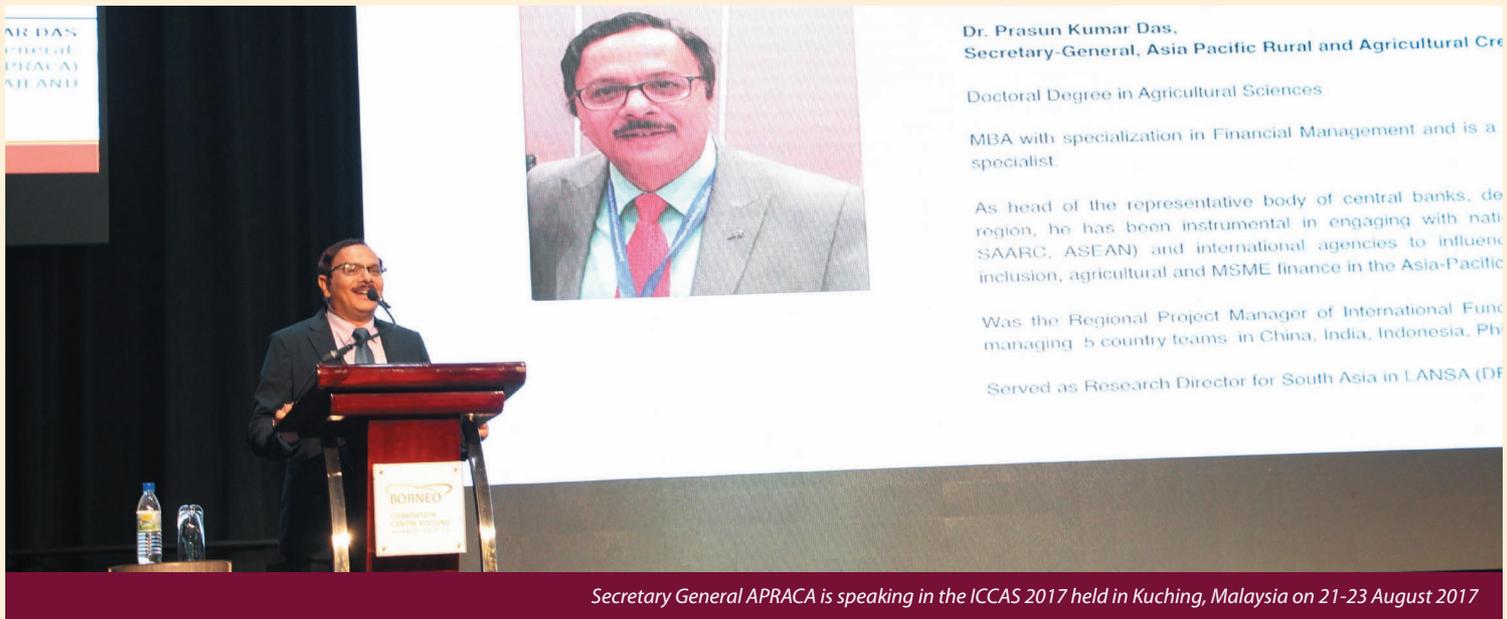




APRACA Newsletter

*Celebrating 40 years of services to develop rural and agricultural
finance in Asia-Pacific region*

Vol. 4 Issue 3



Secretary General APRACA is speaking in the ICCAS 2017 held in Kuching, Malaysia on 21-23 August 2017

Dr. Prasun Kumar Das,
Secretary-General, Asia Pacific Rural and Agricultural Credit

Doctoral Degree in Agricultural Sciences

MBA with specialization in Financial Management and is a specialist

As head of the representative body of central banks, de region, he has been instrumental in engaging with nati SAARC, ASEAN) and international agencies to influen inclusion, agricultural and MSME finance in the Asia-Pacific

Was the Regional Project Manager of International Func managing 5 country teams in China, India, Indonesia, Ph

Served as Research Director for South Asia in LANSA (DF

Secretary General, APRACA was invited by Government of Sarawak State, Malaysia

The Secretary General of APRACA was invited by the Government of Sarawak State in Malaysia to speak during the International Conference on Agriculture and Agro-based Industries, Sarawak 2017 held in Borneo Convention Centre Kuching during 21-22 August 2017. This conference featured more than 20 eminent local and international speakers and industry experts who deliberated on current pressing issues, challenges, trends and opportunities in agriculture and the agro-based industry. Agriculture is the fourth largest contributor to Sarawak State's economy and contributed about 14% to the state's economy in 2016 and provided approximately 300,000 employment opportunities for its people. It has also contributed in poverty alleviation and uplifted the livelihood of the people, particularly those in the rural areas. The State Government is currently undertaking initiatives to transform agriculture for greater productivity and sustainability and optimising agribusiness based on new and innovative business models and processes.

The objectives of the Conference was to share knowledge and best practices in agriculture and the agro-based industries, to explore effective agriculture delivery systems in order to facilitate transformation of the agriculture sector and to identify opportunities in the utilisation of digital technology to leapfrog the development of sustainable and competitive agriculture. Secretary General of APRACA was specially invited by the organizers to speak on agricultural value chain

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financing and how it could help in improving efficiency to the flow of capital in to the value chains to make them more efficient under the current scenario. The conference was a mega success and was attended by more than 1,500 delegates from the public sector, local and international agribusiness sector, entrepreneurs, researchers and academicians from the ASEAN region.

Keeping in view the experiences of APRACA Secretary General, State Government Sarawak also invited him to help the Ministry of Modernization of Agriculture, Native Land and Regional Development to develop the Standard Operating Procedures (SOP) to invest the RM100 million venture capital already earmarked by the Government to support the smallholder farmers and develop the value chains of the 4 identified commodities in the state. This new development approach was initiated to address the whole supply chain management issues like post-harvest handling, value-added processing and marketing as well as



Dr. Prasun Kumar Das taking the sessions on developing standard operating procedures (SoP) for investment in Agribusiness in Sarawak State of Malaysia

ensuring enough volume and quality required by the market.

The one day workshop conducted by Dr. Prasun Kumar Das was Designed with the aim to identify viable and sustainable models for venture capital in the agriculture and agro-based sector that will benefit the community and the private investor as partner in the venture. The workshop was held on 23 August at the Hilton Hotel, Kuching which was attended by the Hon'ble Deputy Chief Minister, Assistant Ministers, Deputy State Secretary and 45 top officials from the State Government, Private Sector, Financial Institutions and Civil Society Organizations. The workshop on venture capital attracted media coverage due its importance to modernize agriculture and agribusiness in the state of Sarawak to improve the livelihood of the farm sector and provide impetus to the private sector to leverage the seed capital announced by the state government to support modernization of agriculture.

Activities of APRACA Secretariat

- Exposure visit of Nepali Parliamentarians and Government Officials to Thailand to understand the best practices of Cooperative sector supervision and regulation

APRACA organized the exposure visit trip for sensitization of parliamentarians and civil servants from Nepal to understand the best practices of cooperative sector supervision in Thailand during 5 - 8 July 2017. The purposes of their visit is to explore and learn on the Credit Union and Cooperatives



The honorable members of the National Parliament of Nepal and the visiting official of Nepal Government with the officials from Cooperative League of Thailand



Mr. Prakash Jwala, Hon'ble Chairperson of Finance Committee, National Parliament of Nepal receiving token of appreciation from Mr. Nipath Kuasakul, Executive Vice President of BAAC during the visit of the Nepalese Parliamentarians

sector in Thailand with special emphasis to the activities of Saving and Credit provided to members. During their visits the Parliamentarians visited the Credit Union League of Thailand (CULT) for sensitization by the experts and practitioners from the Cooperative sector in Thailand with special emphasis to the activities of Savings and Credit cooperatives and the regulations. The team also visited the Bank for Agriculture and Agricultural Cooperative (BAAC) to take stock of the banking activities with the farmer cooperatives and the agricultural marketing cooperatives. They also paid a short visit to APRACA Secretariat to appreciate the areas of knowledge practice being undertaken.

■ Study Visit of the Officials from Nepal to understand the Value Chain Development and Finance in Thailand

A team of 35 personnel from the Ministry of Agriculture and Livestock, Government of Nepal visited Thailand during 10-13 July 2017 to understand the process of value chain development and management. The team had undergone some class room sessions organized by APRACA and field visit on the dairy value chains and the business models being followed by visit to Wangnamyen Dairy cooperative. The participants also visited some clients of Bank for Agriculture and Agricultural Cooperatives to understand how the producers are linked with the market system so that they receive better price for their produces.



Delegates from Ministry of Agriculture and Livestock, Nepal attending the training programme on agricultural value chains



Secretary general of APRACA addressing the delegates from Ministry of Agriculture and Livestock, Nepal attending the training programme on agricultural value chains

■ Training and learning visit to Thailand on Agricultural Value Chains by HIMALI Project officials of Nepal

APRACA organized one 5 day training and learning exposure visit for the officials of HIMALI Project, Nepal to Thailand. The visit was organized during 15-20 July 2017 which included visit to agriculture, livestock and medicinal plants value chain process in many places of Thailand. The visiting team of HIMALI project met the officials of the Bank for Agriculture

and Agricultural Cooperative (BAAC) to comprehend Agricultural Value Chain Finance and Agricultural Insurance programme of the Bank and how this support the development of value chains of the agricultural commodities in the country. The visit to the agricultural farms and the government projects in Sa-Keo Province of Thailand demonstrated the process of development of efficient agricultural value chains in the country. This exposure visit also helped to train the project officials to explore collaborative initiatives.



Participants from HIMALI project, Nepal visited the medicinal plant value chain in Thailand as part of their training programme on agricultural value chains



Secretary General, APRACA delivering brief about APRACA to the participants from HIMALI project, Nepal who visited the APRACA Secretariat

■ Prime Minister Agriculture Modernization Project (PM-AMP), Nepal visited Thailand

A group of 42 officials from the Prime Minister Agriculture Modernization Project (PM-AMP), Nepal visited Thailand as an exposure visit programme on 'Value chains of the selected agricultural and livestock products' during 15 July to 3 August 2017. The team were divided in to 2 groups for logistical comfort. The first group of 22 officials visited during 15-21 July and the second group (20 officials) during 28 July to 3 August. APRACA organized their visit to the medicinal pant farm and processing units to expose the participants on the efficiency of the value chain. Apart from this, the delegates also visited Wangnamyen Dairy Farm & Cooperatives in Sa-Keo province of Thailand to understand the milk value chain and importance of the cooperative movements in providing right price to the farmers.



Delegates from the Prime Minister Agriculture Modernization Project (PM-AMP), Nepal visited the APRACA Secretariat, Bangkok



Dr. Prasun Kumar Das, APRACA Secretary General speaking during the APEC Conference 2017 held in Hoi An, Vietnam



The Bank for Agriculture and Agricultural Cooperatives (BAAC) official presenting the BAAC model of financing to AgVC to the delegates from the Prime Minister Agriculture Modernization Project (PM-AMP), Nepal



View of the APEC Conference 2017 held in Hoi An, Vietnam

■ **APRACA Secretary general was invited to speak during the conference of Asia-Pacific Economic Cooperation meeting (APEC 2017)**

Dr. Prasun Kumar Das was invited by the organizers of the APEC 2017 to share the experiences of the member institution APRACA in tackling the multiple challenges of financial inclusion and the access to finance by the value chain actors in the region. Dr. Das chaired the session on 'Agrifinance' and the speakers were from the state Bank of India, Vietnam bank for Agriculture and Rural Development, ASKI MFI, Better than Cash initiatives of the United Nations and private sector representative. The session was in agreement that Agriculture still remains a major source of livelihood for the majority of population in the Asia-Pacific region. It was also recognized that APRACA is a regional leader in promoting rural and agriculture finance in the region since 1977 by providing Knowledge Management (KM) services to its member institutions in 22 countries in Asia-Pacific region. APRACA believes that the most compelling aspects of agriculture finance (Agrifinance) is ensuring this primary sector of the economy receive sufficient emphasis to access to appropriate financial products and services which will also smoothen their consumptions and savings. It has been observed by APRACA since its operation for last 40 years that the capacity of the financial institutions to effectively and efficiently deliver the agriculture finance to the actors in the value chains.

■ **APRACA hosted the study visit and attachment of Mr. A.R. Samal, General Manager of the Reserve Bank of India**

Mr. A.R. Samal, General Manager of Reserve Bank of India visited APRACA Secretariat during 16-18 July 2017 to understand the functions of APRACA as a part of his study visit to rural financial institutions in Asia and the Pacific. During his visit to APRACA, Mr. Samal was keen to understand about growth of agriculture and agribusiness sectors in Thailand from APRACA's experience of working closely with the smallholder farmers in the region.



Mr. A.R. Samal from Reserve Bank of India visited the APRACA Secretariat, Bangkok as a part of his institutional attachment



Mr. A.R. Samal, Chief General Manager, Reserve Bank of India discussing with Dr. Prasun Kumar Das, Secretary General during his visit to the APRACA Secretariat, Bangkok

■ **The AgriFin facility of the World Bank and APRACA jointly organized one E-workshop on knowledge management in agricultural finance**

Keeping in view the importance of knowledge services in agricultural finance, the 'AgriFin' (Agriculture Finance Support Facility in World Bank) jointly with Asia-Pacific Rural and Agricultural credit Association (APRACA) organized one e-workshop on 9 August 2017 to understand the current 'Knowledge Services in Agricultural Finance' and what could be done in near future to improve the capacity of the FIs in the region. The e-workshop is mainly targeting the APRACA member institutions in the region to bridge the gap of demand and supply of knowledge for best practices in financing to this sector. The main objectives of the workshop were: a) to present the objectives of 'AgriFin' of the World Bank and the work that has been done up to date. This includes training for bankers with regional focus, knowledge sharing webinars, on-site study tours, annual forums to connect industry leaders and decision-makers on key topics and facilitate networking opportunities among them, and developing knowledge products on a wide range of agriculture finance topics and (b) to obtain feedback and inputs from APRACA member institutions, specifically of regional banking associations and other important financial institutions in the region covered by APRACA, to better understand their needs, what services are most in demand, and how 'AgriFin' can best deliver "value-add" to the 'AgriFin' team of the World Bank.

The e-workshop was attended by 25 participants from 9 countries representing 11 member institutions. The 'AgrFin' facilities of the World Bank initiated the discussion and APRACA presented the cases of KM in the region. The participants then interacted with the representatives of the World Bank and requested them to identify the KM projects for the region so the small financial institutions with less resource could get the benefits of the global knowledge.

■ **Technical support provided by APRACA to organize International ToT AgVCF by AFRACA in Abuja, Nigeria**

The African Rural and Agricultural Credit Association (AFRACA) based in Nairobi requested APRACA for technical support to organize the international training of trainers (ToT) on Agricultural Value Chain Finance during 27 August – 2 September which was held in Abuja, Nigeria. The training was attended by 35 participants from 9 countries of Central and South Africa. This ToT was aimed to provide trainees with a general understanding of agricultural value chain finance (AgVCF). It covers the AgVCF approach, major financial tools that may be used in AgVCF, and lessons often using case studies for enhancing the learning process. The modules were organized by theme, starting from more general themes and then more technical discussions of financial instruments. This 5-day latest intensive training was meant for the professionals in the field of agri-value chain finance who are seeking practical and proven methods to excel, i.e. perform at their peak, move forward and fulfil their greatest potential.



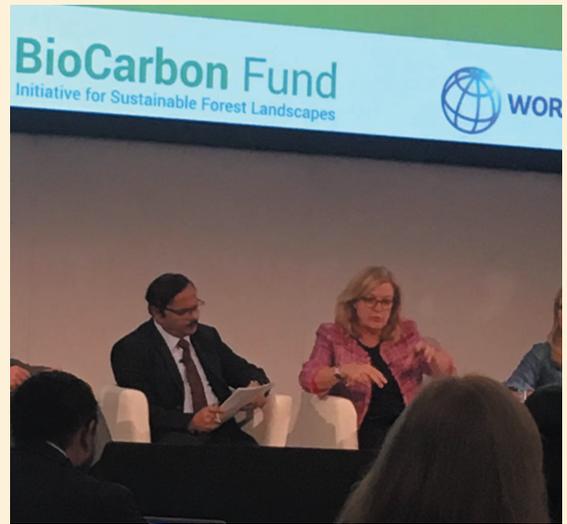
Dr. Prasun Kumar Das, Secretary General, APRACA delivering lectures during the ToT organized by the AFRACA in Abuja, Nigeria



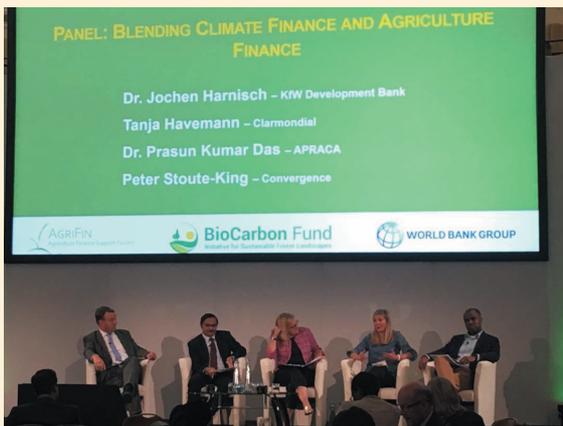
APRACA Secretary General with the participants of ToT on AgVCF held in Abuja, Nigeria

- APRACA Secretary General was invited by the World Bank to speak on the Global Conference on Climate Smart Agriculture, London, UK

The Secretary General of APRACA was invited by the World Bank as one of the key speakers for the panel discussions on 'Blending Climate Finance and Agriculture Finance' which was held in London during 11-12 September 2017. The panel in the AgriFin Annual forum discussed opportunities to bridge the climate finance and agriculture finance gap and identify innovative avenues for climate finance to mobilize and leverage additional sources of capital, particularly from the private sector, that can be deployed to accelerate the transition to low-carbon resilient agriculture sectors and identify opportunities for climate finance to strengthen the



Dr. Prasun Kumar Das, APRACA Secretary General contributing during the discussion of the AgriFin annual conference of World Bank in London



APRACA Secretary General with other participants during the World Bank Conference, London

links between climate finance investors, domestic financial intermediaries and smallholder farmers and agribusinesses. It was a great opportunity for the APRACA member Institutions (There were 15 member strong delegation from APRACA member institutions) to engage with the key global leaders in the agriculture finance and climate finance space (investors, climate funds, domestic and international financial institutions, donors, etc.) in a strategic and results-oriented dialogue on climate finance and take concrete actions to increase investments in low-carbon resilient agriculture sectors. The work done by the members of APRACA was appreciated by the participants and also shown interest to work together in the available opportunities.

APRACA in News

Visit of Secretary General to the state of Sarawak, Malaysia was widely covered by the National Newspapers in Malaysia.

BORNEO POST *online*
THE LARGEST ENGLISH NEWS SITE IN BORNEO

Venture capital disbursement to follow SOP

August 24, 2017, Thursday Jonathan Chia, reporters@theborneopost.com

Venture capital disbursement to follow SOP

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Uggah (second right) receiving an outline of the discussion for the workshop on venture capital from Prasun (third left), witnessed by (from left) Dr. Abdul Rahman, Ismawi and Sagah. Photo by Chimon Upon

Source: <http://www.theborneopost.com/2017/08/24/venture-capital-disbursement-to-follow-sop/>

RM100 MLN approved to help smallholders



KUCHING: RM100 million has been approved by the State Government as seed capital to help the smallholders in the state. Deputy Chief Minister and Minister of Modernisation of Agriculture, Native Land and Regional Development Datuk Amar Douglas Uggah Embas (pic) said the RM100 million fund which was approved by the Chief Minister as seed capital as one of the alternatives and innovative ways of how the State Government under the leadership of Datuk Amar Abang Johari Tun Openg created a system to assist the smallholders in Sarawak.

“We hope that with this new capital we will be able to uplift the livelihood and not only uplifting their livelihood but bringing them into a new agriculture involving using even digital economy. “This is the new area for them and the RM100 million Venture Capital seed fund is supposed to be spent next year,” he disclosed to the media after delivering his welcoming address at the Workshop on Venture Capital

organised by Ministry of Modernisation of Agriculture, Native Land & Regional Development Sarawak and supported by Sarawak Development Institute (SDI) at Hilton Kuching yesterday.

The presenter at the workshop was Dr. Prasun Kumar Das, Secretary-General, Asia Pacific Rural and Agricultural Credit Association, Bangkok, Thailand who briefed the participants of the workshop on Building Venture Capital to Promote Technology Adoption and Agribusiness Promotion in the Sarawak.

Source: <https://www.newsarawaktribune.com.my/news/rm100-mln-approved-to-help-smallholders/>

News from APRACA Member Institutions

- ACPC joins hands with the Department of Agriculture (DA), Philippines to implement the PLEA in order to enhance the reach to the Farmers and Fisherfolk in Pitogo, Bohol”

The Department of Agriculture – Agricultural Credit Policy Council (DA-ACPC) together with the Office of the Undersecretary for High Value Crops & Rural Credit (HVCRC) turned-over a 10 million Pesos credit fund to the Metro Ormoc Community Multi-Purpose Cooperative (OCCCI) under the Production Loan Easy Access (PLEA) program last August 23, 2017 at the Municipal Gymnasium, President Carlos P. Garcia (Pitogo), Bohol. This fund will cater to the production requirements of marginal and small farmers and Fisherfolk in the Municipality of Pitogo, which is one of the 27 areas covered by the PLEA program.

The simple ceremony, attended by more than 200 locals from various barangays in Pitogo, also featured the Bureau of Fisheries & Aquatic Resources (BFAR) VII’s turn-over of 171 pump boat engines to identified recipients. The BFAR VII previously granted 171 fiber glass boats to the same grantees. As committed by DA Secretary Emmanuel F. Piñol, 129 more boats and engines are expected to be given to local fishers. Municipal Mayor Fernando Estavilla welcomed the support from the DA saying that the PLEA program will be a huge boost in the profit of their farmers and fishermen as it has

a very minimal interest rate compared to other lending institutions. He assured the DA that the LGU, with the help of the BFAR Region VII, will constantly monitor the beneficiaries to make sure that the loans and the grants will be put to good use. Mayor Estavilla added that since 70% to 80% of the locals are fishers, one of his top priorities is to make their island illegal-fishing free. Hence, he has created a task force that patrols within the municipal water 24/7 while also serving as a response team during disasters. As a result of the LGU’s efforts, Pitogo was the only municipality in Bohol that qualified for the DA-BFAR’s program called Malinis at Masaganang Karagatan (MMK), which will award coastal municipalities for their efforts in protecting and conserving marine environments.

“By providing easy credit, we hope to help make it easy for target beneficiaries to produce enough to support their daily needs and to produce more for a bigger harvest or a bigger catch in the future” said Undersecretary Evelyn Laviña of the DA-HVCRC in her speech read by her Chief of Staff, Atty. Joycel Panlilio.

During the activity, DA-ACPC's Public Affairs and Communication Division Chief Emmalyn Guinto oriented the participants, who are mainly Fisherfolk, on the PLEA program. As discussed by Ms. Guinto, the purpose of the PLEA program is to finance the production of crops, livestock, poultry and the requirements in fishing activity. The loan limit is based on the project requirement and repayment capacity of the borrower as evaluated by the lending conduit up to P50,000 at 6% per annum or 0.5% per month.

On the other hand, Claims Adjustment Division Chief Aniceto Rebayla of the Philippine Crop Insurance Corporation provided a briefing on crop insurance for the PLEA program beneficiaries. Meanwhile, BFAR Region VII Director Allan Poquita said that the financial support and the grant of fishing equipment will greatly help in the stability of the economy and will improve the lives of local fishers who can now sustainably supply products not only the local markets but also the nearby provinces.

"We would like to thank the DA-ACPC for entrusting us again as one of their partners for this loan disbursement", said OCCI Branch Manager Ginalyn Pala who also assured the ACPC that the financial assistance will strictly be extended to those who are qualified for the program.

Usec. Laviña guaranteed that the DA, through the ACPC, will continue to improve ways by which easy credit is brought to deserving Filipinos and that they will even be trained so that the amount they borrowed is invested properly.

(Source: <http://www.acpc.gov.ph/plea-program-reaches-farmers-and-fisherfolk-in-pitogo-bohol/>)

■ National Bank of Cambodia (NBC) organized Joint Workshop on "an Implementation Plan for Embedding Financial Education within the National School Curriculum" and hosted bilateral meeting with the State Bank of Viet Nam

On 27th September 2017, H.E. Chea Serey, Director General of Central Banking, the National Bank of Cambodia, attended the opening ceremony of the Joint Workshop on "an Implementation Plan for Embedding Financial Education within the National School Curriculum" co-hosted by the National Bank of Cambodia and the Ministry of Education, Youth and Sport under the cooperation of the Asian Development Bank, the Good Return and World Education Cambodia. The purpose of the workshop is to collect key inputs as facilitation to the implementation of the project to integrate financial literacy into school curriculum. This project will become an instrument in nurturing positive financial behaviours for students across the country.

On February 17, 2017, the National Bank of Cambodia hosted bilateral meeting between the National Bank of Cambodia and the State Bank of Viet Nam, presided over by H.E. Chea Chanto, Governor of the National Bank of Cambodia, and H.E. Le Minh Hung, Governor of the State Bank of Vietnam. The meeting aimed at strengthening solidarity, friendship and traditional cooperation that both institutions and countries have had for a long period of time. In this sense, the two central banks exchanged information with regard to macroeconomic and banking sector development as well as

reviewed the recent progress and set priorities for further cooperation toward expanding and enhancing the traditional bilateral cooperation for the mutual benefits of the two central banks and countries.

Sources: 1. https://www.nbc.org.kh/english/news_and_events/news_info.php?id=317
2. https://www.nbc.org.kh/english/news_and_events/press_releases_info.php?id=112



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