

CAC Board of Directors Meeting Minute

On July 1-2, 2015

CAC has conducted a Board of Directors quarterly meeting to solve any problems and approve on documents which requested by the CEO. This meeting is lasted 1 day and half with the following,

Participants:

1. Mr. Pouk Sarom, CAC BoD president
2. Mrs. Nong Lim Hong, CAC Deputy president
3. Mrs. Sam Rith Non, CAC Finance
4. Mr. Mou Houth, CAC Secretary
5. Mrs. Srey Yari, CAC BoD Member
6. Mr. Soy Sarin, CAC Chief of Supervisory Committee (SC)
7. Mrs. Seng Chansotheara, CAC Deputy of Supervisory Committee (SC)
8. Mrs. Chim Leu, CAC Supervisory Committee Member (SC)
9. Mr. Sin Sok, CAC Supervisory Committee Member (SC)
10. Mr. Vong Sarinda, CAC Executive Director

Agenda:

1. Asian Cooperative Organization Invitation
2. Staff Policy
3. Repair documents for NBC registration
4. Reduce the interest rate in 2016
5. New project proposal to BMZ/DGRV update
6. Reduce old membership and select new membership
7. Others

Mr. Sarinda has welcomed to the BoD and SC who always come regularly to attend the meeting and solving any problems for CAC. He also said the meeting will take one day and half to discuss many issues regarding the agendas.

1. CAC has invited to attend the Asian Cooperative Conference and Exhibition at Malaysia which is organized by Angkasa (Malaysian National Cooperative Federation) and Asian Cooperative Organization (ACO). The conference and exhibition is conducted from October 15-18 at Kuala Lumpur with many different Cooperative Federation form Asian Countries to attend in this event. Mr. Sarinda also explained to the BoD and SC that there are many issues have to discuss more detail such as Passport for BoD, Air Ticket and travel up and down to Phnom Penh for making passport that cost a lot of money.
 - We will be late for Passport because it takes about 45 days to be ready. It cost about 130 USD. If we want to get fast done, there is another way to do so but it is very expensive. The passport can take two weeks but it cost around 200 USD if we send 5 BoD it costs 1,000 USD not include Mr. Sarinda because he has his passport.
 - Air Ticket around is about 180 USD a bit expensive as it is the time on Pchum Ben day on October and many people take a holiday to Malaysia. If 6 people go to that conference, it is cost 1,080 USD for the air ticket around trip.
 - The travel in Cambodia, the 5 five BoD will come to Phnom Penh around trip to make passport and around trip when they come the conference will cost 50 each and multiply by 5 BoD, it will cost 250 USD.
 - So total cost is about 2,330 USD. This is not included food and accommodation for two people who are not covered by ACO. The question is where the fund from? Do we take our income from credit or we ask any support from DGRV.

Decision Making:

- As a long discussion about this event. CAC will ask DGRV to support on the trip to Kuala Lumpur if not, CAC will consider to cancel or taking fund from CAC income for the trip.
- CAC will send five BoD members and an executive director for their translator to attend in this event (Mr. Pouk Saron, Mr. Sin Sok, Mr. Soy Sarin, Mr. Sarinda, Mrs. Seng Chansotheara and Mrs. Samrith Non) but CAC will wait any fund approval from DGRV.
- CAC staff assists BoD to make passport and book the air ticket if there is any approval from DGRV.

2. CAC has reviewed staff policy recently after a long year operation with the old one. This policy is updated to the real situation and benefit for the staff and other issues regarding the Labor Law of Cambodia. After discussion, BoD asked to change few articles such as

Decision Making:

- Staff contract and salary scale should be developed as yearly increasing.
- Staff appraisal form establishment.
- BoD has approved on staff policy and let implementation begin on July 1st 2015.

3. CAC has gotten the registration form National Bank of Cambodia (NBC) to register CAC-Credit Cooperative as credit operator but it requires shareholders and BoD to fill up the CV and letter in declaration of non-criminal action. Mr. Sarinda does not know how many BoD members want to put their CV and letter in declaration of non-criminal action to NBC.

Decision Making:

- CAC BoD and SC will do the declaration of non-criminal action at their province and CV then, send it to CAC staff. Mr. Sarinda will compile the documents to NBC.
- There are five BoD members will register under the name of CAC.

4. CAC is planning to reduce the interest rate in 2016 because it has seen that everyday co-ops have been facing difficulty with competition from many MFIs, Banks, NGOs and moneylenders. CAC director has asked co-ops to reduce the interest rate from its members with 2.5% per month and CAC will also reduce its interest rate too. Here is the interest rate reduce plan.

Decision Making:

- CAC will review credit and saving policy which add few articles regarding Cambodian Currency (Riel Loan)

Loan less than 40,000,000 riel the interest will charge 1.5% per month

Loan from 40,000,000 – 80,000,000 riel the interest will charge 1.3% per month

Loan from 80,000,000 - 100,000,000 riel the interest will charge 1.2% per month

Loan over 100,000,000 riel the interest will charge 1% per month

- CAC will review credit and saving policy which add few articles regarding American Currency (US\$ Loan).

Loan less than 6,000 US\$ the interest will charge 1.5% per month

Loan from 6,000 - 10,000 US\$ the interest will charge 1.3% per month

Loan from 10,000 - 15,000 US\$ the interest will charge 1.2% per month

Loan from 15,000 - 20,000 US\$ the interest will charge 1% per month

Loan over 20, 000 US\$ the interest will be 10% per year.

The members get loan in US\$ will pay interest in US\$ and pay back in US\$. The interest from loan in US\$ is cheaper than Riel Loan because CAC will not loss on exchange inflation from Riel to US\$ and from US\$ to Riel.

CAC will put the decision making into saving and credit policy so that the BoD/SC will approve it before let CAC to implement in the next year.

5. New project proposal to BMZ/DGRV update

Mr. Sarinda has updated to BoD and SC that he and DGRV has drafted a proposal to BMZ for agriculture extension project. This project will use the key farmers to work closely with farmers and co-op members by providing the specific agriculture technique such as Pig, Chicken, Palm Sugar, and Vegetable. After the project the key farmers will use his/her skills to support and provide the service to the farmers. The project will focus at Kampong Chnang province because at Kampong Chnang has 36 co-ops are already registered with PDA.

Decision Making:

- BoD/SC will assist to find the key farmers for CAC.
- CAC will update the proposal with DGRV and keep inform to BoD/SC in the next meeting.

6. There are many members of CAC cannot put any share or saving into CAC. We do not know any reasons. Many of them have a lot of money within their cooperatives. CAC should look into its criteria of membership that allow every co-op to build their capacity for three years capacity before put share or saving to CAC but now only few can do and

other cannot. This issue should talk again in the AGM, if not we can phase them out from CAC membership according to the membership criteria.

Decision Making:

- This issue will raise this issue in Annual General Meeting (AGM) to announce to all CAC members to put share or saving so that CAC is able to gather the fund for business to its members. If there is nobody to put share or saving, CAC will look into members criteria so that it will know who join CAC more than three years and unable to join share or saving. CAC will drop those co-op memberships.
- CAC will copy the membership criteria and give to all co-ops again to remind them.

7. Others

- CAC will inform to BoD and SC if there are any changes on Asian Cooperative Conference and result from DGRV support.
- CAC has to inform to ACO at Malaysia about CAC cannot send any BoD/SC to attend the conference.
- The BoD and SC will come to Phnom Penh again to fill up the application form for registration with NBC.
- The BoD/SC will give the name of key farmers who have different skills on agriculture to CAC.
- The next BoD meeting will be in November 2015, CAC will invite BoD/SC to participation in the meeting.

Minute taken by:

Mr. Sarinda