

# MICROENTERPRISE ACCESS TO BANKING SERVICES (MABS) PROGRAM

## June 2010 Highlights

### Rural bankers prepare to take a leap from microfinance best practices to next practices

MABS presented the NEXT microfinance practices to its partner rural banks and service providers at the 2010 RBAP-MABS National Roundtable Conference held on June 2-3 at the Hyatt Hotel and Casino in Manila. Over 140 rural bankers, service providers, key microfinance partners and distinguished guests participated in the conference. Bangko Sentral ng Pilipinas (BSP) Governor Amando M. Tetangco, Jr. delivered the keynote speech, where he expressed the BSP's support to the continuous growth of the Philippine microfinance industry.



With the theme "From Best Practice to Next Practice", the roundtable conference included topics on trends and challenges in microfinance for this decade, transparency and consumer protection, social performance monitoring, microinsurance, housing microfinance, technological trends for improved efficiency and customer service, and marketing in a competitive environment. MABS participating banks were also given an annual analysis of their microfinance performance based on MABS' EAGLE (Efficiency, Asset Quality, Growth, Liability Structure, and Earnings) criteria. On the night of June 2, MABS held its annual Awards Night, giving recognition to its key partners, particularly the top performers of its various microfinance initiatives: Agricultural Microfinance, Mobile Phone Banking, Housing Microfinance, Ratings, and Consumer Protection and Transparency. MABS also awarded recognition to its insurance partners, and to the newly accredited MABS service provider, MICRA.

### MABS gears up FAIR Bank for microinsurance

On June 10-12, MABS assisted the First Agro Industrial Rural Bank, Inc. (FAIR Bank) Microinsurance Team as it conducted training in the municipalities of Balamban and Sta. Fe in Cebu. A prelude to the launch of the bank's microinsurance product, the MSHIELD Plan, this activity is part of the microinsurance literacy enhancement initiative designed for the bank's microfinance field staff and clients. A team of trainers each was deployed for the bank's northern and southern branches. Each team was composed of two Community Specialist Office (CSO) staff members and an average of four group supervisors.

### MABS and the BSP visit Cantilan Bank

More than 500 attendees packed into a basketball gymnasium in Cantilan's town square to celebrate the 30<sup>th</sup> anniversary of Cantilan Bank. The gala highlighted the bank's remarkable growth over the past three decades and underscored the important role microfinance services played in its success. Cantilan Bank was among the first rural banks to participate in the MABS program back in 1999. Bangko Sentral ng Pilipinas (BSP) Deputy Governor Nestor A. Espenilla, Jr. congratulated the bank on its 30 years of dedicated service. "I am here to celebrate with you an institution that has exemplified the true essence of community banking," he told the

crowd. "Your participation in this endeavor is a powerful indication of your commitment to your clients' well-being."

### Five banks oriented on the MABS Approach

Senior officers of Aurora Rural Bank, Country Rural Bank of Taguig, First State Bank of Iloilo, New Rural Bank of Agoncillo, and the Rural Bank of Taal



attended the MABS Senior Management Orientation (SMO) on June 16 to understand more about the *MABS Approach* to Microfinance. They were led by newly-elected RBAP President Ma. Corazon Miller of the Country RB of Taguig. Among the participants were representatives from the Rafael B. Buenaventura Microfinance Foundation, a microfinance-oriented non-profit institution led by Mr. Leonilo "Topper" Coronel and Mr. Mike Andaya.

### MABS conducts study visit to Punla sa Tao Foundation's (Punla) Manok Mabuhay Project

To further expand the scope and scale of agriculture that rural banks can support, MABS conducted a study visit on June 18 to small scale poultry growers in Cavinti, Laguna, a 4<sup>th</sup> class municipality located about a hundred kilometers southeast of Manila. The growers are part of the social entrepreneurship business model that Punla has been pilot testing in the province. "Manok Mabuhay" project is being conducted in partnership with an industry integrator and Cavinti's backyard poultry farmers. The implementation of the business model is now being expanded to more towns in Laguna. Punla's "Manok Mabuhay" project was established to alleviate poverty in the area. It is designed to benefit small farmers like those in Cavinti.

### Delegates from Pacific Islands study Philippine mobile phone banking

A joint study group of 9 members from the Alliance for Financial Inclusion (AFI) and the Pacific Island Central Bankers visited the Philippines on June 21-23, 2010 to learn about Philippine mobile phone banking. Specifically, they were interested in the regulatory approach adopted by the Bangko Sentral ng Pilipinas (BSP) for its successful implementation. RBAP-MABS presented to the study group its experiences with rural banks and microfinance clients in developing and implementing its mobile phone banking initiatives using the GCASH platform.

The study tour, led by Ms. Alyson Slater from Alliance for Financial Inclusion (AFI), is composed of officials from the Reserve Bank of Fiji, Central Bank of Samoa, Reserve Bank of Vanuatu, Bank of Papua New Guinea, Banking and Payments of Timor Leste, and Pacific Financial Inclusion Programme. AFI is a global network of policymakers in developing countries that provides its members with the tools and resources to share and develop policies which promote financial inclusion.