

ASIAN CREDIT UNION FORUM

2022

Greener, Inclusive, Resilient Path to COVID-19 Recovery
August 29 - September 1, 2022 - Thailand

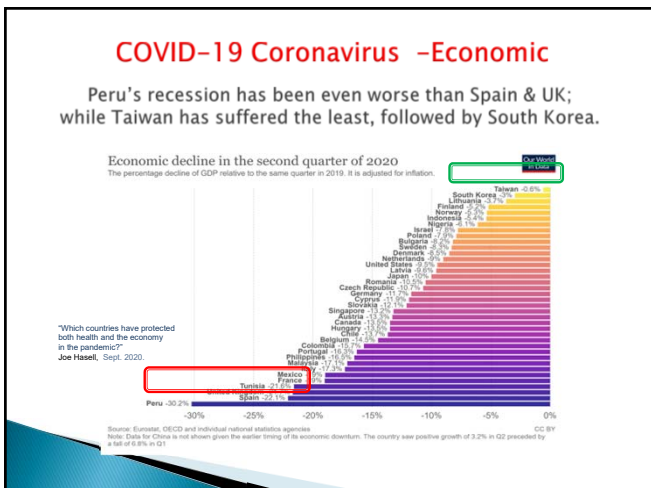
Plenary 2
Outlook of the Asian Credit Union Movement post-COVID 19
Patrick Palma, General Manager CCULB Bangladesh

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COVID-19 Coronavirus

	Global	Bangladesh
Covid 19 Case	592,626,903	2,008,068
Recovery	564,445,733	1,949,540
Death	6,446,722	29,309

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Why differences across continents in Covid-19?

- ▶ Why has Latin America been hit so badly (≈ ½ global summer deaths)?
 - Big densely populated cities, informal workers, internal migrants;
 - Inequality, inadequate public health systems.
- ▶ Why have East & SE Asia done the best?
 - In part: cultural willingness to wear masks or quarantine;
 - Recent experience with epidemics => good habits of response,
 - vs. Western Hemisphere & Europe.
- ▶ Why has Africa apparently done better than expected?
 - Again, experience with epidemics => habits of response;
 - Low population density;
 - Young population.


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COVID-19 Impact – Bangladesh

Bangladesh's GDP is estimated to have fallen by 29% during the country's 9-week lockdown

Food system is adversely affected by falling consumer & export demand (agri-food GDP falls by 8.2%, despite exemptions to the agriculture sector).

National poverty rate increases by 25%-points during the lockdown (42 million more people temporarily living below the national poverty line)



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CCULB VISION

Competitive integrated network of cooperative financial institutions in Bangladesh


CCULB MISSION

Ensuring the sustainable growth of cooperative financial institutions enabling them to provide quality services that improve the lives of people.




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CU Movement in Bangladesh on 30 June 2022		
Particulars	2022	1999
No. of Member Credit Unions	1,278	386
No. of Individual Members	850,000	750000
Total Assets	500 Million US\$	350Milioon US\$



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Impacts of the Pandemic-CUs
<ul style="list-style-type: none"> ➤ CUs Failed Normal Service : ➤ Urban 99% ➤ Rural 75% ➤ No transactions ➤ Person to person meeting restricted and limited. ➤ Credit unions implementing microfinance SHG seriously affected.




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Impact of the Pandemic-CUs
<ul style="list-style-type: none"> ➤ The lack of group meetings no saving and no loan payment ➤ Based on experiences, not able to use digital channels, though some credit unions provided the facility. ➤ The Management Committee cannot conduct the regular board meetings and as sub-committee

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Impacts of Pandemic-Individual Members


- Members who were earning daily wage lose income
- Small businesses: teashop, stationary shop, grocery shop, convenience store, handicraft, beauty salon, and market vending.
- For services: Beauty parlors, house to house laundry service, laborers at the farm, factories, sewers and housekeepers.



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Impacts of Pandemic-Individual Members

- As only few CUs in Bangladesh have access to digital transaction
- Most members lost their regular income due to lockdown and failed to deposit savings and refund loans and interest to CUs.
- Some members who lost their job and daily income, went back to their home district and CUs lost those members and failed to recover loans from them.



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CUs Support to its Members to Make Them Resilient to Face Crisis

- Many CUs provide kinds and goods members during the pandemic times.
- Most credit unions provided short term loans with reduced interest rate t
- Urban CUs provided goods support (rice, cooking oil, potato, dalls, salt, etc.) to the poorest members to survive for 15 days.
- CU provided Corona Virus protective materials (e.g. mask, hand sanitizer, etc.).

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CCULB support members' to making them resilient to face crisis

- CCULB providing special loans who already lost their jobs and regular income.
- The loan is small business or income generation project.
- CCULB provide guide line it CUs flexible for the loan repayment schedule and re-schedule of loan repayment without any penalty /fines

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CCULB support members' to making them resilient to face crisis

- CCULB guideline CU special incentives to employees
- CCULB provide special loan for the members to start income generation
- CCULB reschedule loans those (This is repeating)

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CCULB support members' to making them resilient to face crisis

- CCULB provide liquidity loan to meet up the liquidity shortage.
- CCULB provide funding for credit unions to maintain the stability in the credit union system.
- CCULB ensure the accelerating access to digital channels through partnership program.
- CCULB keep training facilities to credit unions in order to make strong, sustainable and viable during in any pandemic and crisis period.

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Plan for Recovery :

- Members
- Institution

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THANK YOU



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