

SINGAPORE NATIONAL CO-OPERATIVE FEDERATION

NEW YEAR RECEPTION 2010

Mandarin Ballroom 3, Meritus Mandarin Singapore

Tuesday, 19 January 2010, 7.00 pm to 10.00 pm

WELCOME by

Chan Tee Seng, Chairman, SNCF Exco

Members of the Central Co-operative Fund Committee

Members of Board of Trustees and Executive Council

Fellow Co-operators and Distinguished Guests

Ladies and Gentlemen

Good evening and thank you for joining us today in welcoming the New Year. Let me first apologise for not being able to join you earlier, as I had to conduct an important briefing session to a group of MPs.

I understand that earlier as part of our icebreakers, all of you have successfully formed your “Co-opolies”. I hope that through the subsequent series of our exciting games, it will be a night of fun as we know one another better, learn to laugh at ourselves and enjoy the work we do for ourselves and for each other. By working with and helping each other, we will be a stronger Co-operative Movement.

Let me next take this opportunity to congratulate Mr Seah Kian Peng, our SNCF Trustee, on his successful re-election to the International Co-operative Alliance (ICA) Board last November. We are proud to have Mr Seah continue being our Singaporean voice in the international co-operative community as he serves his second four-year term.

Pulling through a difficult year

In 2009, we had to contend with global economic uncertainties, tightening liquidity and amended regulatory measures. For the SNCF and the Co-operative Movement, it was an opportunity for us, in 2009, to review, renew, recharge – to think ahead, and to prepare for the post-crisis world. Coming out of the recession, we are more ready to embrace the future with confidence, and to stay relevant as a social institution.

SNCF's ongoing efforts to seed new co-operative initiatives are starting to bear fruits. Last year, more groups had approached SNCF to express interest in the setting up of co-operative ventures that make an impact and have a meaningful social role.

Amidst the changing social, regulatory, and economic landscape, what sets co-operatives apart are our values – the principles of self help, concern for the community, co-operation amongst co-operatives, sound management, just to name a few. These values have guided the development of our co-operatives, and that we must continue to uphold them.

In September 2008, the Parliament passed the Co-operative Societies (Amendment) Act. To comply with the provisions of the Amended Act, our co-operatives are given until this June to update their by-laws. SNCF has been working with, and helping co-operatives to comply with these regulations. I am pleased to note that a majority of our co-operatives have submitted their by-law amendments. We would like to thank Associate Professor Victor Yeo, who is with us today, for helping SNCF with a training session on Co-operative Societies (Amendment) Act 2008 and Claire Tham for offering legal advice on the amendments to the co-operatives' existing by-laws.

The SNCF itself will be holding its Extraordinary General Meeting (EOGM) in three to four months' time to pass and adopt our amended by-laws, to be in compliance with the new co-operative legislations.

A key challenge in 2009 was to help our credit co-operatives meet new regulatory and prudential conditions. On this, I wish to thank Dr Theyvendran for heading the credit sector taskforce in a year-long effort to review our response to these changes. I would also like to thank the Registrar of Co-operative Societies for his assistance and partnership in this venture.

It has been a difficult journey, taking up considerable amounts of our time, but I am confident that we will be able to achieve some breakthrough.

The vast majority of our credit co-operatives have also enrolled for the Government Deposit Guarantee to protect the interests of their depositors. As such, all deposits and subscription capital placed with these credit co-operatives will enjoy protection from the Government until 31 December 2010.

Mission & Key Thrusts

In 2009, we embarked on a process to chart new directions for the Co-operative Movement. I would like to thank you for your active contribution during the Annual Co-operative Leaders' Conference last October. Not forgetting our Exco members for spending their precious time one Sunday last November at the Changi Village Hotel, plus several other discussions, together with our consultant, Mr Andrew Sng.

Today we are pleased to unveil our latest Mission statement and our four Key Thrusts for the New Year.

As seen from the Post-it notepads on your tables, the new SNCF Mission reads “to promote and develop co-operatives as sustainable enterprises that address social and economic needs through the principle of self and mutual help so as to foster a more resilient society”.

The SNCF has identified four Key Thrusts. Let me share with you.

Key Thrust One

Our first Key Thrust is building our affiliates' capability and capacity, to raise professionalism, improve governance and promote leadership succession.

One such idea is an IT shared services. We are looking at the possibility of introducing a Deposits & Loans System to help the credit co-operatives to manage their business prudently and effectively. To date, at least 5 credit co-operatives have indicated their interest to support this initiative. We are also looking at a shared Accounting System for the smaller co-

operatives, which will allow easy bookkeeping and timely submission of reports. These measures, to be implemented over several years, will enable our co-operatives to carry out their operations and compete more effectively.

In the area of human capital, SNCF will do more to help our affiliates gain access to training programmes that will equip them with the necessary mindset, knowledge and skills to deliver business excellence. For 2010, we expect to increase total training hours by more than 300%.

Aristotle once said, “For the things we have to learn before we can do them, we learn by doing them.” SNCF will adopt an experiential learning, hands on approach.

We also hope to create learning opportunities for our affiliates by exposing them to other successful co-operatives and co-operative models in other countries and this may take the form of an overseas study mission. For example, the Credit Union Conference in Las Vegas from 11-14 July, and the ICA-AP Regional Assembly in Beijing later this year are potential learning platforms.

Key Thrust Two

Our second Key Thrust is to strengthen relationship with all our stakeholders, especially our affiliates. SNCF will adopt a “Customer Centric” approach. We will adapt our services to the needs of affiliates at different stages of their development, recognising that we have a diverse profile of affiliates.

Towards this end, SNCF has restructured its management team. You already know Ms Dolly Goh, the Chief Executive Officer since October 2009. I would like to introduce to you Mr Kenneth Ang, who is Senior Manager for Relationship Management and Business Development. Kenneth will oversee the Campus, the NTUC and the Service sectors. Mr Foo Chuan Yang will support the credit co-operatives. The management team will also be looking at creating an affiliates and members database so that we can serve you better.

From 1 January 2010, SNCF has become a direct member of the World Council of Credit Unions (WOCCU). We will do more to tap the services of WOCCU, as well as leverage on its advocacy and technical support services. For instance, a number of our affiliates from the credit co-operatives attended a training programme conducted by Mr David Grace from WOCCU here in Singapore just last week. Many have found it useful, and an eye opener.

Key Thrust Three

Our third Key Thrust is to raise the awareness and visibility of co-operatives and co-operative principles, to form new and sustainable co-operatives, and to grow the membership base.

To help raise the profile of our co-operatives as an enterprise model, SNCF will seek collaborations with world-renowned Academic institutions such as INSEAD.

On 18 March 2010, INSEAD has invited the SNCF to conduct a panel discussion for its Fontainebleau-Singapore Executive MBA class. During this session, we will be sharing with the EMBA students on the successes of co-operatives – the Singapore way. We hope that in time to come, some of our co-operatives will make it into the business case study of INSEAD and other Academic institutions.

Key Thrust Four

Key Thrust four is to advocate and promote a dynamic, vibrant, innovative and relevant Co-operative Movement.

We must constantly scan the horizon, assess and understand the new strategic environment, and develop new capabilities to take advantage of new needs. For example, changes in the law to curb loan sharking activities have raised awareness of co-operatives providing an alternative solution to people in need, in a socially responsible, yet sustainable manner. I am not suggesting that we jump in to offer ourselves as “the” solution. But it creates the opportunity for us to do more. Then we must ask ourselves what type of new capabilities must we develop to do this well.

SNCF will do more to embrace the youth. We are planning to launch an Annual Campus Competition by next year, in 2011. This will be an ideal platform for our SNCF Scholars to co-operate and drive some existing campus co-operatives projects, to generate at least one creative idea to address a social concern.

In March this year, applications for our Co-operative Scholarship 2010 will be open. We hope to differentiate ourselves from other scholarship schemes by appealing to young people with the right passion, values, and entrepreneurial spirit. We intend to reach out to them

through new media. So keep an eye open for this exciting Scholarship campaign as we enter the realm of Facebook and the like.

Conclusion

We look forward to 2010 with hope. There is much that we can do together, to build a stronger Co-operative Movement. I look forward to your support, as we embark on this journey to refresh and strengthen our Movement.

The SNCF has a new management team. I hope that you will guide them, give them time to learn about the Co-operative Movement, and to support them in their initiatives.

On this note, I wish to thank you for your attendance this evening, and I wish you a pleasant evening and a good year ahead.
