

## **CDA ROI Holds e-Forum on Credit & Financial Services, Banking and Insurance Cluster**

The Cooperative Development Authority Regional Office I initiated the conduct of the 1st e-Forum on Credit and Financial Services, Banking and Insurance Cluster on July 8, 2020 via Zoom Application and it was also streamed live thru CDA Regional Office I Facebook Page. The forum was intended to gather issues and concerns relative to the cooperatives belonging to Credit and Financial Services, Banking and Insurance to be able to redefine or reestablish worthwhile goals for the improvement of this specific cluster.

CDA Regional Office I Director Josefina B. Bitonio delivered her welcome message and likewise presented the basic statistics on cooperatives with lending, banking, and insurance services in Region 1. She also presented the different clusters under the new CDA law and mentioned that the majority of the cooperatives in the region belonged to this financial services cluster. After which, she introduced Honorable Asec. Vidal D. Villanueva III, the Oversight Head of the Credit and Financial Services, Banking, and Insurance Cluster, as the architect responsible for the crafting of future policies in response to the needs of the said cluster.



Honorable Asec. Vidal D. Villanueva III expressed his gratitude for the opportunity. He conveyed that this consultation is very timely since there is a need to resolve issues related to policy and guidelines. He further said that the suggestions of all presenters will be used to come up with recommendations to be acted upon by the CDA Board of Directors. The opinions, concerns, and ideas of the different cooperative leaders in Region 1 can be used in policy formulation to improve the programs and services of the financial cluster.

The CDA Regional Office I was honored to have distinguished and highly esteemed cooperatives leaders as resource speakers:

a) For Credit and Financial Services:

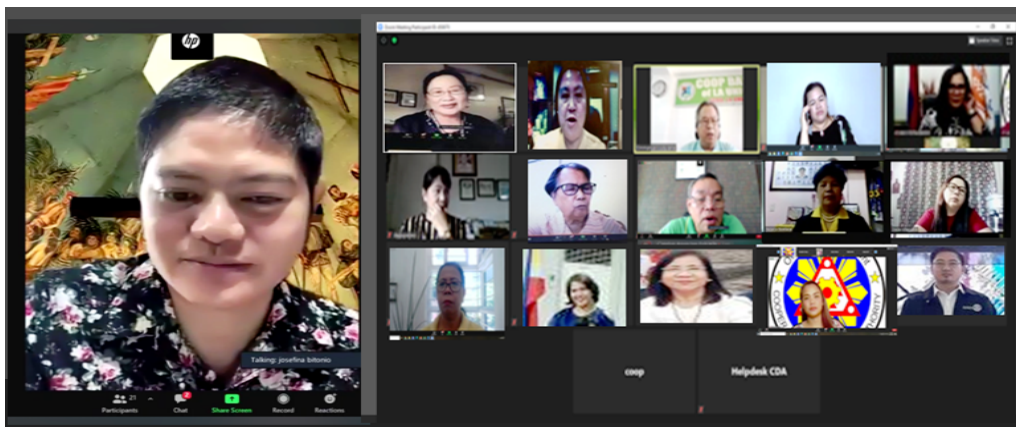
- Ms. Elena Garcia – General Manager of San Joaquin Multipurpose Cooperative, Sarrat, Ilocos Norte;
- Dr. Divina C. Quemi – Chief Executive Officer of Nueva Segovia Consortium of Cooperatives, Vigan City, Ilocos Sur;
- Ms. Sabina Gamboa – Board of Director of La Union Multi Purpose Cooperative, Agoo, La Union; and
- Ms. Leticia Mamaril – Chairperson of Lingayen Catholic Credit Cooperative, Lingayen, Pangasinan

b) For Banking and CSF Sectors:

- Mr. Alexander Raquepo – Chairperson of Ilocos Consolidated Cooperative Bank, Candon City, Ilocos Sur; and
- Mr. Emmanuel E. Juquiana – Board of Director of Cooperative Bank of La Union, Agoon, La Union and the proposed Credit Surety Fund Cooperative of La Union.

c) For Insurance:

- Ms. Eva Garnace Borja – President of Nueva Segovia Consortium of Cooperatives – Mutual Benefit Association Inc. (NSCC MBAI) of Vigan City, Ilocos Sur was the presenter;
- The reactors were the following:
  - Atty. Mona Liza Arriba – Juarez, the Director of the Credit Surety Fund Department;
  - Atty. Grace Domingo Mangrubang, Attorney III of the Legal Division;
  - Atty. Phillip Raymund S. Rivera, Attorney III of CDA Region I.



The presenters of the credit and financial services were unanimous that the biggest concerns were on:

- a) Closure and partial closure of their operation due to lockdown causing limited business transactions and decreasing loan portfolio;
- b) Moratorium on loan repayments subsequently reduced their income and massive withdrawals of savings deposits; and
- c) Disapproval of payroll link to collections by some institutions; and
- d) Spike in loan applications where commercial banks targeted their members (retail banking).

The issues and concerns of cooperative banks were both internal and external. The presenters suggested the following:

- a) Relief and Recovery Program for banks affected by the pandemic;
- b) Non-imposition of monetary penalties relative to the delays in the submission of all reports;
- c) Staggered booking of allowance of credit losses over a maximum of five years;
- d) Grant of a 60 day grace period to settle outstanding rediscounting obligations with the BSP;

- e) Indefinite postponement of the Annual General Assembly; and
- f) Compliance to Agra (RA 1000).

The following concerns were also raised:

- a) Inactive and Non-operation members/investors of Coop banks;
- b) Participation of Coop Banks in the CSF;
- c) Inclusion of Business Continuity Management (BCM) stimulus package for coop banks; and
- d) Formation of the Philippine Cooperative Bank.

On the other hand, the Insurance sector suggested the following issues be addressed:

- a) Financial education of cooperative members;
- b) Promotion, collection, and remittance strategy for the sector;
- c) Insurability of senior citizens;
- d) Compliance with regulatory requirements;
- e) Dealings with an on-demand economy; and
- f) Conduct of business continuity management (BCM due to catastrophic events and to prepare for upcoming challenges.

In closing, Asec. Villanueva provided his synopsis on various issues and concerns. He said that he will propose that the Coop Banks be the alternative banks for LGUs. He said he will make a representation to the Office of the President to help cooperative banks during this crisis. He promised to assist cooperatives with high delinquency rates. He also thought of consulting the Department of Agriculture on the oversupply of rice production in the region and how to transport the rice to Metro Manila. Additionally, he mentioned that CDA submitted an amendment to the Joint Administrative Order (JAO) between CDA and BIR so that cooperatives shall be forever exempted from taxes. Asec. Vidal agreed with the unification/consolidation of coop banks in order to perform better alongside the commercial banks. He appreciated the health insurance program of Nueva Segovia Consortium of Cooperatives Mutual Benefits Association, Inc. (NSCC MBAI) for senior citizens. He also acknowledged the financial services program of NSCC and that some credit cooperatives can learn from it.

Director Bitonio expressed her heartfelt gratitude to Asec. Villanueva, to the presenters, reactors, and the organizing committee. She thanked all cooperators and viewers for investing their time in this e-forum as the consultation's aim was to know and understand the issues and concerns of cooperatives belonging to the Credit and Financial Services, Banking and Insurance so that the CDA will be able to craft relevant policies and procedures for the improvement of this specific cluster.

While live-streamed via CDA Regional Office I facebook, there were more than 2,334 people reached, 1,775 views and 1,420 engagements of viewers and listeners in this e-forum ([jbb/jll](#)).