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PROJECT ASSISTANCE COMPLETION REPORT

Title : Caribbean Credit Union Development II
Number : 538-0135
Funding Period: FY' 85 - FY' 87
LOP Funding : \$535,000
Grantee : Credit Union National Association/World Council of Credit Unions
PACD : February 28, 1987

This project built on the accomplishments of the earlier USAID support to the regional credit union movement (Project No. 538-0035). The purpose of the project was to increase the regional credit union system's mobilization of savings and the channelling of these funds into productive and provident uses at the community level. RDO/C attempted to influence the portfolio mix of the movement towards a greater allocation of resources for productive activities.

There were four main strategies to accomplish the objective:

- o Strengthening the ability of credit unions and leagues to provide an appropriate portfolio of services to their members;
- o Consolidation of CCCU's development services capabilities, particularly training and technical assistance;
- o Development of national financial systems and continued organizational development of the Caribbean Confederation of Credit Unions (CCCU) headquarters; and
- o Continued organizational development of CCCU headquarters.

An evaluation conducted during the last quarter 1986 and which looked at credit union development on a continuum from 1980-1986 disclosed that grants made available through the project permitted the leagues to employ permanent staff and the more dynamic credit unions to recruit full time staff and expand their service portfolios. During the project period, the CCCU participated in the training of league staff and boards to develop the skill levels necessary to run modern service organizations. The evaluators concluded that the project permitted the leagues to develop a greater level of services and expenses more quickly than would otherwise have been possible, particularly the development and expansion of services such as central finance, pre-audit, accounting, training and insurance.

The project created an awareness among the organizational units at the various levels in the system of the need to become self-sufficient.

The evaluation commented,

"The movement can survive without external support. It does not require external subsidies, external capital or on-going budget support. The Caribbean credit unions are, with rare exception, completely self-sufficient from internally generated income. They are capable of sustaining membership, savings and loan growth without external assistance. Although CCCU and many of the leagues still depend on external grant assistance to cover operating expenses, they could survive as effective, scaled-down institutions if these grants were discontinued."

At the time of the evaluation the Caribbean Confederation of Credit Unions (CCCU) had a core of professional staff on board capable of providing the technical and training services required by its affiliates. However, the organization had been plagued by staff turnover and, as a result, most of the staff were new and only one had previous credit union experience. For these reasons the program effort was inconsistent over the life of this project.

Nevertheless, this project contributed to the continued growth of the movement even though at a slower rate than over the previous five years.

The special project provisions relating to procurement, other donor financing and subordinate agreements were all adhered to.

There were no continuing or post project AID monitoring responsibilities stipulated in the Agreement.

Final project accounting is as shown:

	<u>Budget</u>	<u>US \$000 Expense</u>	<u>Counterpart</u>
A. CCCU Project			
Core Operations	132,555	132,555	970,187
B. Technical Assistance	348,168	348,168	304,486
C. Country Dev. Projects	54,277	54,277	297,223
TOTAL	<u>535,000</u>	<u>535,000</u>	<u>1,571,896</u>