



# C-LINK

Newsletter . Volume 3 . June 2020

## UPCOMING EVENTS:

### CO-OP LAMP 6

#### MODULE 8

- ▶ 1<sup>st</sup> Session: June 18
- ▶ 2<sup>nd</sup> Session: June 19

#### MODULE 9

- ▶ 1<sup>st</sup> Session: June 23
- ▶ 2<sup>nd</sup> Session: June 24

#### MODULE 10

- ▶ 1<sup>st</sup> Session: June 26

### CO-OP LAMP 7

#### MODULE 1: Cooperativism and Leadership

- ▶ 1<sup>st</sup> Session: July 9
- ▶ 2<sup>nd</sup> Session: July 10

#### MODULE 2: Whole Brain Leadership and Management

- ▶ 1<sup>st</sup> Session: July 16
- ▶ 2<sup>nd</sup> Session: July 17

#### MODULE 3: External and Environmental Assessment

- ▶ 1<sup>st</sup> Session: July 23
- ▶ 2<sup>nd</sup> Session: July 24

#### MODULE 4: Internal Environmental Assessment

- ▶ 1<sup>st</sup> Session: August 6
- ▶ 2<sup>nd</sup> Session: August 7

#### MODULE 5: Cooperative Operations and Human Resources

- ▶ 1<sup>st</sup> Session: August 13
- ▶ 2<sup>nd</sup> Session: August 14



#### MODULE 6: Cooperative Finance

- ▶ 1<sup>st</sup> Session: August 19
- ▶ 2<sup>nd</sup> Session: August 20

#### MODULE 7: Cooperative Operations and Marketing

- ▶ 1<sup>st</sup> Session: August 27
- ▶ 2<sup>nd</sup> Session: August 28

#### MODULE 8: Strategy Formulation and Evaluation and Strategy Implementation & Resource Mobilization

- ▶ 1<sup>st</sup> Session: September 10
- ▶ 2<sup>nd</sup> Session: September 11

#### MODULE 9: Organizational Diagnosis, Design and Development; Governance

- ▶ 1<sup>st</sup> Session: September 19
- ▶ 2<sup>nd</sup> Session: September 20

#### MODULE 10: Learning to be

- ▶ 1<sup>st</sup> Session: September 25



**T**he Cooperative Academy of NATCCO (CAN) – Knowledge Resource Center (KRC) launched its program on VILT (Virtual Instructor-led Training) in service to all the cooperators across the country. As multiple cooperatives are adjusting to the new normal, our industry is switching gears in resilience to the challenges of our times. Therefore, conforming to current innovation, KRC now offers you the Cooperative Leadership and Management Program online.

This quarter KRC taps the consultants of NATCCO to sustain the virtual instructor-led training for Co-op LAMP to help cooperatives develop well-trained Managers using the Whole-brain approach.

We have broken down the 10-days program to 10 modules. Each module is stand alone. The participants would receive certificate of attendance per module and credits (points) to attain the CCM title. Each module is divided into two (2) sessions of 3 hours of virtual classes. To become a Certified Cooperative Manager (CCM), participants should be able to complete these 10 modules:

- Module 1:** Cooperativism and Leadership
- Module 2:** Whole Brain Leadership and Management
- Module 3:** External and Environmental Assessment
- Module 4:** Internal Environmental Assessment
- Module 5:** Cooperative Operations and Human Resources
- Module 6:** Cooperative Finance
- Module 7:** Cooperative Operations and Marketing
- Module 8:** Strategy Formulation and Evaluation and Strategy Implementation & Resource Mobilization
- Module 9:** Organizational Diagnosis, Design and Development; Governance
- Module 10:** Learning to be

**Registration fees are as follows:**

**Php. 5,000** (*per module*)

**Php. 45,000.00** (*discounted when enrolling to 10 modules*)

*You can also use your CETF remittance to NATCCO.*

**Enroll now and be a Certified Cooperative Manager!**



# Adapting and preparing co-ops for new normal

By Ma. Claudette Risa Bataller

**W**EBINAR – With the global pandemic caused by the Corona Virus, all establishments and institutions must adapt and prepare for the “new normal.”

On April 29, Bayan Academy conducted an online forum entitled “Preparing cooperatives for new normal” hosted by Patch Dulay, Program Director of Bayan HUB and Mary Rose Gob, Head of NATCCO Knowledge Resource Center.

The challenge is clearly for co-ops to continue serving their members during and after the crisis caused by an unseen enemy.



The panelists were *Ma. Cristina Naigan, CEO of St. Martin of Tours Credit and Development in Bulacan, Rosalie Valencia, CEO of VALDECO Multi-Purpose Cooperative in Valenzuela City, Felimon Espares, CEO BARBAZA Multi-Purpose Cooperative in Antique, Rudolph “Tad” Montayre, COO of Fair Child Cebu Community Multi-Purpose Cooperative, Gadwin Handumon, CEO of PAGLAUM Multi-Purpose Cooperative in Misamis Occidental, and Engr. Sylvia Paraguya, CEO of NATCCO Network.*

They all agreed that problems faced by most co-ops are liquidity, delinquency, loan collection, health and safety of staff, travel restriction, and risks of face-to-face transactions.

Dulay gave the first question to the panelists: “*How is your co-op adapting to this New Normal?*”

Based in Antique Province, Barbaza Multi-Purpose Cooperative has branches in Panay and Negros islands, and has operated from the start of the quarantine in March 15, giving hazard pay to employees who face risk. To ensure continued operations and so that staff do not have to travel, the staff are housed at the co-op’s offices. The co-op members can also do transactions online through KAYA Payment Platform.

Although there is a moratorium on loan payments, members have continued with their payments.

As part of their community services BARBAZA MPC gave cash assistance to members. The co-op has appropriated about P30 Million for assistance to members.

Based in Bulacan, St. Martin of Tours Credit and Development Cooperative’s initial reaction was to close its branches to comply with social distancing. Only two branches opened 2-3 days a week with shorter period to serve members. SMTCDC offers online transactions to the members. By the second week of April, SMTCD gradually normalized operations. There have been many withdrawals as members want to have cash at home. They closed all their 12 branches all over central Luzon.

“*Fortunately, St. Martin is well-capitalized!*” said Naigan.



Patronage refund was given to members. They conducted surveys and divided members into three categories: Bleeding, Striving and Surviving. Since most of the members are engaged in restaurants, food, and rice trading, part of the co-op's business plan is providing financial services for members to bounce back after the crisis. They customize products to meet the needs per category.

In Cebu, Tad Montayre shared the best practices of Fair Child Cebu Community Multi-Purpose Cooperative. Currently, FCCC MPC is in the middle of rebound, but the co-op has implemented Government's mandate for loan payments moratorium. Fairchild has started giving members cash assistance of Php. 1,800.00. Re-planning is being done, creating a scenario on how to project trends and how to assist members even more.

*"The co-op must not be too dependent on loans because PAR will rise,"* Montayre said.

Members are encouraged to pay their loans if they can, and not to take advantage of the government-imposed moratorium because "it will benefit the members anyway."

The co-op also encouraged their member to reduce expenses and to think of alternative income sources like growing vegetables at home. In late March, Montayre announced that FCCC MPC attended training on *"Family Budget Item discussing essential type of business for family"* with NATCCO's Diaspora Program.



Montayre urged co-ops to establish linkages particularly in the agricultural supply chain, where, for example, co-ops in Luzon can supply rice to other co-ops, where payments can be spread.

NATCCO CEO Sylvia Paraguya replied that NATCCO has partnered with the Philippine Business for Social Progress (PBSP) to produce food packs with a co-op from Baguio City providing rice, another co-op in Nueva Ecija providing rice, and one in La Union providing dried fish.

NATCCO & PBSP are both members of the Caucus of Development NGO Networks.

Coops should buy from the farmer, and NATCCO aggregates for the wholesale and sell to members in Novaliches (Quezon City) and Paranaque City.

Paglaum Cooperative's primary concern is agricultural supply. Handumon said it would be good if co-ops have farm-level operations. At the



moment, co-ops have working capital but cannot get supplies. The co-op has also gotten approval from the Department of Agriculture for the Alpas Project to ensure that food production continues.

Many co-ops are on minimal operations, probably to avoid bank runs. In the case of Paglaum Cooperative, to avoid mass withdrawals, provide COVID Support Loan.

Guide Question: *"What is the post-activity of the co-op after COVID-19?"*

BARBAZA MPC needs to outsource the product, distribution and study the challenge of trading. Barbaza will provide other loan window and re-financing.

Naigan added, *"The COVID Crisis has changed everything especially the needs of the member."* She also suggested: 1) review the workload of employees, 2) automate operations and provide the same services to members, 3) Revise policies to simplify processes, 4) Maximize the contact center for query, 5) promote online payments & consider data privacy to protect from fraud.

Rosalie Valencia of VALDECO, agreed online and inter-branch transactions between co-op offices are essential, as proven during the Covid Crisis. *"Educate the member on emergency savings so after this bleeding time we know the target market,"* Valencia said.

Guide Question: *"What are the protection measures you are implementing for your employees?"*

Cielito Garrido of San Dionisio Cooperative gives emphasis not to forget the silent appeal of employees. *"Work from home is stressful. It adds stress so adapt new normal as sector. As we go back let us combine our best practices the same for everyone."* – Garrido said.

Lastly, Engr. Paraguya gave her insights: "Preparedness, re-planning by reviewing workload, looking out for liquidity, customizing the needs of products, look for the possible services that can be offered at this time, online banking that can allow us to operate even in systems. Digitalization on how we move online loans."

As of late April, 28 cooperatives have submitted their financial statement that reflect liquidity. Paraguya encourages all co-ops to submit financial statements to see how figures are moving and determine co-ops' status during the COVID-19 Crisis.

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You can still watch the recorded video of this webinar at <https://web.facebook.com/natccokrc/videos/535953100446461/>.

# Co-ops encouraged to go for Gold!

By Ma. Claudette Risa Bataller



stands for assurance that a co-op is managed according to Asian standards.

Meroy stressed: "ACCESS Branding aims to provide quality products and services to improve the lives



*"Superior Brand Intelligence in today's competitive environment"*

Co-ops are not charity organizations, but rather Centerprises that serve members and the community. And the key to excellent service and sustainability is to meet Asian standards.

This was the gist of NATCCO Consultancy Team & Knowledge Resource Center's free webinar on Access Branding Attended by 34 participants from different cooperatives nationwide last May 15.

Main speaker was Dindo Meroy, ACCESS Brand Officer of NATCCO Network who urges cooperatives to aim to achieve ACCESS standards.

ACCESS stands for "A1 Competitive Choice for Excellence in Service and Soundness". The Brand



**Access Analyze**





of the members . . . products that the cooperative needs to deliver with a competitive advantage.”

He added: “Access Branding balances *financial standards and social awareness*. The standards is about sustaining what we have started to maintain the cooperative identity.

After all, a co-op cannot serve its members and improve their lives without first ensuring sustainability.

“Access Branding helps differentiate co-ops from other financial players, it also helps to convey our message in terms of financial freedom and values,” he said.

ACCESS eyes the Financial structure, where funds go, net institutional capital, Asset Quality for non-earning assets, Rates and return of cost, Liquidity and signs of growth for membership and assets.

Meroy also discussed the point system “*Member-Customer Perspective has the highest number of indicators with 108 equivalent score.*”

Thus, ACCESS is about financial and qualitative discipline.

Sharon Marie Dy, Head of the NATCCO Stabilization Fund gave the difference between PESO and PEARLS Standards in peso structure savings: “Set

*certain standards to be followed, improve the process to create happy members. There is no perfect time to get branded. Any time is perfect to serve our member. If you feel you are not ready get in touch with your federation.”*

Glenn Medez, Head of NATCCO Consultancy, said co-ops must promote financial literacy and developing products on Emergency Savings Loans. This discipline will help cooperatives in times of crisis.

With NATCCO’s guidance over several years, Tagum Cooperative is the first and only co-op given the Gold ACCESS Award at the 2019 Forum of the Association of the Association of Asian Confederation of Credit Unions (ACCU) in Kuala Lumpur.

Tagum Cooperative bests 31,752 cooperatives in Asia.

Tagum Cooperative’s Net institutional capital is 11 percent, or around P834 Million. Prior to ACCESS, it was 6 percent.

“TC is also over-provided. As of March, over-provision is P106 Million. They have already more than covered their credit risk. Even if their Net Surplus goes down because of the COVID Crisis, members do not feel it as they can afford not to have provisioning expense.”

PAR 1 is 11%, the result of discipline.



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*or visit the Cooperative Academy of NATCCO for more details:*

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