

MABS PROGRAM

Microenterprise Access to Banking Services

April 1 – June 30, 2005

Performance Monitoring Report

THIRTIETH QUARTER

Submitted by:

Chemonics International, Inc.

In association with:

The Rural Bankers Association of the Philippines

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Acronyms

ARMDEV	Associated Resources for Management and Development Inc.
BSP	Bangko Sentral ng Pilipinas
EAGLE	Efficiency, Asset Quality, Growth, Liquidity, and Earnings
ISSEC	Integrated Systems and Equipment Corporation
LC	Learning Center
LCDP	Loan Collection and Disbursements Points
MABS	Microenterprise Access to Banking Services
MABSTeRS	MABS Technical Resource Specialists
MAP	Micro Agri-Loan Product
MATTS	MABS Approach Training and Technical Services
MEDCo	Mindanao Economic Development Council
MEB	Micro Enterprise Bank
MIS	Management Information System
MPMS	MABS Performance Monitoring System
MSP	MABS Service Providers
MOU	Memorandum of Understanding
PB	Participating Bank
PDA	Personal Digital Assistant
RB2000	Rural Banker 2000
RBAP	Rural Bankers Association of the Philippines
RBRDFI	Rural Bankers Research and Development Foundation Inc
SAF	Special Activities Fund
SMS	Short Messaging Service
TAP	Text A Payment
USAID	United States Agency for International Development

Executive Summary

This document serves as the Microenterprise Access to Banking Services (MABS) Program's Thirtieth Quarterly Performance Monitoring Report, covering the period April 1 through June 30, 2005. It also lays out the workplan for the next quarter.

The MABS Program is a United States Agency for International Development (USAID)-financed program implemented by the Rural Bankers Association of the Philippines (RBAP) with oversight provided by the Mindanao Economic Development Council (MEDCo). Technical assistance, training, and program management are provided by Chemonics International, a firm contracted by the USAID. The Program is one of the principal elements of USAID/Philippines' efforts to accelerate the economic transformation of the country, particularly Mindanao, through expanded participation of lower-income groups in productive activities. MABS is directed at bringing about a sizable expansion of banking services—both loans and savings—to microenterprises and other groups at lower socio-economic levels by assisting rural banks in the Philippines develop the capability to profitably provide these microfinance services. The Program provides participating rural banks with the *MABS Approach* Training and Technical Services (MATTS) package, a systematic, step-by-step, training and technical assistance package followed by rural banks as they develop the full capability to profitably provide loan and deposit services to microenterprises. MABS is working with banks primarily in Mindanao but also supports the expansion of banking services to microenterprises in Luzon and Visayas.

In 2003, MABS launched the MABS Service Provider (MSP) Program to accelerate the installation of MATTS and to ensure the sustainability of the Program's activities. MSPs— private organizations – were trained by MABS and accredited by RBAP to offer MATTS to interested rural banks. There are presently two MSPs – Associated Resources for Management and Development (ARMDEV) and Punla sa Tao Foundation – providing MATTS to interested rural banks.

Until September 2007, the Program will focus on expanding the number of microenterprises served by participating banks (PBs), expanding support to thrift banks, developing and pilot-testing a new micro agri-loan product (MAP) that will serve agriculture-based microenterprises, and developing microbanking technologies and innovations.

To extend microfinance services to more microentrepreneurs, the Program will further reinforce the capabilities of PBs through close monitoring, periodic training and microfinance knowledge sharing. PBs will be assisted in reviewing, identifying and modifying existing counter-productive practices. MABS will work with MSPs to modify the orientation and training of new PBs according to new, expanded targets.

To give small farmers and owners of agriculture-based microenterprises access to financial services, MABS will assist PBs in the development and rollout of a micro agri-loan product. Innovations, such as the use of personal digital assistants (PDAs), the

RBAP *Text A Payment* (TAP) project – a short messaging services (SMS)-based facility that allows microloan clients to use electronic money to pay microloans, and other cost-saving technologies, will also be explored and developed to reduce the costs and increase the efficiency of delivering microfinance services to clients.

A minimum of 350 rural and cooperative rural bank branches in the Philippines will be encouraged and assisted to significantly increase the services they provide to the microenterprise sector. In addition, at least one of the larger thrift banks will be enrolled in the Program and will implement the *MABS Approach* in majority of their branches. MSPs will have the capability to install MATTS in 70 to 80 additional banks per year.

The quarter's major event was the third national roundtable conference. Innovations in managing expansion of microfinance operations, microfinance trends, and new technologies were presented during the conference. Eighty-nine rural bankers from 39 participating banks attended the conference. The conference sessions covered: basic features of, and the benefits in implementing the *Text-A-Payment* facility; savings mobilization trends; benchmarking and financial transparency as a tool for improving operations; the micro agri-loan product pilot test results and rollout plans; improving internal control; and balancing efficiency with growth. The conference's breakout sessions discussed staff management, strategic planning, and managing expansion.

MSP rollout banks also had a roundtable conference focusing on the design and implementation of an effective MFU staff incentive scheme during the 30th quarter. MABS regularly holds roundtable conferences to equip PB staff with new tools and techniques that they can use in their operations, to update PBs on trends and innovations, and to facilitate the exchange of practitioner experience and learnings.

During the thirtieth quarter, MABS completed the preliminary work on the micro agri-loan product; the product's manual was developed and modified and an incentive scheme for MAP staff was designed. A MAP refresher course/workshop, which focused on supervisory skills and portfolio and cashflow analysis, was conducted in April. Additional pilot banks are being selected for the first rollout, which is scheduled for August. As of end-June, the five banks that are pilot testing the MAP have an outstanding loan portfolio of more than PhP1.3 million with 263 active borrowers. The portfolio at risk ratio over 7 days is at 0.47%.

Since 1999, the Program's participating bank units have disbursed a total of PhP6.9 billion (approximately US\$123 million) totaling more than 596,000 microloans to more than 210,000 new microborrowers. Over the last seven years, the number of microdeposit accounts has increased by more than 277,000 with the total amount of microsavings increasing by more than PhP512 million (about US\$9 million). As of June 2005 MABS PBs loan portfolio balance totaled more than PhP586 million (about US\$10.5 million) comprising more than 83,000 active borrowers. MABS has provided direct support to 82 banks with 228 rural banking units.

Contractor's Report

a) MABS Oversight.

MABS receives overall program guidance from a Steering Committee, composed of a representative from the Office of the President, the Executive Director of the Rural Bankers Research and Development Foundation Inc. (RBRDFI), a USAID representative, the RBAP President, and the Chairperson of the MEDCo. This committee identifies focal areas for program coverage and formulates and concurs with major policies that guide the MABS Program.

MABS receives guidance and support on implementation matters from a Management Committee. This committee is composed of the Executive Director of MEDCo and the USAID Cognizant Technical Officer (CTO). The Management Committee approves all expenditures from the MABS Special Activities Fund (SAF), which is used to implement activities such as conducting special studies and training, providing commodity and technical support and incentive schemes, and procuring services of organizations or individuals needed to carry out specialized tasks.

The MABS Program got underway in April 1998 and has been extended to September 2007.

b) Expected Results

The objectives and targets for September 2007 are:

1. Expansion of the average number of borrowers of participating bank units from the present 400 to a new average of 800.
2. All participating bank units initiating lending will have an average of 800 microborrowers after 18 months of operation of the *MABS Approach* to Microfinance.
3. A minimum of 350 rural banks and bank branches from throughout the Philippines will receive MABS assistance.
4. These banks will altogether expand their portfolios to reach a total of at least 250,000 active borrowers by September 2007 and reach 500,000 cumulative new borrowers by September 2007.
5. Enroll at least 400,000 new microdepositors among all participating banks.
6. At least eight of the 18 rural banks which have at least nine branches will be enrolled into the MABS Program and will be offering the *MABS Approach* to Microfinance in the majority of their branches.

7. One or more of the larger thrift banks will be enrolled into the MABS Program and will be offering the *MABS Approach* to Microfinance in a majority of their branches.
8. MABS Service Providers will have the capability of offering MATTS to at least 70 to 80 banks per year.
9. RB2000 will be copyright-protected and will be procured and installed by at least 150 bank units.
10. A micro agri-loan product will be developed and tested. If it appears to be a viable product, it will be disseminated to and offered by at least 50-100 rural bank units.

c) Current Core Activities: MABS Activities

The Program's activities and objectives for the third phase (October 2004 to September 2007) are focused on six main areas:

1. Bank Strengthening & Outreach
2. Full Development of Various Anti-Backsliding & Microfinance Promotion Institutions
3. Bank Management Software & Related Peripheral Technologies
4. Development of Rural Finance Products
5. Support & Other Activities
6. Program Management

Below are highlights of the tasks accomplished under each core component in the Thirtieth Quarter (April 1 – June 30, 2005) and tasks planned for the Thirty-first Quarter (July 1 – September 30, 2005).

1. Bank Strengthening & Outreach

Activities and initiatives under this component aim to significantly expand the number of microenterprise clients being served by each PB unit by modifying the orientation and training of existing and new PBs, implementing special programs for banks with extensive branch networks, and expanding the *MABS Approach* to thrift banks.

MABS will work with PBs in reviewing, identifying and modifying counter-productive policies, programs, and procedures. Among the initial recommendations are: shifting loan payment schedules from daily to weekly, implementing a performance-based incentives program for account officers, increasing loan ceilings, and revising mandatory savings policies. Scaling-up of targets and marketing programs will be the focus of MABS' training and support. Orientation and training of new banks (by the MSPs) will reflect

these modifications. MABS will also implement special programs and focused technical support to banks that have a branch network of nine or more.

For the past six years, the *MABS Approach* to microfinance has been exclusively installed in rural banks. This is based on the assessment that only rural banks had the cost and overhead structure low enough to allow for the profitable provision of microfinance services. Over the past years, however, some of the larger thrift banks have implemented cost-cutting measures, giving them the potential to offer microfinance services at a profit. This development gives thrift banks a very significant, albeit potential, role in assuring availability of reasonably priced financial services to microenterprises, given that there are some 93 thrift banks in the Philippines, with a total of about 1200 branches.

Recognizing this, the *MABS Approach* to microfinance will be offered to at least one of larger thrift banks – one that has a network of more than 70 branches. Depending on the success of that effort, MABS could also be offered to several additional large thrift banks.

Tasks completed in the Thirtieth Quarter:

Task One. Hold a roundtable conference for MSP Banks. Thirty-three bank and MFU officers from 20 MSP rollout banks attended a roundtable conference focusing on implementing an effective performance-based employee incentive program. Conference



sessions presented the benefits of implementing an employee incentive program and outlined the guidelines for implementing one. Participants were also given a detailed, step-by-step guide in the use of the MABS-recommended incentive scheme template.

Tasks to be completed in the Thirty-first Quarter:

Task One. Develop a new training module on the scaling-up of MF operations.

Task Two. Develop a new training module on MF supervision for branch managers and MFU supervisors.

Task Three. Conduct trainors' training for banks with branch expansion plans.

Task Four. Revise MATTS training materials.

2. Full Development of Various Anti-Backsliding & Microfinance Promotion Institutions

MABS will continue to develop and implement the microfinance promotion institutions and measures that were established during the second phase. These programs and institutions were established to ensure continuity and sustainability in the provision of microfinance services at a profit - both by new and existing participating banks.

MABS will closely monitor the performance of PBs to ensure strict adherence to the *MABS Approach* through collecting weekly and monthly performance monitoring reports and periodically conducting roundtables, forums, and refresher courses. Practitioner learnings, experiences, developments, updates, and trends will continue to be discussed and shared during these events. MABS will work to achieve a status of full viability and maturity for the microfinance promotion institutions established during the second phase. These include the MABS Compliance Certification, EAGLE rating, the Credit Bureau, Learning Centers, MABS Technical Resource Specialists, and MSPs.

Tasks completed in the Thirtieth Quarter:

Task One. Hold the 3rd National Roundtable Conference. Eighty-nine rural bankers from 38 MABS PBs attended the 3rd MABS National Roundtable Conference held in Davao City. Representatives from the Bangko Sentral ng Pilipinas (BSP), MEDCo, USAID/Philippines, RBAP, the Consultative Group to Assist the Poor (CGAP), the Microfinance



BSP Deputy Governor Amando Tetangco Jr. addresses participants of the 3rd MABS National Roundtable

Information Exchange (MIX), the Asian Institute of Management (AIM) and Globe Telecom also attended the conference. The conference's theme was "*Managing the Growth of Microfinance (MF) Operations: New Developments and Innovations*".

The BSP discussed the status and future directions of its MF initiatives and provided an update on MF-related BSP circulars. Globe gave a presentation on the platform, features, and opportunities presented by G-Cash, Globe's SMS or text messaging-based electronic money facility. RBAP-MABS and Globe are presently piloting the RBAP *Text-A-Payment*, which allows microloan clients to make loan payments using G-Cash. MIX presented on financial transparency as a tool for improving MF operations and CGAP presented the trends and innovations in savings mobilization. Other conference presentations focused on the results of the micro agri-loan product (MAP) pilot test, improving internal control, and balancing market-driven products with

efficiency. The conference also had three breakout sessions on the following topics: strategic directions for MF operations, managing growth, and staff management, with selected MABS PBs as presentors. During a panel discussion, participants of the study group that visited the Bank Rakyat in Indonesia shared observations and lessons learned.

Task Two. Evaluate PBs using the EAGLE Rating System and give out EAGLE Awards.

MABS evaluated the MFU operations of thirty-one PBs based on the EAGLE Rating



System; five banks (Bangko Kabayan, First Isabela Cooperative Bank, Maranao Rural Bank, GreenBank of Caraga, and Cantilan Bank) received AA ratings, which indicates excellent microfinance performance in the EAGLE rating scale.

Tasks to be completed in the Thirty-first Quarter:

Task One. Conduct a savings mobilization training/workshop.

Task Two. Hold a marketing, service quality, and time management training course.

Task Three. Hold preliminary planning sessions with heads of EAGLE Awardee banks for the establishment of the Council of Eagles.

Task Four: Accredite additional MSP consultants.

Task Five: Coordinate with the RBAP on the expansion of the Bankers Association of the Philippines Credit Bureau to the rural bankers' federation level.

Task Six: Hold MF refresher courses and supervisors' forums.

3. Bank Management Software & Related Peripheral Technologies

USAID advanced the development of Rural Banker 2000 (RB2000), a banking software package that is comprehensive, flexible, user friendly, scalable, and affordable to the majority of small, medium, and large rural banks. The latest-developed version of RB2000 meets all the requirements for data collection and reporting of traditional banking and microfinance operations. It has also been certified by the Bangko Sentral ng Pilipinas as compliant with its reporting formats.

During the Program's third phase, MABS will continue to work with the RBAP MIS Steering Committee to monitor the rollout progress of RB2000 in 2005. The MABS Program will also work closely with the RB2000 Service Providers to ensure that a high level of installation and support services are provided to rural banks, which will guarantee continued expansion and usage of the software. In 2005, MABS will work with the RB2000 service providers to develop an RB2000 website which will include practical, on-line troubleshooting tips to frequently asked questions. To protect the software, MABS will review its license and acquire the appropriate copyright.

MABS will continue to develop and pilot test new technologies that will complement RB2000 (e.g., greater utilization of the PDA technology and the use of mobile phones to handle loan payments via SMS). The rapid rate of technological advancement over the past five years has lowered costs to a level that allows rural banks to invest in technologies that improve efficiency and outreach. MABS will expand the use of the mobile PDA program that enables loan officers to capture data in the field and upload these to the computer, reducing paperwork and man-hours. MABS will also pilot test and roll out the electronic repayment/collection of loans and sending of remittances through SMS. SMS sent through mobile phones (which will function as "electronic wallets") will facilitate microloan payments/collection and the sending of domestic and overseas remittances.

Tasks completed in the Thirtieth Quarter:

Task One. Hold the official launch of RBAP Text-A-Payment Project. RBAP and Globe Telecom formally launched the *RBAP Text-A-Payment* project in a ceremony held during the RBAP National Convention. *Text-A-Payment's* manual of procedures was presented to the BSP. The manual of procedures, which Globe, MABS and RBAP developed over the last five months, outlines the features and procedures of *Text-A-Payment*, along with appropriate internal control procedures, forms, and technical guidelines.



Text-A-Payment orientation workshops were conducted in February and March at four pilot-test sites - Bangko Kabayan and First Macro Bank in Luzon and GreenBank of Caraga and the Cooperative Bank of Misamis Oriental in Mindanao. The four pilot test sites held soft launches in March and April. Pre-selected clients of the four pilot banks started paying microloan amortizations through G-Cash during the soft-launch period.

Tasks to be completed in the Thirty-first Quarter:

Task One. Hold the 3rd RB2000 Users' Conference.

Task Two. Set up the RB2000 website.

Task Three. Develop the RB2000 automated credit bureau data interface and customize the software according to the updated BSP reporting system.

4. Development of Rural Finance Products

The Program has promoted microfinance technology in the rural areas but has not given PBs technical support in developing micro agri-loan products. The furthest the Program has gone in this area is to allow anticipated income from certain farm activities (i.e., poultry raising) to be included in the calculation of the microborrower's ability to repay a loan. This limitation in the diversity of microfinance products developed under the *MABS Approach* clearly shuts out the segments of the market that are involved in agricultural-based enterprises.

During the third phase of the Program, MABS will develop and pilot-test a micro agri-loan product. The product's development, introduction, and pilot-testing will be similar to that of other microloan products developed under the Program. MABS PBs, particularly those that are already offering agri loans, will be tapped to participate in the product development process. At the end of Phase 3, at least 50 PB units are expected to offer the micro-agri loan product.

Tasks completed in the Thirtieth Quarter:

Task One. Conduct 2nd MAP Training-Workshop. Twenty-three participants from six PBs completed a two-day MAP training-workshop. The training course reviewed the MAP policies and procedures, introduced the enhanced cashflow form and analysis, and discussed loan monitoring and collection. Participants also learned the elements of effective account officers' supervision – account officers' roles, supervision issues, and the use of a compliance-with-policies checklist. Participants also completed a portfolio analysis workshop.

Task Two. Monitor the initial rollout of the micro agri-loan product. As of March 31, 2005, the five banks pilot-testing MAP have 263 active borrowers, with an outstanding loan portfolio of more than PhP1.3 million. The portfolio-at-risk ratio over 7 days is at 0.47%.

Tasks to be completed in the Thirty-first Quarter:

Task One. Continue to closely monitor the initial micro agri-loan rollout.

Task Two. Select additional MAP rollout banks.

5. Support & Other Activities

To support the expansion of the *MABS Approach* to additional rural banks, MABS will continue implementing its communications and performance monitoring and evaluation programs. Additional support activities will be conducted in 2005, such as assisting RBAP in obtaining support from other donors for expansion of the *MABS Approach*, ensuring continued linkages between MABS PBs and other Philippine and international microfinance practitioners, and implementing deposit mobilization programs to enhance micro-deposit mobilization strategies of PBs.

Tasks completed in the Thirtieth Quarter:

Task One. Continue to evaluate monthly MFU performance. As of June 30, 2005, the 212 bank units reporting to MABS had 83,416 active micro borrowers with an outstanding loan portfolio of Php586,352,790 (around US\$10.5 million). From January 1998 up to June 2005, the number of microdepositors increased by 277,648 and microdeposit balances increased by Php512 million (around US\$9 million).

Task Two. Continue close monitoring of portfolio at risk ratios of participant banks. MABS continued to monitor the portfolio at risk ratios of PBs. The consolidated portfolio at risk ratio over 30 days of MABS banks as of June 30, 2005 was 5.99%.

Task Three. Hold MPMS Training for MSP Banks. Twenty-one participants from 12 MSP rollout banks completed training on the MPMS. In addition to sessions on the functionalities of the system, the course had hands-on exercises on installation, data encoding, and reports generation.

Task Four. Sign partnership agreement with the Microfinance Information Exchange (MIX). RBAP signed a partnership agreement with the MIX, a Washington-based private organization



promoting information exchange in the MF industry. MIX provides benchmarking and monitoring tools and other specialized information services through its Microbanking Bulletin and the MIX Market, a web-based information exchange platform. Over the next 12 months, RBAP and the MIX will build up rural banks' database for benchmarking

activities, promote transparency by facilitating the posting of PBs institutional profiles in the MIX Market, and raise awareness and build MF institutions' capacity for reporting.

Task Five. Complete the Performance Monitoring and Benchmarking (PMB) Toolkit installation and training. MABS technical staff completed a four-day training/workshop in the use of the PMB Software, the performance monitoring and benchmarking tools and systems developed by MIX. The training is the initial task in the activities outlined under the agreement between RBAP and MIX that was signed in April.

Task Six. Present the overview and achievements of the MABS Program at the Asia Pacific Bankers Conference (APBC). MABS was invited to participate in the APBC, an annual international convention that seeks to review and update Asian bankers on best banking practices from worldwide sources. During the presentation entitled “*Trends in Microfinance: What Every Bank Needs to Look at and Why*”, the MABS Program was highlighted as a successful model for assisting Philippine rural banks in developing the



MABS Program Chief of Party John Owens (left) presents the overview and achievements of the MABS Program before participants of the Asia Pacific Bankers Congress.

capability to profitably provide microfinance services. Bankers from the Asia Pacific region were given the Program's overview and achievements, as well as regional microfinance trends and best practices.

Tasks to be completed in the Thirty-first Quarter:

Task One. Continue monitoring of the MPMS rollout.

Task Two. Continue close monitoring of portfolio at risk ratios of participant banks.

6. Program Management

Program management takes into account meetings, program evaluations, report submission, visits by Chemonics' Head Office staff, and other activities related to overall program management. For the most part, the tasks illustrated in the workplan calendar are self-explanatory, including submission of the quarterly report and the annual inventory of commodities. Visits by Chemonics' head office staff, including specific scopes of work, will be approved by USAID on a case-to-case basis.

Tasks completed in the Thirtieth Quarter:

Task One. Submit the Twenty-ninth Quarterly Performance Monitoring Report covering January 1 – March 31, 2005. Chemonics submitted the Twenty-ninth Quarterly Performance Monitoring Report covering January 1 – March 31, 2005.

Tasks to be completed in the Thirty-first Quarter:

Task One. Submit the Thirtieth Quarterly Performance Monitoring Report covering April 1 – June 30, 2005.

Task Two. Complete the MABS Progress Report.

d) Performance

Table 1: MABS Phase 3 Targets vs. June 2005 Results

MABS Phase 3 Targets	Results: June 30, 2005
1. Expansion of the average number of borrowers of the 125 participating MABS bank units (as of February 2004) from 400 to a new average of 800.	MABS PB units (pilot to 6 th rollout banks) have an average of 552 borrowers per bank unit – 92% of the December 2005 target (600).
2. All participating bank units initiating lending during the period of the extension will have an average of 800 micro-borrowers after 24 months of operation of the <i>MABS Approach</i> to Microfinance.	New PB units that started lending during the period of extension have an average of 172 borrowers per bank unit and 80 borrowers per account officer. (Note: Most of the new PB units have been lending for less than six months.)
3. At least 200 additional bank units will begin offering the <i>MABS Approach</i> to microfinance for a total of at least 350 PB units.	Two hundred twenty-eight (228) bank units are implementing or starting to implement the <i>MABS Approach</i> to microfinance – 91% of the December 2005 target (250).
4. Total number of micro-borrowers with outstanding loans in all participating bank units will reach at least 250,000	As of June 30, 2005, the total number of outstanding MF borrowers for the banks/bank branches reporting was 83,416 – 76.5% of the December 2005 target (109,000).
5. Total number of microenterprise borrowers from participating MABS banks will reach at least 500,000.	As of June 30, 2005, the cumulative number of new borrowers reached by PBs was 210,266 – 96.45% of the 218,000 December 2005 target.
6. Total number of microdepositors in MABS participating banks will reach at least 400,000	As of June 30, 2005, MABS PBs have served 277,648 new microdepositors – 91% of the 304,000 December 2005 target.

<p>7. At least eight of the eighteen rural banks which have at least nine (9) branches will be enrolled into the MABS Program, and will be offering the <i>MABS Approach</i> to Microfinance in the majority of their branches</p>	<p>Eleven (Bangko Kabayan, Kapatagan Valley Bank, Rural Bank of Montevista, RB Mallig Plains, First Macro Bank, GreenBank of Caraga, One Network Bank, Cantilan Bank, PR Bank, CARD Bank, and GM Bank) of MABS PBs have a network of at least nine branches; of these banks, four are new (banks that enrolled starting February 2004). The seven banks enrolled in the Program prior to February 2004 implement the <i>MABS Approach</i> in 71 of their 134 branches (53%). Eighteen percent (12 of 66 bank units) of the new PB units implement the <i>MABS Approach</i>.</p>
<p>8. One or more of the larger “thrift banks” will be enrolled into the MABS Program and will be offering <i>MABS Approach</i> microfinance in a majority of its branches</p>	<p>MABS identified MicroEnterprise Bank (MEB), a Mindanao-based thrift bank, to receive <i>MABS Approach</i> training and technical assistance. USAID and MEB parent company, PlantersBank, signed an MOU formalizing the provision of MATTS in October 2004.</p> <p>Over the next three years, MEB plans to establish an additional 6 branches and loan collection and disbursement points (LCDPs) in Luzon. The bank presently has five operating branches in Mindanao. MABS will provide technical oversight during 2005 to assist MEB’s target expansion.</p> <p>MABS is coordinating with the Chamber of Thrift Banks in identifying other thrift banks.</p>
<p>9. RB2000 will be copyright protected; RB2000 will be procured by and installed in at least 150 bank units during the period of the extension for a total of 250 bank units by September 2007.</p>	<p>The 2nd RB2000 Users’ Conference was held in November 2004. Technical personnel of the rollout companies gave long-term solutions to users’ concerns (frequently encountered problems, installation costs, software and hardware maintenance, technical glitches, and customization) and practical user tips, as well as installation and technical support policies, fees, and schedules. The third users’ conference is scheduled for August.</p> <p>As of June 30, 2005, RB2000 is installed in 115 bank units (75 banks).</p>

<p>10. A micro agri-loan product will be developed, tested, and, if it appears to be a viable product, disseminated to and offered by at least 50 rural bank branches</p>	<p>After assessing well-performing banks located in agricultural areas, five banks (Cantilan Bank, GreenBank of Caraga, Kapatagan Valley Bank, Rural Bank of Tacurong, and Banco Santiago de Libon) were chosen as pilot-test sites. Twenty-two MFU staff from the five banks completed the Micro Agri-Loan Product Development Training held in September 2004. In April 2005, 23 participants from the five pilot banks and First Isabela Cooperative Bank attended the 2nd MAP training workshop. A product manual and an incentive program for MFU staff involved in MAP have been developed.</p> <p>As of June 30, 2005, the five banks pilot-testing MAP have 263 active borrowers, with an outstanding loan portfolio of more than PhP1.3 million. The portfolio-at-risk ratio over 7 days is at 0.47%.</p>
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e) Administrative Information

Project Fund Status

CLIN #1 Total Estimated Cost	\$14,374,052.00
1. Expenditures (April 1 - June 30, 2005)	445,161.53
2. Cumulative Expenditures Through March 31, 2005	10,814,083.50
3. Remaining Balance	\$ 3,559,968.50
CLIN #2 Total Estimated Cost	\$ 3,025,948.00
1. Expenditures (April 1 - June 30, 2005)	11,953.33
2. Cumulative Expenditures Through March 31, 2005	2,256,584.80
3. Remaining Balance	\$ 769,363.20
Total CLIN #1 & #2 Total Estimated Cost	\$ 17,400,000.00
1. Total Expenditures (April 1 - June 30, 2005)	457,114.86
2. Cumulative Expenditures Through June 30, 2005	13,070,668.30
3. Total Remaining Balance	\$ 4,329,331.70

Special Activities Fund (SAF) Requests Approved during the Quarter:

SAF No. 98 – Development and Production of RBAP Documentary Video

In 2002, MABS developed and produced a video documentary for RBAP's 50th Anniversary. Aside from showing the history, mission, and vision of the association, the video also highlighted RBAP achievements, its core programs and activities, and its future plans.

This video documentary will be updated to include RBAP's strategic objectives for the next ten years and the major initiatives that are being undertaken towards its achievement. The RBAP Text A Payment facility, a short messaging services (SMS) based platform that allows microloan borrowers to repay loans through their mobile phones, will be highlighted in the video. RBAP and Globe Telecom are pilot testing Text A Payment.

The video will be shown during the formal launch of the Text A Payment project. Other RBAP initiatives to be featured in the video are: collaboration with the Bankers Association of the Philippines to give rural banks access to the BAP's Credit Bureau, strategic partnerships with financial and educational institutions (Quedancor, LandBank of the Philippines, Western Union, PetNet, and the Ateneo Graduate School of Business), its expanded website, and the development and rollout of Rural Banker 2000, the rural banking software that RBAP co-developed with the United States Agency for International Development (USAID).

Status:

The RBAP documentary video was completed and shown during the launch of the RBAP Text a Payment facility. The launch was held on May 18, 2005 and was part of the activities of the 2005 RBAP Annual National Convention. Officials of the Bangko Sentral ng Pilipinas, Globe Telecom President Gerardo Ablaza, RBAP and MABS, and rural bankers attended the launch.

Annex 1.2 SAF Tracker

Philippines Microenterprise Access to Banking Services
 Chemonics International Inc.
 Contract no. 492-C-00-98-00008-00
 Quarter Number 30, Ending June 30, 2005
 Special Activities Fund

SAF	Title	Results	Date Approved	Status	Budgeted Amount	Expenses To Date	This Quarter				Expenses To Date	Budget Remaining	Budget Overruns	Cumulative Invoiced		
							Invoice 89	Invoice 90	Invoice 91	Quarter 30				Invoiced	Remaining	
							Apr 2005	May 2005	Jun 2005	Total						
	Grant Programs															\$2,755,551.00
1	Best Practices Workshop	Attendance was successful. Participating banks came from 89 rural/cooperative banks in Mindanao. MABS program was defined. Interest in MABS was established.	Apr-98	Closed	4,131.00	1,545.28				-	1,545.28	2,585.72		1,545.28		2,754,005.72
2	MIS Study	RBRDFI staff involvement in MIS assessment.	Apr-98	Closed	805.47	283.29				-	283.29	522.18		283.29		2,753,722.43
3	Product Development Workshop	Rural banks and regional Federation presidents were invited. Participants rated invited speakers from CARD and San Leonardo Rural Bank very helpful.	Jun-98	Closed	4,728.72	3,208.62				-	3,208.62	1,520.10		3,208.62		2,750,513.81
4	Market Survey, Fixed-Price	TRENDS-MBL will conduct a survey of microenterprises in each of the PB market areas. This request also includes 2 research assistants for one month each. Exceeded budget due to forex drop	Jul-98	Closed	15,373.81	17,162.14				-	17,162.14	(1,788.33)	(1,788.33)	17,162.14		2,733,351.67
5	Training Preparation - Boypee Panganiban	Boypee Panganiban will come to Davao for 5 days to assist in preparing training sessions for upcoming regional workshops.	Jul-98	Closed	2,155.79	1,042.13				-	1,042.13	1,113.66		1,042.13		2,732,309.54
6	RBRDFI Involvement in MIS Development	P. Crisosotomo's (RBRDFI) Staff travels	Jul-98	Closed	1,640.00	3,188.88				-	3,188.88	(1,548.88)	(1,548.88)	3,188.88		2,729,120.66
7	Loan Repayment Workshop	B. Pendleton's Loan Repayment workshop	Aug-98	Closed	5,734.76	3,978.81				-	3,978.81	1,755.95		3,978.81		2,725,141.85
8	Cash Flow Lending workshop	B. Panganiban's Regional Workshops	Sep-98	Closed	25,573.29	20,142.07				-	20,142.07	5,431.22		20,142.07		2,704,999.78
9	Case Study of PAICOP	D. Capeding, a case study of PAICOP. Exceeded budget due to extension of services	Sep-98	Closed	834.87	1,552.35				-	1,552.35	(717.48)	(717.48)	1,552.35		2,703,447.43
10	Pilot Bank Agreement	Pilot Bank Agreement Implementation	Oct-98	Open	72,895.87	60,064.77				-	60,064.77	12,831.10		60,064.77		2,643,382.66
11	Panganiban Book Publication	NRBSL Practices	Dec-98	Closed	8,461.54	7,753.77				-	7,753.77	707.77		7,753.77		2,635,628.89
12	Research Assistant-Roll-out	Luisa Cadiz, RA for Roll-out	Nov-98	Closed	3,010.90	6,417.42				-	6,417.42	(3,406.52)	(3,406.52)	6,417.42		2,629,211.47
13	Mindanao Fed. RB Meeting	Regional Conference	Dec-98	Closed	2,448.11	456.33				-	456.33	1,991.78		456.33		2,628,755.14
14	Enhancement of MicroBanker	Pilot Bank MIS Enhancement	Dec-98	Closed	13,282.07	13,976.59				-	13,976.59	(694.52)	(694.52)	13,976.59		2,614,778.55
15	RBAP Strategic Planning	Laurel Druben, ITI, fixed-price subcontract	Feb-99	Closed	32,996.50	25,091.26				-	25,091.26	7,905.24		25,091.26		2,589,687.29
16	NRBSL Exposure Trip	Pilot Bank Managers and staff trip to NRBSL	Feb-99	Closed	7,105.41	4,854.03				-	4,854.03	2,251.38		4,854.03		2,584,833.26
17	SGV Corporate Finance to RBAP	Canceled	Canceled	Canceled	-	-				-	-	-		-		2,584,833.26

Annex 1.2 SAF Tracker

Philippines Microenterprise Access to Banking Services

Chemonics International Inc.

Contract no. 492-C-00-98-00008-00

Quarter Number 30, Ending June 30, 2005

Special Activities Fund

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							Invoice 89	Invoice 90	Invoice 91	Quarter 30				Invoiced	Remaining
							Apr 2005	May 2005	Jun 2005	Total					
18	Follow-up trip by Druben	Start up implementation of RBAP/RBRDFI Strategic Development Program	May-99	Closed	30,883.58	14,476.06				-	14,476.06	16,407.52		14,476.06	2,570,357.20
19	Training Modules with PBs	Pilot Banks Training Modules	May-99	Closed	2,629.48	920.44				-	920.44	1,709.04		920.44	2,569,436.76
20	Orientation Course of Senior Officers of New PBs	Workshop Orientation of new PBs done	June-99	Closed	8,284.27	4,907.72				-	4,907.72	3,376.55		4,907.72	2,564,529.04
21	Commodities and Support	Commodities assistance completed.	July-99	Open	178,096.78	115,180.72				-	115,180.72	62,916.06		115,180.72	2,449,348.32
22	Training course for MF staff and PBs Supervisors	MF Workshop training course new PBs attended and participated by PBs.	Jul-99	Closed	19,211.43	14,800.02				-	14,800.02	4,411.41		14,800.02	2,434,548.30
23	ITI subcontract for presentation of finalized plan and full start-up implementation of RBAP/RBRDFI Strategic Development Program	Presentation of finalized plan for RBAP/RBRDFI completed	Aug-99	Closed	36,543.00	34,456.02				-	34,456.02	2,086.98		34,456.02	2,400,092.28
24	Enhancement of PC Banker system for participant bank RB Ozamis	RB Ozamis PC Banker enhancement delivered	Sep-99	Closed	5,331.11	4,378.55				-	4,378.55	952.56		4,378.55	2,395,713.73
25	Internship training at Enterprise Bank for MFU of Sarangani and Montevista Banks	Internship completed.	Sep-99	Closed	530.97	528.57				-	528.57	2.40		528.57	2,395,185.16
26	Enhancement of MicroBanker system for participant banks	Microbanker for PBs enhancement completed	Sept-99	Closed	24,987.38	22,180.00				-	22,180.00	2,807.38		22,180.00	2,373,005.16
27	Workshop on Zero Tolerance on Past Due Loans	Zero Tolerance workshops completed	Sept-99	Closed	7,048.24	4,484.07				-	4,484.07	2,564.17		4,484.07	2,368,521.09
28	Canceled	Canceled	Canceled	Canceled	-	-				-	-	-		-	2,368,521.09
29	Enhancement of Loan & Savings Ledger	Enhancement of Loans & Savings Ledger completed.	Oct-99	Closed	5,440.16	4,756.67				-	4,756.67	683.49		4,756.67	2,363,764.42
30	Purchase of MBXD95+	Delivered and completed	Nov-99	Closed	10,442.84	9,398.15				-	9,398.15	1,044.69		9,398.15	2,354,366.27
31	Delinquency Measurement and Control Course	Course done and completed	Nov-99	Closed	569.75	223.32				-	223.32	346.43		223.32	2,354,142.95
32	Canceled	Canceled	Canceled	Canceled	-	-				-	-	-		-	2,354,142.95
33	ST consultancy of Guillermo Bolanos	Completed	Dec-99	Closed	22,550.00	27,441.91				-	27,441.91	(4,891.91)	(4,891.91)	27,441.91	2,326,701.04
34	Use of CLIN2 Funds for MABS expansion	On-going on MIS component.	Dec-99	Open	1,300,000.00	1,287,495.31	705.00	(859.73)	(705.00)	(859.73)	1,286,635.58	13,364.42		1,286,635.58	1,040,065.46
35	Canceled	Canceled	Canceled	Canceled		-				-	-	-		-	1,040,065.46
36	Orientation for Sr. Officers of new PBs	Orientation of done.	Jan-00	Closed	3,596.15	1,717.76				-	1,717.76	1,878.39		1,717.76	1,038,347.70
37	Refresher course MicroBanker loans module	Course conducted and completed	Jan-00	Closed	1,755.09	1,339.96				-	1,339.96	415.13		1,339.96	1,037,007.74
38	Microfinance staff training course	Participant Banks MF Training	Jan-00	Closed	6,378.00	5,061.67				-	5,061.67	1,316.33		5,061.67	1,031,946.07
39	Pilot Banks Reps. Consultation and Evaluation meeting	Pilot Banks Consultation and Evaluation meeting	Jan-00	Closed	150.00	135.25				-	135.25	14.75		135.25	1,031,810.82
40	Purchase of MicroBanker MBXD95+Software for RB Lebak	Rural Bank of Lebak MBXD95+software delivered	Jan-00	Closed	900.65	793.28				-	793.28	107.37		793.28	1,031,017.54

Annex 1.2 SAF Tracker

Philippines Microenterprise Access to Banking Services

Chemonics International Inc.

Contract no. 492-C-00-98-00008-00

Quarter Number 30, Ending June 30, 2005

Special Activities Fund

SAF	Title	Results	Date Approved	Status	Budgeted Amount	Expenses To Date	This Quarter				Expenses To Date	Budget Remaining	Budget Overruns	Cumulative Invoiced	
							Invoice 89	Invoice 90	Invoice 91	Quarter 30				Invoiced	Remaining
							Apr 2005	May 2005	Jun 2005	Total					
41	Commodities and Support	PBA and Commodities Support	Feb-00	Open	105,057.52	71,999.58				-	71,999.58	33,057.94		71,999.58	959,017.96
42	Consultation and Evaluation meeting with roll out banks	Rollout banks and evaluation meet	Feb-00	Closed	1,767.61	1,487.51				-	1,487.51	280.10		1,487.51	957,530.45
43	Purchase of MicroBanker and related services Oroquieta/Green	Microbanker and related services of RB Oroquieta and Green Bank	Mar-00	Closed	5,707.20	4,168.03				-	4,168.03	1,539.17		4,168.03	953,362.42
44	Consultation and Planning Meeting with the RBAP ExeCom	RBAP Excom Consultation and Planning Meeting conducted.	Mar-00	Closed	618.75	311.57				-	311.57	307.18		311.57	953,050.85
45	Support Expansion to Branches	Support for expansion to branches	Apr-00	Open	35,750.00	1,226.42				-	1,226.42	34,523.58		1,226.42	951,824.43
46	Workshop on Cashflow Lending	Cashflow Lending Workshop of Rural Bankers in Mindanao completed	May-00	Closed	6,045.61	3,654.26				-	3,654.26	2,391.35		3,654.26	948,170.17
47	Enhancement for Hardcode Computer System for RB- Talisayan	Hardcode Computer System for RB Talisayan enhancement completed	May-00	Closed	4,778.67	4,122.73				-	4,122.73	655.94		4,122.73	944,047.44
48	Purchase of Microbanker MBXD95 and Software for CRB Bukidnon	Microbanker MBXD95 + Software for CRB Bukidnon delivered.	May-00	Closed	872.64	389.11				-	389.11	483.53		389.11	943,658.33
49	Canceled	Canceled		Canceled		-				-	-	-		-	943,658.33
50	Consultation and Planning Workshop with RBAP and MABS Technical	RBAP and MABS Technical Consultation and Planning Workshop	Jun-00	Closed	1,561.90	1,125.51				-	1,125.51	436.39		1,125.51	942,532.82
51	Big Byte Savings & Loans System for RB of Montevista	Enhancement of Big ByteShoppe Savings & Loans System	Jan-00	Closed	5,136.79	4,113.04				-	4,113.04	1,023.75		4,113.04	938,419.78
52	SEEP/APPEND Financial Ratio Analysis Course	Technical staff attended Financial Ratio Analysis Course	Aug-00	Closed	537.78	243.52				-	243.52	294.26		243.52	938,176.26
53	MABS Phase out Consultative Meeting	Pilot Banks President, Gen. Manager and MFU Supervisor and MABS Management attended the Consultative Meeting	Sept-00	Closed	220.00	204.16				-	204.16	15.84		204.16	937,972.10
54	New RBAP Technical Staff Salaries & Support	Completed	Nov-00	Open	96,289.86	89,292.40				-	89,292.40	6,997.46		89,292.40	848,679.70
55	Training course for Sr. Management and MF Staff and Supervisors for Luzon and Visayas Banks	Conducted workshops/trainings in the Visayas and Luzon	Apr-01	Closed	9,085.71	6,754.41				-	6,754.41	2,331.30		6,754.41	841,925.29
56	Impact Evaluation Study	Evaluation completed	Jun-01	Closed	1,345.05	1,426.15				-	1,426.15	(81.10)	(81.10)	1,426.15	840,499.14
57	Travel to Hongkong of Ms. Solis & Pineda	Attended by Mrs. Solis and Mrs Pineda from RB of Sto Tomas.	Aug-01	Closed	3,478.16	2,052.43				-	2,052.43	1,425.73		2,052.43	838,446.71
58	Credit Reference Bureau Development Support	On-going. Pilot testing conducted.	Sep-01	Open	2,480.43	1,778.53				-	1,778.53	701.90		1,778.53	836,668.18
59	Training on USAID admin and financial management requirements	Two MABS staff attended the training	Feb-02	Closed	717.05	721.70				-	721.70	(4.65)	(4.65)	721.70	835,946.48

Annex 1.2 SAF Tracker

Philippines Microenterprise Access to Banking Services

Chemonics International Inc.

Contract no. 492-C-00-98-00008-00

Quarter Number 30, Ending June 30, 2005

Special Activities Fund

SAF	Title	Results	Date Approved	Status	Budgeted Amount	Expenses To Date	This Quarter				Expenses To Date	Budget Remaining	Budget Overruns	Cumulative Invoiced	
							Invoice 89	Invoice 90	Invoice 91	Quarter 30				Invoiced	Remaining
							Apr 2005	May 2005	Jun 2005	Total					
60	Roundtable events for Senior Management	Conducted twice in Davao, and once in Dipolog City and Cebu	Mar-02	Closed	4,536.53	4,434.02				-	4,434.02	102.51		4,434.02	831,512.46
61	Videos for RBAP-MABS	Produced videos of MABS successes	Mar-02	Closed	4,180.09	4,161.02				-	4,161.02	19.07		4,161.02	827,351.44
62	Strategic Planning for New Banks in Mindanao	Attended by Mgt. Staff of RB of Paglas, RB of Isulan and Maranao Bank	Apr-02	Closed	4,871.83	4,306.32				-	4,306.32	565.51		4,306.32	823,045.12
63	Funds for Three (3) Participant Rural Banks: Commodities and Other Support	On-going. Commodities and trainings had been delivered	Jun-02	Open	42,932.44	18,168.07				-	18,168.07	24,764.37		18,168.07	804,877.05
64	Funds for Conduct of the MFU Supervisor' Forum	Conducted in Dipolog in July 2002	Jul-02	Closed	1,768.05	844.26				-	844.26	923.79		844.26	804,032.79
65	N/A	Canceled	Canceled	Canceled	-	-				-	-	-		-	804,032.79
66	Funds for Participant Rural Bank: Commodities & Other Support	On-going. Bank training has been conducted	Sep-02	Open	8,461.54	193.44				-	193.44	8,268.10		193.44	803,839.35
67	Microfinance Supervisors' Forum #2 and 3 Mindanao Partners Banks	Conducted in Davao City, Cagayan de Oro City and Butuan City	Oct-02	Closed	3,115.56	2,385.49				-	2,385.49	730.07		2,385.49	801,453.86
68	BSP Participation in the MABS Modular Training Course	Completed	Oct-02	Open	988.29	-				-	-	988.29		-	801,453.86
69	PDA Loan Collection Module Enhancement of the MB System	Testing of the Microbanker PDA module testing completed.	Jan-03	Closed	857.45	519.03				-	519.03	338.42		519.03	800,934.83
70	MABS PSP Market Demand Study	Survey done March 27, 2003	Feb-03	Closed	639.17	528.87				-	528.87	110.30		528.87	800,405.96
71	Development/Production of RBAP/MABS Videos	Videos approved and delivered	Feb-03	Closed	3,142.36	2,480.13				-	2,480.13	662.23		2,480.13	797,925.83
72	Development of MABS Technical Support Providers	Learning Centers are on-going. MSPs are now active in the MABS roll out	Mar-03	Open	20,564.66	16,464.97				-	16,464.97	4,099.69		16,464.97	781,460.86
73	Senior Management Orientation for 6th Roll Out Banks	Done Mar 26-27, 2003	Mar-03	Closed	693.99	668.02				-	668.02	25.97		668.02	780,792.84
74	Microfinance Supervisors Forum #4 & #5	Conducted in May 22-23, 2003 in Cagayan de Oro City	May-03	Closed	2,546.79	449.63				-	449.63	2,097.16		449.63	780,343.21
75	Global Summit for Women in Marakech	Attended by a delegate from RB of Tacurong	May-03	Closed	2,399.02	1,748.70				-	1,748.70	650.32		1,748.70	778,594.51
76	Funds for commodities and other support of three (3) participating banks	On-going. Commodities and trainings have been delivered.	Jun-03	Open	9,409.12	3,582.98				-	3,582.98	5,826.14		3,582.98	775,011.53
77	MABS Training Materials for Web Production	Production completed	Jul-03	Open	6,096.42	2,032.54				-	2,032.54	4,063.88		2,032.54	772,978.99
78	Support for BSP Training in MF Examination	Examiners training on microfinance conducted	Jul-03	Closed	1,392.80	992.00				-	992.00	400.80		992.00	771,986.99
79	Video Production for MABS Approach	Video production completed, delivered and approved.	Aug-03	Open	12,056.92	10,745.66				-	10,745.66	1,311.26		10,745.66	761,241.33
80	Support for RBAP Cost accounting system	Completed with reports and recommendations from the auditors	Aug-03	Closed	1,470.32	1,375.00				-	1,375.00	95.32		1,375.00	759,866.33
81	MSP Program Roll Out	Roll out conducted in Mindanao, Visayas and Luzon by the MSPs	Oct-03	Open	6,892.12	4,218.53				-	4,218.53	2,673.59		4,218.53	755,647.80

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Philippines Microenterprise Access to Banking Services

Chemonics International Inc.

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82	Microfinance Council	Attended by RB of Kapatagan Valley manager	Oct-03	Closed	278.63	200.28				-	200.28	78.35		200.28	755,447.52
83	2003 MABS ME Clients Survey	Survey done by Ateneo de Davao.	Nov-03	Closed	3,286.89	3,237.43				-	3,237.43	49.46		3,237.43	752,210.09
84	MABS Rollout Support Program for Rural Banks	On-going	Nov-03	Open	33,723.02	23,591.25	(1,107.42)	277.26	(830.16)	22,761.09	10,961.93			22,761.09	729,449.00
85	MABS support to train other MABSTeRs	Conducted in Manila City in Feb. 2004	Jan-04	Open	1,227.28	580.23				-	580.23	647.05		580.23	728,868.77
86	MABS support for 2 other banks in AARM/CAAM	On-going. Commodities and trainings have been delivered.	Apr-04	Open	11,273.93	1,319.76				-	1,319.76	9,954.17		1,319.76	727,549.01
87	RB2000 User Conference	Conducted in March and November 2004	Feb-04	Open	4,404.10	1,425.98				-	1,425.98	2,978.12		1,425.98	726,123.03
88	Video Production for EAGLE Awards 2004	Video production completed, approved and presented during the awards.	Feb-04	Closed	4,743.66	4,394.09				-	4,394.09	349.57		4,394.09	721,728.94
89	National Roundtable and EAGLE Awards	Completed and attended by the participating banks.	Feb-04	Closed	3,071.81	1,612.03				-	1,612.03	1,459.78		1,612.03	720,116.91
90	Performance Monitoring System Training	Conducted in Cebu City and Manila City	Feb-04	Open	2,421.96	2,444.86		11.21		11.21	2,456.07	(34.11)	(34.11)	2,456.07	717,660.84
91	MABS Rollout Support Program for 10 Additional Rural Banks	On-going	May-04	Open	13,494.06	813.49	555.56			555.56	1,369.05	12,125.01		1,369.05	716,291.79
92	Micro-Agri Loan Product Training for Pilot Banks	On-going	Sep-04	Open	3,500.18	959.32	388.06	1.62	0.16	389.84	1,349.16	2,151.02		1,349.16	714,942.63
93	MABS support for new PBs	On-going	Oct-04	Open	40,178.57	-				-	-	40,178.57		-	714,942.63
94	Support for the Official Trip of Anthony Petalcorin to BRI to Lead	Trip with staff of participating rural bank rural banks has been	Oct-04	Closed	2,104.11	1,747.96				-	1,747.96	356.15		1,747.96	713,194.67
95	Support for the Supervisors Forum	Conducted in Cebu City, Naga and Manila City	Jan-05	Open	1,633.93	1,302.15				-	1,302.15	331.78		1,302.15	711,892.52
96	Development and production of videos for the 2005 EAGLE Awards	Development and production completed	Feb-05	Open	6,250.00	2,611.68	577.93	2,637.88		3,215.81	5,827.49	422.51		5,827.49	706,065.03
97	Support for the National Roundtable Conference and EAGLE Awards	Conducted in the Davao City in April 2005	Feb-05	Open	7,562.50	-	1,716.53	735.27	5,375.19	7,826.99	7,826.99	(264.49)	(264.49)	7,826.99	698,238.04
98	Development and production of RBAP documentary video	Development and production completed	May-05	Closed	645.99	-		645.99		645.99	645.99	-		645.99	697,592.05
SUBTOTAL					\$2,426,773.81	\$2,047,003.44	3,943.08	2,064.82	4,947.61	10,955.51	2,057,958.95	368,814.86	(13,431.99)	2,057,958.95	697,592.05
General & Administrative Costs						90,719.71	197.16	(40.30)	222.64	379.50	91,099.21			91,099.21	35,183.79
Fee						106,908.38	207.00	152.80	258.52	618.32	107,526.70			107,526.70	36,587.30
GRAND TOTAL						\$2,244,631.53	4,347.24	2,177.32	5,428.77	11,953.33	2,256,584.86			2,256,584.86	769,363.14

MABS Philippines Home Office Reports Tracker
Contract No. 492-C-00-98-00008-00

Technical Deliverables	Submitted By	Report Date	Submitted to CDIE	HO Electronic	HO Hard Copy
An Alternative Approach to Rural Financial Intermediation (The Philippine Experience)	Meliza Agabin/Jorge L. Daly	May 1, 1996	Yes	Yes	
Microenterprise Sector Study	Raike Quinones	June 1, 1997	Yes		Yes
MIS Assessment of Candidate Pilot Banks	Peter Glibbery & A. Petalcorin	August 1, 1998	Yes		Yes
Familiarization with Related USAID Projects: (MABS-M Brief)	Chemonics International	September 1, 1998	Yes	Yes	
Innovations to Increase Access to Microcredit	Gerald Andersen	September 1, 1998	Yes		Yes
Consultancy Completion Report	Ms. Meliza H. Agabin	September 15, 1998	Yes		Yes
Microfinance and the Bank Regulatory Environment	Bill Pendleton	September 25, 1998	Yes		Yes
Training Program Report	Bill Pendleton	September 30, 1998	Yes		Yes
Completion Report (Seminar on Microfinance Products of Rural Bank of Talisayan) (final draft)	Chemonics International	November 14, 1998	Yes	No	Yes
Cash Flow Lending and Loan Pricing Seminar Report	Andres Panganiban	December 1, 1998	Yes	No	Yes
Mindanao Rural Banks: Funding Sources and Credit Programs for Microenterprises (Final Draft)	Meliza Agabin & Arah Limpao-Osop	December 1, 1998	Yes	Yes	
Panabo Agro-Industrial Cooperative An Integrated Rice Commodity System (A Case Study)	Dehlia Capeding	December 1, 1998	Yes		Yes
Rural Banks and Microfinancing	Joseph Y. Lim	December 1, 1998	Yes	Yes	
Microenterprise Survey Report - Digos, Davao Del Sur	Arah Limpao & Raike Quinones	February 1, 1999	Yes	Yes	
Microenterprise Survey Report - Sto. Tomas, Davao Province	Arah Limpao & Raike Quinones	February 1, 1999	Yes	Yes	
Evaluation of the Pilot Phase of MABS-M Program	Virginia Abiad	March 22, 1999	Yes	Yes	
Deposits & Loan Management System Study	Peter Glibbery	April 1, 1999	Yes		Yes
RBAP Strategic Development Plan 2000-2003	Laurel Druben	May 1, 1999	Yes		Yes
Feasibility Study:Expanding MABS' Outreach to Muslim Clients	L.Doerring/R. Quinones/C. Cornejo	April 20, 2001	Yes	Yes	
A Survey of Microenterprise Client of MABS Partner Banks					
Survey Results, Sampling and Data Tables	M. Agabin/C. Cornejo/D.Capeding	September 1, 2001	Yes	Yes	
Service Provider Feasibility Study		February 1, 2002	Yes	Yes	
Reports on Financial Trends in Mindanao		May 1, 2002	Yes	Yes	
BSP Inception Report	Carlos Alba	October 1, 2002	yes	yes	
Rural Bank Market Survey	Arah Sadava	October 1, 2002	Yes	Yes	

Annex 1.3 Reports Tracker

BSP Examination and CAMELS Manual for Microfinance Loans	Carlos Alba	February 1, 2003	Yes	No	Yes
MABS Service Provider Program	Michael Alcorn	May 1, 2003	Yes	Yes	
Consultancy Completion Report	Ms. C.y. Nunez-Ollero	August 3-27,1998	Yes		Yes
First Operations Review of NMTK Micro Loan of Enterprise	C. Dicdiquin/B. Bunao/R. Quinones	March 2002	Yes	Yes	
Private Service Provider Installation of MABS Approach	Michael Alcorn	November, 2002	Yes	Yes	
Market Study to Expand Microfinance in MABS Banks	Anita Campion	October, 2003	Yes	Yes	
Consultancy Services to Bangko Sentral NG Pilipinas on Micrfinance Supervision	Carlos Alba/International Consulting Consortium	January 1, 2005			
Work Plans	Submitted By	Report Date	Submitted to CDIE	HO Electronic Files	HO Hard Copy
Year 1 Work Plan (1998)	Chemonics International	Dec-97	Yes	Yes	
Year 2 Work Plan (1999)	Chemonics International	Dec-98	Yes	Yes	
Year 3 Work Plan (2000)	Chemonics International	Dec-99	Yes	Yes	
Year 4 Work Plan (2001)	Chemonics International	Dec-00	Yes	Yes	
Year 5 Work Plan (2002)	Chemonics International	Dec-01	Yes		Yes
Year 6 Work Plan (2003)	Chemonics International	Dec-02	Yes	Yes	
Year 7 Work Plan (2004)	Chemonics International	Dec-03	Yes	Yes	
Year 8 Work Plan (2005)	Chemonics International	Dec-04		Yes	Yes
Quarterly Progress Reports	Submitted By	Report Date	Submitted to CDIE	HO Electronic Files	HO Hard Copy
Quarterly Performance Monitoring Report (First)	Chemonics International	April 1, 1998	Yes	Yes	
Quarterly Performance Monitoring Report (Second)	Chemonics International	July 1, 1998	Yes	Yes	
Quarterly Performance Monitoring Report (Third)	Chemonics International	October 1, 1998	Yes	Yes	
Quarterly Performance Monitoring Report (Fourth)	Chemonics International	January 1, 1999	Yes	Yes	
Quarterly Performance Monitoring Report (Fifth)	Chemonics International	April 1, 1999			
Quarterly Performance Monitoring Report (Sixth)	Chemonics International	July 1, 1999	Yes		Yes
Quarterly Performance Monitoring Report (Seventh)	Chemonics International	October 1, 1999	Yes		Yes
Quarterly Performance Monitoring Report (Eight)	Chemonics International	January 1, 2000	Yes		Yes
Quarterly Performance Monitoring Report (Ninth)	Chemonics International	April 1, 2000	Yes	Yes	
Quarterly Performance Monitoring Report (Tenth)	Chemonics International	July 1, 2000	Yes		Yes
Quarterly Performance Monitoring Report (Eleventh)	Chemonics International	October 1, 2000	Yes		Yes
Quarterly Performance Monitoring Report (Twelfth)	Chemonics International	January 1, 2001			
Quarterly Performance Monitoring Report (Thirteenth)	Chemonics International	April 1, 2001	Yes	Yes	
Quarterly Performance Monitoring Report (Fourteenth)	Chemonics Internatioinal	July 1, 2001	Yes	Yes	

Annex 1.3 Reports Tracker

Quarterly Performance Monitoring Report (Fifteenth)	Chemonics International	November 1, 2001	Yes	Yes	
Quarterly Performance Monitoring Report (Sixteenth)	Chemonics International	February 1, 2002	Yes	Yes	
Quarterly Performance Monitoring Report (Seventeenth)	Chemonics International	May 1, 2002	Yes	Yes	
Quarterly Performance Monitoring Report (Eighteenth)	Chemonics International	July 1, 2002	Yes	Yes	
Quarterly Performance Monitoring Report (Nineteenth)	Chemonics International	November 1, 2002	Yes	Yes	
Quarterly Performance Monitoring Report (Twentieth)	Chemonics International	February 1, 2003	Yes	Yes	
Quarterly Performance Monitoring Report (Twenty-first)	Chemonics International	April 1, 2003	Yes	Yes	
Quarterly Performance Monitoring Report (Twenty-second)	Chemonics International	July 1, 2003	Yes	Yes	
Quarterly Performance Monitoring Report (Twenty-third)	Chemonics International	November 1, 2004	Yes	Yes	
Quarterly Performance Monitoring Report (Twenty-fourth)	Chemonics International	January 1, 2004	Yes	Yes	
Quarterly Performance Monitoring Report (Twenty-fifth)	Chemonics International	April 1, 2004	Yes	Yes	Yes
Quarterly Performance Monitoring Report (Twenty-sixth)	Chemonics International	July 1, 2004	Yes	Yes	Yes
Quarterly Performance Monitoring Report (Twenty-seventh)	Chemonics International	November 1, 2004	Yes	Yes	Yes
Quarterly Performance Monitoring Report (Twenty-eighth)	Chemonics International	January 1, 2005		Yes	Yes
Quarterly Performance Monitoring Report (Twenty-ninth)	Chemonics International	April 1, 2005	Yes		

Microenterprise Access to Banking Services (MABS) Program

April 2005 Highlights

3rd MABS National Roundtable Conference

Eighty-nine rural bankers from 38 MABS participating banks (PBs) attended the 3rd MABS National Roundtable Conference held April 26 – 27 in Davao City. Representatives from the Bangko Sentral ng Pilipinas (BSP), the Mindanao Economic and Development Council (MEDCo), the United States Agency for International Development (USAID)-Philippines, the Rural Bankers Association of the Philippines (RBAP), the Consultative Group to Assist the Poor (CGAP), the Microfinance Information Exchange (MIX), the Asian Institute of Management (AIM) and Globe Telecom also attended the conference. The conference's theme was "Managing the Growth of Microfinance (MF) Operations: New Developments and Innovations".

During his keynote address, BSP Deputy Governor Amando Tetangco Jr. discussed the status and future directions of the BSP's MF initiatives. The Honorable Amando Tetangco Jr., the incoming BSP Governor, will begin his term in July. BSP Supervision and Examination Department Director Wilfredo Domo-ong also provided an update on microfinance-related BSP circulars.

Globe X-change President Jose Roberto Mendoza gave a presentation on the platform and features of, and opportunities presented by G-Cash, Globe's short messaging services (SMS or text messaging)-based electronic money facility. RBAP-MABS and Globe are presently piloting the RBAP *Text-A-Payment*, a project that allows microloan clients to repay amortizations using G-Cash. The MIX analyst Matt Graham presented on financial transparency as a tool for improving MF operations and CGAP Lead MF Specialist Brigit Helms presented the trends and innovations in savings mobilization. MABS Senior MF Specialist Arellis Gomez presented the results of the micro agri-loan product (MAP) pilot test. MAP is one of the new products being developed under the third phase of the MABS Program. Chemonics Senior MF Specialist Anita Campion also provided presentations on two topics: improving internal control and balancing market-driven products with efficiency.

The conference had three breakout sessions on the following topics: strategic directions for MF operations, managing growth, and staff management, with selected MABS PBs as presenters. During a panel discussion, participants of the study group that visited the Bank Rakyat in Indonesia shared observations and lessons learned.



BSP Deputy Governor Amando Tetangco Jr. addresses participants of the 3rd MABS National Roundtable Conference.

2004 EAGLE Awardees Announced

The MABS Program announced the EAGLE Awardees for 2004 at ceremonies held April 26 in Davao City. Participating banks Bangko

Kabayan, First Isabela Cooperative Bank, Maranao Rural Bank, GreenBank of Caraga, and Cantilan Bank received EAGLE Awards in recognition of their excellent performance in managing their MF operations. Two of the winners, Bangko Kabayan and Cantilan Bank, received their third EAGLE Award this year.

Since developing the EAGLE Rating System in 2002, the MABS Program has recognized PBs that have attained outstanding EAGLE scores. EAGLE scores are based on five components (Efficiency, Asset quality, Growth, Liability structure, Earnings). MABS also awarded compliance certificates to four new PBs: the Rural Bank of Goa, CARD Rural Bank, Rural Bank of Placer, and Rural Bank of San Enrique. Compliance certifications are given to new PBs trained by MABS Service Providers (MSPs)– organizations trained and licensed to rollout MABS Approach Training and Technical Services – that meet bank wide and MF specific indicators.



MABS Chief of Party John Owens (extreme left) presents the plaque to the staff of three-time EAGLE Awardee Cantilan Bank (CB). Photo also shows (left to right) MABS Mindanao Regional Manager Eduardo de Castro, MABS Deputy Chief of Party Meliza Agabin, RBAP President Senen Glorioso, USAID Deputy Mission Director Frank Donovan, BSP SED Director Wilfredo Domo-ong, CB President William Hotchkiss III, General manager Raul Urbiztondo, and MFU Head Eric Mendiola.

RBAP Signs Partnership Agreement with MIX

RBAP signed a partnership agreement with the MIX, a Washington-based private organization promoting information exchange in the MF industry. MIX provides benchmarking and monitoring tools and other specialized information services through its Microbanking Bulletin and the MIX Market, a web-based information exchange platform.

Over the next 12 months, RBAP and the MIX will build up rural banks' database for benchmarking activities, promote transparency by facilitating the posting of PBs institutional profiles in the MIX Market, and raise awareness and build MF institutions' capacity for reporting. In May, MIX will set up the MIX Performance Monitoring and Benchmarking (PMB) Toolkit, the software specifically developed for the PMB, and train MABS technical staff on the PMB Toolkit, data sourcing, verification, and standardization.

Micro Agri-Loan Product Training-Workshop

Twenty-three participants from six PBs completed a two-day MAP training-workshop held from April 28 – 29 in Davao City. The training course reviewed the MAP policies and procedures, introduced the enhanced cashflow form and analysis, and discussed loan monitoring and collection. Participants also learned the elements of effective account officers' supervision – account officers' roles, supervision issues, and the use of a compliance-with-policies checklist. Participants also completed a portfolio analysis workshop.

Microenterprise Access to Banking Services (MABS) Program May 2005 Highlights

Rural Bankers Association of the Philippines (RBAP) *Text-A-Payment* Program Launch

The Rural Bankers Association of the Philippines (RBAP) and Globe Telecom formally launched the *RBAP Text-A-Payment* program in a ceremony held on May 19 during the RBAP National Convention. *RBAP Text-A-Payment* utilizes G-Cash, Globe's short messaging services (SMS)-based electronic money platform, to facilitate microloan payment and collection. Microloan clients who are Globe and Touch Mobile subscribers can pay microloan amortizations through SMS. *Text-A-Payment* is designed to reduce costs, improve efficiency, and provide clients with a more convenient, less costly alternative to over-the-counter bank/branch payments.



Photo taken during the *Text-A-Payment* official launch shows: (right to left) BSP Assistant Governor Nestor Espenilla, Globe Telecom President Gerardo Ablaza, RBAP President Senen Glorioso, MABS Chief of Party John Owens, G-Xchange President Jose Roberto Mendoza, and Globe Telecom officials.

Globe Telecom President Gerardo Ablaza, RBAP President Senen Glorioso, and the MABS Program Chief of Party John Owens presented the *Text-A-Payment's* manual of procedures to Bangko Sentral ng Pilipinas Assistant Governor Nestor Espenilla. The manual of procedures, which Globe, MABS and RBAP developed over the last five months, outlines the features and procedures of *Text-A-Payment* along with appropriate internal control procedures, forms, and technical guidelines.

Text-A-Payment orientation workshops were conducted in February and March at four pilot-test sites - Bangko Kabayan and First Macro Bank in Luzon and GreenBank of Caraga and the Cooperative Bank of Misamis Oriental in Mindanao. The four pilot test sites held soft launches in March and April. Pre-selected

clients of the four pilot banks started paying microloan amortizations through G-Cash during the soft-launch period.

RBAP Holds 52nd National Convention

The Rural Bankers Association of the Philippines held its 52nd Annual National Convention on May 19 and 20 in Manila. *Tooling Up for Effective Rural Banking* was the theme of this year's convention. Sessions focused on meeting challenges presented by banking in the countryside through adopting appropriate banking technologies that improve operational efficiency and tapping partnerships with government and private institutions. With majority of rural banks being family-owned and run, the convention also had a session on the management of family-owned corporations. During the session on microfinance, the MABS Chief of Party provided an update on the status of the MABS Program, as well as new directions and recent developments.

MABS Participating Banks' Microloan Disbursements Top PhP6 Billion

The cumulative amount of microloans disbursed by MABS participating banks since 1999 exceeded the PhP6 billion-mark in April. As of end-April, the Program's PB units have disbursed a total of PhP6.3 billion (around US\$117 million) in more than 554,000 loans to more than 196,000 new microborrowers. The number of micro deposit accounts has increased by more than 257,000 over the last six years. The total amount of micro deposits mobilized has also increased by more than PhP435 million (US\$8 million).

Microfinance International Exchange (MIX) Performance Monitoring and Benchmarking (PMB) Software Training

MABS technical staff completed a four-day training/workshop in the use of the PMB Software, the performance monitoring and benchmarking tools and systems developed by MIX. The training, held from May 2-5, is the initial task in the activities outlined under the agreement between RBAP and MIX that was signed in April. Over the next twelve months, MABS and RBAP will collect and verify information of its member rural banks for benchmarking and facilitate the posting of rural banks' institutional profiles in the MIX Market, MIX' web-based information exchange platform and the MicroBanking Bulletin, the leading global benchmarking publication in the microfinance industry.

The MIX is a Washington-based, non-profit organization dedicated to increasing the availability of reliable, standardized and comparable data on the financial performance and outreach of microfinance institutions.

Microenterprise Access to Banking Services (MABS) Program June 2005 Highlights

MABS Highlighted at the Asia Pacific Bankers Congress (APBC)

The Microenterprise Access to Banking Services (MABS) Program was invited to participate in the Asia Pacific Bankers Congress (APBC), an annual international convention that seeks to review and update Asian bankers on best banking practices from worldwide sources. Around 300 delegates attended the 2005 APBC, held in Manila from June 16-17.

During the presentation entitled "Trends in Microfinance: What Every Bank Needs to Look at and Why", the MABS Program was highlighted as a successful model for assisting Philippine rural banks in developing the capability to profitably provide microfinance services. Bankers from the Asia Pacific region were given the Program's overview and achievements, as well as regional microfinance trends and best practices.



MABS Program Chief of Party John Owens (left) presents the overview and achievements of the MABS Program before participants of the Asia Pacific Bankers Congress.

MABS Receives Institutional Award

The MABS Program received an Institutional Award from Cantilan Bank in a ceremony marking the bank's 25th anniversary held on June 11. Cantilan Bank has been a MABS Program Participating Bank since 1999 and has nine branches serving the microenterprise sector in the provinces of Surigao del Norte and Sur in Mindanao.

Cantilan Bank Inaugurates MABS Microfinance Training Center

Cantilan Bank formally opened its own microfinance training center, the Cantilan Bank-MABS Microfinance Training Center, on June 11, becoming the first MABS Learning Center to open a full service training facility for microfinance. Learning Centers are model MABS participating banks that serve as resource/visitor centers for other rural banks interested in implementing microfinance using the *MABS Approach*. The center will provide microfinance refresher and capability-building courses to interested bankers. Training will be delivered by in-house specialists, among them members of the MABS Technical Resource Specialists (MABSTeRS) pool. MABSTeRS are microfinance practitioners from the MABS PBs that have been trained and accredited to deliver microfinance training courses.

MABS Performance Monitoring System (MPMS) Training

Fourteen participants from eight MABS PBs completed a training-workshop on the MPMS held from June 17-18 in Manila. The training covered the following: basic features of the system, outline and interpretation of source documents, and workarounds to system and user errors. Participants also performed hands-on exercises on systems installation, creation of back up, encoding, and report generation.



Participants of the MPMS Training encode data during one of the training-workshop sessions.

The MPMS automatically generates reports at the branch-level, facilitating consolidation at the bank and Program level. To train PB staff on its features and use, six MPMS training workshops have been completed since May 2004.

7th Rollout Banks Roundtable Conference

Thirty-three bank and MFU officers from 20 PBs attended a roundtable conference focusing on implementing an employee incentives program. The conference was held on June 29 at the Traders' Hotel in Manila.

The banks that participated in the conference all belong to the Program's 7th rollout. These are banks that were trained by MABS Service Providers (MSPs), private firms accredited and licensed by the Program to provide the MABS Approach Training and Technical Services (MATTs) package to interested rural banks. MABS initiated the MSP program in 2003 to ensure the sustainability and continuity of MATTs delivery even after the life of the Program.

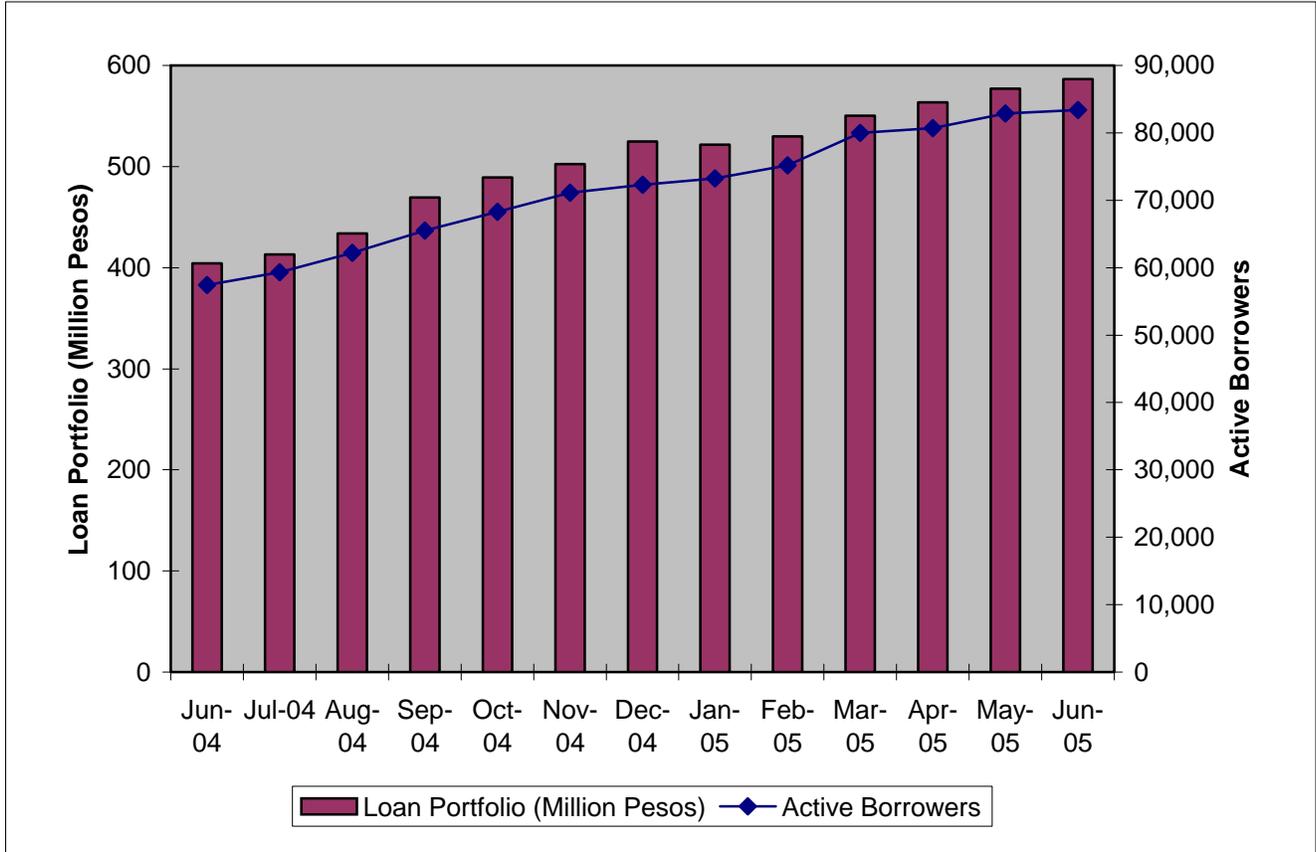
Conference sessions presented the benefits of implementing an employee incentives program and outlined the guidelines for creating and implementing one. Participants were also given a detailed, step-by-step guide in the use of the MABS-recommended incentive scheme template.

**MABS BANKS MICROFINANCE PERFORMANCE REPORT
CONSOLIDATED - BY AREA OF OPERATION (LUZON, VISAYAS AND MINDANAO)
JUNE 2005**

PERFORMANCE DATA	LUZON	VISAYAS	MINDANAO	TOTAL
Number of banks (reporting)	29	10	27	66
Number of participating branches (reporting)	83	26	103	212
Number of banks (trained/on-training)	13	2	1	16
Total number of banks	42	12	28	82
Total number of participating branches	96	28	104	228
Number of active borrowers outstanding	25,641	5,213	52,562	83,416
Number of new borrowers	2,509	369	2,868	5,746
Number of repeat loans	3,105	1,241	6,372	10,718
Loan portfolio balance	203,579,735	50,940,466	331,832,589	586,352,790
Net change in number of deposit accounts	12,064	26,294	239,290	277,648
Net change in deposit balance	91,388,922	29,165,064	391,692,007	512,245,993
Number of microfinance field staff	224	69	400	693
Number of microfinance field staff per branch	3	3	4	3
Number of loans disbursed during the month	5,614	1,610	9,240	16,464
Cumulative number of new borrowers	35,729	9,946	164,591	210,266
Cumulative number of loans disbursed	88,803	38,294	469,059	596,156
Amount of loans disbursed during the month	80,869,208	25,595,095	103,900,220	210,364,523
Cumulative amount of loans disbursed	1,492,939,978	546,823,272	4,870,571,692	6,910,334,942
Portfolio at risk more than 7 days	11,358,828	2,024,858	28,970,087	42,353,773
Portfolio at risk more than 7 days (%)	5.83%	4.05%	10.17%	8.00%
Portfolio at risk more than 30 days	7,750,987	1,336,134	22,623,758	31,710,879
Portfolio at risk more than 30 days (%)	3.90%	2.67%	7.95%	5.99%

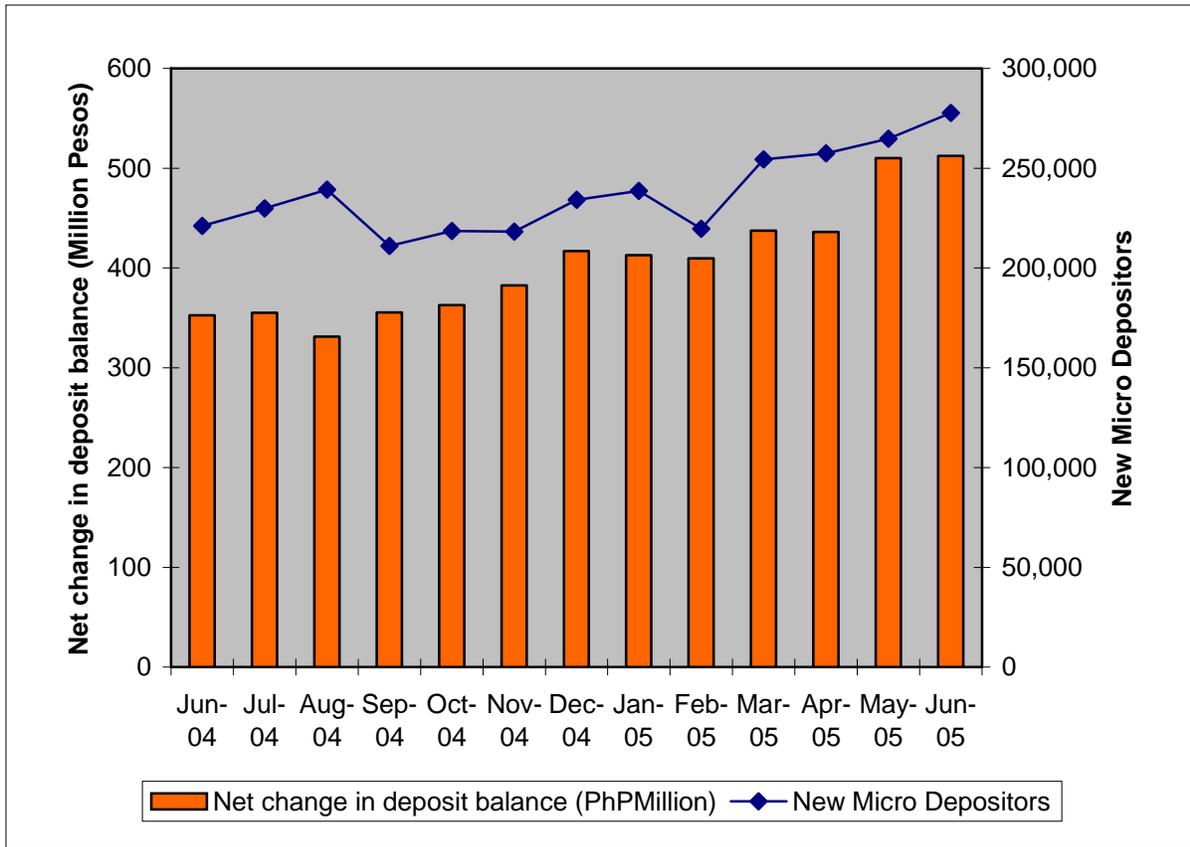
MONTHLY INCOME AND EXPENSE	LUZON	VISAYAS	MINDANAO	TOTAL
Financial income				
Interest income on loans	8,745,630	2,499,315	11,649,739	22,894,684
Service charge	2,767,830	1,147,614	5,296,305	9,211,749
Penalty fee on loans	191,708	90,415	456,003	738,126
Total financial income	11,705,168	3,737,344	17,402,047	32,844,559
Total financial expense	1,185,050	406,814	2,205,294	3,797,158
Gross financial margin (spread)	10,520,118	3,330,530	15,196,753	29,047,401
Loan loss provision	561,307	230,931	1,198,342	1,990,580
Net financial margin	9,958,811	3,099,599	13,998,411	27,056,821
Direct operating expenses				
MFU salaries and benefits	2,194,409	500,798	2,315,149	5,010,356
Gross receipts tax	398,478	72,897	796,968	1,268,343
Depreciation	162,247	75,477	93,104	330,828
Transportation	245,785	57,186	103,251	406,222
Supplies	129,374	27,680	46,501	203,555
Communication	66,932	7,974	23,801	98,707
Others	332,605	39,521	34,502	406,628
Total direct operating expenses	3,529,830	781,533	3,412,932	7,724,295
Training and professional fees	86,256	6,000	6,810	99,066
Net income before indirect expenses	6,342,725	2,312,066	10,578,669	19,233,460
Indirect expenses	1,127,301	194,337	872,915	2,194,553
Net income (loss)	5,215,424	2,117,729	9,705,754	17,038,907

Micro Loan Portfolio MABS Participating Banks June 2004 – June 2005



Month/ Year	Loan Portfolio (PhPM)	Active Borrowers
Jun 2004	404.36	57,444
Jul 2004	413.14	59,324
Aug 2004	433.97	62,212
Sep 2004	469.41	65,493
Oct 2004	489.38	68,269
Nov 2004	502.42	71,120
Dec 2004	524.65	72,315
Jan 2005	521.51	73,244
Feb 2005	529.93	75,189
Mar 2005	550.21	80,012
Apr 2005	563.61	80,694
May 2005	576.92	82,894
Jun 2005	586.35	83,416

New Microdeposits * MABS Participating Banks June 2004 – June 2005



	Net Change in Deposit Balance (PhPM)	New Micro Depositors
Jun 2004	352.42	221,085
Jul 2004	354.99	229,879
Aug 2004	331.18	239,182
Sep 2004	355.35	211,066
Oct 2004	362.81	218,541
Nov 2004	382.34	218,234
Dec 2004	416.75	234,082
Jan 2005	412.65	238,624
Feb 2005	409.48	219,679
Mar 2005	437.42	254,450
Apr 2005	435.90	257,421
May 2005	509.99	264,773
Jun 2005	512.25	277,648

*Micro deposits are deposits with outstanding balance of PhP15,000 or below. New micro deposits of a given bank refer to the net change in deposits, i.e., the outstanding figures less baseline figures, i.e., the figures before MABS started working with the bank.