

# **MABS-M PROGRAM**

*Microenterprise Access to Banking Services in Mindanao*

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## **THIRTEENTH QUARTERLY PERFORMANCE MONITORING REPORT**

**January 1 – March 31, 2001**

*Submitted by:*

**Chemonics International Inc.**  
Davao City, Mindanao, Philippines

*In association with:*

***Rural Bankers Research and Development Foundation Inc.***

**April 2001**

Under Contract No. 492-C-00-98-00008-00  
**United States Agency for International Development**  
**Office of Economic Development**  
Manila, Philippines

## EXECUTIVE SUMMARY

Through directed technical assistance, training, and limited commodity support to a minimum of 48 rural or cooperative rural banks/ bank branches, the MABS-M program is intended to bring about a sizable expansion of banking services—both loans and deposits—to microenterprises and other groups at lower socio-economic levels in Mindanao.

This document serves as the Program's *Thirteenth Quarterly Performance Report*, covering the period January 1 through March 31, 2001. It also describes work planned for the coming quarter.

### **Accomplishments and activities during this reporting period:**

- ❑ The number of active loan clients served by MABS Participant Banks (PBs) increased during the quarter from 10,185 to 16,509 an increase of 62%. The loan portfolio of the PBs increased from 52,573,211 to 86,363,869, an increase of 64%. The large increase was due to the completion of the MIS system in Enterprise Bank, thus allowing MABS-M to track all group loans within the bank. There was also a rapid increase in the number of clients at Green Bank due to the recent merger of the bank with Rural Bank of Alegria. The portfolio at risk of the 20 PBs increased during the quarter from 3.28% to 4.46%. This was largely due to one bank which continues to suffer from a higher than average portfolio at risk level. The average for the other 19 participant banks is still below 3% which is below the level MABS considers to be problematic. The number of micro depositors served by MABS Participant Banks (PBs) has increased by 41,410 since MABS started to work with these PBs. Micro deposit balances of the PBs have increased by Php 44,000,898. Total outstanding microdeposits now exceed Php 207 million. 19 of the 20 PBs are profitable on a full-cost allocation basis.
- ❑ MABS completed the institutional assessment process for 16 banks in Luzon and Visayas.
- ❑ Seven new participant banks were selected (five from the different regions in Luzon and two from the regions in Visayas). Another bank is to be identified and selected in the Eastern Visayas Region in the next quarter.
- ❑ Pilot banks completed their Participating Bank Agreements January 31, 2001. MABS drafted amended participant bank agreements describing the relationship between the pilot banks and MABS going forward.
- ❑ MABS-M continued to provide technical assistance to all 1<sup>st</sup> and 2<sup>nd</sup> rollout banks. At the end of the quarter, 54 bank units were using the MABS technology.
- ❑ The upgrading and installation of MIS Systems in Enterprise Bank (Curimo System) was completed. MABS-M is now able to track group loans previously not recorded. MABS-M had helped Enterprise Bank adopt its group lending methodology by adding cash flow analysis.

- ❑ MABS-M held a meeting with CPIP and PCFC to discuss ways of collaborating in the future.
- ❑ MABS and RBAP held briefing sessions with the board of PDIC and the BSP Monetary Board regarding the MABS Approach Technology and the role that technical assistance has played in expanding microfinancial services through rural banks.
- ❑ MABS also worked with RBAP in assisting with the discussion of various points regarding the BSP rediscounting guidelines.
- ❑ A visit by Monetary Board member, Mr. Alindogan and BSP representative, Mr. Lirio was arranged by MABS-M and RBAP in Davao. The two were given a detailed briefing of the MABS-M Approach and visited the Rural Bank of Sto. Tomas, Rural Bank of Panabo, and Network Bank.
- ❑ MABS-M documented the experiences of the three top participant banks in a video that was presented during the MABS-M Thanksgiving ceremony in Davao.
- ❑ A study was conducted by MABS Team and Lief Doerring from the Chemonics Head Office to explore options for expanding MABS' outreach to Muslim clients.
- ❑ The new RBAP technical staff members were trained in performing institutional assessments of rural banks during the last quarter. Staff members were also relocated to their new positions in Mindanao, Luzon, and the Visayas.
- ❑ An advertisement for the new Deputy Operating Officer in RBAP was approved with RBAP and sent to the Philippine Inquirer.
- ❑ Chemonics International hosted a Thanksgiving Party, celebrating the success of the project to date and recognizing the accomplishments of many who contributed. Awards were presented to the best performing banks among the pilot, 1<sup>st</sup> and 2<sup>nd</sup> rollout PBs.
- ❑ Phil Broughton and Joanna Ledgerwood left the project during the quarter and John Owens was promoted to the position of Chief of Party.
- ❑ Some MABS-M technical staff members were moved to work with the new RBAP-MABS staff in the RBAP offices in Manila and Cebu. The MABS-M office in Cagayan de Oro was also moved to a smaller location.
- ❑ Lief Doerring, Tori Paide, and a Chemonics Field Accountant were fielded to assist the new COP in his duties.
- ❑ Chemonics finalized a contract modification adding additional funds to the project and increasing results targets substantially.

**For the Fourteenth quarter, April 1 – June 31, MABS-M will:**

- Hold a Senior Managers' exposure training course at Green Bank in Butuan City in April. All seven banks are expected to sign their Technical Assistance Agreements with RBAP.
- Work will begin with the new participant banks to select and train new microfinance unit staff within the banks, conduct market surveys, and start preparation work for the introduction of new microfinance products.
- Two additional institutional assessments will be completed in the Eastern Visayas (region 8) and one additional Participant Bank will be selected to participate in the RBAP-MABS program.
- 1<sup>st</sup> rollout banks will complete their Participant Bank Agreement on June 30, 2001. MABS will hold a meeting with all Participant Banks in late June and will sign MOAs with the banks to setting forth the relationship with RBAP/MABS going forward.
- The Big Byte Shoppe system of Montevista will be installed and functioning in all of the bank's branches.
- ASSEC will complete the loans module and general ledger interface module during the next quarter.
- MABS-M will policy related meetings to discuss the MABS-M Approach and the needs of the sector with donors, the Microfinance Coalition, the Agricultural Credit Policy Council, and the BSP.
- MABS-M will continue to follow up with the BSP's Microfinance Rediscounting Guidelines and policies regarding regulating microfinance banks.
- Continue to monitor the performance of all branches of all 20 banks participating in the MABS Program.
- Success stories of participant banks will be documented and prepared for distribution to the local press.
- The final report entitled "Expanding MABS' Outreach to Muslim Clients" will be submitted to USAID.
- A study regarding the impact on employment among MABS-M participant bank clients will be completed.
- RBAP technical staff will be evaluated before the end of their probationary period and

successful trainees will be recommended for regular employment. The new staff will continue to undergo training and will be supervised by MABS-M staff.

- ❑ Applicants for the Deputy Operating Officer position in RBAP will be evaluated and interviewed by RBAP and MABS-M. A candidate is to be in place before the end of the next quarter.
- ❑ A meeting will be held with 1<sup>st</sup> and 2<sup>nd</sup> rollout participant banks to discuss the relationship with RBAP-MABS after the end of their current agreements will be held in June.
- ❑ As part of the second phase of the project, MABS-M staff in Davao will move into the new RBAP Regional Office for Mindanao.
- ❑ Lief Doerring will be acting COP during the proposed leave of John Owens during the next quarter.
- ❑ Chemonics will finalize another contract modification with USAID adding funds to the contract and increasing results targets.

# 1. Contractor's Report

## A1. Background

The Microenterprise Access to Banking Services in Mindanao (MABS-M) program is a USAID-financed effort jointly implemented by the Rural Bankers Association of the Philippines (RBAP), the Rural Bankers Research and Development Foundation Incorporated (RBRDFI), and the Office of the President. Technical assistance, training, and program management are provided by Chemonics International, a firm contracted by USAID. The MABS-M program is one of the principal elements of USAID/Philippines' efforts to accelerate the economic transformation of Mindanao through expanded participation of Mindanao's lower income groups in more productive activities.

MABS-M is directed at bringing about a sizable expansion of banking services—both lending and savings—to microenterprises and other groups at lower socio-economic levels in Mindanao. Through MABS-M efforts, a minimum of 48 rural and community rural bank branches will be encouraged and assisted to significantly increase the services they provide to the microenterprise sector. It is intended that these efforts will demonstrate to participating banks that it can be sensible and profitable to offer services to the microenterprise sector as a regular part of their portfolios. In turn, it is expected that the successful example of participating banks will encourage all banks to look seriously at servicing the microenterprise market.

**MABS-M oversight.** MABS-M receives overall program guidance from a Steering Committee, composed of the Chief of Staff of the Office of the Executive Secretary, the Executive Director of the RBRDFI, a USAID representative, the RBAP President, and the President of the Confederation of Mindanao Rural Banks. This committee identifies focal areas for program coverage and formulates and concurs with major policies that guide the MABS-M-M program.

Additionally, MABS-M receives guidance and support on implementation matters from a Management Committee. This committee is comprised of the Executive Director of the Mindanao Economic Development Council (MEDCO) representing the Office of the President and the USAID Cognizant Technical Officer (CTO). The Management Committee approves all expenditures from the \$2 million MABS-M Special Activities Fund (SAF), which is used to facilitate the implementation of the activities to be carried out under MABS-M, including special studies, training, commodity and technical support, incentive schemes, and procuring services of organizations or individuals needed to carry out specialized tasks.

The MABS-M program got underway in January 1998, and was expected to have a life of four years, with the option to extend for an additional two years. It is a cost-plus-fixed-fee (CPFF) completion contract. The estimated cost for the performance of the work required in the contract, exclusive of fixed fee, is \$6,710,323. The fixed fee is \$333,036. The estimated cost plus fixed fee is \$7,043,359, the total amount of which has been obligated. The contract budget is broken down into two Contract Line Item Numbers (CLINS), one for Expanding Access to Banking Services (\$5,043,359) and the other for the Special Activities Fund (\$2,000,000).

## **A2. Expected Results**

- A minimum of 48 rural banks and bank branches from throughout Mindanao will receive MABS-M assistance.

*The MABS-M program will assist these banks to:*

- Expand their portfolios to reach a total of at least 13,000 borrowers among all participating banks.
- Enroll at least 23,000 depositors among all participating banks.

*As a measure of sustainability and impact beyond the life of the MABS-M program:*

- At least half of the participating banks will have decided to make microenterprise services a continuing and significant part of their portfolios, and will have taken the steps required to properly and profitably service the microenterprise market.

## **A3. Current Core Activities: MABS-M Activity**

The Year 2001 work plan covers the period January 1 through September 31, 2001\*. The contractor is responsible for ensuring that these major components are addressed:

1. Bank Strengthening
2. Microfinance Policy
3. Monitoring and Evaluation
4. RBAP/RBRDFI Strengthening
5. Project Management

SAF requests approved in the Thirteenth quarter and SAF requests expected for the Fourteenth quarter are attached in Annex 1.

Below, each of the MABS-M component activities are summarized, highlighting tasks accomplished in the Thirteenth quarter, and tasks planned for the Fourteenth quarter (April 1 – June 31, 2001) as contained in the Year 2001 work plan or as subsequently planned by MABS:

### **1. Bank Strengthening**

Component one, bank strengthening, incorporates Participating Bank (PB) activities including but not limited to PB selection, diagnostic evaluations, organizational and human resource development, systems development and installation, loan product development, preparation of manuals and marketing. It also includes training activities such as formal course work, workshops, seminars, on-the-job training, internships, study tours and other capacity-building

\* End of current MABS-M contract

initiatives. Training courses and activities and system development such as the new rural bank software are funded through the SAF.

***Tasks completed in the Thirteenth quarter:***

1. *Task One: Complete the Institutional Assessment process for new banks in Luzon and Visayas and select new Participant Banks.* MABS completed the institutional assessment process for 16 banks in Luzon and Visayas. Seven new participant banks were selected (five from the different regions in Luzon and two from the regions in Visayas). Another bank is to be identified and selected in the Eastern Visayas Region in the next quarter.
2. *Task Two: Draft and sign a Memorandum of Agreement with Pilot Banks.* Pilot banks completed their Participating Bank Agreements January 31, 2001. MABS drafted amended participant bank agreements describing the relationship between the pilot banks and MABS going forward.
3. *Task Three: Continue to provide “expansion phase” technical assistance to 1<sup>st</sup> and 2<sup>nd</sup> rollout banks.* MABS-M continued to provide technical assistance to all 1<sup>st</sup> and 2<sup>nd</sup> rollout banks. At the end of the quarter, 54 bank units were using the MABS technology.
4. *Task Four: Complete and install the final two MIS systems.* MABS oversees the completion and installation of MIS Systems in Enterprise Bank (Curimo System). Due to some delays regarding Montevista’s cabling, the upgraded MIS was only installed in one branch. Installation in additional branches will be completed in the next quarter.
5. *Task Five: Continued progress on RB 2000 software.* ASSEC completed the general ledger module of the new RB 2000 software.

***Tasks to be completed in the Fourteenth quarter:***

1. *Task One: Complete senior managers’ exposure training course for the seven new Participant Banks and sign Technical Assistance contracts.* The Senior Managers’ exposure training course will be held at Green Bank in Butuan City in April. All seven banks are expected to sign their Technical Assistance Agreements with RBAP. All PBs will be expected to pay for per diem and travel expenses of the RBAP technical staff under the agreements signed with RBAP.
2. *Task Two: Start work with new RBAP-MABS Participant Banks in Luzon and the Visayas.* Work will begin with the new participant banks to select and train new microfinance unit staff within the banks, conduct market surveys, and start preparation work for the introduction of new microfinance products.

3. *Task Three: Complete additional Institutional Assessments in the Eastern Visayas.* Two additional institutional assessments will be completed in the Eastern Visayas (region 8) and one additional Participant Bank will be selected to participate in the RBAP-MABS program.
4. *Task Four: Sign Memorandums of Agreements with 1<sup>st</sup> Rollout Banks.* 1<sup>st</sup> rollout banks will complete their Participant Bank Agreement on June 30, 2001. MABS will hold a meeting with all Participant Banks in late June and will sign MOAs with the banks to describe the relationship with RBAP/MABS going forward.
5. *Task Five: Complete the installation of the revised MIS in all of Montevista's branches.* The MIS specialist will ensure that the upgraded Big Byte Shoppe system of Montevista is installed and functioning in all of the bank's branches.
6. *Task Five: Continued progress of RB 2000 software.* ASSEC will complete the loans module and general ledger interface module during the next quarter.

## **2. Microfinance Policy.**

In coordination with USAID and the USAID-financed projects CPIP and AGILE, MABS-M will undertake a number of policy initiatives related to microfinance and rural banks.

### ***Tasks completed in the Thirteenth quarter:***

1. *Task One: Carry out Policy Initiatives.* MABS-M continued to work with CPIP on policy initiatives related to microfinance and rural banking. MABS-M also held meetings with the Peoples Credit and Finance Corporation (PCFC) to look at ways they could work together to achieve goals of expanding microfinance operations in rural banks in a profitable and sustainable manner. PCFC is expecting to get additional funding from the Spanish Government and is interested in the MABS individual lending technology.
2. *Task Two: Review the new BSP Microfinance Policy Initiative.* MABS and RBAP held briefing sessions with the board of PDIC and the BSP Monetary Board regarding the MABS Approach Technology and the role that technical assistance has played in expanding microfinancial services through rural banks. MABS also worked with RBAP in assisting with the discussion of various points regarding the BSP rediscounting guidelines. This meeting was followed by an invitation and visit of Mr. Alindogan, of the Monetary Board and Mr. Lirio, of the BSP to visit the MABS-M program in Davao and three participant banks. The visit went well with the two visitors coming away with a good understanding of how the MABS Approach works and what rural banks need to focus on in providing microfinancial services in a sustainable and profitable manner.

***Tasks to be completed in the Fourteenth quarter:***

1. *Task One: Carry out Policy Initiatives:* MABS-M will participate in several meetings to discuss the MABS-M Approach and the needs of the sector with USAID and other donors as well as attending the Microfinance Coalition meeting with the BSP.
2. *Task Two: Continue to follow up on the new BSP Microfinance Policy Initiative.*

**3. *Monitoring and Evaluation.***

This component includes activities relating to the establishment of M&E systems for use by the individual PBs, the MABS project team, and the RBRDFI. In addition, special studies, briefs, impact assessments and other evaluations are included in this component. In the Year 2 workplan we included issues related to PB management information systems in this section however for Year 3 we have moved issues related to this topic to Activity Component 1, Bank Strengthening.

***Tasks completed in the Thirteenth quarter:***

1. *Task One: Evaluated Monthly MFU Performance.* This quarter we continued to monitor financial data for all 54 MABS-M Participating Bank Units (Annex 3). The information is based on the microfinance units of each of the branches we are working with including both performance data and revenue and expense data. As of March, MABS PBs had over 16,500 active borrowers with an outstanding portfolio of over PhP 86 million. The number of microdepositors among the PBs increased by more than 41,400 accounts with a total number of over 231,000 microdepositors. Total microdeposits have also increased by over Php 44 million, for an outstanding balance of Php 207 million. Nineteen of the twenty PBs are profitable on a full-cost allocation basis. The only PB currently not profitable recently expanded to several additional bank branches and hired new staff. It is expected that the bank's microfinance unit will be profitable in the next quarter.
2. *Task Two: Document "success" stories.* This quarter, MABS-M continued to document case studies of successful clients and the documented the experiences of the three top participant banks. The success stories of the three successful participant banks were documented in a video that was shown during the MABS-M Thanksgiving event at the end of January.
3. *Task Three: Study the possibility of expanding MABS' Outreach to Muslim Clients.* A study was conducted by MABS Team and Lief Doerring from the Chemonics Head Office to explore options for expanding MABS' outreach to Muslim clients. Visits were made with several MABS-M PBs and other rural banks and institutional assessments were conducted for two banks in Muslim communities of Marawi and Cotobato. The report is to be finalized in the next quarter.

***Tasks to be completed in the Fourteenth quarter:***

1. *Task One: Evaluate Monthly MFU Performance.* Continue to monitor the performance of all branches of all 20 banks participating in the MABS Program.
2. *Task Two: Document success stories of participant banks and clients.* Success stories of participant banks will be documented and prepared for distribution to the local press.
3. *Task Three: Complete report entitled “Expanding MABS’ Outreach to Muslim Clients.”*
4. *Task Four: A study regarding the impact on employment among MABS-M participant bank clients will be completed.*

**4. RBAP/RBRDFI.**

All initiatives dealing with the development and strengthening of the RBRDFI, including training specifically directed to this organization, will be programmed under this component.

***Tasks completed during the Thirteenth quarter:***

1. *Task One: Train new RBAP Technical Staff.* The new RBAP technical staff members were trained in performing institutional assessments of rural banks during the last quarter. Sixteen institutional assessments were completed during the quarter. Staff members were also relocated to their new positions in Mindanao, Luzon, and the Visayas.
2. *Task Two: Recruit Deputy Director of Operations for RBAP.* An advertisement for the new Deputy Operating Officer in RBAP was approved with RBAP and sent to the Philippine Inquirer. Applicants have been given until April 15, 2001 to apply for the position which is expected to oversee the day-to-day planning and functioning of RBAP and in particular, the Academy for Banking in the Countryside and the Microenterprise Access to Banking Services Technical Unit.

***Tasks to be completed in the Fourteenth quarter:***

1. *Task One: Ongoing training and development of RBAP Technical Staff.* RBAP technical staff will be evaluated before the end of their probationary period and successful trainees will be recommended for regular employment. A team building exercise is also planned for the new employees. Staff will continue to be trained and guided by MABS-M staff as they develop their skills with new participating banks in the areas of microfinance staff recruitment and testing, market research, product development, and business planning.
2. *Task Two: Recruitment of Deputy Operating Officer for RBAP.* Applicants will be evaluated and interviewed by RBAP and MABS-M. All short-listed applicants will go through testing and a background investigation. An offer is to be made to the best-qualified candidate and a contract is to be signed during the next quarter.

## **5. Program Management.**

Program management takes into account meetings, project evaluations, report submission, visits by Chemonics' home office staff, and other activities related to overall project management.

### ***Tasks completed during the Thirteenth quarter:***

1. *Task One: Submit Twelfth Quarterly Performance Monitoring Report.* The Twelfth quarterly report, covering the period September 30-December 31, 2000, was submitted to USAID in the Thirteenth quarter.
2. *Task Two: Hold a Thanksgiving Party.* Chemonics International hosted a Thanksgiving Party, celebrating the success of the project to date and recognizing the accomplishments of many who contributed. Awards were presented to the best performing banks among the pilot, 1<sup>st</sup> and 2<sup>nd</sup> rollout PBs.
3. *Task Three: Transition of project leadership.* Phil Broughton and Joanna Ledgerwood left the project during the quarter and John Owens was promoted to the position of Chief of Party.
4. *Task Four: As part of the capacity building effort of RBAP, MABS staff will be placed in RBAP offices in Luzon and Visayas.* Some MABS-M technical staff members were moved to work with the new RBAP-MABS staff in the RBAP offices in Manila and Cebu. The MABS-M office in Cagayan de Oro was also moved to a smaller location.
5. *Task Five: Field Chemonics Home office personnel to assist in the COP transition.* Lief Doerring, Tori Paide, and a Chemonics Field Accountant were fielded to assist the new COP in his duties
6. *Task Six: Chemonics will finalize a contract modification adding additional funds to the project and increasing results targets substantially.* The contract modification with USAID was finalized on February 22, 2001. This increased the overall amount of the contract from \$6,393,598 to \$7,043,359. See changes in targets in the section on statement of work.

### ***Tasks to be completed in the Fourteenth quarter:***

1. *Task One: Submit Thirteenth Quarterly Performance Monitoring Report.* The Thirteenth quarterly report, covering the period January 1 – March 31, 2001, will be submitted to USAID in the Fourteenth quarter.
2. *Task Two: Hold a meeting with 1<sup>st</sup> and 2<sup>nd</sup> rollout banks.* A meeting will be held with 1<sup>st</sup> and 2<sup>nd</sup> rollout participant banks to discuss the relationship with RBAP-MABS after the end of their current agreements.

3. *Task Three: Moving of Davao office.* As part of the second phase of the project, RBAP will sign the lease for a new smaller space that will be the new RBAP regional office for Mindanao. Under the agreement reached with RBAP, MABS-M will continue to be provided with space and will utilize space on a cost-sharing basis with RBAP.
4. *Task Four: Field Chemonics Home office personnel to assist during leave of COP.* Lief Doerring will be acting COP during the proposed leave of John Owens during the next quarter.
5. *Task Five: Chemonics will finalize a contract modification adding additional funds to the project and increasing results targets.*

#### **A4. Performance**

##### **Current status vs. expected end of project results:**

1. Expected end of project results: A minimum of 48 rural banks and/or community rural banks from throughout Mindanao will receive MABS-M assistance.

Current status: MABS-M has exceeded the expected end of project result. 54 banks/bank branches have now received assistance from MABS-M and are implementing the MABS Approach.

2. Expected end of project result: PBs will expand their portfolios to include a total of at least 13,000 microenterprise borrowers among all participating banks.

Current status: MABS-M has exceeded the expected end of project result. The total number of active microfinance borrowers outstanding for the 54 banks/bank branches is 16,504.

3. Expected end of project result: Increase the number of microenterprise depositors to reach a total of at least 23,000 new depositors among all participating banks.

Current status: MABS-M has exceeded the expected end of project result. The net change in the number of active depositors for the 54 PBs is 41,410.

4. Expected end of project result: At least half of the participating banks will have decided to make microenterprise services a continuing and significant part of their portfolios, and will have taken the steps required to properly and profitably service the microenterprise market.

Current status: MABS-M has exceeded the expected end of project result. At the end of the quarter, 19 of the 20 PB microfinance units were profitable on a full cost allocation basis.

## A5. Statement of Work

With the amendment of the MABS-M contract in February, the following revised objectives and targets for the period September 2000 to September 2001 were added to the contract.

- i. The number of new banks/branches in Mindanao that are successfully participating in the MABS Program was increased from the original 20 banks to at least 48 banks/bank branches.
- i. The original target of borrowers was increased from 8,000 to 13,000 and the number of new micro-depositors was increased from 15,000 to 23,000.
- ii. By the end of September 2001, at least six technical staff for RBAP's Microenterprise Support Service Unit will have been recruited, selected, and trained to support RBAP's own program to support the expansion of profitable microfinancial services within the rural banking industry.
- iii. Chemonics will take steps required to facilitate the establishment and effective functioning of a profitable, privately owned credit reference bureau that will be able to provide credit reference information to rural banks.
- iv. Chemonics will take steps to facilitate the development and dissemination of an effective microfinance software that will be made available to interested rural banks. MABS will work with privately owned software companies to provide software installation, training, and operating support services on a fee-basis.

## 2. Administrative Information:

Contract Data: Total Estimated Cost \$7,043,359

<b>CLIN #1</b>	Total Estimated Cost	\$5,043,359
1. Expenditures (January 1 - March 31)		\$ 432,812
2. Cumulative Expenditures to date:		\$4,976,866
3. Remaining unexpended balance:		\$ 66,493

<b>CLIN #2</b>	Total Estimated Cost	\$2,000,000
1. Expenditures (January 1- March 31)		\$ 183,113
2. Cumulative Expenditures to date:		\$1,684,867
3. Remaining unexpended balance:		\$ 315,133

## **Annex 1**

*SAF requests approved in the thirteenth quarter:*

**None**

*SAF requests expected during the fourteenth quarter:*

1. Exposure visit of MABS PB senior managers and training for new MFU staff.
2. 1<sup>st</sup> and 2<sup>nd</sup> rollout participant bank meeting in Davao in June 2001.

**Note:** A SAF tracker is used by MABS-M to monitor SAF expenditures. It is current through the end of Quarter 13 and included here in Annex 2.

## **Annex 2**

## **Annex 3**