

ASA (1978-2008)

30 Years of Struggle for Freedom from Poverty

ASA Wins

'Banking at the Bottom of the Pyramid-2008' Award

FT SUSTAINABLE BANKING AWARD-2008

ASA, Bangladesh

WINNER

Banking at the Bottom of the Pyramid



The Financial Times (London) and International Finance Corporation (IFC) have jointly awarded ASA with the 'Banking at the Bottom of the Pyramid' for 2008. The declaration of the award took place in Dorchester, London on June 3, 2008 through a colorful ceremony. The newly elected Mayor of London Mr. Boris Johnson was present in the function as the Keynote Speaker. ASA has been selected for the award of 'Banking at the Bottom of the Pyramid-2008' from 129 institutions across 54 countries. Mr. Dirk Brouwer, Executive Director of ASA International has received the award on behalf of ASA.

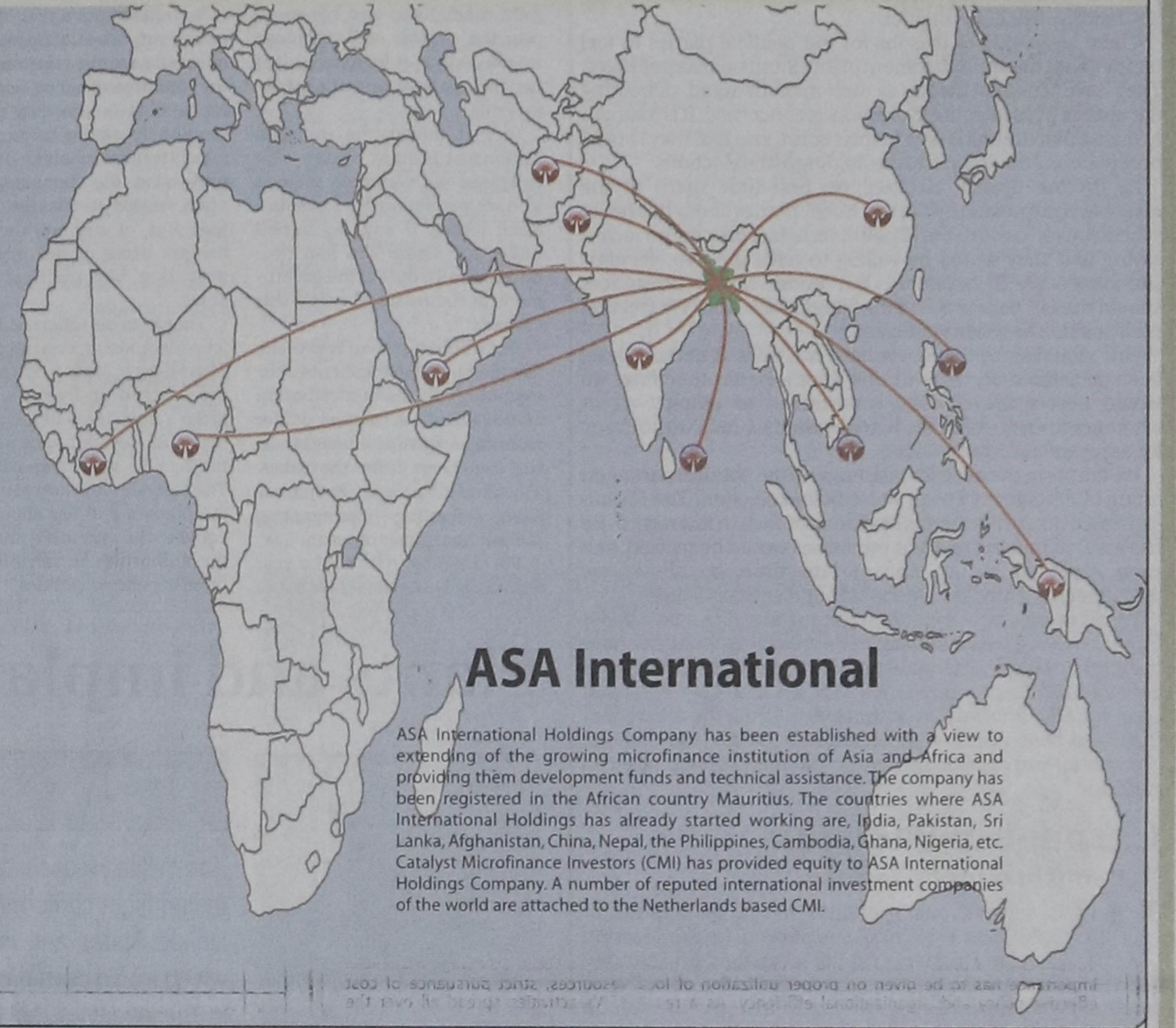
The judges of the award observed and viewed, 'ASA cost effective and sustainable model has been adopted by many organizations in different countries to achieve the best results within shortest possible timeframe. Originated in Bangladesh ASA microfinance model has reached Africa crossing the continental boundary. Presently ASA provides technical assistance to 17 countries in Asia and Africa. ASA rendering microfinance services to more than seven million people of Bangladesh.



CMI Board Meeting, London

ASA-the Philippines

ASA-Ghana



ASA International

ASA International Holdings Company has been established with a view to extending the growing microfinance institution of Asia and Africa and providing them development funds and technical assistance. The company has been registered in the African country Mauritius. The countries where ASA International Holdings has already started working are, India, Pakistan, Sri Lanka, Afghanistan, China, Nepal, the Philippines, Cambodia, Ghana, Nigeria, etc. Catalyst Microfinance Investors (CMI) has provided equity to ASA International Holdings Company. A number of reputed international investment companies of the world are attached to the Netherlands based CMI.

ASA: A Unique Microcredit Model

Md. Enamul Haque
Executive Vice President, ASA

The contribution of microcredit in poverty alleviation need not be explained anew. Already the microcredit program has crossed the periphery of the country and spread abroad. Now microcredit has become an international affair as a new instrument of poverty alleviation. This programme is fast expanding in countries of world as a development corollary.

The matter of providing collateral free credit service is a unique and excellent idea. Here trust and mutual confidence play the major role in the process. Microcredit activities have spread from person to person and organization to organization. Bangladesh's microcredit organization ASA has earned several international recognitions as the world's most efficient cost effective, sustainable organization.

The main objective of microcredit program is to help the poor change their lot, that is to free them selves from poverty. The cost of operating micro credit program is not so small. However, if any institution can do it maintaining the qualitative standard more or less, then it can be beneficial for the service receivers. It is worth mentioning here that, ASA has been able to keep the cost of microcredit operation at the lowest through innovative management. Following this strategy ASA has been able to extend the program all over the country comparatively better than other institutions.

The reason ASA has been able to keep the standard of service unaffected in spite of following cost effective system is its innovative management, viz. simple infrastructure, not maintaining excess manpower, branch level decentralization, simple and transparent account and record keeping and strong and intensive monitoring arrangement. Following these systems ASA has been able to cut cost and achieve member's welfare. Side by side, ASA could establish itself as the leading micro credit organization in world. Till June 2008 ASA has reached its service to more than 7 million people through 3324 branches. During the same period the organization has distributed credit amounting of taka 2846 million while taka 3400 million remains invested at field level. The loan recovery rate of ASA is almost 100%. This success of ASA is extraordinary. Side by side the general poor, ASA is providing credit service on flexible terms to the hardcore poor and low income class of people.

USA based Forbes magazine conducted research on activities of 616 micro credit organizations of world in 2007. The main subjects of Forbes survey were scale, efficiency, risk and return. On average marks received against these indicators, ASA secured the top place. Now ASA model is being implemented in different countries. ASA model has gained recognition of being the world's most cost effective microcredit model. The specialty of ASA model is providing more services at less cost. The key to more service at less cost is -

1. Simple and cost effective accounts keeping
2. Very ordinary infrastructure
3. Almost cost less staff recruitment and training
4. Decentralization of power and responsibility up to branch level
5. Introduction of easy and fast credit distribution
6. Written operation manual
7. Strong monitoring and supervision
8. Helpful leadership and self-reliant attitude
9. Creating mentality of less cost work among central and field level officials
10. Keeping development of qualitative service at low cost program on
11. Best possible utilization of fund which can create 2.5 times revolving fund

This innovative process of ASA has brought a revolutionary change in the very structure of microcredit program which has made it possible to provide the loanee easy, effortless, convenient better service. The most notable characteristics of this system include-no need to form a primary group nor guarantee needed and in case of some credits weekly installment is also not mandatory. Installment is fixed on consideration of loanee member's ability, extent of income and social standing. As a result the number of ASA members is gradually rising extending the jurisdiction of poverty reduction.



ASA President Md. Shafiqul Haque Choudhury exchanging views with the Landless group members.

World's renowned experts comment on ASA

ASA is world's fast expanding and most efficient microcredit organization	MICROSAVE/UNDP/CGAP Report
ASA is above all of 66 technical service providing organizations in the world	UNDP/CGAP/WB
ASA's microcredit model is comparable with Ford Motor model	ADB news letter, June 2002
ASA has been able to hold the dignity of fast expanding institution by providing financial service to the poor at bearable interest	Microfinance Information eXchange, June 2003
ASA is the best among the four large microfinance institutions of the world	The RMA Journal (USA) 2005
ASA is the world's top microfinance organization	Forbes Magazine (USA) 2007

Other Programs of ASA

Disaster Assistance Program

Natural disasters are Bangladesh's yearly phenomena. Every year various natural disasters like Cyclone, Flood, Draught, Water logging affect the lives of a huge number of people with death and destruction. Whenever a disaster struck ASA stood beside the affected with all its capacity. ASA conducted extensive relief and rehabilitation program of 110 crore 28 lac taka totally from its own resource for the distressed people affected by the devastating cyclone Sidr, the most terrible in living memory, that swept over the coastal belt in 2007. Besides in 2007 more than 20 lac people were affected by two consecutive floods. ASA implemented relief and rehabilitation program of more than 30 crore taka in aid of the affected.



Meet the Press in Districts

ASA considers transparency and accountability as key factors for sustainable development of the country. Without participation of grassroots people no development policy would reach its desired goals. So, development policy and program should be adopted according to the hope and aspiration of local people.

To maintain the above vision in policy making, every year in each district ASA arranges Meet the Press programs to make the organization's activities public. Local journalists, correspondents of national dailies, members of civil society, ASA somity members and government officials in district level participate in those program. Ongoing programs and activities of the organization have been presented elaborately in the meeting and activities of concerned district are also portrayed. Participants of the function can express their views and advices about ASA freely in Meet the Press. Feedbacks, advices of the programs are given priority in formulating new policies.

Health Assistance Program of ASA

ASA provides health assistance to its members for the treatment of some critical diseases. For the year 2008 ASA will spend Tk.1.3 crore for the purpose. The members of ASA Landless groups who are suffering from different types of diseases like cancer, heart diseases, brain tumor, kidney damage etc, are eligible for receiving health assistance as grant from ASA.

Picture shows distribution of health assistance in the districts.

ASA University Bangladesh



With the promise of creating skilled human resource through qualitative education, ASA University Bangladesh began its education program from 2007. At present, 2500 students are studying BBA, MBA, MBA(executive), LLB (Honours & Masters) and English (Honours & Masters) courses. The main objective of founding ASA University is producing skilled human resource able to face the challenges of twentyfirst century. Syllabus of ASA University has been laid out in consistency with the needs of country's socio-economic development and raising living standard of the poor and the deprived in society.

Sustainable poverty alleviation is not possible without properly educating the wards of the poor and backward families. Thus the education program of the university is so laid out that the meritorious students from poor families can easily obtain higher education of qualitative standard from here. Curriculum has been styled and arranged consistent with the local culture and values as well as the British and American education systems so that the students can turn out to be worthy citizens. ASA University is offering tuition waiver for the meritorious students and wards of ASA members.

