

Secretary General Report

Tentative Venue and Dates of the next EXCOM and GA

APRACA and the National Bank of Cambodia, the host institution of the next General Assembly, have tentatively decided to hold the 61st Executive Committee Meeting and 18th General Assembly in Siem Reap Province, Cambodia on May 30 – June 1, 2012. Siem Reap Province is famous for the existence of Anchor Wat, one of the most important archeological sites in the world. APRACA plans to hold Regional Forum/Conference on May 30, Executive Committee Meeting and General Assembly on May 31 and Field trip on June 1. The theme of the Regional Forum/Conference has not yet been selected.

Preparation of FinPower Regional Forum-Consultation on Rural Finance Innovations and Emerging Issues, Bangkok, Thailand, November 2-5, 2011.

The Secretariat invited the Bank for Agriculture and Agricultural Cooperatives (BAAC) of Thailand as the co-hosting institution of the Forum-Consultation. It was accepted by BAAC.

APRACA sent invitation letters to the Regional Forum-Consultation to all member institutions, selected IFAD national projects and international development partner agencies. The participation of 12 countries and 13 member institutions as well as several IFAD national projects and international development partners were confirmed for the Consultation. As of September 30, the Secretariat secured 47 international participants and 15 local participants.

Dr. Geetha Nagarajan, eminent Professor and Deputy Director of the IRIS Center of the University of Maryland in USA was selected as the main international expert on rural finance innovations for the forum.

Preparation of the new Strategic Plan of APRACA

In accordance with the proposal by Bank Keshavarzi (BK) of Iran at the 60th EXCOM meeting in Tehran, APRACA Secretariat has entrusted BK to establish the first draft of the new Strategic Plan of APRACA. The first draft, when completed, will be presented and discussed at the ad hoc Committee on drafting APRACA Strategic Plan in early 2012. The Secretariat plans to bring in the draft Strategic Plan adopted by ad hoc Committee, at the 61st EXCOM meeting for the approval by the 18th General Assembly in May 2012.

The Secretariat has provided R&D Division of BK, with various references needed for the drawing up of the Strategic Plan including current APRACA Strategic Plan adopted in 1992, APRACA Regulations, APRACA Annual Work Plan and Budgets (2009 – 2014), and Strategic Plans of APRACA's sister Associations such as NENARACA, AFRACA, CICA and Alide and of other international organizations including UN FAO and International Cooperative Alliance.

Membership Application from Mongolia

The Secretariat received the Application for APRACA Membership from XacBank, Mongolia on August 30, 2011. The application will be included in the agenda of 61st APRACA EXCOM Meeting in May 2012 for the approval. APRACA is supposed to increase its member countries from 23 to 24 and its member institutions from 60 to 61 with the approval of its admission.

XacBank, one of the major commercial banks in Mongolia with national network, has played a leading role in delivering loans to agricultural/rural sector in the country.

Arrangement of International Training Program for the Cooperative League of Thailand (CLT)

APRACA has arranged an international training program in Korea for cooperative leaders in Thailand. The Secretariat contacted the National Agricultural Cooperative Federation (NACF) and organized a five-day training program on agricultural finance and marketing by agricultural cooperatives in Korea. A total of 32 cooperative leaders in Thailand including Dr. Suwichai Suparanon, Executive Director of CLT attended the program held on September 25-29, 2011. The program included lectures on the organization, management and activities of agricultural cooperatives, and observation visits to Hanaro Agricultural Wholesale/Retail Market, a primary agricultural cooperative, and a training center for employees and member farmers.

IFAD Evaluation Mission on FinPower Programme

IFAD conducted evaluation/supervision mission on APRACA FinPower Programme from August 20 to September 3, 2011. During the period, IFAD sent the mission team composed of Dr. Thierry Mahieux, Consultant and Dr. Ganesh Thapa, Regional Economist and Country Programme Manager of Asia and Pacific Division of IFAD to Cambodia, India, Lao PDR and Thailand.

APRACA arranged the meetings of the IFAD supervision mission team, together with the APRACA Secretary General, with CEOs of APRACA members including Reserve Bank of India (RBI), National Bank for Agriculture and Rural Development (NABARD), National Federation of State Cooperative Banks (NAFSCOB) and National Federation of Cooperative, Agricultural and Rural Development Banks (NAFCARD) in India.

The Secretariat also arranged the meetings of the IFAD supervision mission team, together with the APRACA Consultant, with CEOs/senior officers of APRACA members such as Agricultural Promotion Bank (APB) and Ek Phattana Microfinance Institution (EMI), partner Bank of Lao PDR as well as IFAD national projects in Lao PDR, with National Bank of Cambodia and Rural Development Bank as well as IFAD national projects in Cambodia and with the Bank for Agriculture and Agricultural Cooperatives (BAAC) in Thailand.

The evaluation/supervision mission team undertook an on-site evaluation/supervision of APRACA Secretariat on August 23-25 about the conduct of FinPower Programme.

The Secretary General signed the Aide-Mémoire prepared by Dr. Thierry Mahieux for the conclusion of the mission on September 3, 2011. Before signing, the SG had meetings with Dr. Mahieux to check the contents of the draft Aide-Mémoire.

The Secretariat received an IFAD management letter, stipulating the actions to be taken by FinPower on September 14, 2011, which recommended APRACA as follows :

- APRACA will expeditiously submit to IFAD a new work plan and budget for the remaining six months of the Programme including reallocation of budget as proposed by the mission
- APRACA will expeditiously recruit a communication/editing specialist to help complete the remaining work related to publication and knowledge sharing
- APRACA will finalize and publish a compendium of rural financial innovations and best practices that have emerged during the past 5 years (by 28 February 2012)
- APRACA will collect and publish concise summary assessments from benefitting partners on the technical support they received from the programme (by 31 October 2011)
- APRACA will collect and publish one-page assessments of pilot testing from benefitting partners (by 31 October 2011)
- APRACA will expeditiously upload all K-Wealth material (unedited and un-published reports) in an e-library
- APRACA will expeditiously add additional links to the APRACA website (including IFAD Asia link, other donors web pages)
- APRACA will expeditiously prepare an updated comprehensive paper on women in micro and rural finance
- IFAD and APRACA will jointly organize a regional policy forum/consultation to discuss rural/microfinance innovations and emerging challenges and opportunities with the participation of potential development partners such as UNCDF, CGAP, ADB, WB, FAO, GIZ, AFD, in addition to APRACA members institutions (2-3 November 2011)
- APRACA will explore partnership with ESCAP on green financing issues

In response to the recommendations, APRACA submitted IFAD a new FinPower Work Plan and Budget covering the period September 15, 2011- March 31, 2012.

In accordance with the new work plan, the Secretariat has sent out concise assessment forms to determine the extent of benefit and usefulness of the FinPower technical support to regulatory authorities and initial field testing of rural financial innovations, arranged for the prospective holding of a follow-up mini-consultation in February 2012, and has been preparing Regional Forum-Consultation on November 2-5, 2011 in Bangkok, Thailand.

Meetings with the Prospective Partners

As part of the efforts to secure partner agencies to work together with APRACA in the future, the Secretary General has recently visited several state/international development/donor agencies.

The Secretary General visited Bangkok Office of German Agency for International Cooperation (GIZ) on September 1, 2011 and met with Mr. David Oberhuber, Country Director, and Mr. Matthias Bickel, Program Director, and discussed mutual cooperation between two organizations. Emphasizing that GIZ had supported APRACA with the Programme on Linkage

Banking in late 1990's, the SG proposed that GIZ considers working together with APRACA in the field of rural finance development in Asia. He also invited GIZ to the Regional Forum-Consultation on Rural Finance Innovations and Emerging Rural Finance Issues to be held on November 2-5, 2011 in Bangkok, Thailand.

He visited the Alliance for Financial Inclusion (AFI), a global network of financial policymakers from developing countries working together to increase access to appropriate financial services for the poor, funded by Bill and Melinda Gates Foundation, based in Bangkok, on September 1, 2011. He met with Mr. Hyder Al-Bagdadi, Policy Grant Manager of AFI and discussed the possibility of future cooperation between two institutions. AFI was also invited to the Regional Forum-Consultation in November.

Visits to Member Institutions

The Secretary General visited India from August 14 to 23 in conjunction with the IFAD's FinPower Evaluation Mission and its related activities.

He visited Oriental Bank of Commerce based in New Delhi and met with its Chairman and Managing Director, Mr. Nagesh Pydah. Mr. Pydah agreed to resume their activities with APRACA in the future.

When visiting the Bankers Institute of Rural Development (BIRD) and National Bank Staff College (NBSC) of NABARD in Lucknow in conjunction with the FinPower exposure visit programme on SHG Linkage Banking for Cambodian participants, he had meetings with Mr. S.K. Chatterjee, Director of BIRD, and his faculty members for the efficient commitment of BIRD in supporting/collaborating APRACA activities as an APRACA Centre of Excellence (ACE-NABARD BIRD).

He also visited such member institutions as National Bank for Agriculture and Rural Development of India (NABARD), Reserve Bank of India (RBI), National Federation of State Cooperative Banks Ltd. (NAFSCOB), National Cooperative Agricultural & Rural Development Banks' Federation Ltd. (NAFCARD), State Bank of India, and Indian Banks' Association in Mumbai. During the visits, he had meetings with top management and high-level officers of member institutions and requested them to actively support IFAD FinPower Evaluation Mission to be conducted by an IFAD Officer and a Consultant. He shared many opinions with them of how to meet the members' demands from the APRACA side.

The Secretary General visited Agricultural Development Bank of China (ADBC) on September 5, 2011 and met with Mr. Li Gang, Vice President, and his officers. He proposed ADBC two practical pending issues of APRACA; firstly, to host a mini-consultation meeting in February 2012 in line with the discussion of the next phase of IFAD FinPower Programme, and secondly, to contribute to APRACA for supporting its financial situation from 2012

The Secretary General met with Mr. Jun-Ho Kim, Executive Vice President, and Mr. Sang-Cheol Kim, General Manager of International Cooperation Department of National Agricultural Cooperative Federation of Korea (NACF) on September 8, 2011. In the meeting, the preparation of the International Training Programme for Cooperative League of Thailand during September 25-29, 2011 and the NACF's organization/hosting of Regional Workshop on Financing and

Marketing of Organic Farm Products in autumn 2012 were discussed. NACF confirmed its support for the two programmes.

The Secretary General visited Jakarta, Indonesia on September 21-22 on the way to Yogyakarta where the International Training Programme on Monitoring and Evaluation was being held by APRACA Consultancy Services (ACS) in collaboration with CENTRAB.

He visited Bank Rakyat Indonesia (BRI) and met with Mr. Agus Rachmadi, Head of BRI Microfinance International Cooperation and discussed the operation of ACE-BRI on unit banking. BRI commented that the role of ACE-BRI has not activated, however, it is now ready to supply services to APRACA members. The SG agreed to find ways to promote ACE-BRI activities.

He visited Bank Indonesia (BI) and met with Mr. Edy Setiady, Director, and Mr. Mahdi Mahmudy, Deputy Director, Directorate of Credit, Rural Banks and MSME. Mr. Zenianto Wibowo, Manager of Finance and Micro Accounting of Bank Bukopin also joined the meeting.

In regard to ACE-BI on Islamic Banking, BI presented that they are ready to support APRACA members by provision of two kinds of training courses; training course for regulators and that for Islamic bankers.

International Training Program on Monitoring and Evaluation in Yogyakarta, Indonesia, September 19-24, 2011

The APRACA Consultancy Services (ACS) conducted the International Training Program on Monitoring and Evaluation in Yogyakarta, Indonesia on September 19-24, 2011 with 15 participants from 7 countries. It was organized in collaboration with CENTRAB, APRACA, and IFAD. The program dealt with the “nuts and bolts” (the basics) of setting up and using a monitoring and evaluation system for a project or an organization.

The scope of the program is how to plan and design a system that helps in the monitoring and evaluation process that brings it all together usefully. It includes how to collect the information in a relatively straightforward way. Finally it raises, and attempts to address, some of the issues to do with taking action on the basis of what we have learned.

The entire course program is organized into six (6) major connected sequence modules. Each module is divided into several sessions. The five-day program commenced with an opening ceremony in the morning and welcome socials in the evening of the launching date. A total of 30 training hours were offered during the program.