, cooperation and experience sharing at international level.

For more information, please contact us at:  
**[accu@aaccu.coop](mailto:accu@aaccu.coop)**

# TIMETABLE

## Sub-Regional Workshop

The Workshop on Savings & Credit Cooperatives and Sustainable Development is organized by USC Nepal in collaboration with ACCU.

**When:** February 6-8, 2008

**Where:** Dhulikel, Kavre, Nepal

## CULT Exposure Program

The Credit Union League of Thailand is organizing for the second time an Exposure Program in collaboration with ACCU.

**When:** February 21-27, 2008

**Where:** Bangkok, Thailand

## CEOs' Workshop

The CEOs of member organizations of ACCU meet twice a year - March and September. The workshop will be hosted by the National Credit Union Federation of Korea (NACUFOK).

**When:** March 24-28, 2008

**Where:** Daejeon Metropolitan city, Republic of Korea

## 63rd ACCU Board of Directors Meeting

In conjunction with the CEOs Workshop, the Board of Directors of ACCU will have their 63<sup>rd</sup> Board meeting hosted by NACUFOK. The Board also get the chance to visit the new headquarters of NACUFOK and two credit unions.

**When:** March 26-29, 2008

**Where:** Daejeon Metropolitan city, Republic of Korea

## UPCOMING:

**Secure Your Seat ! Register now . . .**

## 10th Asian Development Education Workshop

**When:** June 13-18, 2008

**Where:** Dynasty Hotel, Bangkok, Thailand

**Early Bird by: March 15, 2008**

## Credit Union CEOs Competency Course

**When:** June 22-29, 2008

**Where:** Dynasty Hotel, Bangkok, Thailand

**Early Bird by: March 31, 2008**

## Board of Directors

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