

CUFA works with Asian colleagues on education

By Bill Field, Deputy Chairman CUFA Trustees

One of the great achievements of Credit Union Foundation Australia (CUFA) in recent times has been the ongoing development of the partnership with the Association of Asian Confederation of Credit Unions (ACCU). ACCU operates in Bangladesh, Philippines, Thailand, Sri Lanka, Malaysia, Singapore, Indonesia, Japan, Nepal, Papua New Guinea, Cambodia, Hong Kong, Taiwan and Korea.

Graduates of Development Education programs in Asia have been empowered to work towards alleviating poverty through the provision of micro-finance services.

The partnership has focused on the identification and provision of funds to implement several grass-roots community micro-finance projects with the aim of reducing poverty in the Asian region.

The Asian Development Education Program was established in 1999. CUFA has been providing technical support to foster the continuation of the program as a valued annual event on the ACCU calendar.

Ranjith Hettiarachchi, CEO of ACCU, was first exposed to the Development Education (DE) program when he attended an Australian program in 1996. He recognised the opportunity to spread the impact of DE throughout the Asian Credit Union Movement by establishing the program in partnership with CUFA.

A successful Asian Confederation Development Education program was recently conducted in the Philippines.

As part of CUFA's agreement with ACCU, CUFA provided mentors and assisted with facilitating the five-day program. In attendance were 26 participants from the Philippines, Korea, Taiwan, Bangladesh, Malaysia, Singapore and Nepal. Mentors were from Australia, Philippines and Thailand.

More than 100 people have graduated from the DE program in Asian. There have also been 56 people from Asian

credit unions who have graduated from Australian DE programs.

Participants in the programs are put through a rigorous series of workshops and challenges. They get to work on presentation skills, teamwork and they learn more about the issues facing credit unions.

Skills and confidence generated during the program is obvious to participants and mentors. In Australia and in Asia, people who have completed the program nominate a community project to work on when they return to their credit union. They return equipped to go into the community as advocates, to spread the credit union message and build increased awareness of the effectiveness of the work being performed by credit unions. Many head home to work on the provision of micro-finance services and products as a means of poverty alleviation.

Though the impact these graduates will be relatively small to such a major problem, we have a growing group of credit union people dedicated and trained to work for change in their communities. ■

Credit union micro-finance innovation



Maribel Gulay, one of the field co-ordinators involved in credit union micro-finance innovation in the Philippines.

How does a credit union achieve social responsibility? This topic was addressed at a recent workshop in the Philippines for Credit Union League general managers and field officers engaged in a micro-finance project sponsored by ACCU and CUFA. The focus was on social responsibility through credit unions going into the community.

The aims include encouraging savings that lead to loans, development of micro-enterprise and eventually full membership.

This is done by recruiting among poor people who have been previously denied access to services.

Unlike the approach of many non-government organisations, the credit union way is education and savings before credit. This approach works to ensure a commitment to repayment after a loan is granted.

Self-help groups of five 'economically active poor people' are formed and each member accepts responsibility: President, Vice President, Secretary, Treasurer, and Collector. Savings, which may be 20 pesos (less than one dollar) are collected daily, and each week the group meets to provide mutual support.

After three months a savings pattern is established and the first loans are awarded at a major public ceremony.

There is great work being performed in the Philippines under the credit union banner and the people involved are to be admired.

Likewise, supporters of Credit Union Foundation Australia have cause to feel proud that we are making a significant contribution to poverty alleviation through Asian credit unions. ■