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Season's Greetings
to all Co-operators

As this incredible year comes to an end, we would like to take a moment to look back on all we have accomplished in 2017

New League Executive

The St. Lucia Co-operative Credit Union League Limited elected its New Executive on December 22, 2017. A special welcome is extended to Mr. Joseph Joseph the newest member of the Board.

DIRECTOR	DESIGNATION	CREDIT UNION
Mr. Norman Dorleon	President	St. Lucia Workers
Mr. Steven Auguste	Vice President	Laborie
Mr. Stephenson Etienne	Treasurer	National Farmers
Ms. Alymphiah Lionel	Secretary	Mabouya Valley
Mr. Joseph Joseph	Assistant Treasurer	Mon Repos Eastern
Mr. Konnon Stanislaus	Assistant Secretary	Choiseul
Mr. Martin James	Director	Police

In 2018 the League will reconvene its meet and greet with respective Credit Union Boards to share information and discuss matters affecting their particular credit union.

Education, Training & Information

One of the mandates of the League is the fulfilment of the 5th Co-operative Principle to provide training for credit union staff and volunteers in an effort to ensure that the movement delivers exceptional services to its members. Seventy-six (76) members were trained for the quarter as depicted below.

DATE	WORKSHOP	PARTICIPANTS	FACILITATOR
October 06	IFRS9	26	KPMG
November 18	Roles and Responsibilities	50	Department of Co-operatives

The training calendar for 2018 will be released early in the New Year. A well educated Co-operative Movement will ensure that the philosophy of the Movement is well preserved. Members are advised to take advantage and to participate in the trainings offered by the League.

General Meetings

On September 23 and November 25, 2017 Delegates met to discuss a number of issues at Chateau Heritage, Dennery.

At the November 25, 2017 meeting the resolution “To clearly state all Shares are Equity” was passed. This resolution affected sections 10 and 11 of the League’s By-laws. The resolution was passed with all eleven (11) members in attendance voting in favour of the resolution. The necessary changes have been made to the By-laws and was subsequently submitted to the FSRA for registration.



Technical Meetings

Technical meetings were held on October 26 and December 05, 2017 at the board room of the Mon Repos Eastern Credit Union. These meetings provided a forum where Presidents and Managers met to discuss issues impacting the sector.

The agenda items which were discussed:

1. League By-laws – October 26, 2017.
2. Credit Reporting Bill and Regulations & Foreclosure Committee’s Comments – December 05, 2017.

Prior to these meetings members were invited to submit their comments on the aforementioned documents. A focus group

consisting of Mr. Lucius Ellevic, Mr. Melin Felix, Mr. Priscillus Simeon, Mr. Celestin Laurent and League representatives was formed to discuss and compile the comments submitted to members. The comments from the focus group were subsequently discussed at the technical meeting on December 05, 2017. The League is pleased to announce that the movement’s comments on the Credit Reporting Bill and Regulations and the Foreclosure Committee’s Comments have been submitted to the Ministry of Finance. An update on the movement’s submission will be provided to members following the League’s meeting with the Ministry of Finance.

The League extends profound gratitude to the Mon Repos Eastern Credit Union for affording us the opportunity to convene those meeting at its board room.

DISASTER RELIEF

As you are aware our sister islands of Anguilla, Barbuda, Bahamas and St. Kitts and Nevis were affected by the passage of hurricane Irma. The island of Dominica however suffered extensive damage due to the passage of hurricane Maria on September 18, 2017.

Credit unions contributed generously to the plight of our sister islands. On October 23, 2017 a vessel departed Saint Lucia to Dominica which contained \$37,228.70 worth of non-perishable food items, drinking water and toiletry items. Subsequently, a cash donation was remitted to the Dominican League, Barbuda and the CCCU for distribution to the other islands. The following pay outs were made \$29,221.30 to Dominica; \$1,950.00 to Barbuda and \$3,950.00 to the CCCU for distribution to the other islands.



CREDIT UNION Gala Awards

The St. Lucia Co-operative Credit Union League Limited hosted its first ever Awards Gala on October 21, 2017 at the Sandals Halcyon Hotel. The Gala was the major highlight to coincide with International Credit Union Day. The Gala recognized professionals, volunteers, and Credit Unions that have made outstanding contributions to the development and growth of the Credit Union Movement in Saint Lucia for 2017. The evening begun with a cocktail gathering, followed by dinner after which the official awards ceremony took place. The evening culminated with an entertainment segment.

A total of seven (7) awards were presented in the following categories:



1

Credit Union of the Year - Mon Repos Eastern Credit Union



2

**Co-operative of the Year
Courtesy Taxi**



3

**Co-operative Social Responsibility
Fond St. Jacques Credit Union**



4

**Community Economic Development
Choiseul Credit Union**



5

**Credit Union Education
Teachers Credit Union**



6

**Volunteer of the Year
Mr. Matison Preville, Seventh Day
Adventist Credit Union**



7

**Credit Union Manager of the Year
Mr. Lucius Ellevic,
Laborie Credit Union**

CREDIT UNION Gala Awards



What a beautiful setting!!



Hon.
Dr. Ubaldus
Raymond



Proud of
my Credit
Union



Celebrating a
triumphant win



League Directors & Staff



Walking
away with
Pride



CUNA Caribbean
Insurance
Representatives



Teachers
Credit Union

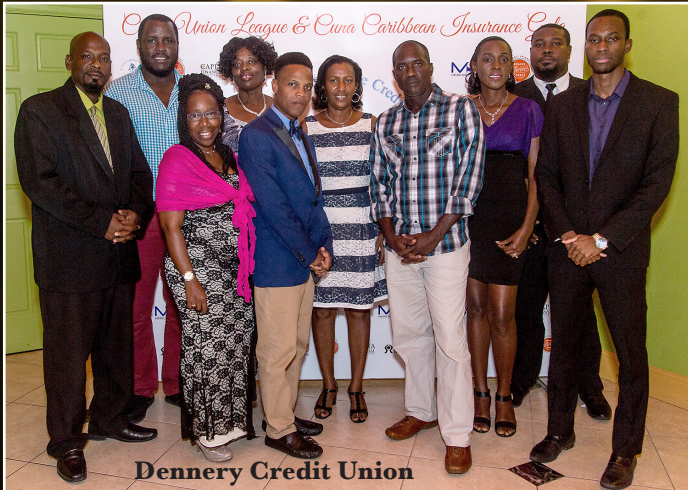


Enjoying the
moment



Hospitality & West Coast
Credit Unions

CREDIT UNION *Gala Awards*



Dennerly Credit Union



Elks Credit Union



Laborie Credit Union



Mabouya Valley Credit Union



Fond St. Jacques Credit Union



**National Farmer
Credit Union**

CREDIT UNION Gala Awards



The event was well attended by 162 persons:

15	Credit Unions	125
6	Co-operatives	13
	Specially Invited Guest	12
	League Directors & Staff	12
	TOTAL	162

Without the support of our sponsors CUNA Caribbean Insurance, CAPITA Financial, Micro Software Designs and Excel Signs the event would not have been a success. The St. Lucia Co-operative Credit Union League Limited takes this opportunity to thank all its sponsors who made this event possible. The League is indeed excited and anticipates that the 2nd Credit Union Gala Awards will be bigger and better.

Testimonials from Attendees

Ten officers and staff members from the MRECCU attended the first ever St. Lucia Credit Union Gala held on October 21, 2017. The event was well attended, organized and well executed. A faint twinge of excitement floated through my body as I tried to visualize the awards that our credit union would receive. After analyzing and assessing the progress that our credit union has made it came as no surprise when the MRECCU was announced as the Credit Union of the Year. This prestigious award was received with much elation and pride by our members. The MRECCU also received two other consolation awards namely, Credit Union Manager of the Year and

Co-operative Social Responsibility. These awards were in keeping with the principles of co-operatives and in my opinion the League is trying to encourage its affiliates to uphold these principles.

This is a great initiative by the St. Lucia Cooperative League and I wish to commend them for it.

Ms. Chriselda Stanislas
Mon Repos Credit Union

It was indeed a great pleasure to have attended your recently held gala event on 21st October, 2017.

A personal perspective is that the evening lacked nothing for it reflected good planning and execution. The sector was very well represented and without a doubt the program was very much inclusive of pioneers, members, directors, regulators and stakeholders directly or indirectly involved in the credit union co-operative sector.

Though an evening intended for recognizing the progress of credit unions, it was indeed fraternal and fun. Featured speakers presented learning points and learning curves, they recognized our stalwarts and the unique role the League plays in enabling the co-operative philosophy. Well done, hats off to the Management and staff of the Credit Union League for a memorable evening...for a job well done!

Ms. Althea Caesar
Deputy Registrar of Co-operatives

Sector Financial Performance

As we are in Budget Season information about the Financial Sector is very important to the Movement as it helps us prepare for the year ahead. For this quarter we have furnished you with our usual Movements Pearls Sector Report and excerpts

from the International Monetary Fund Report on Saint Lucia released in the second quarter of 2017. The Central Finance Facility remains committed to supporting our various Credit Unions in whatever financial venture they would like to pursue.

Movements Pearls Performance Report

2017 Q3 report

This report is subject to change based on the submission of reports by our various credit unions. This report was compiled from data from eight (8) credit unions.

PEARL RATIOS							Q3 2017	
	Standard	1	2	3	4	5		
PROTECTION							PEARLS RATIO	PEARLS RATIO
Provision for Loans Delinquent >12 months	100%	>=100%	99%-80%	79%-60%	59-40%	<40%	38.21%	5
Provision for Loans Delinquent <12 months	35%	>=35%	34%-25%	24%-15%	14-10%	<10%	3.03%	5
EFFECTIVE FINANCIAL								
Loans/Total Assets	80%	>=70%	69%-60%	59%-50%	49-40%	<40%	37.00%	5
Savings Deposits/Total Assets	80%	100-70%	69%-60%	59%-50%	49-40%	<40%	41.32%	4
*Net Institutional Capital/Total Assets	Minimum 10%	>=12%	11.9%-10%	9.9%-7%	6.9-4%	<4%	8.80%	3
ASSET QUALITY								
*Total Delinquency/ Gross Loan Portfolio	Max 5%	>=5%	5.1%-6%	6.1%-8%	8.1-10%	>10%	7.68%	3
Non-Earning Assets/ Total Assets	Max 5%	>=5%	5.1%-7%	7.1%-9%	9.1-11%	>11%	2.81%	1
RATES OF RETURN								
*Operating Expenses/ Total Assets	5%	>=5%	5.1%-6%	6.1%-8%	8.1-10%	>10%	1.31%	1
**Net Income/Average Total Assets	5%	>=2%	1.9%-1%	0.9%-0.5%	0.49-0%	<0%	1.20%	2
Fixed Rate Loans & Invests >5years/Net Capital	150%	>100%	100%-150%	150%-250%	251%-350%	>350%	86.96%	1
LIQUIDITY								
*Liquid Assets - ST Payables/Deposits	Min 15%	>=15%	14.9%-12%	11.9%-8%	7.9-4%	<4%	12.43%	2
SIGNS OF GROWTH								
Growth in Total Assets	Min 10%	>=10%	9.9%-8%	7.9%-6%	5.9-4%	<4%	7.12%	3
							Average Rating	2.91667

*Indicates Key Ratio

**Net Income is a key ration. However, if the credit union is very well capitalized less emphasis can be placed on net income.

Financial Sector Policies

Persisting weakness in the banking sector hampers economic growth.

NPLs are high at 21.8 and 12.5 percent for indigenous and foreign banks, respectively (Table 5). As banks attempt to increase provisioning, profitability remains low or negative. Limits in the regulatory framework—which prevents creditors from owning the collateral in case of foreclosure—, underdeveloped insolvency and debt restructuring frameworks, and low liquidity of the real estate market reduce the value of collateral. With provisions for impaired assets averaging only 50 percent, capital adequacy remains low once NPLs are written off. Against this background, banks continue to deleverage and reduce lending.

Low bank profitability and excess liquidity are aggravated by distortions to banking conditions.

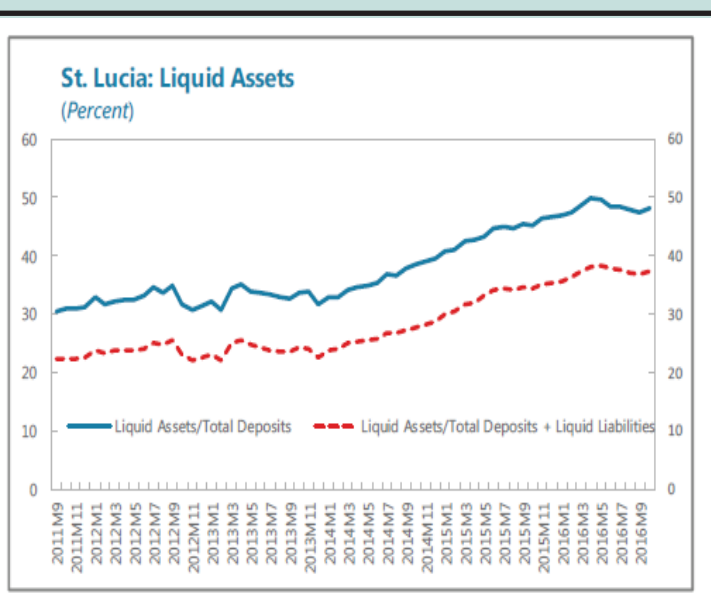
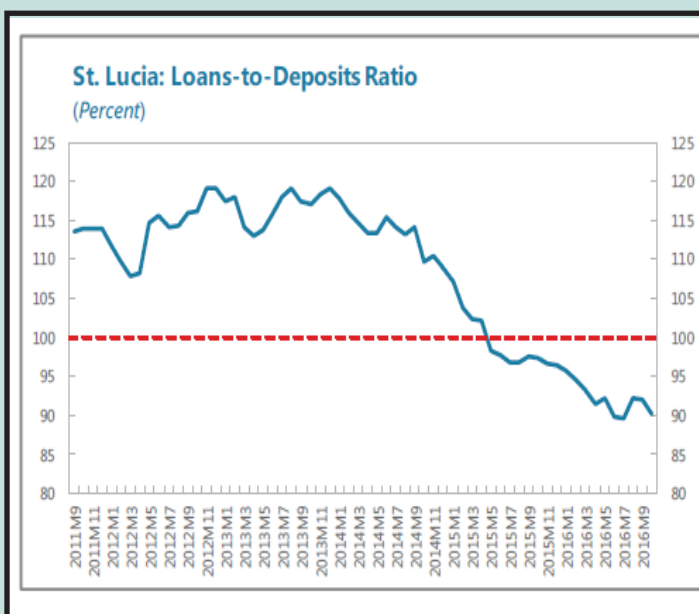
The regional minimum savings rate (MSR), which was reduced in 2015 to 2 percent by the Eastern Caribbean Central Bank (ECCB), aims to protect small depositors. However, it has prevented a decline of deposit rates in conditions of excess liquidity, contributing to low bank profitability, high lending rates, and reinforcing weak loan demand and bank excess liquidity.

Large liquidity buffers, however, mitigate risks to financial stability. With a loan to deposit ratio of about 90 percent, banks have a large volume of liquid assets that can be used to repay depositors. At the end of 2016, the liquidity coverage ratio stood at 37 percent while coverage of deposits stood at 48 percent (text figures and Table 5).

The loss of correspondent banking relationships (CBRs) has been limited to the offshore sector, but CBR-related costs have increased substantially.

Most domestic banks have been forced to dedicate more resources to due diligence and increased data reporting while correspondent banking fees for indigenous banks have reportedly increased by some 30-to-40 percent over the last five years. In some cases, banks had to terminate certain services, such as Euro check clearance. To address these issues, the authorities, jointly with the ECCB, are continuing to strengthen their regulatory frameworks, including for AML/CFT and international tax cooperation. In particular, St. Lucia has established automatic exchange of tax information with the U.S. under the Foreign Account Tax Compliance Act (FATCA), signed MOUs for tax information exchange with 32 jurisdictions, and strengthened legislative provisions to improve the availability of ownership and accounting information. Finally, the authorities have committed to adopting the OECD Common Reporting Standard for automatic exchange of tax information.

Progress in strengthening the financial sector remains slow. A new insolvency bill is under preparation, but the regional asset management company (ECAMC) for resolution of bank NPLs has not yet been established as some jurisdictions have not provided the necessary financial support. In the non-bank financial sector, a risk-based supervision framework has been introduced for the large number of regulated entities.⁴ However, support for a new insurance bill—which would provide for regional regulation and supervision of the sector and allow companies to freely operate in the ECCU single market—is dwindling.



Co-operative Societies Bill

In 2017 the St. Lucia Co-operative Credit Union League Limited held discussions with the Minister of Finance and various government agencies on the Co-operative Societies Bill. In the New Year, the League will continue to lobby on behalf of its members for the passage of an enabling Co-operative Legislation.

Credit Union Month

CREDIT UNION MONTH EVENT SCHEDULE

League Credit Union Month Event Schedule

Item	Date	Medium	Location
CU Awards Gala	21-Oct-17	Live (6:00PM-12:00AM)	Sandals Halcyon Hotel
CU Awards Gala - News Item	24-Oct-17	Television (Choice 8:00PM News)	N/A
CU Awards Gala - News Item	25-Oct-17	Television (DBS 7:00PM News)	N/A
CU Awards Gala - News Item	25-Oct-17	Television (HTS 7:00PM News)	N/A
PR Blasts	Oct	Television (Choice Scripted Read)	N/A
ICUM Press Release	02-Oct-17	Newspaper, Social Media, League Website (Text)	N/A
ICUD Press Release	19-Oct-17	Newspaper, Social Media, League Website (Text)	N/A
Magazine Editorial	Sep Oct-2017	Business Focus Magazine	N/A
CUM Awareness	Oct	Social Media (Facebook)	N/A
Radio Interview	16-Oct-17	Radio (The Wave Radio Station 9:30-10AM)	The Wave, Rodney Bay
Radio Interview	19-Oct-17	Radio (RCI Radio Station 5 minutes)	Over the air
Radio Interview	19-Oct-17	Radio (Helen FM Radio Station Newspin)	Over the air
Radio Interview	19-Oct-17	Radio (Rhythmn FM Radio Station 5 minutes)	Over the air
Television Interview	18-Oct-17	Television (Daily Buzz Choice Live 11:00-11:30AM)	Mediazone, Choc
Television Advertisments	Oct	Television (Choice CU Advertisments Daily During Primetime)	N/A
League Message to Nation	18-Oct-17	Television (NTN 6 PM)	N/A
League Message to Nation	19-Oct-17	Television (Choice 9 PM)	N/A
Financial Reality Fair	26-Oct-17	Live	Castries Compre School, Choc

Bi-Annual Meetings

The League's Business Development Officer met with a number of credit unions to collect statistical data. The League will continue the bi-annual meetings within the first quarter of 2018.

A few pics from Fond St. Jacques Credit Union



New Managers

In 2017 four (4) new managers were appointed to manage the affairs of their respective credit unions.

1. **Mr. Darnell Bobb** - Fond St. Jacques Credit Union
2. **Mr. Trevor Lamontagne** - Police Credit Union
3. **Mr. Brian John** - National Farmers Credit Union
4. **Mr. Celestin Laurent** - Deputy General Manager Civil Service Credit Union

The League welcomes the managers.