

# ugnayan



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## MCPI welcomes Mindanao-based Gata Daku coop

The need for cheap and affordable consumer goods in the locality motivated the 32 pioneering co-operators to pool their resources and put up a consumer store in Barangay Gata Daku, Municipality of Clarin, Misamis Occidental. In March 1992, and with an initial capital of only PhP32,000, Gata Daku Multi-Purpose Cooperative (GDMPC) came to be. In 1994, the cooperative provided loan facility to its members for palay production and agri-livelihood projects through Land Bank of the Philippines' relending program.

Having weathered operational challenges and initial losses, GDMPC's management and staff instituted changes and established systems and procedures that set the course for the cooperative's growth and expansion. Their commitment to the organization's mission "to provide excellent services to empower members and communities" is instrumental in bringing GDMPC to 202 barangays in 26 cities and municipalities of Misamis Occidental, Zamboanga del Norte, and Zamboanga del Sur.

GDMPC has made available products such as microfinance, agri, and all purpose loans; and savings, ATM, and money transfer services to answer the needs of its close to 18,000 members. Add to that are the number of non-financial services such as feeding, community clean-up and development, and housing programs to name a few.

The cooperative has put in place practices and systems – Social Performance Management, Competence and Succession Plan, Remedial Management, and Performance Management System, to cite some - that can be attributed to the steady growth of the organization. Its performance has been recognized

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Microfinance Council of the Philippines, Inc.



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## Save the Date



# Going Green: The Energy Inclusion Initiative

RG Salazar, EII

## Energy access at the grassroots

Energy access in the vast majority of the rural towns in the Philippines remains to be a major challenge for both the national government and private institutions. Expensive, inefficient and unreliable sources of energy also reduce the productivity of income generating activities and further contribute to the worsening impacts of climate change.

Several renewable energy programs and energy efficiency solutions have been implemented to reduce the dependence on biomass and diesel, while simultaneously improving business opportunities. However, only a fraction of this potential has been tapped, since rural customers generally have insufficient financial capacity to purchase the technical systems or have no access to respective loans because of missing credit worthiness. Microfinance institutions (MFIs) can step in to tackle this problem by providing loans for these potential clients.

## The Energy Inclusion Initiative in the Philippines

In the first quarter of 2013, the Microfinance Council of the Philippines, Inc. (MCPI) entered into a partnership with the Appui au Développement Autonome (ADA), MicroEnergy International (MEI),

with co-financing from the Frankfurt School-UNEP Collaborating Centre for Climate & Sustainable Energy Finance to pilot the Energy Inclusion Initiative (EII) to two microfinance institutions in the MCPI network coming from a successful first pilot in Peru in 2010.

The project aims to enable the provision of green energy technologies to micro and small businesses through MFI-based energy financing. EII also intends to build the capacity of MCPI to provide technical assistance and to replicate the model to other MFIs in its network.

## The Pilot

In August 2013, Alalay sa Kaunlaran, Inc. (ASKI) in Nueva Ecija and Peoples Bank of Caraga (PBC) in Agusan del Sur were selected from a pool of highly qualified institutions in the MCPI network for the pilot phase of the initiative.

The initiative provides the pilot MFIs with technical assistance and expertise to support them in building

an infrastructure to sustainably extend loans for relevant renewable/clean energy solutions to their clients. The TA support for the pilot includes client energy needs assessment, technology/supplier assessment, product selection, energy loan product design, business development, implementation, and evaluation.

The pilot MFIs are currently in the last phase of preparing for the pilot roll out, scheduled in March 2014, of the two technologies they selected for their EII pilot branches. The methodologies learned and processes established during the pilot will prepare the MFIs to eventually scale up the program and to explore additional renewable/clean energy solutions according to the needs of their clients.

*For more information or inquiries about the Energy Inclusion Initiative in the Philippines, please send an email to RG Salazar at [rg.salazar@microfinancecouncil.org](mailto:rg.salazar@microfinancecouncil.org)* ♦

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*Business planning workshops and energy needs assessments in PBC (top photos) and ASKI.*

## Gata Daku...from page 1

by awards including NLDC Most Outstanding Finalist in Mindanao (2007); SIPAG Awards Most Outstanding Partner in Mindanao (2008 and 2010) and National Winner (2010); Most Supportive Cooperative in the Implementation of CARP in Region X (2009); SIPAG Awards Special Citation for noteworthy performance in promoting outreach (2009); and Most Outstanding Cooperative in Mindanao (2011 and 2013). ♦