

Annual Report 2016

International Collaboration in Education

**Building a Stronger Global Credit Union Community through
Partnerships, Immersion Training, Regional Workshops
and Volunteer Outreach**

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**World Council
of Credit Unions**

Executive Summary

World Council Makes a Difference

One of the challenges facing credit unions around the world is to demonstrate how we are different from other financial institutions. Here at World Council, the credit union difference is **part of our DNA**— we rely on it to implement our programs — we promote it through opportunities for exchange — and we excel when it raises the profile of credit unions. As we look forward to the new year, World Council will expand efforts to leverage and expand media coverage of our international training as an example of the impact that is possible because **credit unions are different**.

Credit union executives and volunteers from around the world helped build stronger institutions in 2016 through World Council's Regional Workshops, International Partnerships, Immersion Training and Volunteer Outreach Programs. **Collaboration through the exchange of best practices, successful experiences and innovative ideas has had a significant impact on the way credit unions serve their communities.** The progress achieved is due in large part to the willingness of credit union advocates to share their experience and explore solutions to the common challenges facing credit unions around the world.

In 2016, WOCCU oversaw the signing of **one new partnership** and facilitated **6 solution-focused partnership exchanges** in several countries around the world. Immersion training programs provided opportunities for **165 international participants** to engage with more than **100 credit union ambassadors** at dozens of credit union organizations. WOCCU held **regional workshops** in both Washington D.C. and Bangkok, Thailand where **several hundred** credit union executives and volunteers gained experience from leaders in the fields of payments systems, technology, digital media and advocacy. Additionally, WOCCU sent **11 volunteers** into the field to destinations as wide ranging as Paraguay and Papua New Guinea, where they shared expert knowledge at national or regional congresses, workshops, conferences and annual meetings.

World Council has successfully leveraged these activities in the media and trade press to exemplify **the credit union difference** and highlight the goodwill promoted between our organizations around the world. These programs demonstrate the positive impact achieved when credit unions come together in cooperation to build stronger more vibrant communities. Thank you for supporting our efforts to expand opportunities for collaboration between credit unions around the world.

Regional Workshops

Education Makes a Difference

Regional Workshops offer valuable exposure to cutting-edge trends and new technologies by bringing international experts to our members and providing access to resources that may not be locally available. These regional events represent a platform where leaders from the world's largest and most successful credit union movements can engage with some of the smallest and youngest. World Council coordinated two regional workshops in 2016, focusing on trends in payments, technology, and social media to attract and maintain a new generation of credit union membership.

Latin American Regional Workshop: The Modern Credit Union

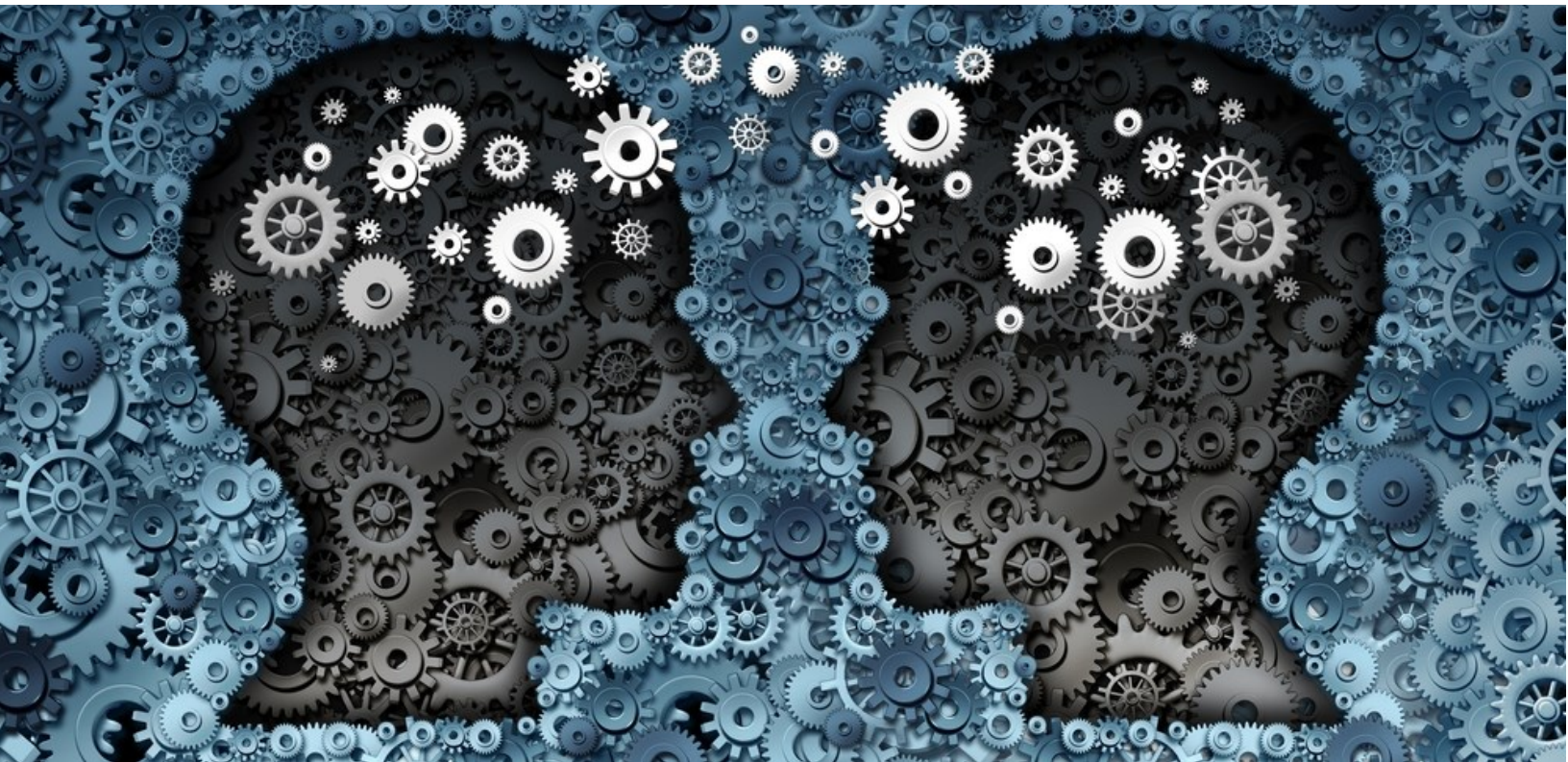
Washington, DC, United States: 87 Participants from 10 Countries

Under the theme of what it means to be a “Modern Credit Union”, the Latin American Regional Workshop explored the future of retail financial services, analyzing priorities in cybersecurity and the integration of digital and physical channels. Panel discussions examined perspectives on successful advocacy strategies and trends in digital services and consumer behavior.

Technical Workshop—Technology Based Strategies for Growth

Bangkok, Thailand: 82 Participants from 12 Countries

Co-hosted by ACCU and sponsored by Mastercard, this regional workshop explored trends in cutting-edge payment technologies and opportunities for success through collaboration. Several sessions helped participants better understand the millennial mindset and examined digital strategies for expanding membership and connecting with the next generation of members.



International Partnerships

Collaboration Makes a Difference

World Council's International Partnerships and Immersion Training Programs have achieved lasting impact by tapping into one of credit unions' greatest resources – our willingness to collaborate and share experiences. These programs provide a platform for exploring best practices and finding solutions to the common challenges facing credit unions around the world. This unique format for networking and exchange continues to enlighten credit unions with new and innovative ways to better serve their communities. One new partnership was established in 2016 and 6 exchanges took place between the 17 existing partners.

New Partnership

Association of British Credit Unions, Ltd. (ABCUL) • Georgia Credit Union Affiliates

In early March, a delegation of 14 representatives from Georgia Credit Union Affiliates traveled to Manchester, UK where they met with a delegation of the largest credit union members of the Association of British Credit Unions, Ltd. (ABCUL). In conjunction with ABCUL's annual meeting, the international delegation and 9 of the largest credit unions in the UK reviewed the challenges facing credit unions in each country and compared strategies and tools utilized to address them. The exchange highlighted a need for further engagement to address the issues of sustainability, expanding credit union awareness through social media channels, and the diversification of product offerings.

In May, ABCUL CEO Mark Lyonette attended GCUA's Annual Convention with Richard Munro of Commsave Credit Union and formalized the new partnership agreement. The partnership will focus on several areas, including: new products and services best practices, assessing the real needs of members, underwriting and servicing secured loan products, developing and motivating staff, member communication, technology and automation, growth strategies, brand strategies, digital distribution systems, corporate governance, contracts and documents and loan portfolio strategies.

In October, a delegation of representatives from nine credit unions from the UK traveled to Atlanta and spent a week exploring credit union operations in Georgia and learning from experiences in collaboration and innovation to better serve their members.



Partnerships Action Summary • 2016

Costa Rica—Federación de Cooperativas de Ahorro y Crédito (FEDEAC) •

League of Southeastern Credit Unions and Affiliates

In May, a delegation of executives from Coopeande #1 credit union in Costa Rica visited South Florida Education Federal Credit Union in Miami to discuss strategies for growth and new product development.

Estonian Union of Credit Cooperatives •

Virginia Credit Union League

The partnership between the Virginia Credit Union League and the Estonian Union of Credit Cooperatives was recognized with the 2016 Distinguished Service Award from the World Council of Credit Unions. The award was presented to Yuri Valdov and Andrus Ristkok during the World Credit Union Conference in Belfast in recognition of this 8-year partnership's achievements, which includes the development of a software platform that allows Estonian credit cooperatives to link to Eastern Europe's central banking system.

Papua New Guinea Federation of Savings and Loan Societies, Ltd. (FESALOS) •

Hawaii Credit Union League

Nora Shepherd, Mortgage Loan Officer at Kauai Community Federal Credit Union attended the WOCCU Manager Certification Training Program in Papua New Guinea on behalf of the Hawaii Credit Union League. Shepherd presented product development and best practices in lending and marketing. She also attended the FESALOS anniversary celebration.

Puerto Rico Credit Unions •

New York Credit Union Association

In February, New York Credit Union Association SVP/General Counsel Mike Lanotte and VP of Compliance Mike Carter presented industry and compliance updates during a conference in San Juan, Puerto Rico. Sponsored by CUNA Mutual Group, the annual event attracted approximately 50 attendees from Puerto Rico and the U.S. Virgin Islands. Lanotte and Carter shared insights on data security standards, electronic funds transfers, money services businesses and the latest rules and regulations impacting credit unions. NYCUA has also assisted with advocacy efforts during Puerto Rico's fiscal crisis to ensure that credit union interests are protected.

Cooperative Credit Union League of Trinidad and Tobago •

Credit Union League of Connecticut

The Credit League of Connecticut hosted Joseph Remy, Board President, and Dianne Joseph, Manager of the Cooperative League of Trinidad and Tobago at their Strategy Symposium September 2016 in Portsmouth, New Hampshire. Leadership from both leagues met and discussed next steps in the partnership which may include revitalizing the credit union internship program and expanding partnership program to other areas.



Spotlight on Partnerships Engagement Makes a Difference

Moldova (CASCA) • Idaho Credit Union League

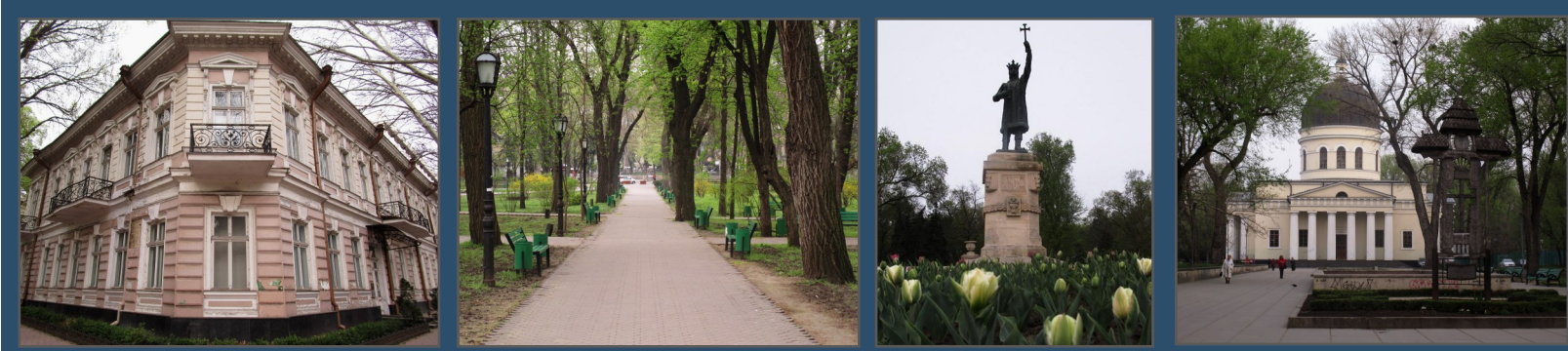
Imagine your credit union without access to the payments system or a credit rating agency, lacking deposit insurance and operating in a regulatory environment that requires board approval of every new member. Any one of these issues would be a challenge for credit unions—together they represent an overwhelming barrier to growth. This is the reality facing credit unions in Moldova today. In 2016, several exchanges took place under the umbrella of World Council's International Partnerships Program between the Idaho Credit Union League and the Central Association of Savings and Credit Associations (CASCA) in Moldova to explore strategies for addressing these challenges.

In April, a delegation from Idaho travelled to Moldova where the partners held a planning session to review the progress achieved since their initial encounter last year. League representatives included Shane Berger (Beehive Federal Credit Union), Will Hall (Idaho Credit Union League), David Lawrence (CapEd) and Robert Taylor (Idaho State University Credit Union).

The Idaho delegation was in the spotlight during a full-day training seminar organized by CASCA, where 35 executives from Moldova and Romania came together to hear U.S. perspectives on credit union operations. These sessions provided an overview of the U.S. credit union movement, including supervision and deposit insurance, as well as perspectives on the strategy and process undertaken in mergers, marketing strategies, and best practices in governance.

Credit unions in Moldova, known locally as savings and credit associations or SCAs, are classified as category A or B following an evaluation of their financial indicators. More than 75% of SCAs currently fall under the more restrictive category A, and are prohibited from accepting deposits. CASCA is providing technical assistance to increase the number of SCAs in category B and expand access to savings mobilization. Without deposit insurance, however, many SCAs struggle to attract the deposits necessary to fully finance loan demand and must rely on external sources of financing.





CASCA leveraged the visit from this international delegation to secure a meeting with the National Commission of Financial Markets, the agency responsible for regulating SCAs. There, representatives from Idaho described how credit union member deposits are insured in the United States. The presence of the international delegation underscored the difference between banks and financial cooperatives, and emphasized how SCAs—with the appropriate regulatory environment—can expand service and improve the economic conditions in communities throughout Moldova.

Moldova is one of the poorest countries in Europe. Remittances account for more than 20% of GDP and the country is facing a serious “brain drain,” as educated youth seek better opportunities elsewhere. While the fertile lands have supported a diversity of agricultural goods, the sector has struggled under the recent Russian embargo on Moldovan produce and wine. The lack of access to credit is one of the greatest limitations to expanding rural business enterprises, improving competitiveness and achieving full export potential. In many cases, SCAs are the only financial institutions providing service in these communities.

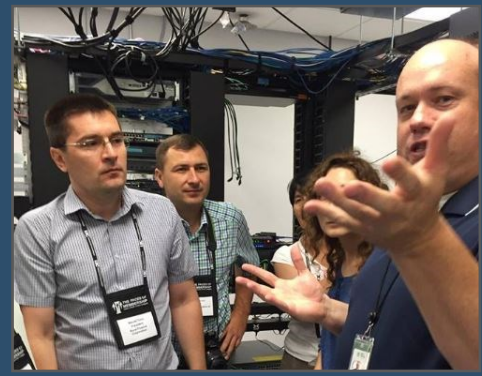


On the final day of the exchange, the delegation visited the community of Hrușova, where they witnessed SCAs’ potential for improving economic opportunities and the quality of life for rural Moldovans.

Vlada Leșan is a pharmacist and has been a member of Hrușova SCA for several years. “I joined the SCA because of the quality of service I encountered there. The quality of service is much better than I encountered at banks—and my SCA has helped my business succeed.” With loans from Hrușova SCA, Leșan has expanded her chain of pharmacies and now employs a staff of nine technicians at her five locations in the surrounding communities.

The mayor of Hrușova, Parascovia Cotovici, welcomed the delegation and shared her experience working closely with Hrușova SCA and its manager, Grigore Ciorba. “In my position, I know I can always depend upon our SCA,” she noted. “They were here when we needed support for renovations at the school and now play a key role in all our events. Banks have no interest. Hrușova SCA is the only financial institution willing to serve this community.” As they prepared to depart, the partners reflected upon the challenges facing credit unions in Moldova and their potential to play a significant role in the development of the country.





The partners reconnected in August, when a delegation of eight credit union executives from Moldova travelled to Idaho and visited seven credit unions in the state (Idaho Central CU, ISU CU, East Idaho CU, Beehive FCU, CapEd FCU, Icon CU and Simplot Employees CU). Once again the exchange focused on mergers, marketing strategies and best practices in governance before expanding into lending and loan rates, collateralization, information technology and the payments system. The Moldovans also visited the office of the Idaho Department of Finance, where they met with Bureau Chief Mary Hughes and discussed regulatory practices, standards and examinations. Later, they toured the State Capitol where Idaho Senator Grant Burgoyne answered questions about government in the U.S. and Idaho.

In the second year of their engagement, this Partnership has become a model for what can be achieved when dedicated credit union professionals come together to address the common challenges shared by our organizations around the world.



Immersion Training

Credit Unions Make a Difference

Established on the principle of cooperation among cooperatives, World Council's immersion training programs create opportunities for credit union executives and volunteers to engage internationally through our global classroom of financial cooperatives. These personalized programs encourage in-depth analysis of the challenges shared by credit unions around the world and provide a platform for exploring best practices, successful strategies and innovative solutions.

In 2016, WOCCU facilitated **10 immersion training programs for 156 delegates** who were hosted by more than 30 credit union organizations.

World Council strives to engage with elected representatives at every opportunity. Both the Immersion Training and International Partnerships programs represent an impactful example of the credit union difference and demonstrate how credit unions are cooperating to build stronger communities around the world. Several programs in 2016 included meetings with elected representatives, including the signing of a proclamation recognizing International Credit Union Day by Governor Terry Brandstad of Iowa.



Special thanks to the credit unions who opened their doors and welcomed our international delegations with kindness, hospitality and a desire to engage. Triangle Credit Union, Nashua, NH • Metro Credit Union, Boston, MA • New England Federal Credit Union, Burlington, VT • Association of Vermont Credit Unions • Tampa Bay Federal Credit Union, Tampa, FL • floridacentral Credit Union, Tampa, FL • Suncoast Credit Union, Tampa FL • Fairwinds Credit Union, Orlando, FL • Indiana Credit Union League • Forum Credit Union, Indianapolis, IN • Financial Center First Credit Union, Indianapolis, IN • INOVA Federal Credit Union, South Bend, IN • Northwest Credit Union Association • Inspirus Credit Union, Seattle, WA • Transport Credit Union, Glasgow, Scotland • Canadian Credit Union Association • Alterna Credit Union, Toronto, ON, Canada • DUCA Credit Union, Toronto, ON, Canada • Meridian Credit Union, Toronto, ON, Canada • Iowa Credit Union League • Greater Iowa Credit Union, Des Moines, IA • Des Moines Metro Credit Union, Des Moines, IA • Veridian Credit Unions, Des Moines, IA • Carolinas Credit Union League • Coastal Federal Credit Union, Raleigh, NC • Local Government Federal Credit Union, Raleigh, NC • Latino Community Credit Union, Durham, NC • Credit Union National Association • Filene



Volunteer Outreach

People Make a Difference

In 2016, WOCCU sent 11 volunteer executives into the field to countries as far reaching as Papua New Guinea and Peru, where they spoke at conferences, visited local credit unions and explored common challenges in technology, advocacy and marketing. These dedicated professionals have demonstrated their passion and commitment to the movement by sharing their expertise and unique perspective with colleagues around the world.

- **Marco Antonio Primão**, HR Manager at Sicredi PR/SP/RJ, Brazil, presented on Sicredi youth programs during CENCOPAN's 2nd Annual Youth Conference in Asunción, Paraguay.
- **Darren O'Reilly**, Business Development Manager at Member First Credit Union, Dublin, Ireland, managed all social media communications for during WOCCU's annual conference in Belfast.
- **Camila Luconi Viana**, Technical Advisor at Sicredi Foundation, Brazil, presented on foundation stability during the FENACREP annual meeting in Lima, Peru.
- **John McCloy**, CEO of Westerra Credit Union in Denver, Colorado shared a presentation on the U.S. credit unions system during the 11th Annual Brazilian Congress of Credit Cooperatives (CONCRED) in Rio de Janeiro, Brazil.
- **Stephen Kwock**, Owner of Kwock & Co, CPA's in Hawaii, presented at the 9th Annual Pacific Technical Congress in Suva, Fiji.
- **Mark Sievewright**, Vice Chairman of FISERV Credit Union Solutions was keynote speaker at WOCCU's Latin American Regional Workshop in Washington D.C. where he shared presentations on the Top 10 Predictions for the Future of Financial Services and The Integration of Digital and Physical Channels.
- **Chris Furlow**, President of Ridge Global presented a session on Priorities in Cyber-Security during the Latin American Regional Workshop.
- **John Bratsakis**, CEO of the Maryland and DC Credit Union Association and **David Miles**, Vice President of Association Services at the Virginia Credit Union League participated in a panel discussion on successful advocacy strategies during the Latin American Regional Workshop.
- **Carlos Calderon**, CEO of OAS Staff Federal Credit Union and **Woody Roberts**, Vice President of Business Development at Fairfax County Federal Credit Union participated in a panel discussion on the impact of technology on operations and its potential for expanding service.
- **Darren O'Reilly**, Business Development Manager at Member First Credit Union in Dublin, Ireland shared two presentations during the Technical Workshop in Bangkok, Thailand. His sessions provided new perspectives on the millennial mindset and explored digital strategies for credit unions to expand membership with this important demographic.

Media Summary

Exposure Makes a Difference

WOCCU's efforts to promote international collaboration between credit unions through education received significant media attention throughout the year. Media exposure is an important force for demonstrating the credit union difference and our focus on people helping people to build better communities. Click on the links below for more information and several highlights from our programs in 2016.

CUNA News Now – [World Council Nurtures Global CU Partnerships](#)

Daily CU Scan – [Triangle Credit Union Hosts Brazilian Credit Union Delegation](#)

Idaho State Journal – [Idaho Execs Help Credit Unions in Moldova](#)

Idaho Statesman – [Idaho Credit Unions Help One of Europe's Poorest Nations](#)

Gem Newsletter – [Idaho Credit Unions Visit Moldova](#)

Rexburg Standard Journal – [Moldovans Gain Strength from Visiting Idaho Credit Unions](#)

CU Today – [Idaho CU CEO Offering Assistance to CUs in Moldova](#)

CU Today – [Moldova CU Delegation Visits with Idaho Counterparts](#)

Idaho Central Credit Union – [Idaho Central Credit Union Hosts Tour for Moldovan Visitors](#)

East Idaho Credit Union Blog – [World Council of Credit Unions, Moldova Friends](#)

Credit Union Journal – [Exchange Shines Light on Credit Unions in One of Europe's Poorest Nations](#)

ABCUL – [New Partnership with Georgia, USA](#)

ABCUL – [ABCUL Delegation Visits Georgia](#)

Savannah CEO – [British and Georgia Credit Unions Form Partnership](#)

WOCCU – [British and Georgia Form International Partnership](#)

CUNA News Now – [GCUA's Mercer Shares Co-op Vision at UK CU Conference](#)

CUNA News Now – [Ga., British CU Leagues Form Collaborative Partnership](#)

Credit Union Journal – [British and Georgia Credit Unions Form International Partnership](#)

Indiana Credit Union League – [Indiana Hosts Ecuadorian Credit Union Group](#)

CUNA News Now – [Ind. League Hosts Ecuadorian CU Contingent](#)

You Make a Difference

World Council's programs depend upon the support of people like you that recognize the potential for credit unions as a positive force in our communities.

Thank you to our credit union hosts, volunteers and executive ambassadors for your willingness to share your passion, experience and success with dedicated visitors from around the world.

Thank you to our international participants for your adventurous spirit and for allowing WOCCU the opportunity to support your quest for knowledge through international engagement.

And lastly, thank you to all of our donors for supporting our efforts to build better communities through the power of collaboration. The world is a better place because of you all!

Thank you!

If you would like more details on any of these programs or to find out how your credit union can become involved, please contact Thomas Belekevich at tbelekevich@woccu.org.