

Asian Credit Union Forum 2019

The Asian Credit Union (ACU) Forum was held from 26 – 28 September 2019 in Kuala Lumpur, Malaysia. A total of 600 participants from 24 countries attended the forum.



The Singapore National Co-operative Foundation (SNCF) led a delegation of 23 participants. Messrs Fok Kim Fook and Phua Chin Hong represented the Singapore Teachers' Co-operative Society as part of this delegation. They represented the Singapore Teachers' Co-operative Society at this important forum.

Executive Summary

Theme

Making Positive Impact on the Lives of People – Through Ethical Cohesion for Financial Stability, Good Governance and Inclusivity of Asian Credit Union Networks

1. Sound Practices for the Management of Members' Savings in Credit Unions

Liquidity and risk simultaneously interact and influence the soundness of the credit union. With clear policies of credit granting and monitoring system and sound management, credit unions can protect members' savings. There must be commitment to continual improvement of internal control. Segregation of duties ensure that no single employee controls all key aspects of credit process. Employees need training to improve their knowledge and skills. Their capabilities and managerial efficiency will reduce exposure to risks.

2. Credit Unions' Bold Response to the Digital Age

ACCU and WOCCU are building the foundations to enable affordable, safe and life enhancing digital payments by deploying a credit union-led shared payment platform. The young and mobile-centric millennials demand immediacy in not only in digital payments, but for seamless experiences across daily activities.

3. Visit to the Malaysian Prison Cooperative

The delegation visited the Malaysian Prison Cooperative, which has 8,260 staff members. The saving and credit cooperative diversified into a retail unit, a wholesale unit, real estate and holding, a subsidiary and a joint venture to generate and sustain profits.

4. Ten characteristics of Good Governance

4.1 Participation

Attendance at AGM, a capable Board, Board and committee oversight, policy review and gender equity.

4.2 Transparency

Disclosure of conflict of interests, full disclosure relating to party loans, non-partisan politics, no hidden commission/kickbacks and no preferential treatment.

4.3 Accountability

Accurate transaction recording, independent audit, independence from sale of society's assets, no insider loans, privacy of member information, non-disclosure of personal information, whistle blower protection, gift register, no solicitation and decisions made in the interest of members.

4.4 Consensus

Respond to member needs, member compliance review, Board works on consensus decisions.

4.5 Efficiency/Effectiveness

No outside employment, non-discrimination, no management overlapping responsibilities, delegated authorities documented, qualified CEO, competent directors, documented committee terms of reference.

4.6 Equity

Equal fair treatment of all members and employees, no favour to directors/employees, loans to directors/employees on same terms as to members.

4.7 Compliance

Respect for and compliance with all relevant laws, honesty with regulators, AGM with required time frame, minutes of meeting properly maintained.

4.8 Leadership

Board has ultimate responsibility, strategic plan developed, strong and stable self-sustaining organization, well-trained and capable Board and employees.

4.9 Skills

Encourage best practices, direction induction program, compulsory training for directors and members holding critical positions and continuing education.

4.10 Organisation Performance

Performance evaluation, director nomination process, diversity of skills and experiences.