

MABS Program

Microenterprise Access to Banking Services Program

Performance Monitoring Report

THIRTY-FOURTH QUARTER

April 1 – June 30, 2006

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Acronyms

ARMDEV	Associated Resources for Management and Development Inc.
AO	Account Officer
BSP	Bangko Sentral ng Pilipinas
CIBI	Character/Background Investigation
EAGLE	Efficiency, Asset Quality, Growth, Liquidity, and Earnings
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	<i>MABS Approach</i> 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
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 Thirty-fourth Quarterly Performance Monitoring Report, covering the period from April 1 through June 30, 2006. 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) under the Office of the President. 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 initially worked with banks in Mindanao but has since expanded technical support to Luzon and Visayas rural banks.

From the Program's inception until 2003, the Program's technical staff provided training and technical assistance. 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. MSPs will have the capability to install MATTS in 70 to 80 additional banks per year.

Until September 2007, MABS 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 and introducing 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 developed a micro agri-loan product. After successfully pilot testing the product in 2004-2005, MABS is now rolling this product out to other interested participating rural banks.

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 that reduce the costs and increase the efficiency of delivering microfinance services to clients- were also explored and developed. MABS is currently developing another innovation, the distance-learning program. The Web-based training program will reduce the costs of training bank staff and scale up the delivery of training to the continuously increasing number of MF staff that need to be trained and re-trained.

MABS will assist a minimum of 350 rural and cooperative rural bank branches in the Philippines 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.

The highlight of the 34th Quarter was the 4th National Roundtable Conference. One-hundred participants – a mix of MABS participating banks' officers; researchers and representatives from the academe; local and international microfinance industry leaders and practitioners; and representatives from USAID, RBAP, MEDCo, and the BSP - attended the conference. The roundtable conference is one of MABS' main annual activities, gathering PBs' senior officers and serving as a venue for the exchange of knowledge and practitioner experiences. Current issues and challenges being faced by the microfinance industry are also addressed during the annual conference and participants are kept abreast of the latest developments in the provision of microfinance services. This year, the focus of the conference was on achieving balance between portfolio growth and quality. To support their banks' branch and geographic expansion, participants learned practical, easy-to-implement marketing techniques and guidelines for market segmentation.

MABS' innovations that were designed to help banks improve their operations were also presented. Research group Innovations for Poverty Action presented the credit scoring tool that they developed and is currently pilot testing with MABS PB First Macro Bank (FMB). The credit scoring tool evaluates credit risk based on pre-defined parameters and repayment history. Results of the pilot test show a significant improvement in the repayment rate and portfolio quality at the FMB branch piloting the credit scoring tool. GXchange, MABS partner in the rollout of Text-A-Payment, presented other mobile banking applications and the opportunities these applications present to rural banks. The results of the distance learning program pilot test were also presented. The Web-based distance learning courses will deliver effective training to PBs' staff at significantly lower costs.

During the 34th Quarter, MABS gave out EAGLE Awards to recognize its outstanding PBs; banks that garner the highest rating – AA – under the EAGLE rating system. MABS developed the scoring system in 2002 and has been rating its PBs annually using the EAGLE's indicators: Efficiency, Asset quality, Growth, Liability structure, and Earnings. MABS also issued compliance certifications to three MSP-trained PBs: GM Rural Bank, Valiant Rural Bank, and Mallig Plains Rural Bank. Compliance certifications are given to MSP-trained banks that meet bank-wide and MF-specific indicators.

MABS rolled out a new course – the Quality Training for Rural Banks - during the 34th Quarter. Course participants learned the framework and principles of quality, as well as tools and skills that will help them apply and integrate the principles into the business processes and operations of their rural banks. The course's modules are: core principles and elements of quality, effective teamwork, and continuous process improvement framework. MABS also conducted the Middle Management Training Course; senior officers of Visayas and Mindanao PBs attended the course. The MMTC aims to improve the supervisory skills of PBs' senior and middle management officers by giving them a better understanding of MABS' microfinance technology and a clear grasp of their microfinance units' operations. The course parallels and complements MABS' training course for account officers.

In addition to the two new courses, MABS also conducted a forum for officers and supervisors of Mindanao PBs. The forum focused on strategic marketing and delinquency management, with sessions on branding, product and customer service strategy, management of hardcore delinquency, and implementation of loan write-offs.

MABS continued to monitor the micro agri-loan product (MAP) rollout. As of June 2006, 26 MAP pilot bank units have been trained in the *MABS Approach* to micro agri credit; 22 of these bank units are currently offering MAP and collectively have 1,915 active borrowers, with an outstanding loan portfolio of more than PhP12 million. The portfolio-at-risk ratio over 30 days is 0.57%. MABS will be selecting banks for the MAP's third rollout in the next quarter and will train selected banks' staff on MAP's procedures and policies.

Preparations for the 35th quarter's major activities were also completed during the 34th Quarter. MABS is modifying the MABSTeRS training modules to reflect the re-direction of MABSTeRS as in-house trainers of their respective banks. Additional MABSTeRS-candidates will be selected and trained in the next quarter. MABS is also developing a new course on hardcore delinquency management, which will be offered in July.

Discussions are also underway to offer mobile phone banking solutions through SMART Telecommunications, as well as expanded service through GXchange. MABS also assisted RBAP in submitting an application to the BSP for a new deposit facility using mobile phones called Text-A-Deposit.

As of the close of the 34th quarter, the Program's participating bank units have disbursed a total of PhP9.6 billion (approximately US\$185 million) totaling more than 810,000 microloans to more than 285,000 new microborrowers. Over the last seven years, the number of microdeposit accounts has increased by more than 336,000 with the total amount of microsavings increasing by more than PhP551 million (about US\$10.5 million). As of June 2006 MABS PBs loan portfolio balance totaled more than PhP727 million (about US\$13.9 million) comprising more than 98,000 active borrowers. MABS has provided direct support to 84 banks with 292 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 24 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 160,000 active borrowers by September 2007 and reach 350,000 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 Thirty-fourth Quarter (April 1 – June 30, 2006) and tasks planned for the Thirty-fifth Quarter (July 1 – September 30, 2006).

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 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.

Until 2004, the *MABS Approach* to microfinance had been exclusively installed in rural banks. This was 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 the larger thrift banks. Depending on the success of that effort, MABS could also be offered to several additional large thrift banks.

Tasks completed in the Thirty-fourth Quarter:

Task One. Rollout the Middle Management Training Course (MMTC) to Visayas and Mindanao PBs. Forty officers from 17 Visayas and Mindanao PBs attended the MMTC held June 26-28 in Cagayan de Oro City. The course's modules were: MF best practices, effective teamwork, character/background investigation and cashflow analysis and reports preparation, loan approval techniques, and effective supervision. Exercises, group presentations, and workshops were integrated into the modules.



The MMTC was designed to give bank and senior microfinance unit officers of MABS PBs a better understanding of MF best practices and its integration into the banks' procedures and operations. The course also equips participants with

tools and skills to improve supervision, monitoring, and management - complementing the training acquired by the banks' account officers.

Task Two. Facilitate the strategic planning and conduct operations reviews for large banks that plan to expand. MABS will the conduct operations reviews of GM Bank and RB Pagbilao in the next quarter.

Task Three. Convert three MABS training module (Account Officers' Course, Delinquency and Remedial Management, and Middle Management Training Course) into distance-learning training courses. MABS is drafting the scope of work for the instructional design, site hosting and maintenance, and delivery platform of the distance learning courses. MABS consultants are currently serving as subject matter specialists and working on the course's content.

Task Four. Monitor the expansion of PlantersBank to five additional branches in Luzon. PlantersBank's Bulacan branch, its first in Luzon, has started microlending operations. The branch will be submitting its microfinance unit performance reports in the next quarter.

Task Five. Deliver Senior Management Orientation Module to officers of additional thrift banks. Two thrift banks, Kauswagan Bank and Accord Bank, have signified interest in MABS' technical support. MABS will be holding meetings with the banks' officers in the next quarter.

Task Six. Conduct training on marketing, service quality, and time management. Thirty bank and MF unit officers from 12 MABS PBs completed the Quality Training for Rural Banks held from June 6 to 8 in Tagaytay City. Course participants learned the framework and principles of quality, as well as tools and skills that will help them apply and integrate the principles into the business processes and operations of their rural banks. The course's sessions discussed: core principles and elements of quality, effective teamwork, and continuous process improvement framework. The process improvement framework session discussed in detail the how-tos of defining critical business issues, objectives setting, process gap analysis, process mapping, and measuring process performance. To facilitate further learning, participants identified their respective rural banks' critical business issues and drafted process improvement maps and action plans.



Task Seven. Conduct training on managing hardcore delinquent accounts. Hardcore delinquency management training will be conducted in the 35th Quarter.

Tasks to be completed in the Thirty-fifth Quarter:

Task One. Conduct training on managing hardcore delinquent accounts.

Task Two. Conduct strategic planning and operations reviews for large banks that plan to expand.

Task Three. Convert three MABS training module (Account Officers' Course, Delinquency and Remedial Management, and Middle Management Training Course) into distance-learning training courses.

Task Four. Monitor the expansion of PlantersBank to additional branches in Luzon.

Task Five. Deliver Senior Management Orientation Module to officers of additional thrift banks.

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 establish 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 Thirty-fourth Quarter:

Task One. Continue close monitoring of portfolio at risk ratios of PBs and provide PBs with technical support in improving and maintaining loan portfolio quality.

MABS continued to monitor the portfolio at risk ratios of PBs and has seen a steady improvement over the performance in the portfolio-at-risk level. The consolidated portfolio at risk ratio over 30 days of MABS banks as of June 30, 2006 was 5.10%, down from 5.24% at the end of March 2006.

Task Two. Hold the 4th MABS National Roundtable Conference. One hundred-ten participants – comprising 85 rural bankers from 38 MABS PBs and representatives from the USAID, BSP, MEDCo, RBAP, ACCION International, Consultative Group to Assist the Poor, Asian Development Bank, Microfinance Council of the Philippines,

Yale University, Innovations for Poverty Action (IPA), and Globe Telecom - attended the 4th MABS National Roundtable Conference held April 20–21 at the Holiday Inn in Pampanga. The conference's theme was "*Achieving Balance Between Growth and Portfolio Quality*"; sessions were organized under three main topics: expanding microfinance services through improving market opportunities for PBs, addressing organizational and human resources challenges, and improving operations.



ACCION International Vice-President Victoria White (right) and Asian Institute of Management professor Dr. Ned Roberto were among the resource speakers of the 4th MABS NRT. Ms. White gave tips on how to improve marketing by citing specific marketing programs implemented by Latin American and African commercial banks that entered the microfinance market while Dr. Roberto discussed market segmentation.

Participants learned practical tips on how to improve marketing from specific marketing programs implemented by Latin American and African commercial banks that entered the microfinance market. Market segmentation was also discussed.

Examples from the best performing MABS PBs were used to discuss appropriate organizational structures for banks with microfinance operations. The results of the distance learning program pilot-test, as well as its implementation timetable, were also presented. Presentations aiming to help banks improve their operations discussed: financial transparency and the benefits of participating in the Microfinance Information eXchange's (MIX) MIX Market, the Text-A-Payment and other mobile banking applications, and the credit scoring tool. A presentation prepared by the MIX Market demonstrated how PBs can draw up more informed management decisions from sharing their financial information and having access to the financial information of other Philippine and international microfinance institutions. GXchange presented on mobile banking applications and the opportunities these applications present to rural banks. IPA presented the credit scoring tool that they developed and is currently pilot testing with MABS PB First Macro Bank (FMB). The credit scoring tool evaluates credit risk based on pre-defined parameters and repayment history. Results of the pilot

test show a significant improvement in the repayment rate and portfolio quality at the FMB branch piloting the credit scoring tool.

The conference also had learning sessions on the following topics: micro-agri loan product pilot test results and how it can expand markets, pursuing branch and geographic expansion, understanding MF performance through the MABS EAGLE standard and rating system, managing hard-core delinquent accounts and character-based lending.

Task Three. Hold the Mindanao Microfinance Supervisors' Forum. Forty-six participants from 18 Mindanao PBs attended the Mindanao Supervisors' Forum held April 6-7 in Cagayan de Oro City. The forum focused on strategic marketing and delinquency management, with sessions on branding, product and customer service strategy, management of hardcore delinquency, and implementation of loan write-offs. During the forum's workshops, participants analyzed their loan products' features and policies, had exercises on how to improve sales, and drafted their MFUs' action plans for marketing and delinquency management.

Task Four. Issue compliance certifications to qualified PBs. MABS issued compliance certifications to three new PBs: GM Rural Bank, Valiant Rural Bank, and Mallig Plains Rural Bank. Compliance certifications are given to new MSP-trained PBs that meet bank-wide and MF-specific indicators.

Task Five. Hold awarding ceremonies to recognize the 2005 EAGLE Awardees. MABS recognized its EAGLE Awardees for 2005 at ceremonies held on April 20 in Pampanga. PBs Bangko Kabayan, New Rural Bank of Victorias (Bank Victorias), and the GreenBank of Caraga received EAGLE Awards for their excellent performance in managing their microfinance operations. Bangko Kabayan received their fourth EAGLE Award this year, while GreenBank and Bank Victorias are two-time awardees.



Performances of MABS PBs' microfinance operations are evaluated annually using the EAGLE rating system, which MABS developed in 2002. EAGLE ratings are based on five components (Efficiency, Asset quality, Growth, Liability structure, Earnings). Banks that attain an AA rating, the system's highest score, are given EAGLE Awards.

Task Six. Re-design, enhance, and rollout MABSTeRS training module. The enhanced MABSTeRS training modules are still being developed and will be rolled out to the new batch of MABSTeRS in the next quarter.

Task Seven. Select and train additional MABSTeRS. Nine new MABSTeRS candidates have been selected; they will be trained and accredited in the next quarter.

Tasks to be completed in the Thirty-fifth Quarter:

Task One. Re-design, enhance, and rollout MABSTeRS training modules.

Task Two. Select and train additional MABSTeRS.

Task Three. Hold the Mindanao Regional Roundtable Conference.

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. 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 2006, 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, deposits, 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 Thirty-fourth Quarter:

Task One. Set up the RB2000 website. MABS is working with RB2000 rollout company ASSECSOFT for the integration of a link on RB2000 with ASSECSOFT's website.

Task Two. Work with SMART Telecommunications to pilot test mobile banking applications utilizing SMART Money, SMART's electronic money facility. Meetings held with SMART during the quarter were very positive and a new workplan to implement mobile phone banking services using SMART Money was agreed upon.

Task Three. Rollout Text-A-Payment and Cash-in/Cash-out of Globe Telecom's G-Cash for all interested rural banks. 187 bank branches have been approved to offer G-Cash services; 67 rural bank branches' applications are being processed.

Task Four. Hire lawyer to finalize copyright and licensing for RB2000. Subject to USAID approval, the copyright and licensing for RB2000 will be finalized in the next quarter.

Tasks to be completed in the Thirty-fifth Quarter:

Task One. Hold the 4th RB2000 Users' Conference.

Task Two. Set up the RB2000 website.

Task Three. Work with SMART Telecommunications to pilot test mobile banking applications utilizing SMART Money, SMART's electronic money facility.

Task Four. Rollout Text-A-Payment and Cash-in/Cash-out of Globe Telecom's G-Cash for all interested rural banks.

Task Five. Seek BSP approval of Text-A-Deposit service utilizing G-Cash.

Task Five. Hire lawyer to finalize copyright and licensing for RB2000.

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. Under the traditional *MABS Approach*, crop income was considered too risky to accurately determine total income and was not included in the cashflow analysis for microfinance loans. This limited the amounts that farmers could borrow.

During the third phase of the Program, MABS developed and pilot-tested a new micro agri-loan product. The product's development, introduction, and pilot-testing is similar to that of other microloan products developed under the Program. At the end of Phase 3, at least 50 PB units are expected to offer the micro-agri loan product.

Tasks completed in the Thirty-fourth Quarter:

Task One. Monitor the initial rollout of the micro agri-loan product. As of June 2006, 26 MAP pilot bank units have been trained in the *MABS Approach* to micro agri credit; 22 of these banks are currently offering MAP and collectively have 1,915 active borrowers, with an outstanding loan portfolio of more than PhP12 million. The portfolio-at-risk ratio over 30 days is 0.57%.

Tasks to be completed in the Thirty-fifth Quarter:

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

Task Two. Select banks for the third MAP rollout.

Task Three. Train staff of selected 3rd rollout banks on MAP's features and procedures.

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 Thirty-fourth Quarter:

Task One. Continue to evaluate monthly MFU performance. As of June 30, 2006, the Program's participating bank units have disbursed a total of PhP9.6 billion (approximately US\$185 million) totaling more than 810,000 microloans to more than 285,000 new microborrowers. From January 1998 up to June 2006, the number of microdeposit accounts increased by 336,000 and the microdeposit balance increased by PhP551 million (about US\$10.5 million).

Task Two. Complete the survey of microenterprise borrowers and submit the survey final report. The field interviews and data processing have been completed; the final report will be completed and submitted in the next quarter.

Task Three. Assist MABS PB Green Bank with preparations for US Ambassador Kristie Kenney's visit. MABS assisted PB Green Bank with preparations for US Ambassador Kristie A. Kenney's visit. Ambassador Kenney visited the Cagayan de Oro City branch of Green Bank on June 8 and joined the ceremonies recognizing the bank's 30,000th microloan client. The Ambassador handed out the plaque of recognition to the bank's



US Ambassador Kristie A. Kenney (center) with Green Bank's 30,000th microloan client Ms. Rosie Bilog (2nd from right) and microloan clients (left to right) Gloria Baguisa, Melanie Gille, and Lydia Gella. Ambassador Kenney also visited other Green Bank microloan clients at the Cogon Market in Cagayan de Oro City.

30,000th microloan client, Ms. Rosie Bilog, a food manufacturer who processes cashew nuts for sale to wholesalers and retailers in Cagayan de Oro City and other areas. Ambassador Kenney also met several other Green Bank clients during her visit there.

Task Four. Participate in the Harvard Business School-ACCION Program on Strategic Leadership for Microfinance. Mr. Joseph Omar Andaya, President of

MABS PB Green Bank of Caraga, completed the one-week Harvard Business School-ACCION International Program on Strategic Leadership for Microfinance. The program, which ran from April 12 to 22, provided high-level management and leadership training to the microfinance industry's executives and key players, helping them address the challenge of attaining and retaining the double bottom line of microfinance: economic and social value creation. Focus areas included: succeeding in highly competitive MF market, maintaining a social focus in a commercial setting, working with equity investors, accessing commercial capital markets, reaching new business segments, and evolving products. Program participants underwent a rigorous selection process, which took into account both the participant's qualifications and their institution's characteristics.

Task Five: Host an ADB Study Tour. Nine officers of the People's Bank of China (PBC), led by the Deputy Director-General, visited the Philippines on June 13-16 to study the legal, regulatory, and operational issues and framework of the Philippine MF market. The delegation visited and met with representatives of the BSP (Philippine Central Bank), the Asian Development Bank, and MF institution and networks. On June 15, MABS and RBAP briefed the delegation on the rural banking system and the work and achievements

of the MABS Program, including the mobile banking applications to MF that the Program has developed. Observations and learnings from the study visit will be used as guidelines for the development of China's MF policies and regulations and for the pilot of its five MF commercial projects.

Task Six: Participate in a microfinance-networking meeting. The Bangko Sentral ng Pilipinas hosted a microfinance networking meeting between commercial banks and leading microfinance institutions that aimed to explore business partnerships and linkages. The meeting was part of the BSP's initiatives to further commercialize microfinance and expand the industry. Representatives from commercial banks including Bank of the Philippines Islands, Citibank Philippines, Allied Bank, Rizal Commercial Banking Corporation, Equitable PCI Bank and several MABS PBs including Center for Agricultural and Rural Development (CARD) Bank, 1st Valley Bank, Rural Bank of Cantilan, Green Bank, and Bangko Kabayan were present at the meeting. Several non-governmental organizations and the Microfinance Council of the Philippines also participated in the meeting. Representatives from the commercial banks shared their ongoing microfinance initiatives and potential strategic alliance opportunities. The presentation from 1st Valley Bank highlighted the success of their microfinance operations and presented possible business linkages including investment opportunities for interested commercial banks.

Task Seven. Participate in the 53rd RBAP National Convention. Close to 500 rural bankers attended the 53rd RBAP Annual National Convention held May 17-19 at the Waterfront Hotel in Davao City. With the theme “*Rural Banks: Catalysts of Prosperity and Peace in the Countryside*”, the convention tackled issues relevant to the rural banking sector: the development of remittance and microfinance products that can serve the rural population and increase the sector's profitability, improvement of the quality of internal governance and institutional capacity, acquisition and adoption of appropriate banking technologies, and strengthening of the linkages between the commercial and the rural banking sector.

During the his speech, the keynote speaker, Vice-President of the Philippines Noli de Castro, emphasized rural banks' role in providing microfinance services and challenged the sector to further assist microentrepreneurs in increasing the scope and scale of their operations by establishing partnerships with commercial banks. The Vice-president also encouraged the sector to adopt new technologies and lauded RBAP-MABS for the mobile phone banking applications it developed to further increase the efficiency of rural bank operations. Globe Telecom – one of RBAP-MABS partners in rolling out mobile phone banking applications for rural banks - gave a presentation on mobile phone banking solutions utilizing G-Cash. Globe also formally announced the launch of G-Cash services in 24 newly accredited rural banks (Palitan Centers). Clients can now purchase (cash-in) or claim (cash-out) G-Cash, Globe's electronic money facility, at any of these accredited rural banks. MABS PBs Bangko Kabayan, Bangko Luzon, Bangko Mabuhay, Agribusiness Bank, Cantilan Bank, First Isabela Cooperative Bank, First Macro Bank, 1st Valley Bank, Gateway Business Bank, GM Bank, GreenBank of Caraga, PR Bank, Rang-Ay Bank, RB San Enrique, RB of Abucay, RB Cotabato, New RB of Victorias, and RB Sarangani are among the accredited Palitan centers.

Task Eight. Give out compliance certificates to PBs that that are participating in the MixMarket, the international, web-based microfinance information platform of the MIX.



The MIX, a Washington-based not-for-profit organization dedicated to increasing the availability of reliable, standardized and comparable data on the financial performance and outreach of microfinance institutions, issued transparency certificates to 18 MABS PBs that are participating in the

MixMarket, MIX' global web-based microfinance information platform. The 18 banks have posted their institutional profiles and financial information on the MixMarket (www.mixmarket.org). RBAP and the MIX gave out the transparency certificates during the 4th National Roundtable Conference. Peter Wall, the Executive Director of the MIX Market, also sent a personalized video message which was presented during the Roundtable Conference.

Tasks to be completed in the Thirty-fifth Quarter:

Task One. Continue to evaluate monthly MFU performance.

Task Two. Complete the survey of microenterprise borrowers and submit the survey final report

Task Three. Nominate clients from MABS PBs to the 2006 Citigroup Micronetpreneur of the Year Awards.

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 Thirty-fourth Quarter:

Task One. Submit the Thirty-third Quarterly Performance Monitoring Report covering January 1 – March 31, 2006. Chemonics submitted the Thirty-third Quarterly Performance Monitoring Report covering January 1 – March 31, 2006.

Task Two. Complete the MABS Progress Report. The completed report is still being reviewed by USAID.

Tasks to be completed in the Thirty-fifth Quarter:

Task One. Submit the Thirty-fourth Quarterly Performance Monitoring Report covering April 1 – June 30, 2006.

Task Two. Submit the MABS Progress Report.

d) *Performance*

Table 1: MABS Phase 3 Targets vs June 2006 Results

MABS Phase 3 Targets	Results: June 30, 2006
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 608 borrowers per bank unit – 86% of the December 2006 target (700).
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 244 borrowers per bank unit. (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 ninety-two (292) bank units are implementing or starting to implement the <i>MABS Approach</i> to microfinance – 97% of the December 2006 target (300).
4. Total number of micro-borrowers with outstanding loans in all participating bank units will reach at least 160,000	As of June 30, 2006, the total number of outstanding MF borrowers for the banks/bank branches reporting was 98,907 – 76% of the December 2006 target (130,000).
5. Total number of microenterprise borrowers from participating MABS banks will reach at least 350,000.	As of June 30, 2006, the cumulative number of new borrowers reached by PBs was 285,911 – 95% of the 300,000 December 2006 target.
6. Total number of microdepositors in MABS participating banks will reach at least 400,000	As of June 30, 2006, MABS PBs have served 336,856 new microdepositors – 93% of the 360,000 December 2006 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>Ten MABS PBs with at least 9 branches are in the Program: Bangko Kabayan, Cantilan Bank, First Valley Bank, RB Montevista, First Macro Bank, Green Bank of Caraga, RB Mallig Plains, PR Bank, CARD Bank, and GM Bank. Of these banks, last four above are new (banks that enrolled starting February 2004). MABS conducted training and/or TA for RB Mallig Plains, CARD Bank, PR Bank, RB Cantilan, GreenBank, Montevista, and Kabayan. Expansion started in 26 branches of PR Bank in Luzon in 2005.</p> <p>Potential expansion to 38 additional bank branches is targeted for 2006.</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>The merger between Microenterprise Bank - the thrift bank that joined MABS in 2004 - and parent company PlantersBank was finalized in June 2006. A microfinance department has been created in PlantersBank. The merger of MEB with PlantersBank will potentially allow for microfinance activities to be implemented in more branches than previously planned (5 branches/loan collection and disbursement points). Microfinance department staff of PlantersBank completed the training on the MABS Performance Monitoring System on March 3-4 in Davao City. In March 2006, PlantersBank opened a new branch in Bulacan. The branch has started lending microlending operations.</p> <p>Officers of two thrift banks, Accord Bank and Kauswagan Bank, are scheduled for a senior management briefing on the <i>MABS Approach</i> in the next quarter.</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>As of June 2006, 169 bank units (77 banks) were using RB2000.</p> <p>MABS will acquire copyright protection for RB2000 in 2006. The proposals submitted by three law firms are being evaluated by MABS.</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>Five banks (Cantilan Bank, GreenBank of Caraga, RB Tacurong, Kapatagan Valley Bank and Banco Santiago de Libon) completed pilot-testing of the MAP; 4 additional banks (Bangko Mabuhay, RB Dulag, Valiant Bank, and RB Victorias) were selected to pilot MAP in September 2005.</p> <p>MAP design was modified after an assessment of the pilot test implementation. Four training/workshops on the MAP (features/processes/product development) have been conducted: September 2004, April & October 2005 and March 2006.</p> <p>Four banks were selected for the second rollout: RB Cotabato, RB Datu Paglas, RB Sto. Tomas, and Bagong Bangko Rural ng Malabang; MF staff from these five banks completed training on March 21-23 in Davao City.</p> <p>3rd rollout banks will be selected in the next quarter; staff of these banks will be trained on MAP procedures on August 22-25.</p> <p>As of June 2006, 26 MAP pilot bank units have been trained in the <i>MABS Approach</i> to micro agri credit; 22 of these banks are currently offering MAP and collectively have 1,915 active borrowers, with an outstanding loan portfolio of more than PhP12 million. The portfolio-at-risk ratio over 30 days is 0.57%.</p>
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e) Administrative Information

Table 2: Project Fund Status: April 1 – June 30, 2006

Project Fund Status

As of the Quarter Ending June 30, 2006

CLIN #1 Total Estimated Cost	\$ 14,374,052.00
1. Expenditures April 1 to June 30, 2006	\$ 356,879.92
2. Cumulative Expenditures Through June 30, 2006	\$ 12,349,398.15
3. Remaining Balance June 30, 2006	\$ 2,024,653.85
CLIN #2 Total Estimated Cost	\$ 3,025,948.00
1. Expenditures April 1 to June 30, 2006	\$ 21,409.74
2. Cumulative Expenditures Through June 30, 2006	\$ 2,314,769.35
3. Remaining Balance June 30, 2006	\$ 711,178.65
CLIN #1 & #2 Total Estimated Cost	\$ 17,400,000.00
1. Total Expenditures April 1 to June 30, 2006	\$ 378,289.66
2. Total Cumulative Expenditures Through June 30, 2006	\$ 14,664,167.50
3. Total Remaining Balance June 30, 2006	\$ 2,735,832.50

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

SAF No. 106 – *Training on Enhanced Account Officers’ Course for New and Existing MABS Technical Resource Specialists (MABSTeRS) -*

Background:

The MABS Technical Resource Specialists (MABSTeRS) Program was launched in 2003 as one of the initiatives to ensure the sustainability of the *MABS Approach* Training and Technical Services for rural banks. The MABSTeRS are an important element in the continuous education and reinforcement of best practices among participating banks (PBs). To date, thirty-six MABSTeRS –candidates have been trained.

MABSTeRS are microfinance managers and staff of MABS PBs who will serve as resource persons for account officers’ training courses. They will also be utilized to deliver technical assistance to PBs’ bank branches.

To be certified as a MABSTeR, qualified candidates will undergo training conducted by MABS staff. They also will go through an accreditation process that includes:

- A written diagnostic test
- An assessment of presentation/delivery skills
- Actual delivery of MABS Account Officers’ Training Course in their respective banks

Objectives:

For PBs to continue to expand and sustain profitable microfinance products and services, they need to have the internal capacity to provide their staff with the necessary knowledge and skills in microfinance and its proper implementation. The MABSTeRS initiative addresses this need as it aims to develop a pool of trained resource persons. At the end of the training course, the MABSTeRS-candidates are expected to effectively deliver the Account Officers’ Training Course, Cashflow Lending, Zero Tolerance Towards Loan delinquency, and the Middle Management Training Course.

Status/Results:

Twenty-four (24) new MABSTeRS-candidates from 14 PBs have been selected and will undergo training on the enhanced Account Officers’ Course in the next quarter (35th Quarter). Nine candidates from five Mindanao and Visayas PBs will be trained on July 11-14 in Cagayan de Oro while 15 new MABSTeRS-candidates from 9 Luzon PBs will attend the training scheduled on August 8-11 in Manila.

Philippines Microenterprise Access to Banking Services
 Chemonics International Inc.
 Contract no. 492-C-00-98-00008-00
 Quarter Number 34, Ending June 30, 2006
 Special Activities Fund - In USD

SAF	Title	Results	Date Approved	Status	Budgeted Amount	Expenses To Date Quarter 33	Quarter 34				Expenses To Date Quarter 34	Budget Remaining	Budget Overruns	Cumulative Invoiced	
							Invoice 101 Apr-06	Invoice 102 May-06	Invoice 103 Jun-06	Quarter 34 Total				Invoiced	Remaining
	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	Closed	\$ 72,895.87	\$ 60,064.77				\$ -	\$ 60,064.77	\$ 12,831.10	\$ -	\$ 60,064.77	\$ 2,643,382.66
11	Panganiban Book Publication	Publication of Barefoot Banking Book.	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 completed.	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 completed.	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
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	\$ 2,629.46	\$ 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	Closed	\$ 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

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SAF	Title	Results	Date Approved	Status	Budgeted Amount	Expenses To Date Quarter 33	Quarter 34				Expenses To Date Quarter 34	Budget Remaining	Budget Overruns	Cumulative Invoiced	
							Invoice 101 Apr-06	Invoice 102 May-06	Invoice 103 Jun-06	Quarter 34 Total				Invoiced	Remaining
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+	Software 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	RB2000 system completed.	Dec-99	Closed	\$ 1,300,000.00	\$ 1,292,058.22				\$ -	\$ 1,292,058.22	\$ 7,941.78	\$ -	\$ 1,292,058.22	\$ 1,034,642.82
35	Canceled	Canceled	Canceled	Canceled	\$ -	\$ -				\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,034,642.82
36	Orentation 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	\$ 1,032,925.06
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	\$ 1,031,585.10
38	Microfinance staff training course	Participant banks staff training completed.	Jan-00	Closed	\$ 6,378.00	\$ 5,061.67				\$ -	\$ 5,061.67	\$ 1,316.33	\$ -	\$ 5,061.67	\$ 1,026,523.43
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	\$ 1,026,388.18
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	\$ 1,025,594.90
41	Commodities and Support	PBA and Commodities Support	Feb-00	Closed	\$ 105,057.52	\$ 71,999.58				\$ -	\$ 71,999.58	\$ 33,057.94	\$ -	\$ 71,999.58	\$ 953,595.32
42	Consultation and Evaluation meeting with roll out banks	Rollout banks and evaluation meeting.	Feb-00	Closed	\$ 1,767.61	\$ 1,487.51				\$ -	\$ 1,487.51	\$ 280.10	\$ -	\$ 1,487.51	\$ 952,107.81
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	\$ 947,939.78
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	\$ 947,628.21
45	Support for 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	\$ 946,401.79
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	\$ 942,747.53
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	\$ 938,624.80
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	\$ 938,235.69
49	Canceled	Canceled		Canceled	\$ -	\$ -				\$ -	\$ -	\$ -	\$ -	\$ -	\$ 938,235.69
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	\$ 937,110.18
51	Big Byte Savings & Loans System for RB of Montevista	Enhancement of Big ByteShoppe Savings & Loans System completed.	Jan-00	Closed	\$ 5,136.79	\$ 4,113.04				\$ -	\$ 4,113.04	\$ 1,023.75	\$ -	\$ 4,113.04	\$ 932,997.14
52	SEEP/APPEND Financial Ratio Analysis Course	Technical staff attended the Financial Ratio Analysis Course.	Aug-00	Closed	\$ 537.78	\$ 243.52				\$ -	\$ 243.52	\$ 294.26	\$ -	\$ 243.52	\$ 932,753.62

Philippines Microenterprise Access to Banking Services
 Chemonics International Inc.
 Contract no. 492-C-00-98-00008-00
 Quarter Number 34, Ending June 30, 2006
 Special Activities Fund - In USD

SAF	Title	Results	Date Approved	Status	Budgeted Amount	Expenses To Date Quarter 33	Quarter 34				Expenses To Date Quarter 34	Budget Remaining	Budget Overruns	Cumulative Invoiced	
							Invoice 101	Invoice 102	Invoice 103	Quarter 34				Invoiced	Remaining
							Apr-06	May-06	Jun-06	Total					
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	\$ 932,549.46
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	\$ 843,257.06
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	\$ 836,502.65
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	\$ 835,076.50
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	\$ 833,024.07
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	\$ 831,245.54
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	\$ 830,523.84
60	Roundtable events for Senior Management	Conducted twice in Davao, and once in Dipolog City and Cebu City.	Mar-02	Closed	\$ 4,536.53	\$ 4,434.02				\$ -	\$ 4,434.02	\$ 102.51	\$ -	\$ 4,434.02	\$ 826,089.82
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	\$ 821,928.80
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	\$ 817,622.48
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	\$ 18,120.62				\$ -	\$ 18,120.62	\$ 24,811.82	\$ -	\$ 18,120.62	\$ 799,501.86
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	\$ 798,657.60
65	N/A	Canceled	Canceled	Canceled	\$ -	\$ -				\$ -	\$ -	\$ -	\$ -	\$ -	\$ 798,657.60
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	\$ 798,464.16
67	Microfinance Supervisors' Forum #2 and #3 Mindanao Partners Banks	Fora 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	\$ 796,078.67
68	BSP Participation in the MABS Modular Training Course	Completed	Oct-02	Closed	\$ 988.29	\$ -				\$ -	\$ -	\$ 988.29	\$ -	\$ -	\$ 796,078.67
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	\$ 795,559.64
70	MABS PSP Market Demand Study	Survey done March 27, 2003.	Feb-03	Closed	\$ 639.17	\$ 528.87				\$ -	\$ 528.87	\$ 110.30	\$ -	\$ 528.87	\$ 795,030.77
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	\$ 792,550.64
72	Development of MABS Technical Support Providers	Development of MABSters and Learning Centers are on-going. MSPs are now active in the MABS roll out.	Mar-03	Closed	\$ 20,564.66	\$ 16,464.97		\$ 160.47		\$ 160.47	\$ 16,625.44	\$ 3,939.22	\$ -	\$ 16,625.44	\$ 775,925.20
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	\$ 775,257.18
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	\$ 774,807.55
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	\$ 773,058.85
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	\$ 3,535.53				\$ -	\$ 3,535.53	\$ 5,873.59	\$ -	\$ 3,535.53	\$ 769,523.32
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	\$ 767,490.78
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	\$ 766,498.78
79	Video Production for MABS Approach	Video production completed, delivered and approved.	Aug-03	Closed	\$ 12,056.92	\$ 10,745.66				\$ -	\$ 10,745.66	\$ 1,311.26	\$ -	\$ 10,745.66	\$ 755,753.12

Annex 1.2 SAF Tracker

Philippines Microenterprise Access to Banking Services
 Chemonics International Inc.
 Contract no. 492-C-00-98-00008-00
 Quarter Number 34, Ending June 30, 2006
 Special Activities Fund - In USD

SAF	Title	Results	Date Approved	Status	Budgeted Amount	Expenses To Date Quarter 33	Quarter 34				Expenses To Date Quarter 34	Budget Remaining	Budget Overruns	Cumulative Invoiced	
							Invoice 101	Invoice 102	Invoice 103	Quarter 34				Invoiced	Remaining
							Apr-06	May-06	Jun-06	Total					
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	\$ 754,378.12
81	MSP Program Roll Out	Roll out conducted in Mindanao, Visayas and Luzon by the MSPs.	Oct-03	Closed	\$ 6,892.12	\$ 4,218.53				\$ -	\$ 4,218.53	\$ 2,673.59	\$ -	\$ 4,218.53	\$ 750,159.59
82	Microfinance Council Workshop	Attended by RB of Kapatagan Valley manager.	Oct-03	Closed	\$ 278.63	\$ 200.28				\$ -	\$ 200.28	\$ 78.35	\$ -	\$ 200.28	\$ 749,959.31
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	\$ 746,721.88
84	MABS Rollout Support Program for Rural Banks	On-going	Nov-03	Open	\$ 33,723.02	\$ 26,535.54				\$ -	\$ 26,535.54	\$ 7,187.48	\$ -	\$ 26,535.54	\$ 720,186.34
85	MABS support to train other MABSTeRs	Conducted in Manila City in Feb. 2004.	Jan-04	Closed	\$ 1,227.28	\$ 580.23				\$ -	\$ 580.23	\$ 647.05	\$ -	\$ 580.23	\$ 719,606.11
86	MABS support for 2 other banks in AARM/CAAM	On-going. Commodities and trainings have been delivered.	Apr-04	Open	\$ 11,273.93	\$ 2,216.60		\$ 878.91		\$ 878.91	\$ 3,095.51	\$ 8,178.42	\$ -	\$ 3,095.51	\$ 716,510.60
87	RB2000 User Conference	Conducted in March and November 2004.	Feb-04	Open	\$ 4,404.10	\$ 2,570.96			\$ 723.81	\$ 723.81	\$ 3,294.77	\$ 1,109.33	\$ -	\$ 3,294.77	\$ 713,215.83
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	\$ 708,821.74
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	\$ 707,209.71
90	Performance Monitoring System Training	Conducted in Mindanao, Luzon and the Visayas.	Feb-04	Closed	\$ 2,421.96	\$ 2,265.16				\$ -	\$ 2,265.16	\$ 156.80	\$ -	\$ 2,265.16	\$ 704,944.55
91	MABS Rollout Support Program for 10 Additional Rural Banks	On-going	May-04	Open	\$ 13,494.06	\$ 8,304.96				\$ -	\$ 8,304.96	\$ 5,189.10	\$ -	\$ 8,304.96	\$ 696,639.59
92	Micro-Agri Loan Product Training for Pilot Banks	On-going	Sep-04	Open	\$ 3,500.18	\$ 1,349.16				\$ -	\$ 1,349.16	\$ 2,151.02	\$ -	\$ 1,349.16	\$ 695,290.43
93	MABS support for new PBs	On-going	Oct-04	Open	\$ 40,178.57	\$ 2,445.88	\$ 586.62			\$ 586.62	\$ 3,032.50	\$ 37,146.07	\$ -	\$ 3,032.50	\$ 692,257.93
94	Support for the Official Trip of Anthony Petalcorin to BRI to Lead the Rural Banks Study Tour	Trip with staff of participating rural bank rural banks has been completed.	Oct-04	Closed	\$ 2,104.11	\$ 1,747.96				\$ -	\$ 1,747.96	\$ 356.15	\$ -	\$ 1,747.96	\$ 690,509.97
95	Support for the Supervisors Forum	Conducted in Cebu City, Naga and Manila City.	Jan-05	Closed	\$ 1,633.93	\$ 1,302.15				\$ -	\$ 1,302.15	\$ 331.78	\$ -	\$ 1,302.15	\$ 689,207.82
96	Development and production of videos for the 2005 EAGLE Awards	Development and production completed.	Feb-05	Closed	\$ 6,250.00	\$ 5,827.49				\$ -	\$ 5,827.49	\$ 422.51	\$ -	\$ 5,827.49	\$ 683,380.33
97	Support for the National Roundtable Conference and EAGLE Awards	Conducted in the Davao City in April 2005.	Feb-05	Closed	\$ 7,562.50	\$ 5,703.14		\$ (80.17)		\$ (80.17)	\$ 5,622.97	\$ 1,939.53	\$ -	\$ 5,622.97	\$ 677,757.36
98	Development and production of RBAP documentary video	Development and production completed.	May-05	Closed	\$ 645.99	\$ 645.99				\$ -	\$ 645.99	\$ -	\$ -	\$ 645.99	\$ 677,111.37
99	Support to MABS Approach Rollout	On-going	Jul-05	Open	\$ 27,272.73	\$ -				\$ -	\$ -	\$ 27,272.73	\$ -	\$ -	\$ 677,111.37
100	Rollout of the Micro Agri Loan Product	On-going	Sep-05	Open	\$ 4,200.92	\$ 3,335.50	\$ 16.79			\$ 16.79	\$ 3,352.29	\$ 848.63	\$ -	\$ 3,352.29	\$ 673,759.08
101	Training for the Rollout of RBAP Text-A-Payment for interested and qualified rural banks in Mindanao, Visayas, and Luzon	On-going	Oct-05	Open	\$ 7,634.86	\$ 1,782.41	\$ 18.24			\$ 18.24	\$ 1,800.65	\$ 5,834.21	\$ -	\$ 1,800.65	\$ 671,958.43
102	Funding to conduct 2005 Survey of Borrowers of MABS Participating Banks	The contractors have completed and submitted the survey results and MABS has approved the same.	Nov-05	Closed	\$ 9,478.67	\$ 6,620.37	\$ 101.68	\$ 3,053.42		\$ 3,155.10	\$ 9,775.47	\$ (296.80)	\$ (296.80)	\$ 9,775.47	\$ 662,182.96
103	Support for the National Roundtable Conference & EAGLE Awards 2006	On-going	Feb-06	Open	\$ 9,844.68	\$ -	\$ 8,707.97	\$ 1,136.52		\$ 9,844.49	\$ 9,844.49	\$ 0.19	\$ -	\$ 9,844.49	\$ 652,338.47
104	Training on Micro-Agri Loan product rollout under the Micro-Agri loan product activity	On-going	Feb-06	Open	\$ 1,428.43	\$ 752.54	\$ 351.36	\$ (160.47)		\$ 190.89	\$ 943.43	\$ 485.00	\$ -	\$ 943.43	\$ 651,395.04
105	Development and production of videos for 2005 EAGLE Awards & MABS Video	On-going	Mar-06	Open	\$ 8,856.73	\$ 2,813.58	\$ 1,267.14	\$ 976.56	\$ 1,495.24	\$ 3,738.94	\$ 6,552.52	\$ 2,304.21	\$ -	\$ 6,552.52	\$ 644,842.52
106	Training on Enhanced Account Officers Course for MABSTeRs (Existing and New)	On-going	Jun-06	Open	\$ 4,095.24	\$ -				\$ -	\$ -	\$ 4,095.24	\$ -	\$ -	\$ 644,842.52
SUBTOTAL					\$ 2,499,586.06	\$ 2,091,474.39	\$ 11,049.80	\$ 5,965.24	\$ 2,219.05	\$ 19,234.09	\$ 2,110,708.48	\$ 388,877.59	\$ (13,430.19)	\$ 2,110,708.48	\$ 644,842.52
General & Administrative Costs						\$ 92,607.41	\$ 497.24	\$ 560.44	\$ 110.95	\$ 1,168.63	\$ 93,776.04			\$ 93,776.04	\$ 32,506.96
Fee						\$ 109,277.87	\$ 577.36	\$ 313.16	\$ 116.50	\$ 1,007.02	\$ 110,284.89			\$ 110,284.89	\$ 33,829.11
GRAND TOTAL					\$ 2,499,586.06	\$ 2,293,359.67	\$ 12,124.40	\$ 6,838.84	\$ 2,446.50	\$ 21,409.74	\$ 2,314,769.41	\$ 388,877.59	\$ (13,430.19)	\$ 2,314,769.41	\$ 711,178.59

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 Files	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	No	Yes
MIS Assessment of Candidate Pilot Banks	Peter Glibbery & A. Petalcorin	August 1, 1998	Yes	No	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	Yes
Consultancy Completion Report	Ms. Meliza H. Agabin	September 15, 1998	Yes	No	Yes
Microfinance and the Bank Regulatory Environment	Bill Pendleton	September 25, 1998	Yes	No	Yes
Training Program Report	Bill Pendleton	September 30, 1998	Yes	No	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	No	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	Yes
Consultancy Services to Bangko Sentral NG Pilipinas on Micrfinance Supervision	Carlos Alba/International Consulting Consortium	January 1, 2005	Yes	Yes	Yes
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
Year 9 Work Plan (2006)	Chemonics International	Dec-05		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	Yes
Quarterly Performance Monitoring Report (Second)	Chemonics International	July 1, 1998	Yes	Yes	Yes
Quarterly Performance Monitoring Report (Third)	Chemonics International	October 1, 1998	Yes	Yes	Yes
Quarterly Performance Monitoring Report (Fourth)	Chemonics International	January 1, 1999	Yes	Yes	Yes
Quarterly Performance Monitoring Report (Fifth)	Chemonics International	April 1, 1999		Yes	Yes
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	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

Annex 1.3 Reports Tracker

Quarterly Performance Monitoring Report (Twelfth)	Chemonics International	January 1, 2001			Yes
Quarterly Performance Monitoring Report (Thirteenth)	Chemonics International	April 1, 2001	Yes	Yes	Yes
Quarterly Performance Monitoring Report (Fourteenth)	Chemonics Internatioinal	July 1, 2001	Yes	Yes	Yes
Quarterly Performance Monitoring Report (Fifteenth)	Chemonics International	November 1, 2001	Yes	Yes	Yes
Quarterly Performance Monitoring Report (Sixteenth)	Chemonics International	February 1, 2002	Yes	Yes	No
Quarterly Performance Monitoring Report (Seventeenth)	Chemonics International	May 1, 2002	Yes	Yes	Yes
Quarterly Performance Monitoring Report (Eighteenth)	Chemonics International	July 1, 2002	Yes	Yes	Yes
Quarterly Performance Monitoring Report (Nineteenth)	Chemonics International	November 1, 2002	Yes	Yes	Yes
Quarterly Performance Monitoring Report (Twentieth)	Chemonics International	February 1, 2003	Yes	Yes	Yes
Quarterly Performance Monitoring Report (Twenty-first)	Chemonics International	April 1, 2003	Yes	Yes	Yes
Quarterly Performance Monitoring Report (Twenty-second)	Chemonics International	July 1, 2003	Yes	Yes	Yes
Quarterly Performance Monitoring Report (Twenty-third)	Chemonics International	November 1, 2004	Yes	Yes	Yes
Quarterly Performance Monitoring Report (Twenty-fourth)	Chemonics International	January 1, 2004	Yes	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	Yes	Yes
Quarterly Performance Monitoring Report (Thirtieth)	Chemonics International	July 1, 2005	Yes	Yes	Yes
Quarterly Performance Monitoring Report (Thirty-first)	Chemonics International	October 1, 2005	Yes	Yes	Yes
Quarterly Performance Monitoring Report (Thirty-second)	Chemonics International	January 1, 2006	Yes	Yes	Yes
Quarterly Performance Monitoring Report (Thirty-third)	Chemonics International	April 1, 2006	Yes	Yes	Yes
Quarterly Performance Monitoring Report (Thirty-fourth)	Chemonics International	July 1, 2006			



MICROENTERPRISE ACCESS TO BANKING SERVICES (MABS) PROGRAM APRIL 2006 HIGHLIGHTS

4th MABS National Roundtable Conference

The 4th National Roundtable Conference of the Microenterprise Access to Banking Services (MABS) Program was held April 20–21 at the Holiday Inn in Pampanga. One hundred-ten participants – comprising 85 rural bankers from 38 MABS participating banks (PBs) and representatives from the United States Agency for International Development (USAID), Bangko Sentral ng Pilipinas (BSP), Mindanao Economic Development Council (MEDCo), Rural Bankers Association of the Philippines (RBAP), ACCION International, Consultative Group to Assist the Poor, Asian Development Bank, Microfinance Council of the Philippines, Yale University, Innovations for Poverty Action (IPA), and Globe Telecom - attended the conference. The conference's theme was "Achieving Balance Between Growth and Portfolio Quality"; sessions were organized under three main topics: expanding microfinance services through improving market opportunities for PBs, addressing organizational and human resources challenges, and improving operations.

ACCION International Vice President Victoria White and Asian Institute of Management professor Dr. Ned Roberto gave presentations on marketing. Ms. White gave practical tips on how to improve marketing by citing specific marketing programs implemented by Latin American and African commercial banks that entered the microfinance market. Dr. Roberto, on the other hand, discussed market segmentation.

Examples from the best performing MABS PBs were used to discuss appropriate organizational structures for banks with microfinance operations. The results of the distance learning program pilot-test, as well as its implementation timetable, were also presented. Twenty-five microfinance unit (MFU) staff from five PBs participated in the month-long pilot test of the distance learning program, a Web-based training program that aims to scale-up the effective delivery of training at less cost to PBs.

Presentations aiming to help banks improve their operations discussed: financial transparency and the benefits of participating in the Microfinance Information eXchange's (MIX) MIX Market, the Text-A-Payment and other mobile banking applications, and the credit scoring tool. A presentation prepared by the MIX Market demonstrated how PBs can draw up more informed management decisions from sharing their financial information and having access to the financial information of other Philippine and international microfinance institutions. GXchange President Rizza Eala presented on mobile banking applications and the opportunities these applications present to rural banks. IPA President and Yale University professor Dean Karlan presented the credit scoring tool that his team developed and is currently pilot testing with MABS PB First Macro Bank (FMB). The credit scoring tool evaluates credit risk based on pre-defined parameters and repayment history. Results of the pilot test show a significant improvement in the repayment rate and portfolio quality at the FMB branch piloting the credit scoring tool.

The conference also had learning sessions on the following topics: micro-agri loan product pilot test results and how it can expand markets, pursuing branch and geographic expansion, understanding MF performance through the MABS EAGLE standard and rating system, managing hard-core delinquent accounts and character-based lending.

2005 EAGLE Awardees Recognized

MABS recognized its EAGLE Awardees for 2005 at ceremonies held on April 20 in Pampanga. Participating banks Bangko Kabayan, New Rural Bank of Victorias (Bank Victorias), and the GreenBank of Caraga received EAGLE Awards for their excellent performance in managing their microfinance operations. Bangko Kabayan received their fourth EAGLE Award this year, while GreenBank and Bank Victorias are two-time awardees. Since developing the EAGLE Rating System in 2002, MABS has recognized PBs that have attained outstanding EAGLE ratings. EAGLE ratings are based on five components (Efficiency, Asset quality, Growth, Liability structure, Earnings). MABS also awarded compliance certificates to three new PBs: GM Rural Bank, Valiant Rural Bank, and Mallig Plains Rural Bank. 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.

Eighteen PBs that submitted their 2004 financial information for publication on the MIX Market, the Web-based microfinance information exchange platform of the MIX, were also given certificates of transparency. RBAP also presented Globe Telecom, GXchange President Rizza Eala and former GXchange President Jose Roberto Mendoza with plaques of appreciation. Globe Telecom and its subsidiary GXchange have been working with MABS and RBAP in rolling out the microloan payment system, Text-A-Payment and in developing the new Text-A-Deposit service for remittances and to facilitate remote deposit taking.

Mindanao Supervisors' Forum

Forty-six participants from 18 Mindanao PBs attended the Mindanao Supervisors' Forum held April 6-7 in Cagayan de Oro City. The forum focused on strategic marketing and delinquency management, with sessions on branding, product and customer service strategy, management of hardcore delinquency, and implementation of loan write-offs. During the forum's workshops, participants analyzed their loan products' features and policies, had exercises on how to improve sales, and drafted their MFUs' action plans for marketing and delinquency management.

GreenBank Participates in Harvard Business School-ACCION Program on Strategic Leadership for Microfinance

Mr. Joseph Omar Andaya, President of MABS PB Greenbank of Caraga, completed the one-week Harvard Business School- ACCION International Program on Strategic Leadership for Microfinance. The program, which ran from April 12 to 22, provided high-level management and leadership training to the microfinance industry's executives and key players, helping them address the challenge of attaining and retaining the double bottom line of microfinance: economic and social value creation. Focus areas included: succeeding in highly competitive MF market, maintaining a social focus in a commercial setting, working with equity investors, accessing commercial capital markets, reaching new business segments, and evolving products. Program participants underwent a rigorous selection process, which took into account both the participant's qualifications and their institution's characteristics.

MICROENTERPRISE ACCESS TO BANKING SERVICES (MABS) PROGRAM MAY 2006 HIGHLIGHTS

MABS Participating Banks' Micro-loan Disbursements Top PhP9 Billion Mark

The cumulative amount of total loans disbursed by MABS participating banks reached a new milestone in April 2006, with over PhP9 billion (around US\$ 174 million) in micro-loans disbursed to more than 267,000 borrowers since 1998. The number of new micro deposit accounts has increased by more than 331,000 over the last eight years. The total number of micro-deposit accounts in MABS participating banks now exceeds 880,000.

Rural Bankers Association of the Philippines (RBAP) 53rd Annual National Convention

Close to 500 rural bankers attended the 53rd RBAP Annual National Convention held May 17-19 at the Waterfront Hotel in Davao City. With the theme "*Rural Banks: Catalysts of Prosperity and Peace in the Countryside*", the convention tackled issues relevant to the rural banking sector: the development of remittance and microfinance products that can serve the rural population and increase the sector's profitability, improvement of the quality of internal governance and institutional capacity, acquisition and adoption of appropriate banking technologies, and strengthening of the linkages between the commercial and the rural banking sector.

During the his speech, the keynote speaker, Vice-President of the Philippines Noli de Castro, emphasized rural banks' role in providing microfinance services and challenged the sector to further assist microentrepreneurs in increasing the scope and scale of their operations by establishing partnerships with commercial banks. The Vice-president also encouraged the sector to adopt new technologies and lauded RBAP-MABS for the mobile phone banking applications it developed to further increase the efficiency of rural bank operations.

Globe Telecom – one of RBAP-MABS partners in rolling out mobile phone banking applications for rural banks - gave a presentation on mobile phone banking solutions utilizing G-Cash. Globe also formally announced the launch of G-Cash services in 24 newly accredited rural banks (Palitan Centers). Clients can now purchase (cash-in) or claim (cash-out) G-Cash, Globe's electronic money facility, at any of these accredited rural banks. MABS participating banks (PBs) Bangko Kabayan, Bangko Luzon, Bangko Mabuhay, Agribusiness Bank, Cantilan Bank, First Isabela Cooperative Bank, First Macro Bank, 1st Valley Bank, Gateway Business Bank, GM Bank, GreenBank of Caraga, PR Bank, Rang-Ay Bank, RB San Enrique, RB of Abucay, RB Cotabato, New RB of Victorias, and RB Sarangani are among the accredited Palitan centers.

Microfinance Networking Meeting

The Bangko Sentral ng Pilipinas hosted a microfinance networking meeting between commercial banks and leading microfinance institutions that aimed to explore business partnerships and linkages. The meeting was part of the BSP's initiatives to further commercialize microfinance and expand the industry.

Representatives from commercial banks including Bank of the Philippines Islands, Citibank Philippines, Allied Bank, Rizal Commercial Banking Corporation, Equitable PCI Bank and several MABS participating banks including Center for Agricultural and Rural Development (CARD) Bank, 1st Valley Bank, Rural Bank of Cantilan, Green Bank, and Bangko Kabayan were present at the meeting. Several non-governmental organizations and the Microfinance Council of the Philippines also participated in the meeting. Representatives from the commercial banks shared their ongoing microfinance initiatives and potential strategic alliance opportunities. The presentation from 1st Valley Bank highlighted the success of their microfinance operations and presented possible business linkages including investment opportunities for interested commercial banks.

USAID, MEDCo, & Globe Join Rural Bank of Cotabato's 45th Foundation Anniversary Celebration



The United States Agency for International Development (USAID), the Mindanao Economic Development Council (MEDCo), and Globe Telecom's G-Xchange (GX) joined activities commemorating the 45th foundation anniversary of the Rural Bank of Cotabato, one of the participating banks of the MABS Program. During the celebration, RB Cotabato recognized its microloan clients who have managed to significantly grow their businesses. RB Cotabato has been offering its microfinance loan product, the *Puhunan* Loan, since 2003 and has disbursed PhP94 million (around USD1.9 million) to around 1,600 microenterprise borrowers. MABS is also providing the bank with technical assistance not only for its microfinance operations but also in its overall banking operations.

RB Cotabato also launched its new services, facilitated by Globe Telecom's electronic money platform, G-Cash. The bank will now be accepting loan payments via the TAP service. RB Cotabato is also a G-Cash Palitan Center and can now accept domestic and international money transfers and remittances through G-Cash.

MICROENTERPRISE ACCESS TO BANKING SERVICES (MABS) PROGRAM JUNE 2006 HIGHLIGHTS

U.S. Ambassador Joins Green Bank of Caraga Microfinance Activity

US Ambassador Kristie A. Kenney visited the Cagayan de Oro City branch of MABS participating bank (PB) Green Bank of Caraga on June 8 and joined the ceremonies recognizing the bank's 30,000th microloan client. The Ambassador handed out the plaque of recognition to the bank's 30,000th microloan client, Ms. Rosie Bilog, a food manufacturer who processes cashew nuts for sale to wholesalers and retailers in Cagayan de Oro City and other areas. Ambassador Kenney also met several other Green Bank clients during her visit there.



US Ambassador Kristie A. Kenney (center) with Green Bank's 30,000th microloan client Ms. Rosie Bilog (2nd from right) and microloan clients (left to right) Gloria Baguisa, Melanie Gille, and Lydia Gella. Ambassador Kenney also visited other Green Bank microloan clients at the Cogon Market in Cagayan de Oro City.

With 32 branches spanning Mindanao and the Visayas, Green Bank has the largest branch network among the Program's PBs. The bank has been offering microloan products since 2000, shortly after joining MABS and receiving training and technical assistance in the design, development and management of its microfinance (MF) services. Since becoming a PB, Green Bank has expanded its operations from six to 32 branches and has provided more than 98,000 microloans totaling more than PhP1.4 billion (around US\$26.9 million). Forty-one percent of the bank's clients are microloan clients and 15% of its total loan portfolio is invested in microfinance.

Ambassador Kenney lauded Green Bank for the success of its MF operations, particularly for demonstrating that microentrepreneurs are "bankable" clients and that offering MF services can earn banks profits. The Ambassador also encouraged Ms. Bilog and other microentrepreneurs who are benefiting from increased access to affordable microcredit to continue growing their businesses and become more active participants in the economic development of their communities.

Quality Training for Rural Banks

Thirty bank and MF unit officers from 12 MABS PBs completed the Quality Training for Rural Banks held from June 6 to 8 in Tagaytay

City. Course participants learned the framework and principles of quality, as well as tools and skills that will help them apply and integrate the principles into the business processes and operations of their rural banks. The course's sessions discussed: core principles and elements of quality, effective teamwork, and continuous process improvement framework. The process improvement framework session discussed in detail the how-tos of defining critical business issues, objectives setting, process gap analysis, process mapping, and measuring process performance. To facilitate further learning, participants identified their respective rural banks' critical business issues and drafted process improvement maps and action plans.

Middle Management Training Course

Forty officers from 17 Visayas and Mindanao PBs attended the Middle Management Training Course (MMTC) held June 26-28 in Cagayan de Oro City. The course's modules were: MF best practices, effective teamwork, character/background investigation and cashflow analysis and reports preparation, loan approval techniques, and effective supervision. Exercises, group presentations, and workshops were integrated into the modules.

The MMTC was designed to give bank and microfinance unit officers of MABS PBs a better understanding of MF best practices and its integration into the banks' procedures and operations. The course also equips participants with tools and skills to improve supervision, monitoring, and management - complementing the training acquired by the banks' account officers.

People's Bank of China Study Visit

Nine officers of the People's Bank of China (PBC), led by the Deputy Director-General, visited the Philippines on June 13-16 to study the legal, regulatory, and operational issues and framework of the Philippine MF market. The delegation visited and met with representatives of the Bangko Sentral ng Pilipinas (Philippine Central Bank), the Asian Development Bank, and MF institution and networks. On June 15, MABS and RBAP briefed the delegation on the rural banking system and the work and achievements of the MABS Program, including the mobile banking applications to MF that the Program has developed. Observations and learnings from the study visit will be used as guidelines for the development of China's MF policies and regulations and for the pilot of its five MF commercial projects.

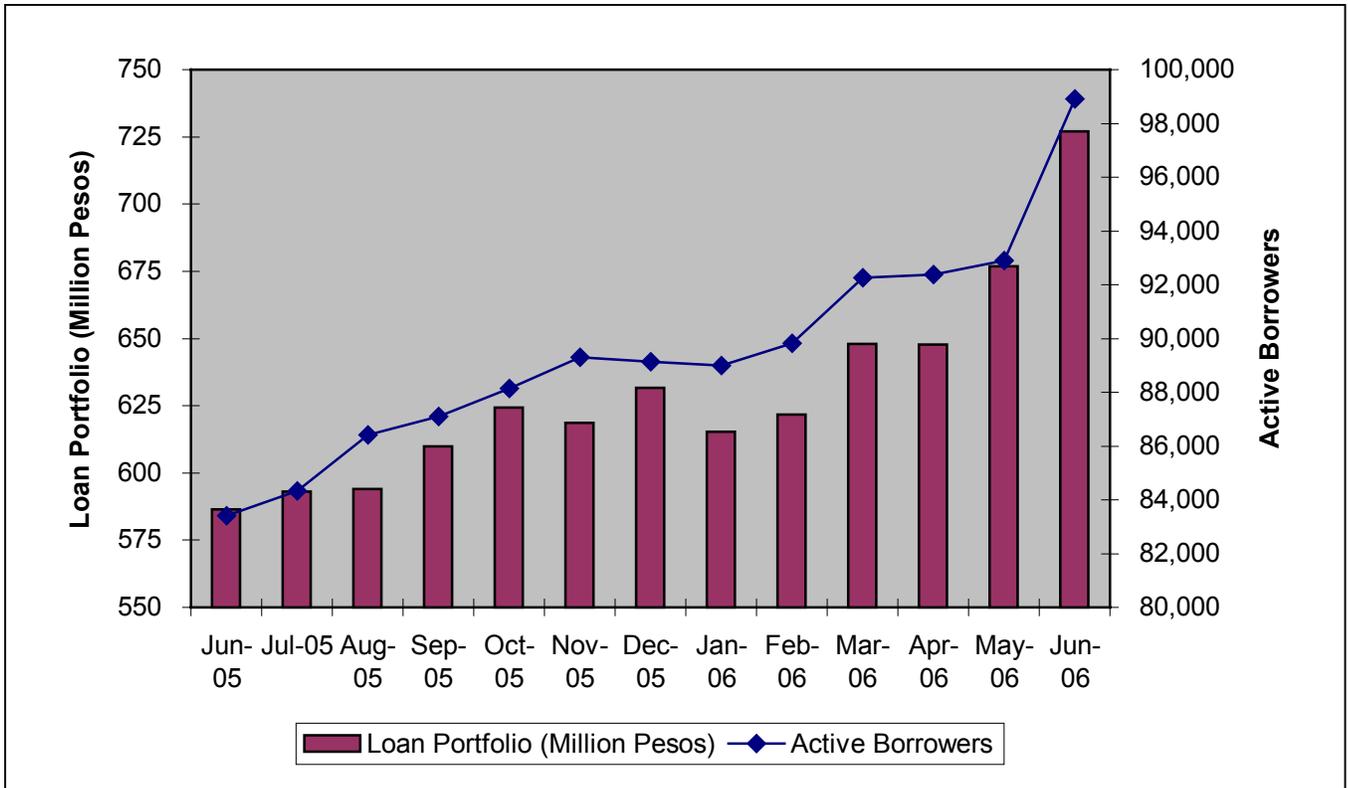
**MABS BANKS MICROFINANCE PERFORMANCE REPORT
CONSOLIDATED - BY AREA OF OPERATION (LUZON, VISAYAS AND MINDANAO)
JUNE 2006**

PERFORMANCE DATA	LUZON	VISAYAS	MINDANAO	TOTAL
Number of banks (reporting)	34	10	25	69
Number of participating branches (reporting)	133	28	100	261
Number of banks (trained/on-training)	8	3	4	15
Total number of banks	42	13	29	84
Total number of participating branches	147	31	114	292
Number of active borrowers outstanding	31,784	9,703	57,420	98,907
Number of new borrowers	1,963	756	4,166	6,885
Number of repeat loans	4,724	1,686	7,523	13,933
Loan portfolio balance	287,863,193	76,204,186	363,076,475	727,143,854
Net change in number of deposit accounts	13,555	55,174	268,127	336,856
Net change in deposit balance	109,026,527	52,636,041	389,399,347	551,061,915
Number of microfinance field staff	307	101	383	791
Number of microfinance field staff per branch	2	4	4	3
Number of loans disbursed during the month	6,691	2,442	11,689	20,822
Cumulative number of new borrowers	61,602	18,566	205,743	285,911
Cumulative number of loans disbursed	157,298	65,388	587,781	810,467
Amount of loans disbursed during the month	116,294,497	31,524,849	118,428,138	266,247,484
Cumulative amount of loans disbursed	2,630,213,442	920,165,483	6,118,893,645	9,669,272,570
Portfolio at risk more than 7 days	15,557,760	4,965,042	25,173,157	45,695,959
Portfolio at risk more than 7 days (%)	5.42%	6.53%	8.34%	6.87%
Portfolio at risk more than 30 days	11,382,900	2,307,860	20,237,772	33,928,532
Portfolio at risk more than 30 days (%)	3.97%	3.03%	6.71%	5.10%

MONTHLY INCOME AND EXPENSE	LUZON	VISAYAS	MINDANAO	TOTAL
Financial income				
Interest income on loans	21,829,799	3,818,640	12,880,107	38,528,546
Service charge	4,452,331	1,176,657	6,474,754	12,103,742
Penalty fee on loans	1,741,707	126,699	231,770	2,100,176
Total financial income	28,023,837	5,121,996	19,586,631	52,732,464
Total financial expense	1,648,858	295,719	1,653,964	3,598,541
Gross financial margin (spread)	26,374,979	4,826,277	17,932,667	49,133,923
Loan loss provision	1,751,903	188,775	1,095,247	3,035,925
Net financial margin	24,623,076	4,637,502	16,837,420	46,097,998
Direct operating expenses				
MFU salaries and benefits	3,546,938	798,406	2,231,321	6,576,665
Gross receipts tax	599,070	137,598	817,802	1,554,470
Depreciation	196,650	63,986	94,993	355,629
Transportation	553,670	124,219	198,245	876,134
Supplies	295,516	33,487	69,257	398,260
Communication	133,888	7,260	18,323	159,471
Others	1,037,762	46,005	98,390	1,182,157
Total direct operating expenses	6,363,494	1,210,961	3,528,331	11,102,786
Training and professional fees	71,304	13,333	6,000	90,637
Net income before indirect expenses	18,188,278	3,413,208	13,303,089	34,904,575
Indirect expenses	1,861,102	273,765	579,458	2,714,325
Net income (loss)	16,327,176	3,139,443	12,723,631	32,190,250

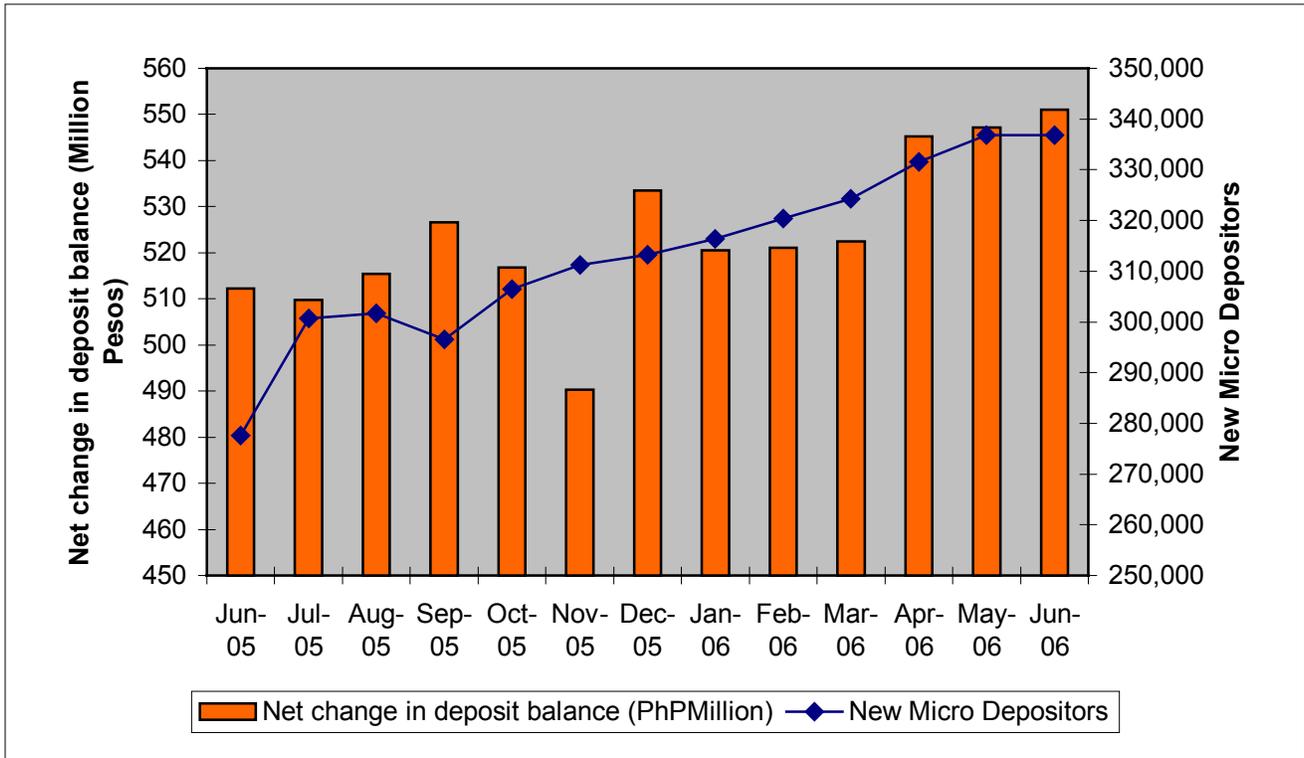
Note: PAR amounts and percentages do not include banks (Enterprise Bank, Maranao RB, RB Labrador, Rb Sugbuanon, RB Placer) that were unable to submit complete reports.

Micro Loan Portfolio
MABS Participating Banks
June 2005 – June 2006



Month/ Year	Loan Portfolio (PhPM)	Active Borrowers
Jun 2005	586.35	83,416
Jul 2005	593.17	84,338
Aug 2005	594.05	86,407
Sept 2005	609.91	87,100
Oct 2005	624.22	88,131
Nov 2005	613.69	88,355
Dec 2005	631.57	89,137
Jan 2006	615.40	88,986
Feb 2006	621.80	89,826
Mar 2006	647.97	92,270
Apr 2006	647.70	92,371
May 2006	676.96	92,903
Jun 2006	727.14	98,907

New Microdeposits *
MABS Participating Banks
June 2005 – June 2006



	Net Change in Deposit Balance (PhPM)	New Micro Depositors
Jun 2005	512.25	277,648
Jul 2005	509.79	300,633
Aug 2005	515.41	301,644
Sept 2005	526.58	296,561
Oct 2005	516.81	306,487
Nov 2005	490.31	311,216
Dec 2005	533.54	313,241
Jan 2006	520.52	316,319
Feb 2006	521.07	320,412
Mar 2006	522.40	324,244
Apr 2006	545.29	331,576
May 2006	547.18	336,775
Jun 2006	551.06	336,856

*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.