

# HOW TO PREVENT **FRAUD** AND **RESTORE** CLIENT TRUST



Microfinance Council of the Philippines  
Annual Conference: ***Microfinance and Sustainable  
Finance for the Poor***

July 30-31, 2025  
Century Park Hotel, 599 P Ocampo St. Manila

# “Who we are”

Established in 2001, the **Kasanyangan Center for Community Development and Microfinance Foundation, Inc. (KMFI)** is a social enterprise serving the Zamboanga Peninsula and BARMM regions.

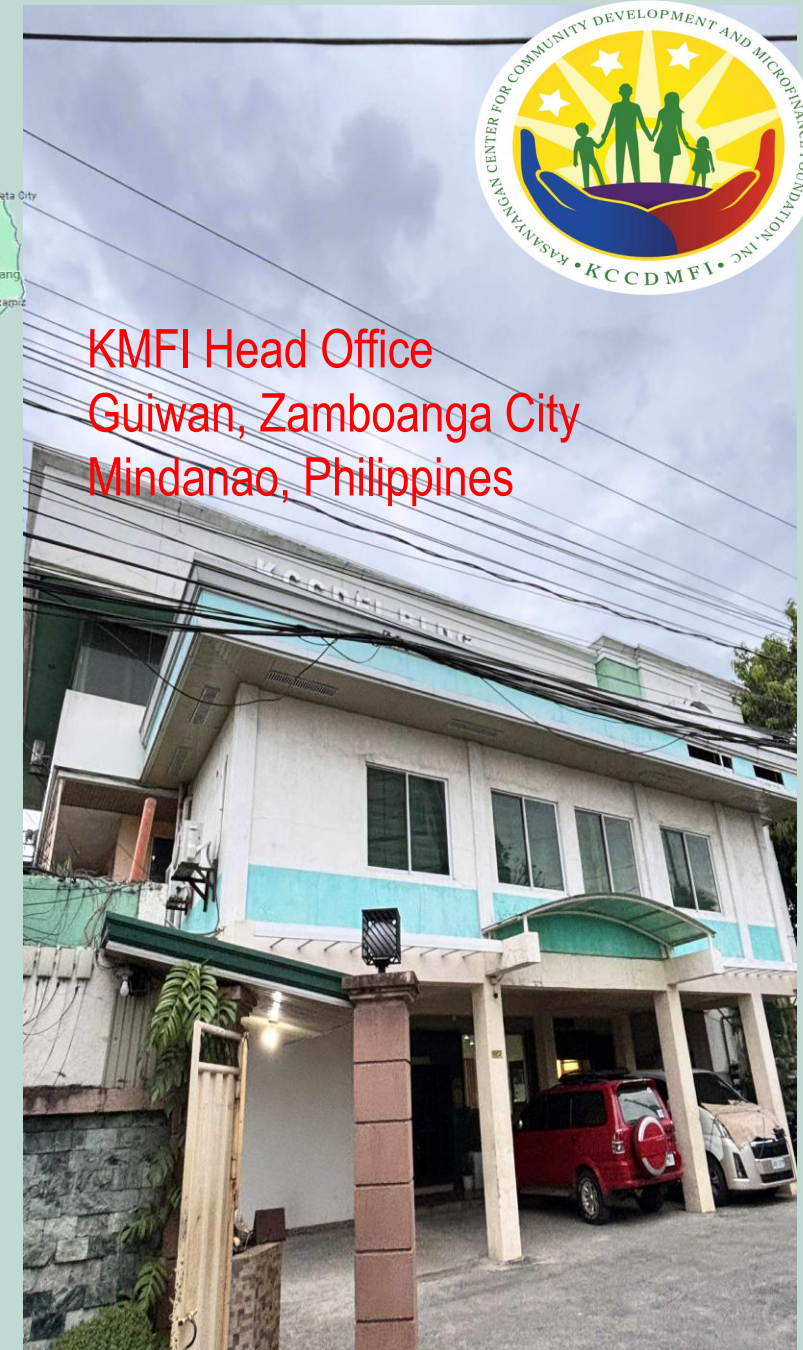
Originally spun off in 2005 from a program of the Kasanyangan –Mindanao Foundation, Incorporated, KMFI will proudly mark its **25<sup>th</sup> year of operation next year.**



**22 Branches**  
**3 Cities**  
**3 Provinces**  
**13 Municipalities**  
**1,196 Centers**



**KMFI Head Office**  
**Guiwan, Zamboanga City**  
**Mindanao, Philippines**





# OUR BUSINESS UNITS



**K-Microfinance**



**K-Mutual Benefits Association**



**K-Foundation, Inc.**



**K-Clients Club**



**K-COOP Federation**

# OUR IMPACT

## ( As of June 30, 2025)



**29,153** Microfinance Clients

**Php 263M** Loan Portfolio

**95%** Collection Rate

**5%** PAR RATE

1 COOP Federation  
5 Cooperatives Form  
**198** Members

**178** Employees

**29,153** Clients Trained



**61,446** Members of Micro-Insurance

**Php 237M** Total amount paid Claims  
**178,402** No. of Claims

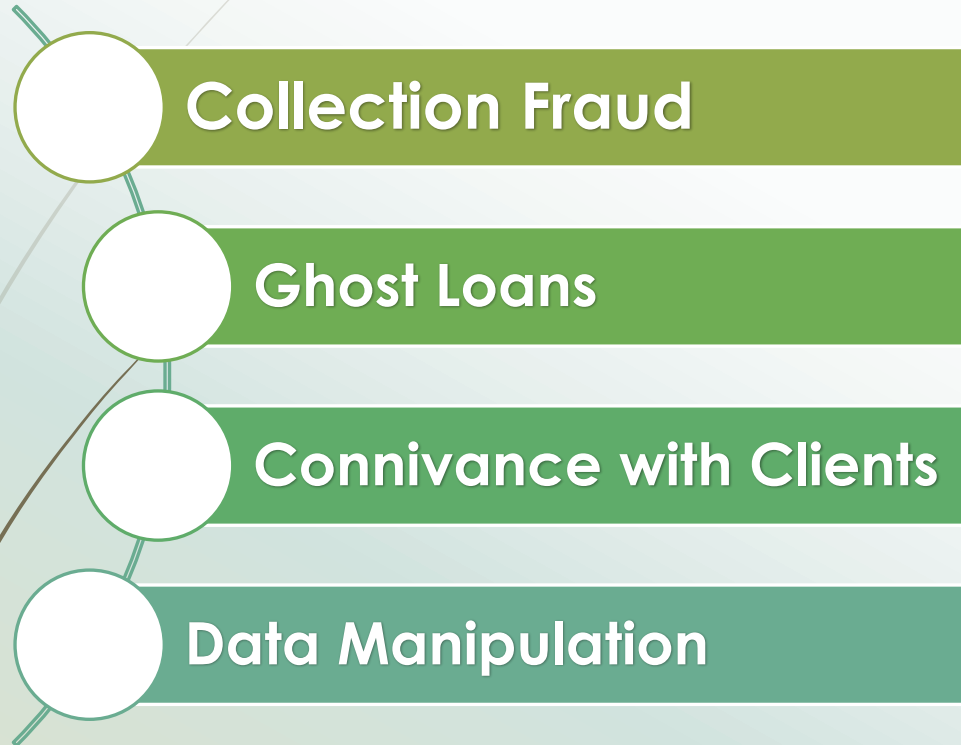
**Php 7.6 M** CSR Program  
**92,905** Beneficiaries

**3,588** Trained Center Leaders

# Understanding and Preventing Fraud



## Fraud Types



## Prevention Strategies



# Rebuilding Client Trust After Fraud



## The Impact of Fraud

Lost of Trust

Reputational  
Damage

Operational  
Disruption

Financial Losses

## Strategies to Regain Trust

Transparency and communication

Take responsibility and Act Quickly

Compensate where appropriate

Re-engage the Community

# Lessons Learned & Moving Forward



## Lessons Learned

- ✓ Technology is an ally
- ✓ Client-centric approach
- ✓ Fraud Prevention is an Investment
- ✓ Continuous Improvement

## Our Commitment

- ☐ Continues improvement
- ☐ Ethical leadership
- ☐ Empower clients

### **Final Thoughts:**

**"FRAUD** prevention is not just about system-it's about **trust**"

**"TRUST**, once lost, can be rebuilt with **transparency**, **accountability**, and **care**"





# -Muchas gracias-

***“Together, Let’s build a safer and more trusted microfinance sector”***

**MERCY G. FAUSTINO**  
KMFI President & CEO