

# The Big Steps in Shaping Up an Integrated Credit Union Network

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**ACCU FORUM 2016, Korea**

# NETWORK MANAGEMENT

*Towards SACCOS unification,  
now and beyond...*

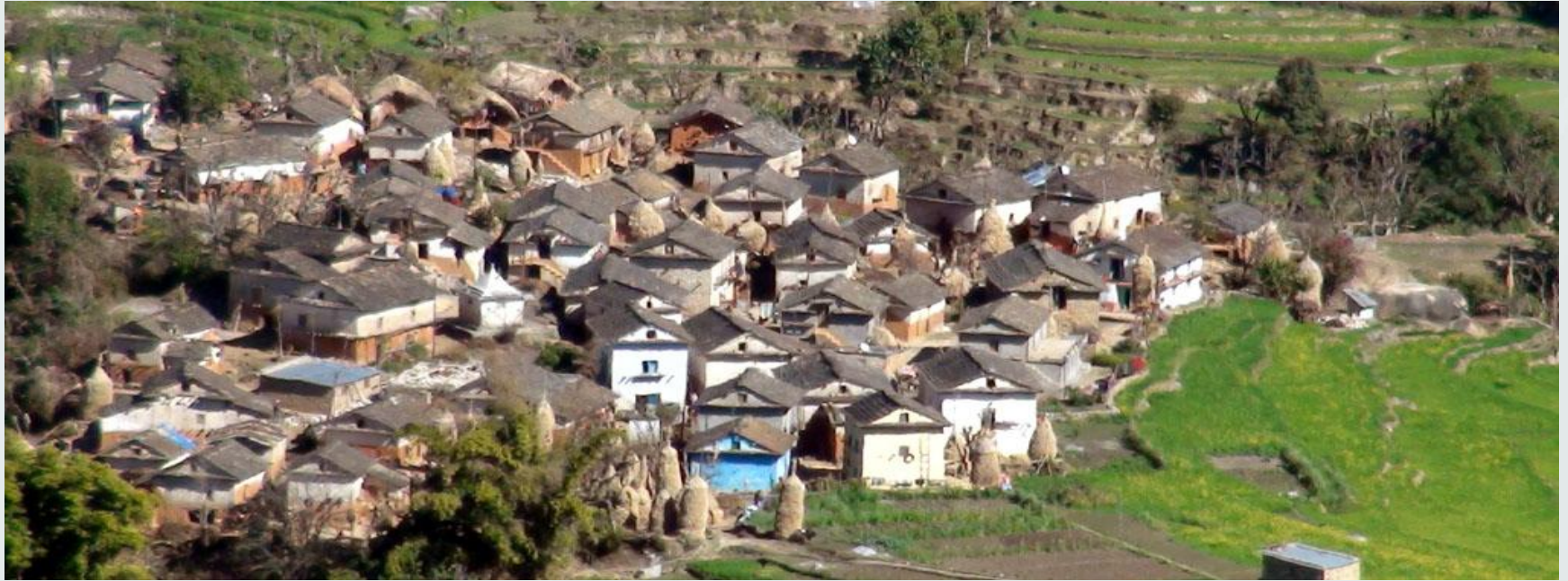






# NEFSCUN

**SHIVAJEE SAPKOTA**  
**CHIEF EXECUTIVE OFFICER**



**Community where Cooperatives  
providing better services.**



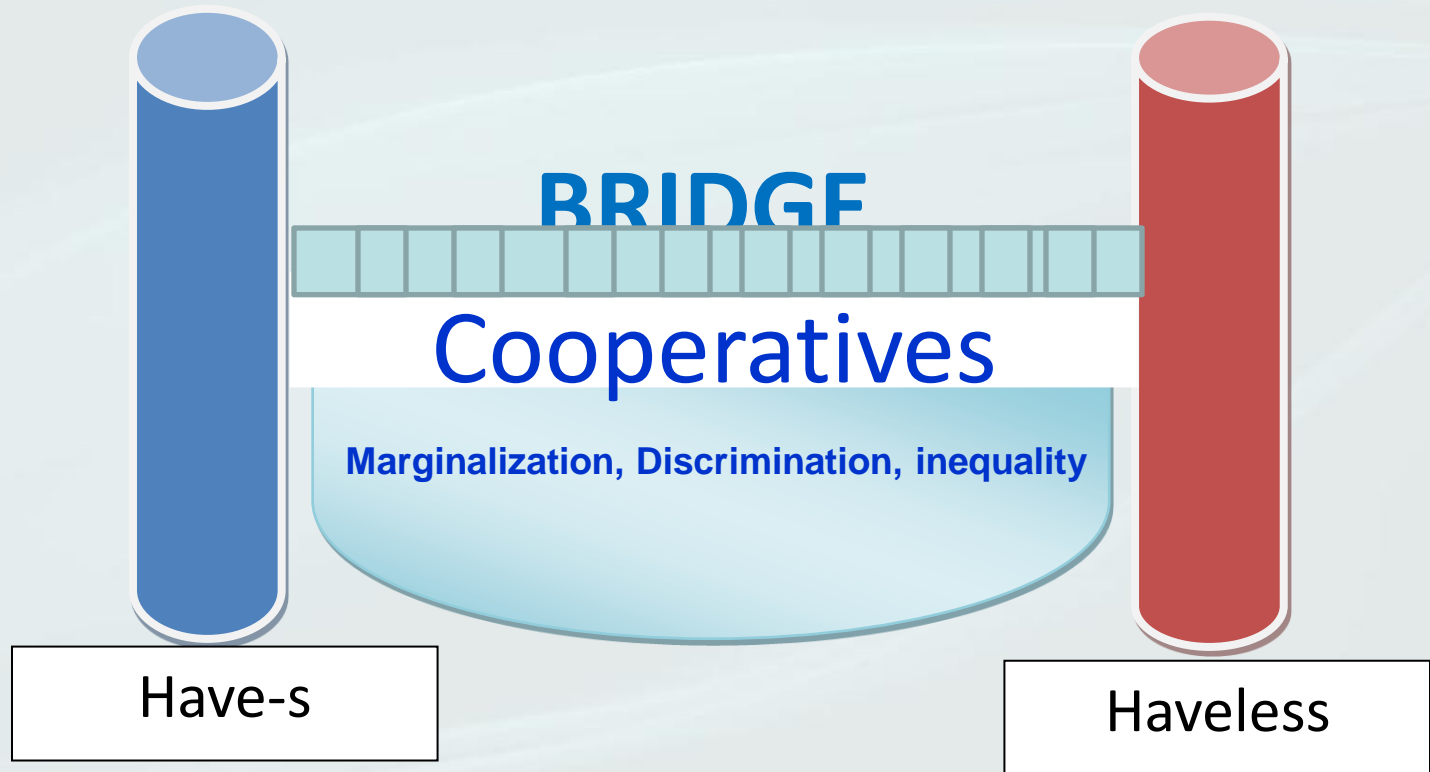


# People

# • COOPERATIVES



# PHILOSOPHY



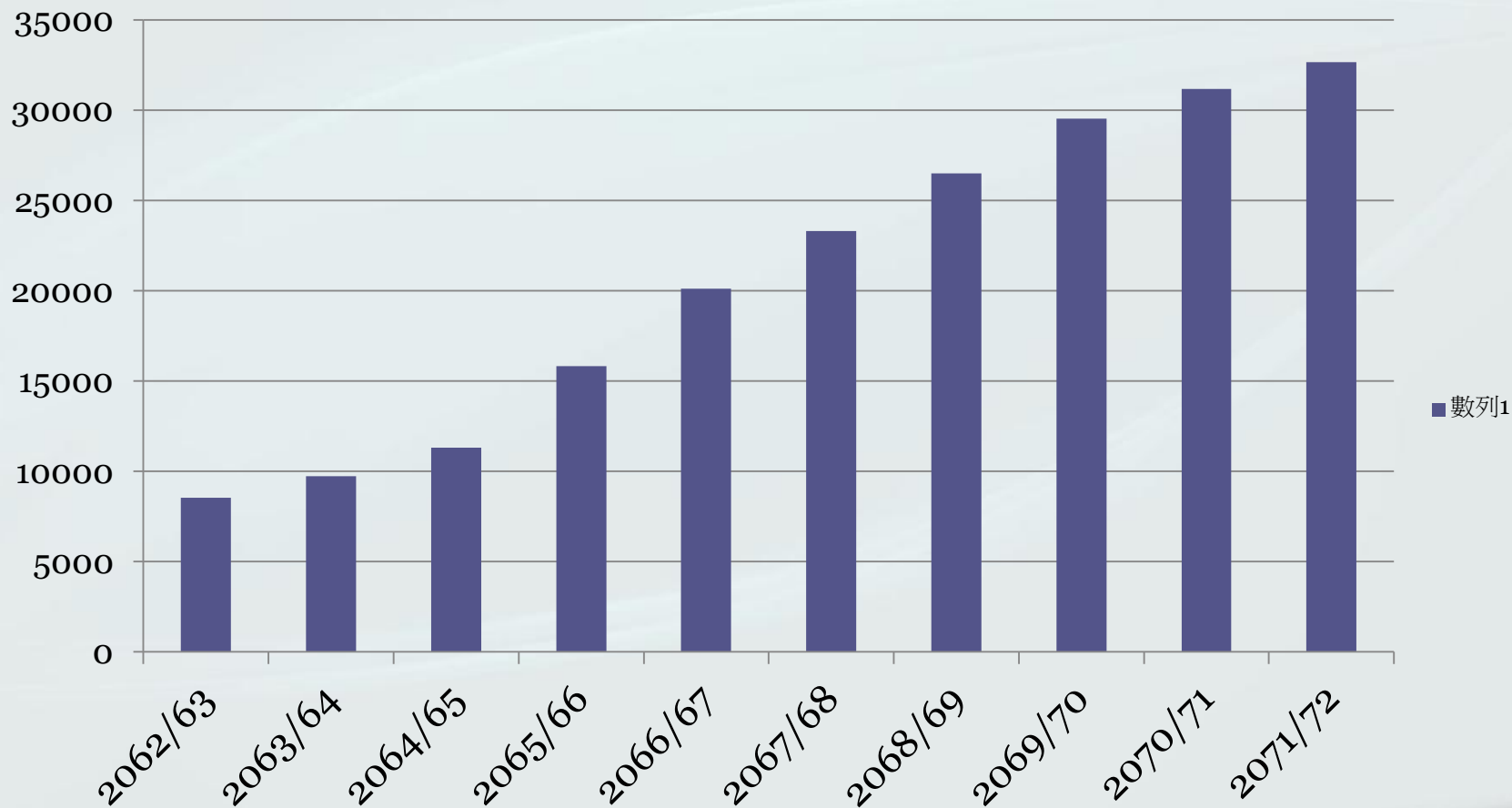
# Quick Overview

Nature of co-operative	Total
Saving and Credit Cooperative Ltd	13460
Multipurpose Cooperative Ltd	4031
Agriculture Cooperative Ltd	9463
Milk Cooperative Ltd	1674
Consumer Cooperative Ltd	1444
Electricity Cooperative Ltd	437
Vegetable and Fruits Cooperative Ltd	183
Tea Cooperative Ltd	111
Coffee Cooperative Ltd	170
Herbs Cooperative Ltd	198
Bee Farming Cooperative Ltd	107
Communication Cooperative Ltd	128
Health Cooperative Ltd	110
Sugarcane Cooperative Ltd	49
Junar (Citrus) Cooperative Ltd	45
Others	1053
<b>Total</b>	<b>32663</b>

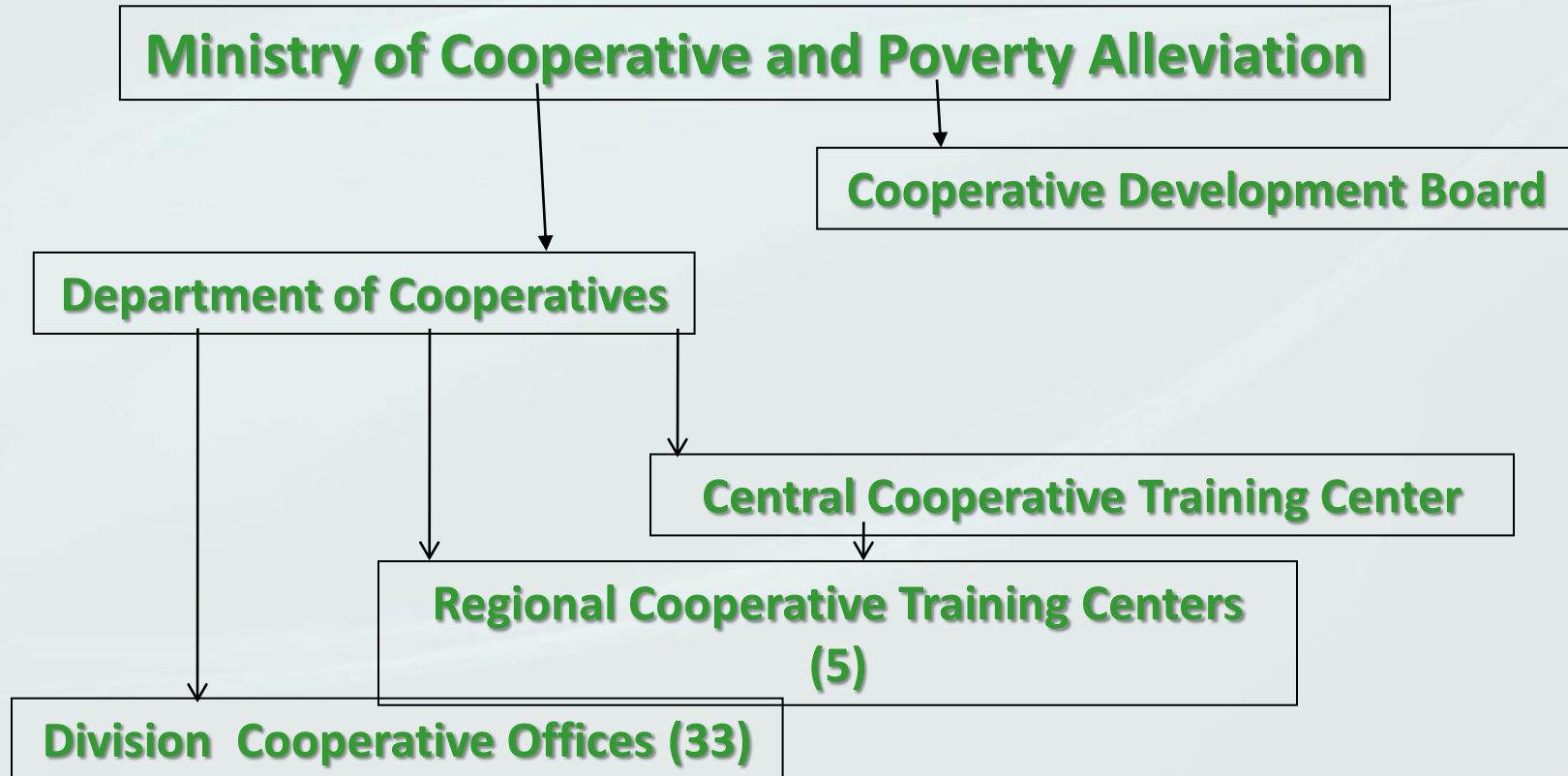
More than 32000  
cooperatives are  
registered in  
Nepal, out of them  
more than 17000  
are engaged in  
financial sector.



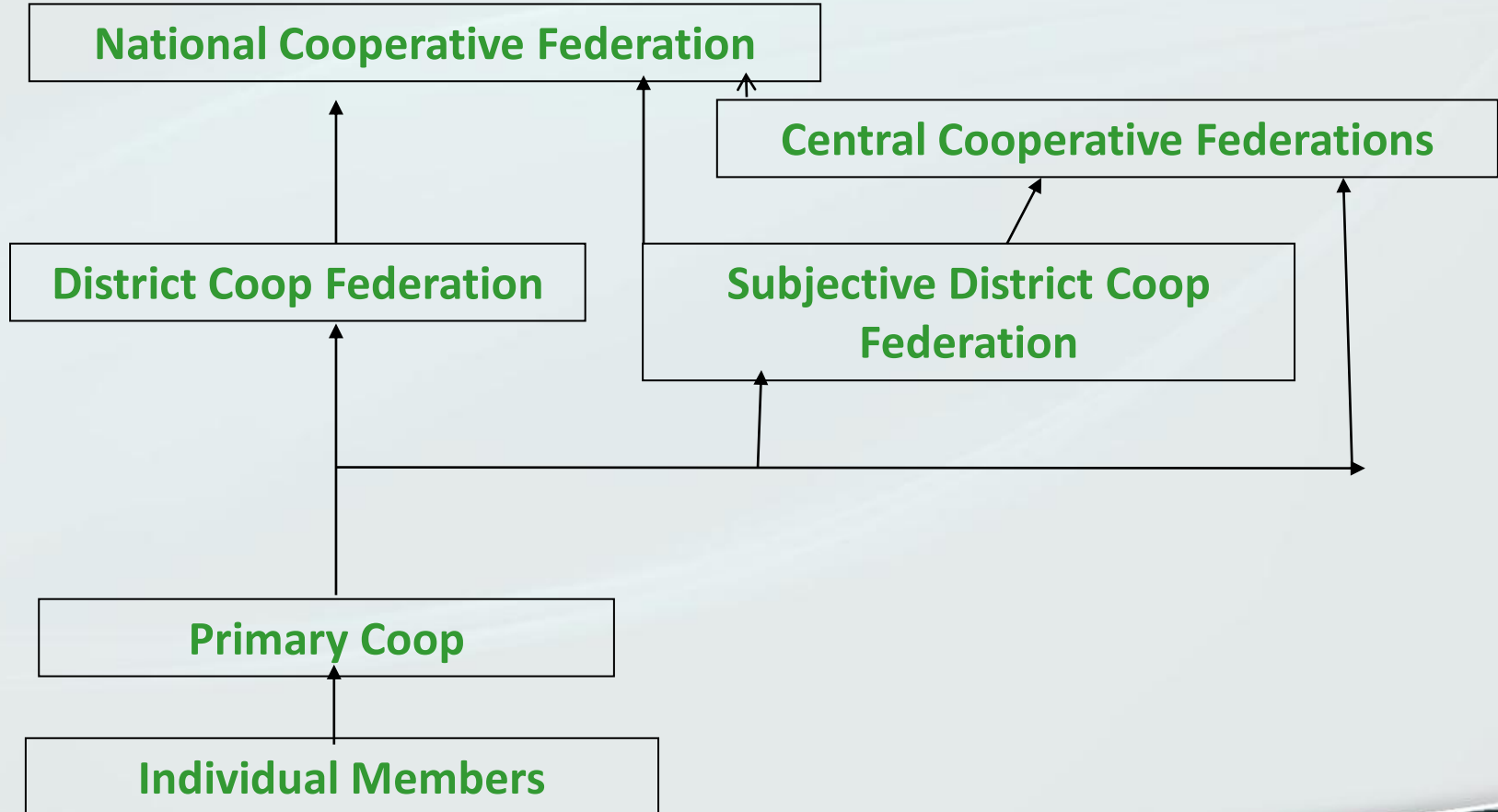
# GROWTH WITHIN 10 YEARS



# STRUCTURE



# COOPS NETWORKING





# AS A DEVELOPMENT PHENOMENA



Credit unions help people improve  
lives

Helping people help themselves...

**NEPAL  
FEDERATION OF  
SAVING AND  
CREDIT CO-OPERATIVES  
UNIONS LTD.**



**NEFSCUN**

# NEFSCUN

**National apex body of savings and credit co-operatives and district unions, established in 1988.**



# CURRENT OUTREACH

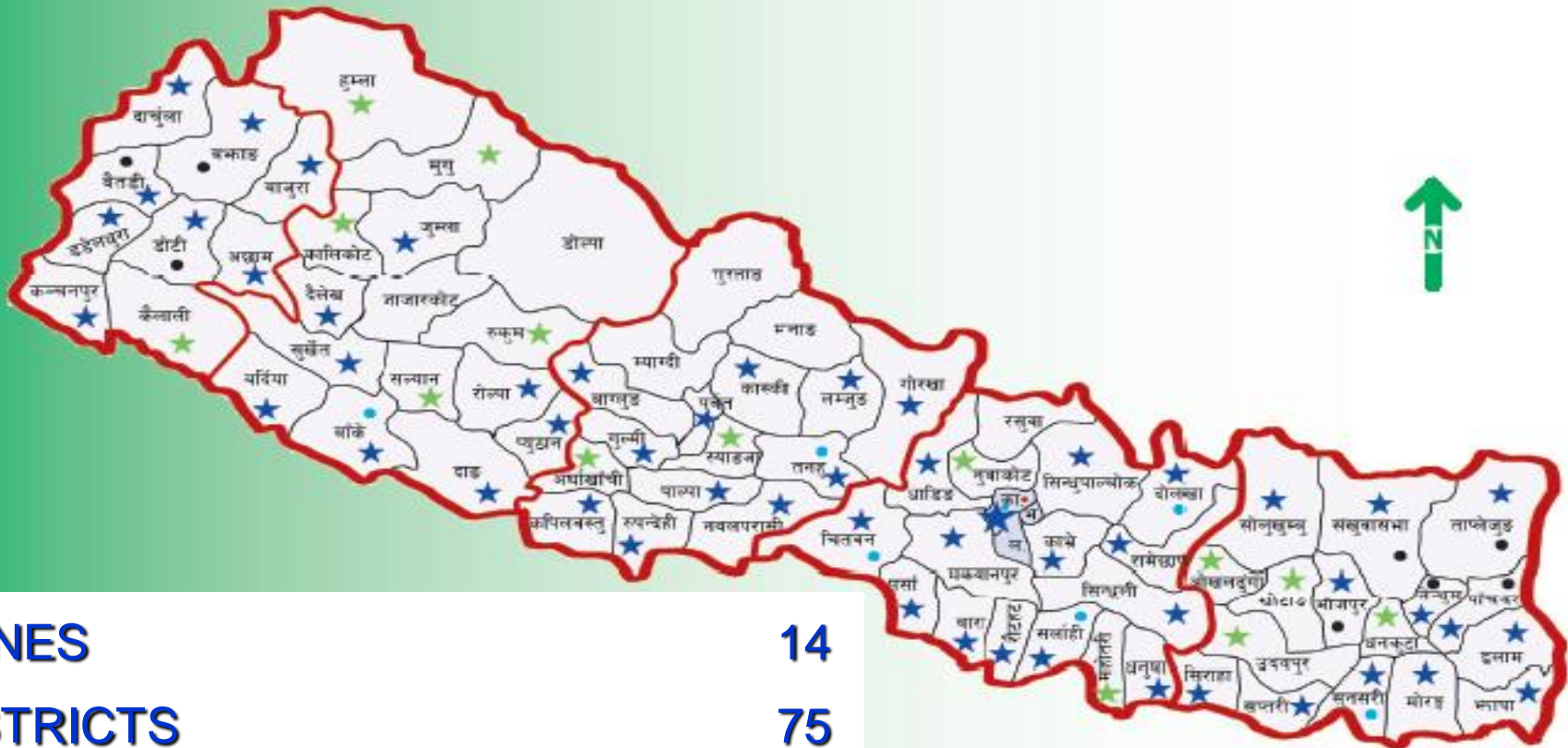
7235 SACCOS members

Direct Members 2535 Through DUs 4700

73 districts coverage

more than 2200,000 individual members  
affiliated.

# GEOGRAPHICAL DIVISION



ZONES

14

DISTRICTS

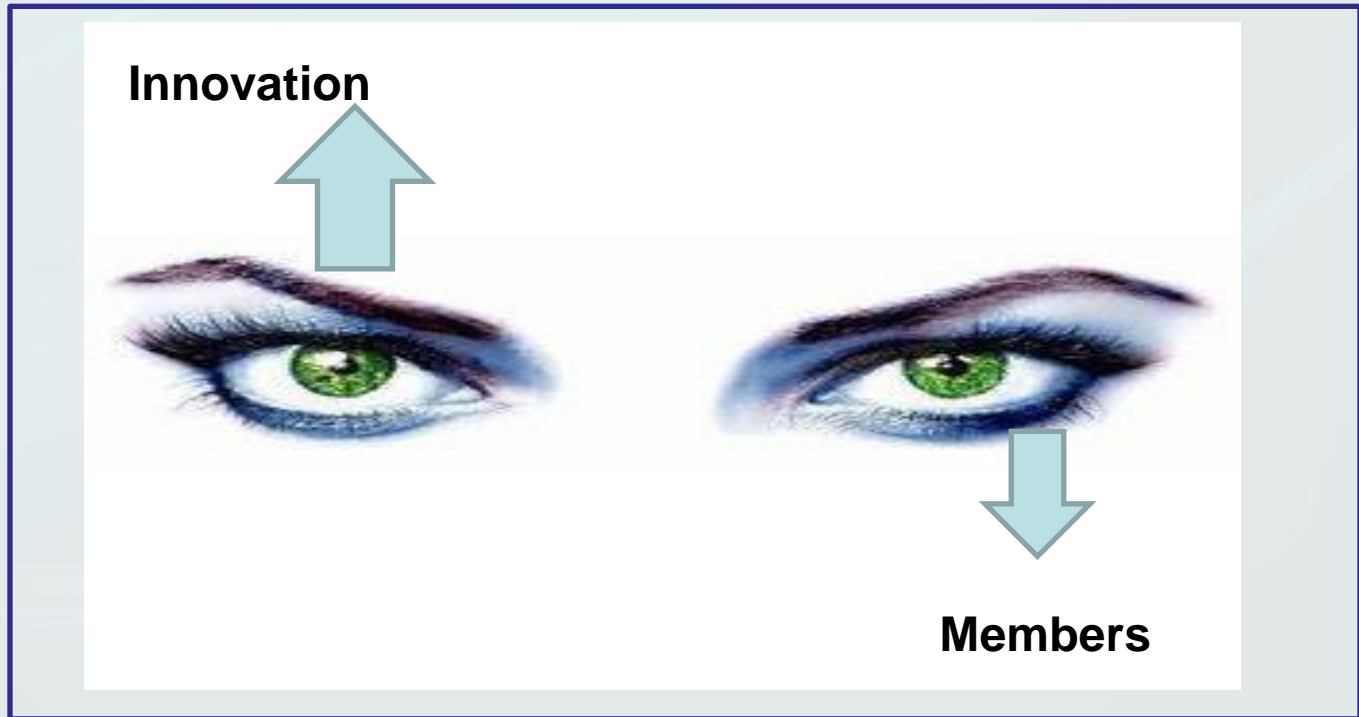
75

NEFSCUN OUTREACH

73

# VISION

*Excellent Federation for Sustainable SACCOS in Nepal.*

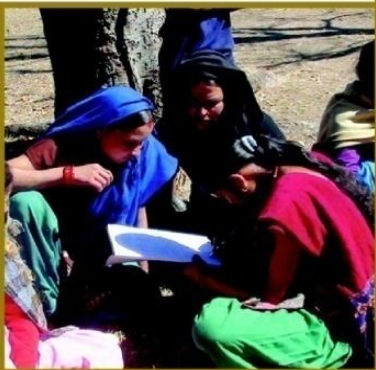




# GROWTH & DEVELOPMENT

1988

*Promotion*



1994

*Development*



1998

*Professionalization*

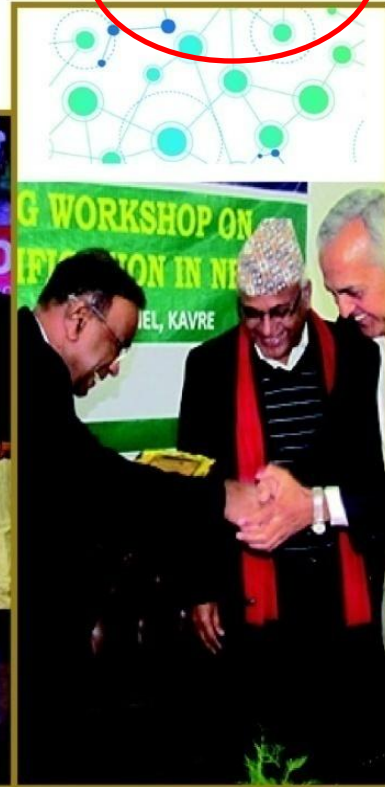


2006

*Quality Assurance*



*Networking*



# Mission

NEFSCUN provides competitive financial service, training and education, supplies and e-solution to promote and strengthen of members for socio-economic development of the people.

# **FINANCIAL STATUS OF NEFSCUN**



# FINANCIAL STATUS

- Total Share Capital 690,440 US\$
- Total Savings 20 M US\$
- Total Loan Investment 18 M US\$
- NEFSCUN Assets 20.5M US\$

# BUSINESS & SERVICE

- **Banking Service (CFFI)** : Providing financial bridging service for the affiliated credit unions.

***Saving & Loan facilities***

# BUSINESS & SERVICE

- **Training Service** : Providing training and education for the leaders and management on credit unions growth and development.

*10,000 people trained every year*

# BUSINESS & SERVICE

- **Technological Solution** : Developed web-based transactional software to manage credit unions accounting

***300 Credit Unions using this.***



# BUSINESS & SERVICE

- **Micro-insurance** : Offered to the members of credit unions to secure thier lives

***3000 Credit Unions members protected***

# Quality Assurance-Branding

- **ACCESS** : Intensive monitoring for CU's performance management and Quality Assurance. *12 SACCOS received Brands : 4 Silver and 8 Bronze for Asian Standard*
- **PROBATION** : National Brand of quality assurance : *5 SACCOS received National Brand of Nepal*

***43 in ACCESS and 83 CUs in PROBATION enrolled.***

# SPECIAL INITIATION

- **CURBS** : Credit Unions Risk-based Supervision for monitoring the risks promoting as compulsory for the members.
- **SACCOS Unification** : Bylaw ammended for the unification of all members, to unify the product and service, system and image.

# SPECIAL INITIATION

- **Credit Union Act** : Taking initiation to draft credit union act as separate regulatory framework for financial cooperatives.
- **Technological Innovation** : Started Members Information System in a central server and under going **APP**.



**Jumping towards  
unification..???**

# Need Realized

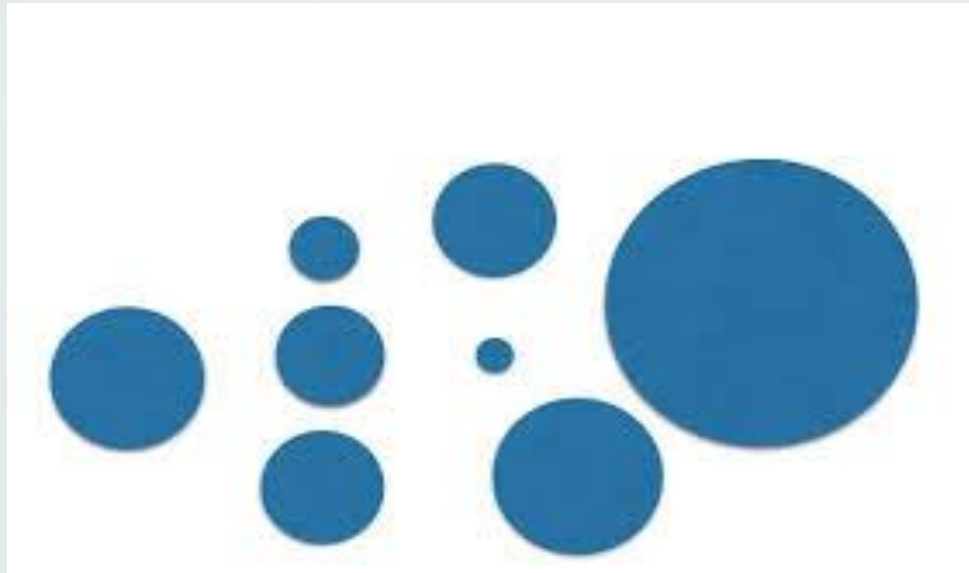
- All are collecting money.
- All are growing
- All are trying to give separate identity, competition and business
- Thinking of more leaderships more business
- Trying to expand more and more...killing the cooperative image and identity...
- Different policies different procedures
- Trying to run by own decisions situationally



But we are trying to bring into one network  
to adopt same policies  
to adopt same procedures  
to follow coops identity



# Same in appearance not size



# Same in move...

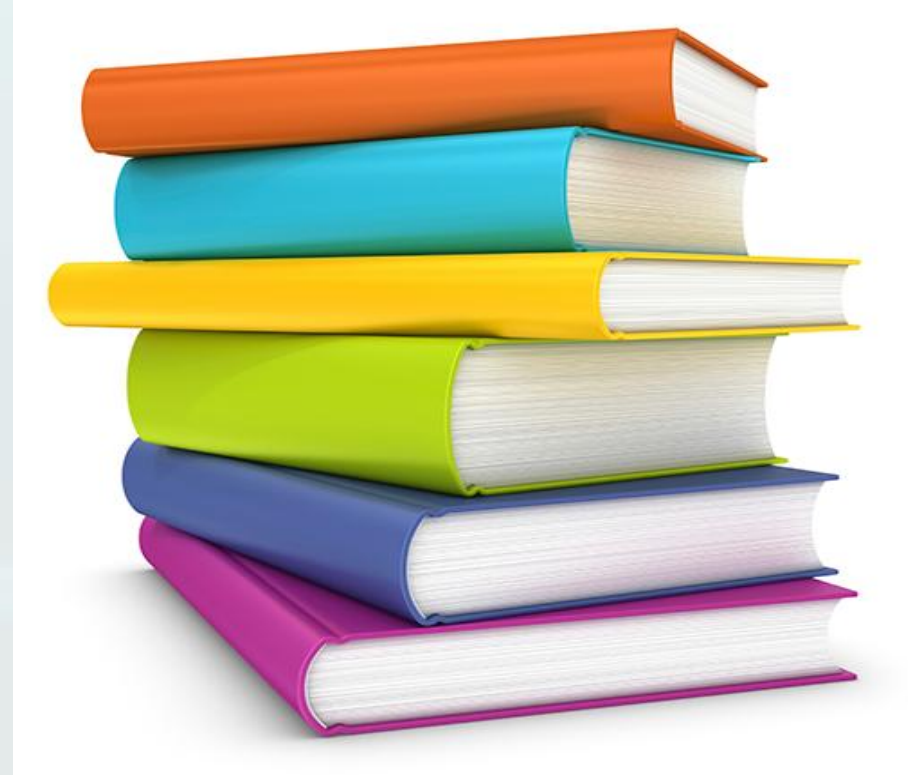


Tuesday, October 4,

2016



# Same in policies



Tuesday, October 4,

2016

# Same in accounting

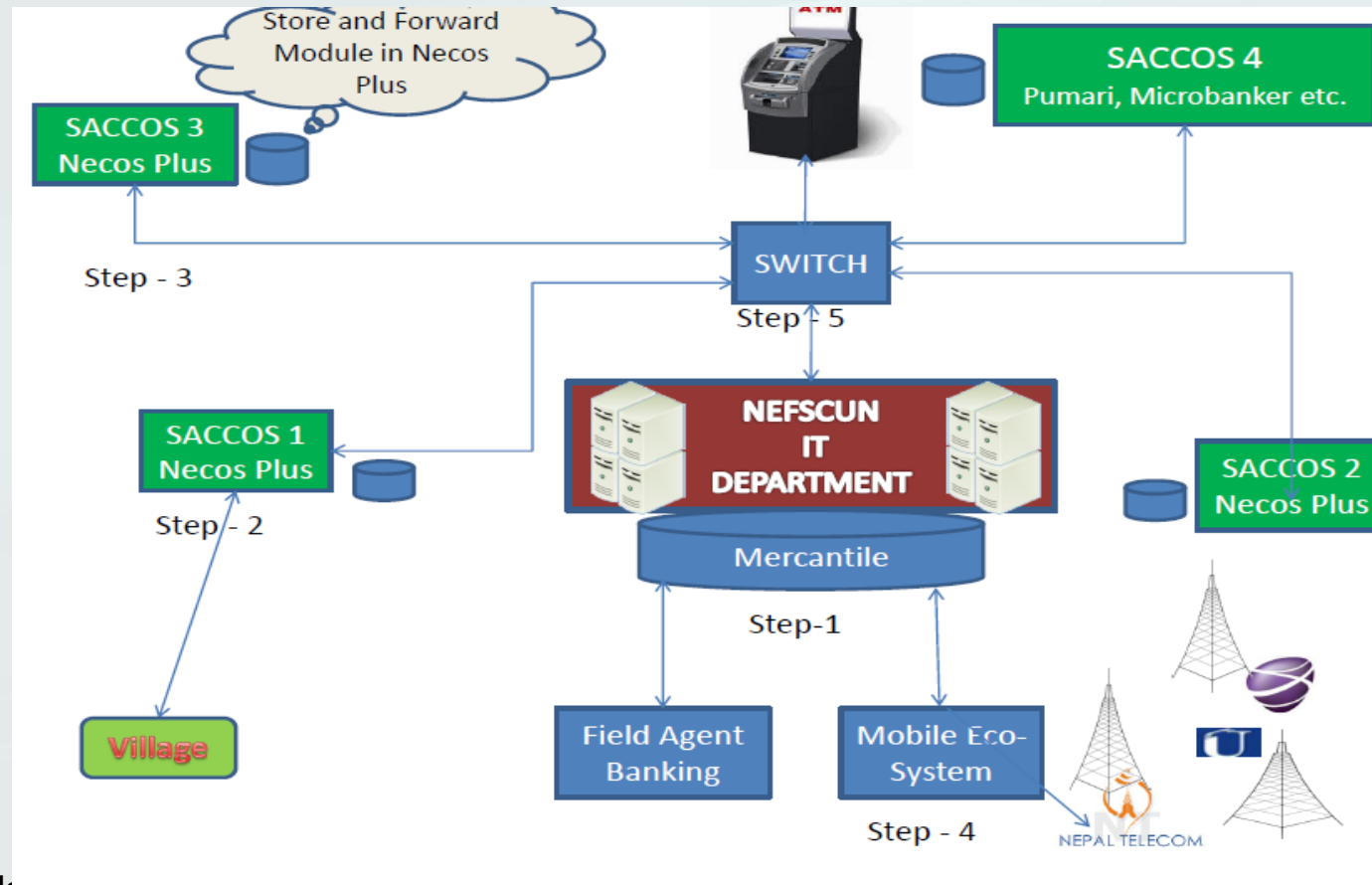
- Under the process of finalizing chart of accounts and accounting policy for the SACCOS in Nepal.



Tuesday, October 4,

2016

# Same in technologies



# Compulsory in Risk Monitoring

- Made compulsory of Risk Based Supervision with the collaboration of govt of Nepal.



# Contractual Solidarity

- Developed membership application form with contractual agreement to follow the rule of NEFSCUN.



Tuesday, October 4,

2016



# Use of same logo

- Compulsory usage of NEFSCUN logo as the logo of solidarity of SACCOS movement.



# Same uniform

- Declared uniform of SACCOS employees



# Same visual board



# Same visual board





# Same visual board



# Strategic Achievement

Areas of Integration	Best Practices or Progress Made in our network
<b>Pooling or sharing resources</b>	<ul style="list-style-type: none"><li>• Bylaw amended to cover all the member into unified SACCOS system with visual and procedural identity</li><li>• Initiated integrated software to enable branch-less banking and ATMs with the collaboration of Asian Payment Platform (APP)</li><li>• All members are linked with CFFI</li><li>• Training on certification courses started.</li></ul>
<b>Standardization of operations</b>	<ul style="list-style-type: none"><li>• Developed comprehensive membership policy of federation covering all the operational uniformities.</li><li>• Finalized 7 mandatory policies and procedure for standardized operation</li></ul>
<b>Contractual solidarity</b>	<ul style="list-style-type: none"><li>• Developed contractual solidarity on SACCOS operation, its terms and condition to retain and to be a member of NEFSCUN</li></ul>
<b>Governance and self-discipline</b>	<ul style="list-style-type: none"><li>• Compulsory provision of risk-based supervision</li></ul>



*Together, in a network we can  
make a difference...*

**THANK YOU FOR YOUR KIND  
ATTENTION**

**Q & A**