

# NCCU NEWS

Quarterly Newsletter of the Nevis Co-operative Credit Union

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## NEW LEGISLATION FOR OECS CREDIT UNIONS



Prime Minister Hon. Dr. Denzil Douglas

The Monetary Council of the Eastern Caribbean Central Bank (ECCB), which is comprised of Ministers of Finance of member countries of the Organisation of Eastern Caribbean States (OECS) mandated the Central Bank, at its meeting of July 18, 2008, to pursue with urgency, the finalization of appropriate legislation for credit unions in the East Caribbean Currency Union (ECCU) by December 2008.

The Monetary Council expressed its commitment to **“filling the gaps which currently exist in the regulation and supervision of credit unions”**, and agreed that the drafting and enactment of comprehensive legislation to rationalize the regulation and supervision of the co-operative societies, in line with the objectives of a single regulatory framework, was a priority task.

The Monetary Council, at the said meeting, was apprised of the status of the Draft Harmonized Co-operative Societies Legislation for countries of the ECCU, which is being championed by the Caribbean Confederation of Credit

Unions (CCCU), on behalf of the Credit Union Movement in the sub-region.

The Draft Harmonized Co-operative Societies Bill is being proposed as the legislation to govern the co-operatives sector in the OECS, which include credit unions, producer, service and junior (school) co-operatives.

**From a credit union perspective, the proposed Draft Harmonized Co-operative Societies Legislation was a response to four (4) principal stimuli:**

- (1) The imperative of improved sector competitiveness as a result of liberalization in global services and commodities markets, the advent of the CARICOM Single Market and Economy and the deepening of the OECS Economic Union;
- (2) The urgency of adopting and complying with higher levels of governance, transparency and accountability, particularly in credit unions, in line with new international prudential, accounting and financial reporting standards affecting the financial services industry;
- (3) Recognition by industry and government leaders that renewed growth among co-operative enterprises, as a unique and distinctive component of the private sector, will result from stronger economic linkages, institutional partnership and strategic alliance in a modernized enabling environment; and
- (4) The expectation of increased technical capacity and competencies invested in single/unified regulatory authorities to oversee an un-fragmented co-operatives sector.

The revision proposed for the Act anticipates effective oversight of the sector at the national level by modernized and strengthened Department of Co-operatives within a Single Regulatory Framework for financial service institutions, with the responsibility and capacities for enforcement of the entire co-operatives sector assigned to and exercised by a Department headed by a Registrar or Commissioner or Director of Co-operatives.

Co-operative Sector leaders in the OECS have placed top priority on adopting relevant international standards and best practices, as well as on translating the aspirations of their members into future regulations and supervision of their unique institution. Partnership with the policy-makers, legislators, civil society organizations and the private sector of the sub-region continues to characterize the co-operative approach, which started in 2005.

**In St. Kitts and Nevis, leaders of the Credit Union Movement held fruitful discussions on the subject with Prime Minister, Hon. Dr. Denzil L. Douglas and Attorney General, Hon. Dennis Merchant, in August.** The Nevis Co-operative Credit Union was represented at the meetings by President Steadroy Pemberton, Vice President Andy Liburd and General Manager Sydney Newton.

The NCCU welcomes the enactment of legislation that will enable the continued growth and development of the Co-operative Sector in the Federation.



National Assembly in session (File Photo)

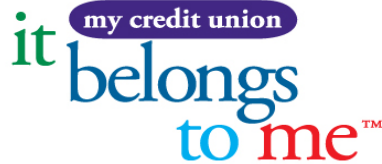


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## EDITORIAL

### ICUD Celebration 2008



Who owns your credit union? You do! As not-for-profit, democratically controlled, member-owned co-operatives, credit unions exist to serve their members. This year's International Credit Union Day® (ICU Day) theme, *It Belongs to Me™*, celebrates the economic democracy and equal ownership rights of each credit union member. **At credit unions throughout the world, every customer is both a member and an owner.** Your credit union belongs to you!

The excitement of ICU Day arrives on the third Thursday every October, when credit unions around the world join together to celebrate the spirit of the credit union movement. It is a day to honor those who have dedicated their lives to the movement, to recognize the hard work of credit union staff and volunteers and to show appreciation to our members.

This day is used to raise awareness about the great work that credit unions are doing and give members the opportunity to get more involved! Credit Unions and associations in every part of the world, from Kentucky to Kenya, Alberta to Azerbaijan, Charlestown to Georgetown celebrate the day with open houses, contests, picnics and other activities.

This year's celebration will be special for the Caribbean Movement, in that our own Mr. Melvin Edwards will preside as the chief celebrant in his capacity as Chairman of the Board of Directors of the WOCCU.

Happy International Credit Union Day!

# NCCU Officials Attend CCCU Annual Convention



L-R: Mr. Rene Smithen, Miss Lundy Esdaille, Mrs. Muriel St. Jean, Ms. Julet Chiverton, Ms. Earlene Maynard and Mr. Steadroy Pemberton

The CCCU convened its 51st Annual International Convention and 37th Annual General Meeting at the "All Inclusive" Sunset Jamaica Grande Resort and Spa in Ocho Rios, Jamaica over the period June 29 to July 2, 2008

Over 400 delegates and invited guests took part in the annual convention held under the theme: ***"One Unified Co-operative Sector for Competitive Advantage"***. Representing the NCCU were: President Steadroy Pemberton, Director Earlene Maynard, Credit Committee Member Muriel St. Jean, Accounts Manager Lundy Esdaille, Internal Auditor Rene Smithen and Administrative Officer Julet Chiverton.

Of significant importance over the four (4) days of meetings, was the attention paid to unified

regulations throughout the region. This emphasized the credit union's position that proper, relevant and continuous regulation is high on its list of priorities. The CCCU is committed to ensuring that all of its member leagues and credit unions remain strong and viable, even in these times of economic turmoil.

The convention was a huge success, especially for the Barbados delegation, as their President, Mr. Michael Alleyne was elected to the highest office of President and Chairman of the CCCU for the ensuing term: 2008-2009. The convention ended on a high note, with a video presentation to promote the 52nd Annual International Convention and 38th Annual General Meeting, which is scheduled for the Spanish-speaking Dominican Republic in 2009.

# NCCU Participates in National Agricultural Exhibition

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*It is Always Wise to Credit Unionise and Enjoy the Difference...*

Three (3) co-operatives societies from Nevis participated in the Silver Jubilee Anniversary Agricultural Exhibition which was held at Warner Park, St. Kitts, September 11-13, 2008. The societies were: the Nevis Co-operative Credit Union, the Nevis Agro-Processors Co-operative and the Nevis Growers Co-operative.

During the Opening Ceremony, Hon. Cedric Liburd, thanked the farmers and the allied agencies for their support and their continued contribution to the Federation's Food Basket. He also

indicated that even though there was growth in the sector, more could be done to increase the use of local produce.

Dr. Jerome Thomas, Chairman of the Agricultural Exhibition Committee, indicated that the Exhibition provided the opportunity to showcase the diversity and scale with which agriculture affects the economy of the Federation of St. Kitts and Nevis.

Displays at the exhibition included: Agro-Processing, Fishing, Furniture, Agricultural Produce, Ornamentals, Information on Co-operative Societies,

Tourism and Allied Agencies, and a Food Court among other things. The NCCU's booth was manned by different staffers over the three day period.



## GET TO KNOW THE FACTS

### LIFE SAVINGS INSURANCE

Life Savings Insurance is one of the unique products offered by the Nevis Co-operative Credit Union Limited.

Life Savings Insurance is a group life insurance which provides benefits to the members' beneficiaries in proportion to the amount of savings the member had in the credit union. It covers every type of savings accounts the member may have had, including shares, regular deposits, fixed deposits and special savings plans. The actual benefit paid will be subject to the age of the member, when the deposits were made and the maximum limit in force during the lifetime of the member, which is presently \$8,100. Coverage is restricted to savings made before age 70 years.

#### The Advantages for Credit Union include:

- Additional service to the member.
- Majority of members covered.
- Easy administration, no paperwork.
- Encourages regular savings, larger balances.
- Encourages membership and loyalty.

#### The Advantages for Members include:

- Most deposits covered immediately.
- Reward for regular savings.
- Majority of members covered.
- Easy administration, no paperwork.
- No direct cost to the member.

# THE CREDIT UNION DIFFERENCE

# HOW MUCH DO YOU KNOW????

**Not-for-profit:** Credit unions are not-for-profit financial co-operatives. They exist to serve their members, not to make a profit. Unlike most other financial institutions, credit unions do not issue stock or pay dividends to outside stockholders. Instead, earnings are returned to their members in the form of lower loan rates, higher interest on deposits, and lower fees.

**Ownership:** Credit unions practise economic democracy. Each credit union member has equal ownership and one vote - regardless of how much money a member has on deposit. At a credit union, every customer is both a member and an owner.

**Volunteer Boards:** Each credit union is governed by a board of directors,

electd by and from the credit union's membership. Board members serve voluntarily, and are not paid for their service.

**Membership Eligibility:** People qualify for credit union membership through their employer, organizational affiliations, like churches or social groups, or their community. The NCCU is a community-based credit union, which means membership is open to all nationals, whether they reside at home or abroad. Resident non-nationals may also become members.

**Financial Education for Members:** Credit unions assist members to become better- educated consumers of financial services. A national study

done in the USA shows that just ten (10) hours of personal finance education can positively affect students' spending and savings habits for a lifetime.

**Social Purpose: People Helping People.** Credit unions exist to help people, not to make a profit. Their goal is to serve all of their members well, including those of modest means - every member counts. Credit union members are fiercely loyal for this reason. They know their credit union will be there for them in bad times, as well as good. The same people-first philosophy causes credit unions and their employees to get involved in community charitable activities and worthwhile causes. The NCCU is a shining example in this area.

## CONGRATULATIONS !!!!



Mr. Edred Ward (right) receives plaque from Deputy Governor General, His Honour Mr. Eustace John, at a ceremony held at Grove Park on September 19, 2008

**Mr. Edred Ward** was honoured during the Silver Jubilee Independence Celebrations of the Federation of St. Kitts and Nevis, for his contribution to the development of the Co-operative Sector on Nevis. He started working in the Co-operatives Division at the Department of Agriculture in 1978. Initially, he worked as the Assistant Registrar of Co-operatives in St. Kitts and Nevis, then Senior Co-operatives Officer, and currently, he functions as the Co-operatives Supervisor in the Department of Co-operatives. Mr Ward has worked in the Co-operative Sector for the past thirty (30) years. His duties include: Promotion of the Co-operative idea; Supervision of Co-operatives Societies, in accordance with the provisions of the Co-operatives Societies Act, 1995; Inspection of the books of accounts of the various societies; and Assisting in the overall development of the sector.