

## Asia Microfinance Forum

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Alalay sa Kaunlaran (ASKI), Inc.  
"Deepening outreach of Financial Services to the poor"

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### Background of ASKI:

ASKI is registered with the Securities and Exchange Commission (SEC) as a non-stock, non-profit development organization supporting the poverty alleviation program of the government by providing micro loans and other related programs.

With an initial capital of Ps460,000, ASKI has a total assets of Ps196.0 Million (US\$3,843,137.00) as of January 31, 2006. From 25 clients in 1987, it has grown 34,633 clients now. From only two (2) employees, it is now 280 full time workers. From purely lending and savings programs at the start, now, ASKI has introduced a lot of innovations for the clients.

What strategies are being adopted to promote very poor clients into the mainstream microfinance programs?

ASKI is already 19 years doing microfinance. Five years back, we realized that we have to re-visit our vision and mission. ASKI vision is "A transformed and progressive community living in a just and caring society and experiencing the fullness of life" and ASKI Mission of "To promote countrywide socio-economic development and spiritual transformation by harnessing the resources of local, national, and global communities"

The result of revisiting the vision and mission resulted to innovations. Aside from providing credit, we have included the "Integrated Community Development Program" or what we call ASKI Credit- Plus, Plus.

In the ASKI Credit plus, plus program, we can see that all members of the community can participate not only in the credit program but as well as in other minimum basic needs (MBN) of the people and the community. These MBN's refers to ; health, water, sanitation, shelter, food, livelihood, empowerment, participation, environment. These MBN's are also the concern in the millenium development goals of the UN.

The ASKI credit plus, plus opened the door for the poorest member in the community to participate in the credit program.

How can the impact of microfinance services on lifting people out of poverty be improved?

The impact of microfinance services can only be improved if we will include the Integrated Community Development. The integration of community development will result to:

- \* people in the community will be empowered
- \* people in the community will be educated on their duties and responsibilities as well as their rights
- \* people can actively participate in the development plans for their own community.
- \* all the people in the community whether they are microfinance clients or not can participate in addressing the problems within their own community.
- \* You can see people plus government and private sectors working together in solving poverty.

Can both the financial and the social goals of microfinance be met simultaneously?

Yes.

You can do it, provided that you know how to network with both private and government institutions who can provide you with their resources. Your resources is not enough to provide for other social goals unless you have a very big organization already.

In our case, we have address issues like water, sanitation, irrigation, electricity, shelter, nutrition, but we got the support from the people themselves and the government both local and national. We cannot sacrifice the sustainability of our microfinance operations since it is not big enough to sustain our social goals.

Common performance measures for microfinance focus almost exclusively on the institutions' financial performance, but are there adequate indicators, on their own, of what is really happening in the lives of the clients?

At ASKI, we have not conducted any impact assessment on the social impact of what we have been doing. What we can say the impact are the following:

- \* Microfinance plus integrated community development increases our clients in the area. Our competitors cannot enter the area since it is now only our clients who are restricting them but as well as other government leaders since what they can see for ASKI is a total development.

- \* ASKI gain the respect of government and non-government institutions since we are true to our vision and mission of helping the poor.

- \* We have easy access to government programs and their full

