

MICROENTERPRISE ACCESS TO BANKING SERVICES (MABS) PROGRAM

April 2010 Highlights

Tanzanian and Burundi Central Bankers visit the Philippines to study Mobile Money and Mobile Phone Banking

A study group of 10 key officers from the Bank of Tanzania and the Bank of the Republic of Burundi visited the Philippines on April 5 to 13 under a Knowledge Exchange Program arranged by the Alliance for Financial Inclusion (AFI) and the Bangko Sentral ng Pilipinas (BSP). The representatives came to study the policy and regulatory environment around electronic money issuers, as well as the country's experiences on GCASH and Smart Money. MABS presented its experiences in mobile phone banking.

The delegates visited the BSP, SMART, which manages the Smart Money services, and Globe's G-Xchange Inc. (GX), which operates the GCASH platform. The Bank of Tanzania delegation was led by Atty. George Sije, Legal Counsel of the Directorate of National Payments Systems, while the Burundi delegation was led by Mr. Innocent Ndabarushimana, Bank of the Republic Burundi's Chief of the Microfinance Supervisory Department, and Mr. Emery-Gaspard Simbahwanya, Technical Advisor of the Minister of Finance of Burundi.

Russian finance and economic policy makers visit RBAP-MABS to study Philippine mobile banking services



Policy makers from the Russian Central Bank, Ministry of Finance and Ministry of Economic Development conducted a study visit with the Rural Bankers Association of the Philippines-MABS Program on April 7, 2010. The 12-member study group visit focused on the mobile phone banking initiatives of the RBAP-MABS Program supported by USAID/Philippines.

The delegates, which included representatives of E-money providers, Russian microfinance and other trade organizations, and the academe were keenly interested in learning from the experience of the Philippines in implementing the mobile technology for microfinance. The study group also visited the Bangko Sentral ng Pilipinas to learn about the supervision and regulation of electronic banking, as well as the two pioneering m-commerce telcos, SMART and Globe. It was led by Mr. Mikhail Mamuta, president of the National Association of Microfinance Market Stakeholders and Russian Microfinance Center, and was organized by the Russian Microfinance Center working through its counterpart organization in the country, the Microfinance Council of the Philippines Inc. (MCPI).

Rural banks and microfinance rating agencies share the benefits and experiences of ratings

RBAP-MABS and the Rural Bankers Research and Development Foundation Inc. (RBRDFI) held a workshop entitled "Benefits and Experiences of Rural and Microfinance-Oriented Banks on Ratings" on April 8 at the Pan Pacific Hotel in Manila. Twenty-four bankers from 16 rural banks participated in the workshop held in collaboration with MICRA Philippines, MicroFinanza Rating, and Planet Rating. The workshop included presentations from the three microfinance institution rating agencies, the Bangko Sentral ng Pilipinas (BSP), and MABS participating banks First Macro Bank, GM Bank, and Green Bank. In the afternoon, the participants were given hands-on exercises on how ratings are conducted.



"Getting a rating is like obtaining a seal of good governance."

- Mr. Reginald Ocampo
President, First Macro Bank



"Picking a rating agency is like selecting a doctor; you need to make sure they have the appropriate expertise and track record."

- Mr. Salvador Santiago
Assistant Vice President,
GM Bank



"This (our rating) led to the improvement of our management systems, processes and procedures, (thus) leading to better customer satisfaction, increased efficiency and effectiveness, and better risk mitigating measures."

- Mr. Joseph Omar Andaya
President, Green Bank

FAIR Bank takes another step towards expansion through MABS

MABS visited First Agro-Industrial Rural Bank (FAIR Bank) in Cebu on April 12-17 to review its Housing Microfinance (HMF) Product and provide technical assistance for the development of its planned microinsurance services.

MABS has been working with the bank during the past few months in its campaign to expand its services and outreach by incorporating products such as HMF and microinsurance in its portfolio. This visit included an evaluation of the bank's current HMF product procedures and operations manual, as well as the re-alignment of strategies and practices to ensure effective HMF implementation. MABS also worked with the bank's officers in enhancing its staff and client orientation materials for microinsurance, which are to be pre-tested for effectiveness in the coming months. Further, MABS assisted the bank and their new insurance partner in reviewing upcoming plans to improve the efficiency and simplification of FAIR Bank's upcoming microinsurance service. The team provided support by facilitating application and simplifying the product's claims procedures.

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MABS participating rural bankers present at Women's World Banking Headquarters



From left: Rural Bank of Pagbilao President Senen Glorioso, WWB Relationship Manager for Asia Gil Lacson, and RBRDFI Chairman and GM Bank President Tomas Gomez IV. The link for WWB is at www.swwb.org.

GM Bank President and Chairman of the Rural Bankers Research and Development Foundation Inc. (RBRDFI) Tomas Gomez IV and Rural Bank of Pagbilao President Senen Glorioso shared the experiences of rural banks engaged in microfinance and their experiences with the RBAP-MABS program at the International Headquarters of Women's World Banking (WWB) in New York City on April 13.

WWB Relationship Manager Gil Lacson gave a thorough presentation about WWB, including their views on the commercialization of microfinance services and an overview of the WWB network. Mr. Gomez presented on the performance of the rural banking sector, focusing on its growth and savings mobilization. RB Pagbilao President Glorioso, on the other hand, shared the experiences of the MABS program, emphasizing the innovations in mobile phone banking technology utilizing GCASH. He also discussed the new product developments in housing microfinance, microinsurance and SME finance. Fourteen key officers and staff of WWB participated in the event including COO Cecille Zacarias and Microfinance Products and Services Hans Dellien.

RBAP-MABS holds Housing Microfinance Product Development Workshop



Fourteen (14) participants from six RBAP-MABS participating banks returned to the training room on April 14-16 for the second module of the Housing Microfinance (HMF) Product Development Workshop.

Held in continuation of the HMF market research training on March 3-

5, this module allows the participants to complete the development of their housing microfinance loan product, draft their manual and business plan, and prepare an action plan for pilot testing their respective loan product in the next six months. The MABS training team guided the participants on using the information from the market research in developing their loan product as well as in drafting the product manual, preparing the financial projections and business plan.



RBAP-MABS holds Housing Microfinance Product Development Workshop for Luzon & Visayas Rural Bankers



Pan Pacific Hotel in Manila on April 27-30.

Twenty-six (26) participants from 11 Rural Bankers Association of the Philippines Microenterprise Access to Banking Services (RBAP-MABS) participating banks participated in the second module of the Housing Microfinance (HMF) Product Development Workshop held at the

A continuation of the HMF market research training on March 24-26, this follow-on workshop allowed the participants to complete the development of their housing microfinance loan products, draft their manual and business plan, and prepare an action plan for pilot testing their respective loan products over the next six months.



The MABS training team guided the participants on using the information from the market research in developing their loan product, drafting the product manual, preparing the financial projections and business plan. Bangko Mabuhay also hosted the facilitation of an actual focus group discussion at its Tanza branch, demonstrating the value of consulting with clients in validating the product design.