

CUFA Newsletter



June 2008

Launch of the Pilot Credit Union Member Donor Program
Environmental Roundtable | What is new at CUFA.COM.AU

CUFA Sustainability Report GRI Listing

2008 Mutual Community Report - Abacus Partnership with CUFA

Recent CUFA Media | Challenge Program Participants

Cambodian Education Program Review | Employment Opportunity in Timor Leste

CUFA's Timor Leste Credit Union Movement Project

Commonwealth Secretariat: Tonga Project Partner Comments

CUFA's International Development Working Group

Cambodia Field Notes: Carolin Mackaway | Solomon Islands Field Notes: Peter Vida

➤ Engagement | Launch of the Pilot Credit Union Member Donor Program



Over the next three months Credit Union Foundation Australia (CUFA) is rolling out a pilot credit union member donor program. The program aims to engage with credit union members, who voluntarily contribute via direct debits from their credit union accounts, while building brand profile for credit unions demonstrating the credit union difference.

This joint project is an innovative way for credit unions to encourage member engagement in CUFA's overseas initiatives. Together, CUFA, Australian credit unions and their members are building a larger gateway to help alleviate poverty in the Asia-Pacific region. The contributions help disadvantaged communities by assisting to fund CUFA's programs in Cambodia, the Solomon Islands, Sri Lanka and Timor Leste.

Maleny Credit Union in the Sunshine Coast hinterlands of Queensland, is the first credit union to participate in the program. General Manager Annette Boseley, pictured left, explains the concept to one of her staff and a member.

Preparing to launch the pilot program on July 1 are two CUA branches located in Eagle Street, Brisbane and Maroochydore on the Sunshine Coast Queensland; and La Trobe University Credit Union Co-operative's Bundoora branch in Melbourne.

For further information, contact Carla Elbourne at CUFA:

Phone (02) 8299 9103 or email celbourne@cuscal.com.au

➤ Engagement | To receive this newsletter each month, send a request to newsletter@cufa.com.au



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This newsletter has been transmitted electronically to conserve paper. Please consider recycled paper if printing is necessary.

➔ Engagement | Environmental Roundtable



CUFA will be hosting the Credit Union Environmental Roundtable, at the Abacus and Cuscal office in Sydney on 24 July 2008.

The focus of the Environmental Roundtable is the *business case for sustainability*. CEO's, CFO's and executive management from credit unions across Australia are invited to the industry event, which will be led by convenors Tony Innes, Deputy CEO of Savings and Loans and Rowan Dowland, Group Manager Marketing and Development of mecu.



Environmental specialists will also take part. Rob Gell, President of Greening Australia, will facilitate, and Louise O'Halloran, Executive Director of Responsible Investment Association Australia, will be a guest presenter at the Roundtable.



The Environmental Roundtable is an excellent opportunity to discover key issues and opportunities pertaining to the business case for being green, and how credit unions can engage in environmental practises, driven not only by ethical reasoning but by financial sustainability.

www.greeningaustralia.org.au

Savings and Loans and mecu will be carbon offsetting each Roundtable participants' travel to the event in Sydney.

To register for your free participation at the Environmental Roundtable, contact:

Claudine Chicheportiche

Phone: (02) 8299 9032 Email: cchicheportiche@cuscal.com.au



www.savingsloans.com.au



www.mecu.com.au

➔ Engagement | New information resources at cufa.com.au



Cambodia Children's Financial Literacy Program Website

www.cufa.com.au/introduction/Projects/Cambodia/FinancialLiteracy/index.jsp



Cambodia Education Program – Participant Reports

www.cufa.com.au/introduction/Projects/EducationProgram/reporting.jsp



Mutual Community Report 2008 Introduction

www.cufa.com.au/introduction/CreditUnions/MutualCommunity/index.jsp



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➔ Engagement | CUFA Sustainability Report GRI Listing



The **CUFA Sustainability Report 2007**, is now listed on CorporateRegister.com, the official report listing portal of the **Global Reporting Initiative (GRI)**.

The CUFA profile and sustainability reports can be accessed here:

www.corporateregister.com/search/profile.cgi?num=16450-pU.8OsBlrpQ

➔ Engagement | 2008 Mutual Community Report - Abacus Partnership with CUFA



Credit Union Foundation Australia and Abacus Australian Mutuals will be conducting the **Mutual Community Report 2008** to represent community investment and activities of the Australian mutual ADI sector - to demonstrate the effect the movement has in Australia.

Information on community involvement is a critical component of Abacus' promotional activities each year. It allows Abacus to not only to report on comparative statistics against the major banks, but most importantly to showcase our industry's community involvement as part of Abacus political representation programs and industry positioning activities.

The 2008 Mutual Community Report is an important part of this work and each credit union and mutual building society is encouraged to complete the simple survey.

This year reporting scope is reduced to a one-page survey of less than 12 questions. To ensure that effective support and advice is provided for this exercise, please nominate an appropriate contact who is responsible for your organisations community investments, and advise Philip Lambert of CUFA by email. A sample of the 2008 survey will soon be available.

A new feature has been added to the 2008 reporting that enables the provision of case studies to demonstrate your organisation's community involvement. Some of these case studies will be reproduced in the public reporting document to illustrate in real terms, the impact that the mutual financial sector has in the daily lives of the communities you serve. All case studies will be presented on-line at cufa.com.au and the CUFA CSR Toolkit, which will be a valuable way of showcasing activities of the Australian mutual sector.

Formal release and project details will be announced in future bulletins and newsletters.

For further details of this program, please contact:

Philip Lambert | Project Officer | CUFA

Phone: 02 8299 9031 | **Email:** plambert@cuscal.com.au

www: cufa.com.au/introduction/CreditUnions/MutualCommunity/index.jsp



➔ Engagement | Recent CUFA Media



Focus, the magazine of Australia's overseas aid program by AusAID. Two Solomon Island articles "Fun in Savings" and 'Benefits of Borrowing'

Focus June-Sept 2008 - Page 31



Microfinance Pasifika Network News

Pacific Credit Union Technical Congress: 29th September – 3rd October 2008 – Fiji

May 2008, Issue 11.



Connexus

CUFA Environmental Roundtable introduction, on the same page as an article by Savings & Loans on sustainable products.

Connexus Issue 27 Page 46.

Access these articles at: www.cufa.com.au/introduction/Communications/Press/index.jsp

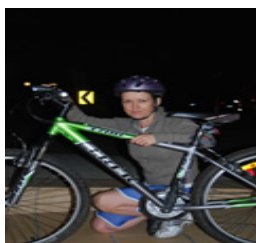
➔ Projects | Challenge Program Participants



Preparations for the Cambodian Leadership Challengers are well underway, with participants in full swing for the fundraising component of the Leadership Challenge.

Before going to Cambodia, Leadership Challengers must raise at least \$3000.00, to fund the CUFA Children's Financial Literacy Program, educating up to 9000 Cambodian kids.

During the fundraising, Leadership Challengers are promoting their sponsoring credit unions to the greater community, increasing community awareness of their participation in the Leadership Challenge, and linking their credit union to the cause.



Leadership Challenge participants engage in variety of fundraising efforts, including movie nights, talent shows, silent auctions, community sausage-sizzles, raffles, member donor drives and services auctions. Cycling based activities are also being used to increase participant's profiles in communities for fundraising. Savings and Loans participants **Francesca Kouwenhoven** and **Patrick Gibson** are holding a "Stationery Bike Challenge", where they will be clocking up as many kms on an exercise bike as possible - within one day - sponsored by members, friends, families and colleagues. New England Credit Union Leadership Challenger **Chris Stace** will be holding a '100km Fun Ride' where teams of up to 5 will complete 5 laps of 20 kms each.

Challenger Anne Casey of Cuscal Ltd has already reached 60% of target!



Challenger James Tanios of Gateway Credit Union.

To see the profiles of the Cambodian Leadership Challenger participants, and to assist with their efforts in fundraising to provide 9000 Cambodian Children with Financial literacy, click onto the following link and show your support for their fantastic efforts.

For program and participant information, please go to:

www.cufa.com.au/LeadershipChallenge/index.jsp



➔ Projects | Cambodian Education Program Review



Credit Union Foundation Australia (CUFA) successfully conducted **The Credit Union Education Program** in Cambodia earlier this month. Fourteen Australian credit union CEO's and Directors were invited to experience CUFA's current projects first hand, including an education study tour of financial cooperatives and institutions in Cambodia.



As part of the study tour, the group visited seven provinces, and the major cities of Phnom Penh, Battambang and Siem Reap. The participants were able to gain an insight into the history of the people and the challenges faced by the Cambodian financial cooperative movement. The program included a variety of field trips to local village savings banks and the CUFA Children's Financial Literacy Program, mainly located in rural areas in each province.



Due to the travel time required to get from one place to another, 4am wake up calls were common and a particular challenge for the majority of the group. Unforeseen circumstances provided some memorable highlights. In one case, to access a particular savings bank we had to abandon the bus due to significant mud on the road. Some resorted to bare feet and bravely slid their way through whilst others commandeered a passing 4WD and stood on the rear bumper until they reached their destination. The group engaged wholeheartedly in Cambodian culture on the trip and incidents like this were taken on board with laughter and reflection. Participants commented on how they were able to fully understand the work that CUFA is doing on the ground after seeing our projects in operation. Each person took different aspects away from the study tour and we hope that they share these experiences with the staff in their organisations.



To share some of the highlights and stories from participants on the Cambodian Credit Union Education Program please visit our website at:

www.cufa.com.au/introduction/Projects/EducationProgram/reporting.jsp

➔ Projects | Employment Opportunity in Timor Leste



Credit Union Foundation Australia (CUFA) is seeking expressions of interest for a minimum one-year job opportunity in Timor Leste.

The position involves the provision of technical assistance and leadership to undertake a credit union strengthening program. The successful candidate would ideally have a background in finance/business administration or accounting, and would be from within the credit union movement. For detailed information, download the position description from this page: www.cufa.com.au/introduction/Overview/Employment.jsp



Interested applicants should in the first instance email their expression of interest to info@cufa.com.au no later than 18 July 2008.



➔ Projects | CUFA's Timor Leste Credit Union Movement Project



The Executive Officer of CUFA Peter Mason was recently invited to visit Timor Leste (East Timor) by the Ministry of Economy and Cooperatives to look at ways the Australian Credit Union Movement could assist in the development of the Timor Leste Credit Union Movement.



CUFA has been having ongoing discussions with the Asian Confederation of Credit Unions (ACCU) about how the two organisations might partner in the future. Recently CUFA funded ACCU to provide a baseline assessment of the Timor Leste movement. With the encouragement of ACCU, CUFA has undertaken a look at the Timor Leste Credit Union Movement to see if CUFA has the ability to assist.

During May the Executive Officer visited a number of rural and urban credit unions and had discussions with the Credit Union Federation. In addition to these meetings he also met with government departments to see how a partnership might evolve and what form of assistance was required. Through these discussions it was evident that there is a great desire to grow the movement and reach into the unserved communities in the rural areas.



Although the movement itself consists of 25 credit unions (13 active) and a small membership of 1,500, those that are active have a very disciplined approach to running their small institutions. Additionally with no financial cooperative regulatory framework to operate under it is also clear that CUFA would also need to work with government to ensure that this framework develops concurrently with the development of the movement itself.

The project plan is currently being developed and will be in place in time for the new financial year. From initial consultations it is evident that there are two very important areas that will be a strong focus of the project, that of member promotion and savings mobilisation.

In line with CUFA's Cambodian and Solomon Island projects CUFA will be putting a Technical Assistant in country for the next twelve months to work with both the credit unions and the national government to grow and strengthen the Timor Leste Credit Union movement.

Details of this position are available from the CUFA website at:

www.cufa.com.au/introduction/Overview/Employment.jsp

➔ Engagement | Commonwealth Secretariat: Tonga Project Partner Comments



A group of volunteers from the Australian Credit Union movement were recently in Tonga to undertake the second phase of a project to establish a Credit Union Bank in Tonga. The project was been funded by the Commonwealth Secretariat in partnership with the Kingdom of Tonga, and has received some very positive feedback:



www.thecommonwealth.org



“I am sure by now the CUFA team may have briefed you on our mission to Tonga this past two weeks. I was glad to have joined the team in developing the business plan for the CUB and have fond memories and experiences from the exercise. The team was very committed and equal to the task, and both the drafting and the consultations workshop went well, with 30 participants drawn from the Credit Union and Co-op movement in Tonga.

I must commend CUFA for identifying such a dynamic and committed team (Peter, Greg, Michael and Khurshed) for this task. I have every hope that the business plan, once completed will set a firm basis for the proposed credit union bank in Tonga. The Government of the Kingdom of Tonga and the Commonwealth Secretariat have been fortunate in having CUFA as a partner on this project. I hope we can be able to continue our collaboration on projects of this nature in the Pacific region or indeed elsewhere within the Commonwealth.”

Julius Kaberere, Adviser (CSAP)
Governance & Institutional Development Division
Commonwealth Secretariat, London UK.

The team members were:

Peter Pamment | Maleny and District Community Credit Union

Greg Fisher | Fitzroy & Carlton Community Credit Co-Op

Khurshed Hiranek | NSW Teachers Credit Union

Michael Mezzino | Savings and Loans Credit Union



From CUFA, special thanks to the volunteers for a job well done, and to the management of the volunteer's credit unions, as it clearly demonstrates a practical application of The International Credit Union Operating Principles.



By Nimarta Khuman

CUFA's newly formed international Development Working Group held its first meeting on May 22nd, 2008. The group was created as an advisory committee to the CUFA Board in areas of international development including gender, child protection, human rights, monitoring and evaluation and best practise. The first meeting involved an introduction to CUFA's projects and our development philosophy and the group were also able to engage in discussion surrounding CUFA's new Timor Leste Program, women's empowerment in development and the challenges facing monitoring and evaluation. CUFA representation on the working group includes Director John Baistow, Executive Officer Peter Mason and Project Officer Nimarta Khuman. The other members of the group are:

- **Ms Chris Franks**, Development Manager with the Maccabi Sports Foundation has a long history in community development including Oxfam Community Aid Abroad, six years chairing the Australian Council for International Development Code of Conduct Committee and is currently a director of Habitat for Humanity and Credit Union Australia.
- **Mr Ian Gould**, Correspondence officer with the Department of Education with recent roles as Editor of Amana Magazine (involving human rights and peace building initiatives) in Thailand, an internship with the United Nations International Criminal Tribunal for Rwanda in Tanzania and settlement assistance for refugees in Australia.
- **Ms Amalia Fawcett**, Policy Advisor for Plan International Australia with past roles in World Vision Solomon Islands and Timor Leste Departments, UNICEF Pacific and the International Federation of the Red Cross in Geneva. She has vast experience in areas of advocacy, policy development, child protection and disaster response.
- **Ms Kiran Hutchison**, Content developer with the AusAID Australian Development Gateway with extensive experience working in areas of strategic planning, participatory training methods and gender with the Institute of Cultural Affairs in India, Indonesia and Timor Leste.
- **Mr Crelis Rammelt**, an Engineer and PhD candidate who has extensive field experience working with the joint Dutch-Bangladesh Arsenic Mitigation and Research Foundation in areas of water quality and sanitation and also tutors at the University of New South Wales in Development, Globalisation and Sustainability.

This group represents a valuable tool and an exciting opportunity for CUFA to help facilitate NGO networks to share knowledge in support of the Millennium Development Goal to *develop a global partnership for development*. The attending members were positive about the group's potential and as commented by John Baistow, "the Board welcomes the recommendations of the working group and their contribution to CUFA continuously improving their overseas development projects".



www.makepovertyhistory.com.au



www.un.org/millenniumgoals



COMPANION CREDIT UNION CEO RAY O'BRIEN VISITS CUFA TRAINING CENTRE IN PHNOM PENH

In May, Ray O'Brien, Chief Executive of Companion Credit Union, his wife Ree and their son Alex visited the CUFA Training Centre in Phnom Penh to witness CUFA's work first hand and to visit Carolin Mackaway, who has taken 12 months leave from Companion Credit Union to undertake a position as a CUFA International Project Officer in Cambodia.

Ray was able to observe Cambodian credit union representatives being trained and meet the CUFA in country Field Officers and volunteer staff from Kandal Province. This was a great opportunity to see how the financial training is taught on the first tier before participants return to their provinces and train microfinance staff in key modules such as savings mobilisation and lending. Ray was also able to visit three provinces to see the Children's Financial Literacy Program in action and meet the school directors. At Takeo Province the group were able to attend a Children's Financial Literacy lesson given by CUFA Field Officer, Phanna Pan. This was the second time Phanna had taught this class, and in this lesson the Ronnie Reil booklets were given to the children as part of their savings education.

Ray, Ree and Alex participated in the lesson, with several children asking questions including the following one directed at Ray. "Grandfather do you save every day?" With Ray replying, "yes and I work for a credit union that encourages children to save".

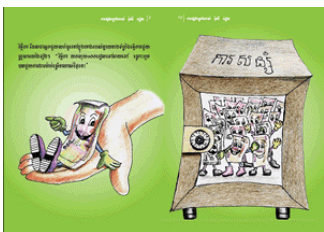
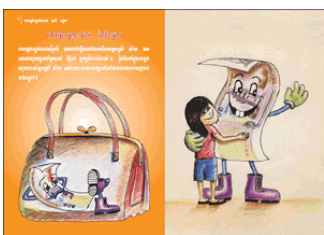
Ray commented on Phanna, "Her ability to tell the story with so much animation and facial expression had the children engrossed in the book; and I could understand what she was talking about without understanding the language."

Ray and his family were able to experience how resilient and gentle Cambodians are and see how CUFA's work is impacting on people of all ages. The visit also allowed Alex to gain a sense and understanding through a child's perspective of how the people live in the provinces, and the obstacles that they are up against on a daily basis.

As witnessed by Ray, it is beneficial and a learning experience for Australian credit union staff to have the opportunity to visit Cambodia and gain a better understanding of the work CUFA is doing there. For further information please visit:

www.cufa.com.au/introduction/Projects/EducationProgram/index.jsp

www.cufa.com.au/introduction/Projects/Cambodia/index.jsp





SOLOMONS. DISCOVER SOMEWHERE COMPLETELY DIFFERENT

For Credit Union Foundation Australia (CUFA) International Technical Assistant, Peter Vida, greater local cultural awareness has led to a better appreciation of the people in the Solomon Islands, explains Peter Vida.

Before joining CUFA, I spent time working in jobs managing people and relationships. Some of them were as a Team Leader, Taxation Auditor, Project officer, Training officer, Technical Advisor and Secretary of a regulatory Board.

These jobs gave me the skills, experience and qualifications for the job I am doing at CUFA but could not prepare me for the change in culture and customs you experience in international credit union development work.

For example, lack of eye contact during face-to-face conversation, and common sights of two men walking along and holding hands, are standout observations of different social values since being in the Solomon Islands. Eye contact is deemed rude and disrespectful. Socially, two men or women holding hands is normal.

Living and working in the Solomon's allows me the unique opportunity to experience another culture. These experiences help me to become more adept at dealing with the situations that come up in my work.

The challenges are many and varied. Through CUFA, the credit union movement in the Solomon's is addressing the big issues impacting their sustainability. Interest rates charged by credit unions are restricted to 1%. With such low rates, credit unions struggle to cover overheads. An important part of the program was working with the Central Bank and World Council of Credit Unions to review the law governing credit unions.

The project objectives are ambitious and varied, but overall I am building capability in the Solomon Islands Credit Union League that is the representative body of all credit unions. The project will take several years to fully implement, and to help me I have recruited 3 graduates. They are delivering services and assisting the credit unions to update records and prepare financial statements.

Learning how to interact with Solomon Islanders is not easy. You have to be dedicated to learning the gestures and culture that combine with the local spoken language.

The graduates are teaching me to converse in Pidgin. It's not easy learning basic conversation skills in a different language but learning the spoken language helps me to understand the customs. The locals appreciate you trying to understand their way of life and customs.

