



APRACA Newsletter

Acknowledged leader in rural and agricultural finance | Vol. 1 Issue 4



Delegates and participants during the launching of the APRACA Centre of Excellence (ACE) for Women Empowerment at the head office of Bank Keshavarzi (BK), Tehran, I.R. Iran on 30 August 2014

The Launching of ACE-BK for Women Empowerment and the International Workshop on Women Empowerment for Inclusive Growth and Sustainable Development

APRACA and Bank Keshavarzi (BK) jointly organized The Launching of ACE-BK for Women Empowerment and the International Workshop on Women Empowerment for Inclusive Growth and Sustainable Development on August 30 – September 4, 2014 in collaboration with UNDP and University of Zanjan in Tehran and Zanjan, I.R. Iran.

ACE-BK on Women Empowerment is the 4th ACE, serving as an arm of APRACA in handling the promotion of women's roles in economic, social, and environmental development in a fair and equitable manner. The launching ceremony brought together Chairman, Board Members and Senior Managers of BK, APRACA Chairman, Vice-Chairman, and Secretary General, APRACA member institutions, Office of President of Iran, UNDP, University of Zanjan and its partners as well as Representatives of Women Organizations in Iran.

The International Workshop on Empowerment for Inclusive Growth and Sustainable Development was organized at the Hotel in Zanjan Province. There were 30 participants including 12 from APRACA and 18 from BK, Zanjan University, UNDP, other international agencies.

Apart from launching of ACE-BK and International Workshop on Women Empowerment for inclusive Growth and Sustainable Development, the participants from APRACA member institutions also participated in **The 5th Congress of Extension and Education in Agriculture and Natural Resources Management**: The congress, hosted by University of Zanjan, was aimed to exchange

experiences on extension education and Rural Advisory Services systems related to food security, sustainability of family farmers' livelihoods and sustainable natural resources management including challenges, strategies and approaches for empowering farmers, cooperatives and producer organizations.

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GLIMPSES OF LAUNCHING OF ACE FOR WOMEN EMPOWERMENT



The delegates of APRACA member institutions together with The Governor of Zanjan, Senior Officials, UNDP, Zanjan University, Michigan State University, Board members & Senior Management Staff of Bank Keshavarzi along with the Leaders of women groups during the opening Ceremony of The International Workshop on Women Empowerment for Inclusive Growth and Sustainable Development in Zanjan, I.R. Iran on 31 August 2014.



Following the opening ceremony, the delegates visited the Branch Office of Bank Keshavarzi in Zanjan. The office is equipped with modern facilities and technology offering wide variety of services with warmth and friendly atmosphere.



Field visit to the farms owned by very smart women, farmer clients of Bank Keshavarzi who successfully utilized the funds for diversified farm activities ranging from cash crops to livestock production.



At the Workshop, the participants actively shared their expertise, experiences in identifying the current situation, key challenges, opportunities, and trends, finally came up with Strategic and Practical Plan to improve the well being of marginalized and vulnerable womenfolk in Asia-Pacific region.



The wrap-up session conducted at one of the traditional restaurants in Zanjan followed by wonderful ethnic Iranian dinner and vote of thanks.

Risk Management Strategies and Tools to be replicated in Bangladesh

As part of the increasing concern and knowledge exchange approach of the Asia-Pacific Rural and Agricultural Credit Association (APRACA) through the IFAD-supported grant FinServAccess Project, the Bangladesh financial institutions participated in the replication and pilot testing of risk management strategies and tools in agricultural lending for smallholder farmers, traders and entrepreneurs from July to November 2014 in selected areas in Bangladesh. There are two phases of the activity; Phase 1 dealt with the assessment of the risks and Bangladesh risk management experiences which was conducted on 21 to 25 July 2014 and Phase 2 focuses on the exposure study visit of Bangladesh financial institutions in Bangkok, Thailand on 17 to 21 November 2014.

The activities highlight documentation of processes, exchange of ideas and experiences while evaluating best strategies and tools applicable to Bangladesh rural people. Also, these will encourage hands-on immersion in rural and agricultural areas affected by erratic climatic condition as well as natural disasters. The experiences of Thailand's Bank for Agriculture and Agricultural Cooperatives (BAAC) in handling risks encountered by farmers is the most appropriate case for Bangladesh to learn and adapt and replicate to address the farmers concerns.

The technical expertise is provided by Dr. Suwit Poolsilp, vice president of BAAC and Mr. Suthee Visitwarakorn, risk management officer of BAAC. They are presently working with the FinServAccess Project through analysis of local situations, discussing with rural Bangladesh people and communities, formulating best strategy for Bangladesh partners and establishing partnerships



Mr. Poolsilp and Mr. Visitwarakorn of Thailand BAAC (in green jackets) and Mr. Md. Alamgir Hossain of BRAC, Bangladesh discussing issues with Bangladesh rural women in Sripur, Gazipur District

through professional and knowledge exchange between stakeholders in Thailand and Bangladesh.

Through this initiative, FinServAccess Project will expand this activity to other target countries with similar risk management conditions where rural people should be provided with appropriate and timely technical and financial products and services to address the risks they encounter in their daily life especially if it pertains to rural and agricultural activities.

YRN enhanced through Social Research Methodologies and Partnerships

On July 14 to 18, 2014, APRACA conducted a week-long training on social research methodologies and partnerships with the Yala Research Network (YRN). Dr. Wilawin Kaewtathip, deputy director of the Southern Border Research and Development Institute of Yala Rajabhat University in Yala, Thailand Research sent the invitation to APRACA. They believed that research is the best approach to understand the conditions and situations of rural people and communities especially on rural and agricultural activities.

The training was conducted by Dr. Marlowe U. Aquino, IFAD-APRACA FinServAccess Project Manager in

collaboration with Thailand's Bank for Agriculture and Agricultural Cooperatives (BAAC). The training focused on rural and agricultural development, financial and business management, health and nutrition, education, community development. Also, it encouraged the participants to learn the basic techniques in conceptualizing research topics, literature search, research packaging and publication including presentations.

Furthermore, the training was part of APRACA's support to its partner members in enhancing support institutions in doing relevant and systematic research undertaking especially related to rural and agricultural finance. In

addition, it was conducted as part of the Yala Research Network anniversary celebration to foster strong partnerships with international and national organizations in development at the same time towards integrating to the ASEAN Economic Community in 2015.

In addition, APRACA hopes to share more of its programs through professional and knowledge exchange with its partners especially those with high sense of research, development and training on rural, agricultural and community development with special concern on finance and management across the Asia-Pacific region and other networks.

SRVCF Strategy binds stronger partnership between Nepal and India Stakeholders

The replication and pilot testing of the small ruminants value chain finance (SRVCF) under the IFAD-APRACA FinServAccess Project with Nepal was a complete success conducted from February to August 2014. The Nepal key players were from the Agricultural Development Bank Limited (ADBL), Ministry of Agriculture and Rural Development (MARD), High Value Agricultural Project (HVAP) of the International Fund for Agricultural Development (IFAD) in Surkhet, Nepal.

There were two important activities conducted; namely Phase 1 – assessment of goat production system, support initiatives, conditions and situations of people and communities conducted on 9 to 12 February 2014 in

Surkhet, Nepal and Phase 2 – exposure study visit in Western Rajasthan for the best practices implemented by the imGoats and MPOWER Projects which was conducted on 18 to 22 August 2014.

Overall, the SRVCF opened new dimension of financing scheme for goat production and marketing as well as established stronger partnership between Nepal and India stakeholders. Through the lessons learned by Nepal participants in both the activities, they will enhance and intensify goat production activities in other HVAP sites and improve the financing strategies of the ADBL for rural goat farmers for sustained production and profit in key production areas particularly in Surkhet, Nepalgunj,



IFAD-APRACA FinServAccess Project participants from Nepal with the imGoats Project staff during the Exposure Study Visit on 18-22 August 2014 in Western Rajasthan, India

Pokhara and Kathmandu. Based on this, the best practices related to goat production and marketing will ensure an improvement of the existing production system intended for small goat raisers and farmers.

On the other hand, India which served as the learning venue also derived an opportunity to learn from its Nepal counterparts especially in conditions conducive for hilly land areas. Sustainable goat production could now be productive based on best practices, technologies and processes of goat development and community development as a whole as the FinServAccess Project continue to expand and share the lessons learned to other target areas and other APRACA partner countries and members where small ruminants play an vital role in increasing the production, profit and access to finance of small farmers, traders and entrepreneurs in the value chain.



Indian goat farmers discussing with the ESV participants about the contribution of imGoats and MPOWER Projects in the development of goat industry in Udaipur and Jodhpur, Western Rajasthan, India (Photos courtesy of Marlowe Aquino 2014)

FSAP Activities Finalized for Implementation

Three important activities of the FinServAccess Project (FSAP) in support to enhancing capacity building and knowledge exchange between key players and stakeholders were finalized. These activities were coordinated in close partnership with country agencies. On 5 to 10 October 2014, a group of Information Communication and Technology (ICT) heads and operations managers from Cambodian Microfinance Institutions will be visiting India to understand, learn and obtain best practices in incorporating ICT in rural and agricultural finance in local areas. This activity is part of the replication study on the application of ICT strategies and tools in microfinance in agriculture. The APRACA Cambodia members – National Bank of Cambodia, PRASAC MFI, Sathapana Limited, Hattha Kaksekar Limited and the Rural Development Bank will be participating to the Exposure Study Visit coordinated and arranged by MicroSave based in Lucknow, India.

The ESV will enhance the understanding and application of ICT in improving financial access of rural people and communities through dynamic and systematic approaches. In so doing, the Cambodian team needs to evaluate the best strategies and analyze the cases for more appropriate utilization and application. Eventually, this will be part of the microfinance institution's ICT system to enable clients to avail of better and quality financial products and services.

In an integrated manner, the regional microfinance in agriculture study with seven country cases from Bangladesh, Cambodia, Nepal, India, Pakistan, the Philippines and Sri Lanka will be presented and discussed in a joint IFAD-APRACA FinServAccess Project and National Bank of Cambodia Regional Dissemination Forum on 28-30 October in Siem Reap, Cambodia.

The regional dissemination forum is considered as one of the important avenues to determine the status of microfinance specifically in the agriculture sector for increase productivity and profitability including access to finance by rural people. It will be participated by APRACA members including the Cambodian Microfinance Association which is expanding in terms of its membership to cater to the needs of its clientele in microfinance.

It will be graced by Hon. Chea Chanto, governor of National Bank of Cambodia, Dr. Ganesh Thapa, former IFAD-APD regional economist and FinServAccess Project supervisor, Mr. Kim Vada, APRACA Cambodia Executive Committee member, respected technical experts and researchers from the seven commissioned countries and other groups.

Finally, the regional capability building workshop on agricultural value chain finance and green finance will be conducted on 8 to 12 December at the National Bank for Rural Development – Banker's Institute for Rural Development (NABARD-BIRD) in Lucknow, India. The objective of the workshop is to enhance key players and stakeholders' roles and responsibilities in rural finance and agricultural development particularly through innovative community-based approaches, agricultural value chain finance and initiating green finance initiatives for rural people including smallholder farmers and entrepreneurs towards productive and profitable ventures. It is envisioned that the workshop will develop institutional arrangements and partnerships in making better access to finance in agriculture and environment for community development. We are expecting at least 35 participants from APRACA partners and affiliates.

RuFBeP Project

The following activities were undertaken in RuFBeP Project during the quarter July to September 2014:

1. Identification and appointment of consultants

APRACA completed the process of identification and appointment of the international and national consultants for the Phase-1 of the project. The appointments were made based on the qualifications and the experiences of the consultants in the area of rural finance in their own country as well as the other regions of the globe. The lead institutions of the focused countries (where the projects are being implemented) were also involved in the process of identification, selection and appointments.

Apart from the consultants the country lead institutions have also identified suitable personnel from their organization to support the study. The table 1 below indicates the final list:

2. Inception report

As per the schedule, the inception reports were submitted by the consultants wherein they elaborated the methodologies to be adopted for the primary survey and the time line for the study. According to the reports, two-step approaches were being adopted to meet the objectives of the study: (a) consolidation of information from secondary sources and synchronization and (b) collation of the same in line with information gathered through field work and primary survey. During the initial stage extensive desk review on the available literatures will be conducted to gather secondary information related

Table-1: List of the lead institutions, international and national consultants

Sl.	Country	Lead Institution	International consultant	National consultant
1	P R China	Ministry of Finance, Govt. of P R China	Dr. Enjiang Cheng	Yet to be finalized
2	India	NABARD	Mr. A.K. Singh	NABCONS
3	Indonesia	Bank Indonesia	Dr. Nunung Nuryartono	Dr. Manuntun Parulian H
4	Philippines	ACPC	Dr. Gilberto M Llanto	Mr. Joel Quiambao Matira
5	Thailand	BAAC	Dr. Prasun Kumar Das	Yet to be finalized

to design, implementation and evaluation of the Best Practices on sustainable models of pro-poor rural financial services from various sources. Innovations, critical rural finance issues, concerns and gaps within the national rural finance conditions will be identified, determined and documented.

During the second step, survey and interview of different stake holders will be conducted by using scientific tools. For this purpose the following key informants were identified: (a) community and clients who are availing or deprived of benefit of sustainable best practices of pro-poor rural financial services, (b) agencies involved in implementation/monitoring of such models like banks and financial institutions, Govt. Agencies, Non-Governmental Organizations, Self Help Promoting Institutions, Joint Liability Promoting Institutions, Micro Finance Institutions, Researchers, Micro Finance Practitioners, Policy Advocators, Opinion Makers, Donors, Regulators and Supervisors etc.

3. Preparation of Questionnaires

Currently the consultants are reviewing the secondary sources of information. After this activity, the next phase is to make the plan to interact with representatives, officials, functionaries of wide ranged agencies as indicated above. Simultaneously, the questionnaire are also being developed which will be used for collection of information and data from various set of people, agencies, organizations. Such Questionnaires and Check lists may be modified in the field after pilot testing and the response of the key informants to capture emerging scope of study.

In most of the cases, semi-structured questionnaires will be used, however, open interviews will also be conducted in respect of various field officials and implementing institutions on their experiences, constraints, opportunities and potential. Once the field data are consolidated, they will be processed and analysed for drawing conclusions. Measures will be taken to identify 2-3 best practices of rural finance in each of the five countries being studied.

4. Review of literatures

The review of literatures will lead to a documented summary of factual information on the rural financial services particularly in finding out the best practices on sustainable models of pro-poor rural financial services in all the five countries. The review will also include the enabling environment and its impact on the rural finance environment in each of the countries. For each topic, summary assessment by the reviewer in particular for the rural financial services will be reviewed/analyzed by selected inclusion criteria as emerged during the inception workshop.

5. Timeline

Till now the work in progress following the time lines set in the terms of references for each of the countries and we are receiving positive responses from the country lead institutions and the country team. We are expecting the work to be completed as per the schedule.

End of Phase-1 Dissemination Workshop: "RuFBeP Project"

It has been proposed that the end of Phase-1 Dissemination workshop will be held in Manila, Philippines during 16-18 February, 2015. It is expected that the Phase-1 of the RuFBeP Project country reports from China, India, Indonesia, Philippines and Thailand will be completed by the end of January, 2015. The main objective of the workshop is to discuss and understand the findings of the country best practices which match with the global best practices in rural finance and also to finalize the pilot testing of the selected best practices for the second phase of the project (2015-16). The details of the schedule of the workshop will be advised in due time to the country team involved and other participants.

REGIONAL FORUM ON AGRICULTURAL FINANCING SYSTEM

Date: 22 to 25 October 2014

Venue: Pullman Hanoi Hotel
40 Cat Linh Str., Dong Da Dist., Hanoi, 10000, Vietnam

Tel: 84-4-37330688

Fax: 84 43 7330888

Mobile: 0919398981

E-mail: H75709-sl2@pullman-hanoi.com

Target Participants: The Forum is opened to 20 delegates from APRACA members and 10 delegates from local organisations on the basis of first come first serve. All delegates should cover the costs of their respective return air tickets, hotel lodging and other travel-related expenses.

REGIONAL DISSEMINATION FORUM ON MICROFINANCE IN AGRICULTURE FOR SUSTAINED FINANCIAL ACCESS OF RURAL PEOPLE

Date: 28-30 October 2014 (excluding travel dates)

Venue: Khemara Angkor Hotel and Spa Siem Reap
Cambodia (www.khemaraangkor.com)

E-mail: info@khemaraangkor.com

Target Participants: FinServAccess Project Countries (Bangladesh, Cambodia, Myanmar, Nepal)

IFAD investment projects

Other APRACA Institutional Members

THE 65TH APRACA EXECUTIVE COMMITTEE MEETING AND REGIONAL FORUM ON "ADAPTATION AND MITIGATION OF THE IMPACT OF CLIMATE CHANGE ON RURAL AND AGRICULTURAL FINANCE"

Date: 1-3 December 2014

Venue: Colombo, Sri Lanka

Host: Bank of Ceylon

Target Participants: APRACA Executive Committee Members

REGIONAL CAPABILITY BUILDING WORKSHOP ON AGRICULTURAL VALUE CHAIN FINANCE AND GREEN FINANCING FOR RURAL PEOPLE INCLUDING SMALLHOLDER FARMERS AND ENTREPRENEURS

Date: 8-12 December 2014

Venue: NABARD-Bankers Institute for Rural Development
Lucknow, India

Target Participants: FinServAccess Project Countries (Bangladesh, Cambodia, Myanmar, Nepal)

IFAD investment projects

Other APRACA Institutional Members

Upcoming APRACA Consultancy Services (ACS) Activities

International Course on Islamic Banking and Finance

ACS in collaboration with International Center for Development in Islamic Finance (ICDIF) and Indonesia Islamic Banking (iB) will conduct The International Course on Islamic banking and Finance to be held in Jakarta and Bandung, Indonesia on October 27 – November 1, 2014.

The program will acquainting participants with the concept of Islamic banking and introducing the role of the authority in developing the Islamic banking and finance industry as well as familiarizing participants with various products and services of Islamic banking and finance. The field visit to the selected Islamic Commercial Bank and Islamic Microfinance Institution will also be conducted for a closer look to the operations and management of Islamic MFI.

The program is very beneficial for those who wishes to learn about Islamic banking and finance transactions, and for investment managers who deal with Islamic banking and Finance products.

The program is also useful for the Central Bankers or banking and financial regulators, and banking professionals seeking a refresher course and wishing to appreciate Islamic banking and finance concepts from a broader perspective.

International Exposure Visit Program on Promoting MSME

The International Exposure Visit Program on Promoting Micro, Small and Medium Enterprise (MSME) will be conducted in 3 attractive places in Indonesia (Jakarta, Bandung, and Bali) on December 15-21, 2014. The program is aimed at exposing the participants on the overview on the policies, roles, regulations and strategies of the selected institutions in promoting MSMEs. Further, the program is also aimed to share with the participants the innovative thinking, strategic perspectives and related experiences of selected financial institutions and government agencies in Indonesia that helped improve the capability of MSMEs to meet the rapid changes due to liberalization and globalization.

APRACA Extended Technical Support to AFRACA

African Rural and Agricultural Credit Association (AFRACA) invited Dr. Prasun Kumar Das, Project Manager, IFAD-APRACA "RuFBEP Project" as resource person in the training course on "Agriculture Value Chain Finance" held in the Kenya School of Monetary Studies (KSMS), Nairobi during 21-25 July 2014. The training course was hosted by AFRACA and sponsored by the Food & Agriculture Organization of the United Nations (FAO).



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Acknowledged leader in rural and agricultural finance

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