

The 5-Year Strategic Plan: Where are we now?

The Secretariat Report

1. Background

With its first building blocks put into place by the ADFIAP Board in May of 2004 in Almaty and the final bricks laid in August of the same year in Kuala Lumpur, the Association's 5-year strategic plan is now on its third year of implementation. The Plan with the theme, "ADFIAP: Focused and Prepared to Lead", embodies the aspirations of and sets the guideposts for all members committing to the new mission of the Association – *financing sustainable development*.

The following brief report provides a snapshot of what have been achieved so far in the faithful fulfillment of the Plan.

2. The Five Strategic Directions

- a) Membership Development
- b) Policy Development and Advocacy
- c) Resource Development and Innovation
- d) Human Capital Development, Professional Standards and Education
- e) Support of ADFIAP-affiliated National and Sub-regional DFI Associations and Counterpart Regional Associations Worldwide

3. Achievements

a) Membership Development

The Aim:

Expand membership base and provide the development banking and finance community with regional leadership, collaboration opportunities, value-added services, and group benefits responsive to the interests and needs of a broad and diverse membership.

The Rationale:

A big, strong and progressive member base as well as the positive experiences of the members through the Association's meaningful programs and activities are essential to ADFIAP's long-term success and sustainability.

Our Achievement:

During the period, the Board and the general membership took part in an earnest membership drive, participated in a branding process of the Association resulting in a new organizational logo and identity, and actively engaged with same-purposed international organizations to come up with new initiatives and programs.

Performance Indicators:

| | <u>2004</u> | <u>2005</u> | <u>2006</u> |
|--------------------------------------|--|-------------|---|
| No. of members | 52 | 62 | 78 |
| No. of countries represented | 25 | 26 | 36 |
| Diversity of membership ¹ | SME banks, housing banks, investment banks | | ECAs, MFIs KBs ² , credit & guarantee agencies |
| New services ³ | Country host program, credentialing programs corporate governing system, | | Enhanced CEO Forum, new web services, EGS ⁴ , COP ⁵ |

b) Policy Development & Advocacy

The Aim:

Explore, shape and advance policy and advocacy positions that impact the development banking and finance community as well as improve the membership's capacity to do the same; build relationship and partnerships with like-minded international development organizations.

The Rationale:

A focused and credible commitment to present issues and trends in the sustainable development arena and ADFIAP's active engagement with like-minded and respected institutions in this field are crucial actions for the Association in taking a leading role and becoming a *partner of choice* in the region.

¹ Types of institutions aside from "traditional" development banks already members of ADFIAP

² Export credit agencies (ECAs), microfinance institutions (MFIs), KBs (commercial banks)

³ Beside existing activities, i.e., annual meetings, awards, newsletters, etc.

⁴ Environmental governance standards (EGS) for DFIs

⁵ Compliance officership program (COP)

Our Achievement:

In the last two years, ADFIAP has developed and communicate to the world its own sustainable development framework, highlighting exceptional economic performance with environmental and social dimensions and with good governance at its core.

Performance Indicators:

Recognition of and preference for ADFIAP as a development advocate and partner by the following affiliations:

- NGO in consultative status with the UN's Economic & Social Council
- Co-Chair, Asia-Pacific Task Force Outreach Group, UN Environment Program's (UNEP) Finance Initiative
- Member, Advisory Board, Cooperation Dialogue, UN Department on Economic and Social Affairs (UNDESA)
- Invitations to high-level conferences and for a in the area of environmental banking, sustainable consumption and production, socially-responsible investing and related areas.

c) Resource Development and Innovation

The Aim:

Maintain, expand and innovate on the pool of financial and partnership resources available to support the operations of the Association and its members, and undertake sustainable development initiatives.

The Rationale:

A financially-healthy and alliance-friendly Association will be able to muster the strength of these resources toward the benefit of its members as well as contribute to the public good.

Our Achievement:

For two years since the Plan, ADFIAP has diversified its revenue mix and, as a consequence, has more than doubled its financial resources, putting the Association in a more comfortable level funding-wise as before. It also doubled its efforts in building solid networks and partnerships internationally, with good multiplier benefits for its stakeholders.

Performance Indicators:

| | <u>2004</u> | <u>2005</u> | <u>2006</u> |
|---------------|--------------|-------------|-------------|
| Surplus funds | US\$ 200,915 | \$ 461,167 | \$ 621,894 |
| Revenues | 289,420 | 567,617 | 639,508 |
| Members dues | 188,536 | 254,490 | 331,191 |
| Grants | 35,000 | 287,387 | 171,464 |
| Others | 65,884 | 46,344 | 136,853 |

International Partnerships:

- United Nations Environment Programme (UNEP) Finance Initiative
- International Trade Centre UNCTAD.WTO (ITC)
- EU-Asia Eco Pro Programme
- InWEnt – Capacity Building International, Germany
- Center for International Private Enterprise, U.S.
- Community Development Finance Association, U.K.
- Association for Overseas Technical Scholarship, Japan
- Center for Sustainable Consumption & Production, Germany

d) Human Capital Development, Professional Standards and Education

The Aim:

Advance the development banking and finance sector by establishing standards, credentials and core competencies; improving the skills and prominence of development banking practitioners; recruiting and retaining talented and committed individuals in the industry.

The Rationale:

A professional, skilled and multi-disciplinary human resource backed-up by a credible continuous learning and credentialing program provided by ADFIAP is a vital component of its members' organizational success and sustainability.

Our Achievement:

The last two years marked the re-direction of policy and activities of ADFIAP's *Institute of Development Finance* (IDF), with a present three-level credentialing program for the professionalization and career-pathing of members' corps of officers and staff as well as focusing its training events on the key topics on the

sustainable development agenda, including the MDGs, the Monterrey Consensus and the Marrakech Process⁶.

Performance Indicators:

- CORE Development Banking Program: 13 graduates
- Development Bank Management Program: 11 graduates
- Fellow in Development Banking: 3 grantees
- Training Programs:
 - Corporate Governance: 193 trainees in 8 events
 - Environmental Governance: 284 (10)
 - SME Finance: 93 (5)
 - Microfinance: 18 (2)
 - Others⁷: 45 (3)

e) Support of ADFIAP-affiliated National and Sub-regional DFI Associations and Counterpart Regional Associations Worldwide

The Aim:

Preserve and reinforce the role of ADFIAP-affiliated associations in the development banking and finance community in the Asia-Pacific region as well as relate and work with counterpart regional associations worldwide.

The Rationale:

The bond among members, affiliates and partners in the same *community* committed to the financing of development is the *currency* of the Association. Maintaining and invigorating these relationships will make the *community* even better and stronger in the long term.

Our Achievement:

During the past two years, ADFIAP initiated more contacts and proposed joint initiatives with counterpart associations resulting in co-organized training events, more interaction, and frequent exchanges of information among them.

⁶ The Millennium Development Goals (MDGs), the UN's Financing for Development initiative (the Monterrey Consensus), and the UN's sustainable consumption and production program (the Marrakech Process).

⁷ Subjects such as risk management and project appraisal

Performance Indicators:

Counterpart associations that ADFIAP relate to:

- Association of African Development Finance Institutions (AADFI)
- Association of Development Finance Institutions in Malaysia (ADFIM)
- Association of Development Finance Institutions in the Pacific (ADFIP)
- Association of European Development Finance Institutions (EDFI)
- Association of National Development Finance Institutions in Member Countries of the Islamic Development Bank (ADFIMI)
- Latin American Association of Development Financing Institutions (ALIDE)
- World Federation of Development Financing Institutions (WFDFI)
- Asian Bankers Association
- ASEAN Bankers Association