



May 5, 2020

Sr. Alberto Carrasquilla Barrera
Ministerio de Hacienda y Crédito Público
San Agustín
Carrera 8 No. 6C- 38
Bogotá D.C., Colombia

Re: COVID-19 and the Role of Credit Unions

Estimado Sr. Carrasquilla

The World Council of Credit Unions is the leading trade association and development organization for the international credit union movement. Credit unions are cooperative depository institutions and worldwide there are over 85,000 credit unions in 119 countries with USD 2.2 trillion in total assets serving 274 million physical-person members.¹

We are writing you to urge you to consider the important role that credit unions in Colombia can play in responding to the COVID-19 pandemic. Credit unions around the world have a history of service through disasters, emergencies and disruptions providing direct assistance to their members. Our philosophy of “people helping people” is uniquely tailored for allowing credit unions to be the financial first responders.

The COVID-19 pandemic presents small businesses, consumers, and community-based financial institutions with unique challenges during this unprecedented time. However, many of the regulations currently in place designed for the normal operations of financial institutions do not make sense. With a working partnership with your office, we believe that prudent relief will allow credit unions to play a significant role in reopening the economy. More importantly, it will allow credit unions to deliver critical financial services to citizens of Colombia during these challenging times.

¹ World Council, *Statistical Report (2018)*, available at https://www.woccu.org/impact/global_reach/statreport.



To that end, WOCCU has prepared a COVID-19 Credit Union Regulatory Guide² which outlines many of the responses from around the world. In particular we would point you to the responses from international standards setting bodies such as the Financial Stability Board and the Basel Committee on Banking Supervision which are expressly calling on flexibility for financial institutions. We urge your consideration of the measures taken by these agencies as they relate to capital standards, accounting standards, and other regulatory relief measures. These will be critical for the success of credit unions as we traverse the pandemic.

We are working closely with our partner, Federación Colombiana de Cooperativas de Ahorro y Credito (FECOLFIN), who is working tirelessly to help all of Colombia.

I appreciate the opportunity to provide you with these comments. We urge your consideration of relief measures for credit unions to assist with Colombia's pandemic response. If you have questions, please feel free to contact me at aprice@woccu.org or +1-850-766-5699.

Sincerely,

Andrew T. Price
Vice President of Advocacy
World Council of Credit Unions

² WOCCU COVID-19 Guide for Credit Unions – Regulator and Operational Responses (March 2020) available at https://www.woccu.org/documents/preview/Credit_Union_Covid-19_Guide_to_Regulator_and_Operational_Responses.