



# APRACA Newsletter

*Acknowledged leader in rural and agricultural finance* | Vol. 4 Issue 2

## 亚太农协第68届执委会会议暨“金融服务和扶贫”地区政策论坛代表合影 The 68<sup>th</sup> APRACA Executive Committee Meeting and Regional Policy Forum on "Financial Services and Poverty Reduction"

中国·北京 2017年6月5日-8日

Beijing, China 5-8 June 2017



*Delegates for the 68<sup>th</sup> EXOM meeting of APRACA held on 6 June 2017 in Beijing, China*

## 68<sup>th</sup> Executive Committee Meeting of APRACA held in Beijing, China

The 68<sup>th</sup> APRACA Executive Committee (EXCOM) meeting was convened at the Beijing International Hotel, Beijing, China at 02.30 hours on 6<sup>th</sup> June, 2017. The meeting was attended by delegates from 15 EXCOM member institutions of APRACA and Dr. Prasun K. Das, Secretary General of APRACA as Ex-Officio Members, 25 observers from APRACA member institutions as well as staff members of the APRACA General Secretariat.

Mr. Yin Jiuyong, Vice President, Agricultural Development Bank of China inaugurated the meeting and congratulated all the executive committee members for their participation in the meeting and assured that ADBC will continue to support the APRACA programme and would like to participate in exploring emerging areas of interest of the member institutions and serve the Asia-Pacific Region as the centre of excellence.

Mr. Shiba Raj Shrestha, Deputy Governor of Nepal Rastra Bank and APRACA Chairman welcomed all the EXCOM members and observers and congratulated them for attending the meeting even though they have many engagements in their own organizations which he said indicates the level of commitments from the APRACA member institutions. The EXCOM discussed at length on 10 important Agenda items which was put forward by the APRACA Secretariat. This includes progress report of APRACA in terms of its operation and financial statements for the FY' 2016 (January-December 2016), implementation of APRACA Strategic Plan 2013-2018, Review of APRACA Biennium Work Plan 2017-2018 etc. The

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EXCOM also discussed in detailed about the APRACA Membership and the expressed happiness over the new membership drive, however the members felt that there is a need of institutionalize the approach of membership and

advised the measures for more engagement with the countries and EXCOM members. The venue of 69<sup>th</sup> EXCOM meeting was also finalised in the meeting which is New Delhi during December 2017.



*Mr. Gus Poston, representative of Bridge Capital receiving the Plaque of membership from the APRACA Secretary General*



*Mr. Wang Zhigang, President, Huainan Rural Commercial Bank, China receiving the Plaque of membership from the APRACA Secretary General*

## Activities of APRACA Secretariat

### ■ Regional Policy forum on 'Financial Services and Poverty Reduction'



*Mr. Xi Xuezhi, Chairman, Agricultural Development Bank of China delivering key note address during the policy forum on 'Financial Services and Poverty Reduction' held in Beijing on 6 June 2017*



*Mr. Shiba Raj Shrestha, Deputy Governor, Nepal Rastra Bank and APRACA Chairman welcoming the delegates in Beijing on 6 June 2017*



*Dr. Prasun Kumar Das, Secretary General, APRACA delivering the vote of thanks in Beijing on 6 June 2017*

The regional policy forum on 'Financial Services and Poverty Reduction' was organized jointly by APRACA and Agricultural Development Bank of China (ADBC) on 6 June 2017 in Beijing, China. The policy forum was organized in conjunction with the 68<sup>th</sup> EXCOM of APRACA. The primary objective of this workshop is to provide a capacity-building opportunity to APRACA member institutions and other participants from the financial institutions by strengthening their conceptual understanding of the evolving issues on the role of financial intermediaries for poverty reduction and sharpening their skills in this area. It is expected that the presentations to be made by prominent resource speakers will expand the participants' knowledge base on this highly topical development issue. The forum was also aimed to provide the participants a platform to exchange views on their own country specific issues relating to poverty reduction and role

of the rural financial institutions. The knowledge and skills the participants gained during the forum is projected to help them improve the effectiveness of their work in their own countries, especially in the context of poverty alleviation. The policy forum was attended by 125 delegates from 15 countries from the region and represented by the central banks, commercial banks, microfinance institutions, International agencies like IFAD, FAO, IFPRI and other bilateral and multi-lateral donor agencies and global thought leaders.

During the key note address, Mr. Xie Xuezhi, Chairman of the Board of Directors, Agricultural Development Bank of China (ADBC) flagged that the financial services are the most important inputs for poverty reduction in rural areas and China's experience could be very much useful for other countries in the Asia-Pacific region who are suffering from the



chronic problems of poverty. Mr. Zhi Hong Ji, Director General, Financial Market department, Central bank of China (Peoples' Bank of China) stressed that policies are very important for smooth implementation of poverty reduction programme in the country and the Central Government of China is committed to this direction. Mr. Matteo Marchisio, Country Programme Manager of International Fund for Agricultural development (IFAD), China provided pertinent information on the role of financial services as a catalyst to reduce poverty which actually helped to achieve the Millennium Development Goals (MDG) of the United Nations and he also expressed that IFAD will continuously support the initiatives to achieve the Sustainable Development Goals (SDGs) of the United Nations to reduce poverty and hunger. Mr. Yin Jiuyong, Vice President of Agricultural Development Bank China in his special address invited all the participants to help their respective national governments to support their endeavour to reduce poverty from the Asia-Pacific Region and also agreed to support other countries to experiment the Chinese model in case they sought their help. He also mentioned that the ADBC is engaged with APRACA and other agencies and continuously upgrading the systems of delivery of financial services to reach the last mile.

Mr. Wu Hua, Deputy Director, State council leading group office of Poverty Alleviation and Development, China in his presentation elaborated the Government of China's role in extreme poverty reduction through adoption of various schemes and the most important is to coordinate with the financial systems to ensure adequate and timely flow of finance to the poor people for productive and consumption purposes. During his presentation, Mr. Bao Jian'An, Vice President of Agricultural Development Bank of China (ADBC) provided the details of the four important steps taken by the ADBC to support the national government to poverty reduction in the country.

Apart from the speakers in the forum are global and regional leaders in rural financial eco-systems and represented organizations like Bangladesh Bank, Bank Keshavarzi (Agri Bank of Iran) and BAAC. All of them are of the view that provision of financial services holds the key to the social inclusion and poverty reduction which in turn support the growth and development of any country and it need multi-pronged approach from all stakeholders. Mr. S.M. Moniruzzaman, Deputy Governor, Bangladesh Bank presented the cases of the financial services best practices in South Asian Region and discussed the interesting observations on poverty reduction techniques in the 7 countries in the region. Dr. Morteza Shahidzadeh, Chairman & CEO of Bank Keshavarzi, Iran described the experience of Iran in poverty reduction drive through providing financial services and creating small institutions who could provide financial services. Mr. Nipath Kausakul, Executive Vice President, Bank for Agriculture and Agricultural Cooperatives (BAAC) delivered the cases of best practices in Southeast Asia with special reference to Thailand which interestingly took many path breaking measures to reduce poverty significantly by providing innovative financial services for example creating Village Bank and Community Financial Institutions and impetus to the Cooperative movement in the country.

## ■ Secretary General was in Lao PDR to train the Bank Officials

APRACA Secretary General was invited by the Food and Agriculture Organization of the United Nations (FAO) for training and coaching programme of the officials of the Microfinance Institutions and rural development Banks on agricultural finance of Lao PDR in partnership with ADA and the Laos Microfinance Association (MFA). The objective of the training programme is to train the official and explore the interest participating institutions to collaborate on this initiative. The programme was organized during 24-28 April 2017 and was attended by 30 officials from 18 MFIs and 5 commercial banks.



*Dr. Prasun Kumar Das, Secretary General, APRACA involved in training of trainers in Lao PDR*

## ■ Visit of NAFSCOB, India Team to APRACA Secretariat

The Chairman, Managing Director and 6 other Board members of NAFSCOB were in Bangkok during 21-22 April 2017. The NAFSCOB team met the APRACA Secretariat staff members on 21 April at the APRACA office in Bangkok. The SG and the leadership of NAFSCOB discussed about the APRACA current work streams and future areas of collaboration with the NAFSCOB which is the apex body of State level cooperative banks in India. The meeting was successful and the NAFSCOB team agreed to work out the proposed regional conference in India on the cooperative development.



*APRACA Secretary General meeting the team of NAFSCOB, India led by the Managing Director Mr. Bhima Subrahmanyam, Managing and the Chairman Mr. Dileep Sanghani*



## ■ Visit of FAO Officials from RAP and Rome

Mr. A'kos Szebeni, Rural and Agricultural Finance Specialist, Rural Institutions, Services and Empowerment (RISE) Team of FAO, Rome visited APRACA Secretariat on 2<sup>nd</sup> May 2017 to discuss with the secretary General for the future collaborative activities with Rome office of FAO. The discussion was around the scholarship programme for the upcoming international training programme on with Boulder Institute in Turino, Italy for the APRACA member institutions. Numbers of other issues of collaboration were also discussed during the meeting.



*The FAO Officers Mr. Anthony Bennett and Mr. Tek Thapa from RAP and Mr. A'kos Szebeni from Rome office visiting APRACA Office and disugising with the Secretary General*

Mr. Anthony Bennett, Senior Officer Food Systems (Post-production), FAO Regional Office for Asia and the Pacific and Mr. Tek Thapa, FAO Consultant visited APRACA Secretariat on 4 May 2017 and discussed the future opportunities of collaborative works with FAO, RAP. Mr. Anthony Bennett is also the EXCOM member nominated by the Food and Agriculture Organization of the United Nations (FAO) for the biennium 2017-2018.

## ■ ADBC officials visited APRACA Secretariat

7 officials from Agriculture Development Bank of China (ADBC) paid a visit to APRACA Secretariat on 12 May 2017 to discuss cooperation with ADBC in knowledge exchanges and launching programme on research in collaboration with APRACA on the subjects related to rural and agricultural finance. Mr. Wang Jinian, Team leader of ADBC viewed this meeting as landmark in the future cooperation with the other APRACA member institutions in the region.

## ■ Visit of high level delegates Japan financial Corporation (JFC)

Mr. Hirsoshi Takahasi, General Manager and Mr. Tomoyuki Kitamura Officer from the Agriculture, Forestry, Fisheries and Food Business Unit of Japan Finance Corporation (JFC) met the APRACA Secretariat staff members in Bangkok on 2 June 2017. The Secretary General, APRACA and the General Manger, JFC discussed to explore the possibilities future collaborative activities and organizing APRACA EXCOM meeting in Tokyo during 2019. The discussions were encouraging and APRACA management is glad to receive many suggestions from the JFC team on the future directions of APRACA's work and finalize the dates of the EXCOM meeting in future days.





*Mr. Wang Jixian, Deputy General Manager, ADBC Training Institute led a team of high level official from ADBC to visit APRACA secretariat*



*Mr. Hiroshi Takahashi, Senior managing Director of Japan Financial Corporation (JFC) Visited APRACA Secretariat*



## ■ APRACA Chairman visited APRACA Secretariat

Mr. Shiba Raj Shrestha, Deputy Governor, Nepal Rastra Bank and APRACA Chairman visited APRACA Secretariat during 9-11 June 2017. He was accompanied by Mr. Upendra Kumar Paudel, Executive Director, Microfinance supervision Department and Mr. Debkumar Dhakal, Department of NRB. The team discussed range of issues with the staff members of

the Secretariat and took the stock of the issues of business development and staff welfare in APRACA. The team proposed some concrete measures to improve efficiency of APRACA to serve its members even more effectively. The Chairman also instructed the Secretariat to contact the Chairman's office as and when required to do so.



*Mr. Shiba Raj Shrestha, Deputy Governor, Nepal Rastra Bank and APRACA Chairman visited APRACA Secretariat*





## ■ APRACA Secretary General was invited by Asian Development Bank

The Bangko Sentral ng Pilipinas (BSP) together with the Asian Development Bank (ADB) invited Dr. Prasun Kumar Das, APRACA Secretary General to be one of the speakers in the BSP-ADB Conference on 'Financing Agriculture Value Chain in the Philippines' which was held during 10-11 May 2017 at the

BSP Complex, Manila. The Secretary General presented the cases of good practices of sustainable agriculture value chains from the member banks in the region which was highly appreciated by the delegates attended the conference.



*Dr. Prasun Kumar Das, APRACA Secretary General was invited by the ADB and BSP to speak on the Value Chain Finance in Asia-Pacific region*



## Activities of RuFBeP Project

### ■ RuFBeP Supervision Mission to China

As per the advice of the IFAD supervision mission held in November 2016, a special supervision mission in China was organized by APRACA by hiring the independent expert. The mission took place during the week 15 May to 19 May 2017. The Mission spent two days in the key piloting area in Huainan Prefecture and was hosted by the management of the key implementation partner in RuFBeP pilots, Huainan Rural Commercial Bank (HRCB). This was followed by a one-day visit to the Nanjing Agricultural University (NAU), which plays a key role particularly as the technical support organisation in the China pilots. On the last day, the mission visited Kunshan Rural Commercial Bank (KRCB) operating near Shanghai, with the main aim of encouraging this large rural

bank to join APRACA. It was observed that the RuFBeP approach fits well to its strategies of retail banking and general downscaling. The management of the bank saw that the models documented in the RuFBeP research in other Chinese banks, particularly cash flow-based lending to farmers and rural entrepreneurs, could help HRCB to expand profitably to rural areas. At the same time the general value chain approach seemed useful for the further widening of the rural clientele. The Mission was very much successful in terms of its objectives and it was observed that the management and staff of the co-operating partner organisations in China are ever ready to cooperate with APRACA and IFAD with their valuable collaboration and support.



*Dr. Jorma Ruotsi, International rural finance expert visited the Huainan Rural Commercial Bank as an external evaluator of pilot testing exercise under IFAD Grant Project RuFBeP*





## News from APRACA Member Institutions

### ■ Vietnam Bank for Social Policy (VBSP) Launched the training course on “Improving Management – Executive capacity for middle management team”

As part of the cooperation programme of 2017-2022 between VBSP and Banking Academy, VBSP Training Centre in Hanoi in coordination with Training Centre of the Banking Academy organized the opening ceremony of the training course on “Empowering Management – Executive Leadership for Mid-Level Managers at Head Office of VBSP”, for Directors, Deputy Directors CMNV at Head Office, Training Centre, IT Centre and Trading Centre.

The Opening Ceremony held on 01 July 2017 was attended by Mr. Duong Quyet Thang, Secretary of the Party Committee of the Central VBSP, Member of the BOD – General Director of VBSP and Dr. Mai Thanh Que – Deputy Director of Banking Academy. Speaking at the opening ceremony, General Director Duong Quyet Thang said that along with the development and deep integration of the economy in general and the banking and finance industry in particular, the demand for qualified human resources High demand increasingly in every business, agency; And VBSP is not out of the trend. Therefore, the two co-organizers of the first training course will equip the trainees with knowledge from general to advanced skills and tools in management of VBSP operations in line with the changes of the social environment.

The CEO also hoped that with the new knowledge of managing a modern bank, the teachers of Banking Academy will help VBSP's students to acquire better management skills. At the same time, each student should seriously study, acquire knowledge, exchange, share practical experiences and well implement rules and regulations of the class. Immediately after the Opening Ceremony, participants were provided with sessions on management and development of personnel in the VBSP system. The seven day training programme aimed to specializes the trainees in the major areas of operations like: Strategic management in operations; Risk management and operational risk in banking business and management skills, leadership.

(Source: <http://vbsp.org.vn/khai-giang-khoa-dao-tao-nang-cao-nang-luc-quan-tri-dieu-hanh-cho-doi-ngu-lanh-dao-quan-ly-cap-trung-tai-hoi-so-chinh-nhcsxh.html>)

### ■ The Bank of Ceylon continues to dominate as the No. 1 Brand for the 9<sup>th</sup> consecutive year

Sri Lanka's No. 1 Bank yet again reinstates itself as the No. 1 Brand in Sri Lanka for the 9<sup>th</sup> consecutive year according to the latest Brand Finance Sri Lanka's records published on “Brands Annual” by Media Services. The Sri Lankan partner of Brand Finance UK which is a leading body which has a global network in 17 countries, Brand Finance Lanka revealed BOC

brand as the No. 1 Brand with the value as Rs.40. Billion. Empowering Sri Lankans to realize their life goals through affordable yet best-in-class banking solutions, in its steadfast journey of over 77 years, the Bank of Ceylon has always gone that extra mile to add value to Sri Lankan banking industry. With the pledge to commit as “Banker's to the Nation” since its inception the Bank has been evolving with the needs and lifestyle of the Sri Lankan community to provide the financial assistance they require. The first and the only Sri Lankan single business entity to earn PBT of Rs.25.3 Billion for 2015 and PBT 31.2 Billion for 2016, BOC challenged its own record continuing its quest to strive for exceptional performance in all areas of banking. Two very significant achievements of BOC in recent history were the surpassing Rs. One Trillion in Deposits in 2015 and Rs. One Trillion advances in 2016. The Bank's asset value now exceeds Rs.1.6 Trillion and is the highest asset base owned by a single business entity in the country.

“Maintaining our position as the No. 1 Brand in the country is an achievement like no other. Anyone would agree with me that being the No. 1 Brand in the country for the 9<sup>th</sup> consecutive year is an unmatched achievement. We have done exceptionally well during past years and now we are the only Bank that has three Trillions in the balance sheet. Our next goal is to enhance the Bank's asset base up to Rs.2 Trillion by 2019-this will surely be another milestone in the Sri Lankan banking industry.” The Bank's Chairman, President's Counsel Mr. Ronald C. Perera stated. In its steadfast journey brand ‘BOC’ has been able to overcome significant macro and micro environmental changes in the banking and financial industry to establish itself as a superior brand in the country. With the time tested vision as “Banker's to the Nation”, Brand BOC has delivered the best result for its true stakeholder, citizens and the Government of Sri Lanka.

BOC has earned the trust of Sri Lankans and proudly caters to over 12 Million customers today. With its massive financial capacity and adaptable approach that comes with inherent commitment towards country's social and economic development BOC has enabled banking services successfully to a very diverse base customer base from individuals to businesses and organizations of different geographic and economic strata. BOC offers the flexibility and convenience of a whole gamut of banking services under one roof for everyone from newborn to senior citizen and Micro entrepreneur to corporate business. In order to cater to this geographically diverse customer base, the bank has 625 branch network that is spread at every nook and corner and owns the largest ATM/CDM network in Sri Lanka with over 825 machines serving customers 24 hours 365 days. BOC was the first Sri Lankan bank to have marked its presence overseas

with the opening of “BOC London” in 1949 at the epicenter of international banking at that time. Later BOC spread its foreign branch network to Chennai, Male and Seychelles. Apart from its own foreign branch network BOC maintains foreign correspondent banking network with over 860 foreign banks and exchange houses.

“The Bank’s approach to cater to the very dynamic banking needs of its customer base has been the key factor behind BOC brand’s 77 yearlong success. Since its inception in 1939, Bank of Ceylon’s motive was the same as promoting social and economic development of the country and its people. As such the bank has been strategically adapting its products and services portfolio with the understanding of future social and economic trends that requires tailor-made banking and financial services. A very recent example was the BOC’s digital transformation that completely changed the bank’s internal processes along with its customer interface and infused synergy to the whole Sri Lankan banking system. Along with the benefits of digital transformation BOC was able to embark on Green Banking comprehensively for a sustainable growth together with the community” stated Mr. D.M. Gunasekera, the General Manager Bank of Ceylon. “We have many on-going environmentally friendly programs that have been there for several years. However with the digital infused transformation the bank introduced green processes, green products and services, strategies and green infrastructure that include IT and physical infrastructure. In the bank’s

success story, the staff commitment, dedication and their achievements played a vital role and that has been recognized when Asia’s Best Employer Brand- awards organized by Employer Brand Institute endorsed the BOC as one of those classed as a -Best Employer Brand for the year 2016. The strength of all these factors contribute to make the “BOC” brand No.1 for the 9<sup>th</sup> consecutive years which is another benchmark set by the Bank” he added.

Being driven by trust and stability, Brand “BOC” has earned many local and international accolades and recognition. The Bank earned global recognition as one of the top 1 000 banks in the world, (Country rank No. 1) as listed by “The Banker Magazine” (UK) respectively in 2012, 2013, 2014, 2015 and 2016. The Bank claimed its award as the only Sri Lankan brand recognized as one of Asia’s Best Brands in 2013 by the Chief Marketing Officer’s Council (CMO Council) based in Mumbai, India. Focusing on the Bank’s financial position, Fitch Rating Lanka ranked the Bank of Ceylon at AA+(lka) which is the highest rating awarded to a local commercial bank and ICRA (lk) awarded AAA rating which is the highest credit quality rating issued by ICRA Lanka. BOC won the merit award for Annual Report 2015 under state owned enterprises category at the Excellence in Integrated Reporting Awards – 2016 conducted by the Institute of Certified Management Accountants of Sri Lanka.

(Source: <http://web.boc.lk/index.php?route=news/latest>)

## World Bank – APRACA E-Workshop on 9<sup>th</sup> August 2017



**IMPORTANT ANNOUNCEMENT**

**E-Workshop on  
'Knowledge Services in Agricultural finance'**

**Date: 9 August 2017; Time: 7.30 am**  
(Washington DC time)

**Jointly Organized by**

 Asia-Pacific Rural and Agricultural Credit Association

 AGRIFIN  
Agriculture Finance Support Facility

 THE WORLD BANK  
IBRD - IDA



**Asia-Pacific Rural and  
Agricultural Credit Association**

*Acknowledged leader in rural and agricultural finance*

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