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DESJARDINS IN SRI LANKA

Positive Outcomes!



As part of the reconstruction efforts in Sri Lanka, Desjardins is supporting a network of financial cooperatives that were hit hard by the tsunami. Four years on, this commitment has brought tangible and positive results.

On December 26, 2004, a tsunami devastated parts of Sri Lanka, a Southeast Asian island country with a population of more than 21 million. After Indonesia, it was the country hardest hit by the murderous tidal wave—over 35,000 people died or went missing, 15,000 were injured and 500,000 displaced following the destruction of 130,000 homes.

FINANCIAL COOPERATIVES MOBILIZE

In Sri Lanka, the SANASA network of financial cooperatives played a fundamental role in supporting victims on the island's Eastern and Southern coasts.

In fact, the day after the tragedy, the President of the cooperative network, Dr. Podi Kiriwandeniya, mobilized troops and sent resources to assist the population. "We wanted to support the victims and do our part to help them regain hope. We quickly brought them food, medicine and clothing. We even carried bodies to the temple or the morgue." Temporary camps were also set up where SANASA held motivation sessions for the populations affected, who included members, employees and officers of the some 380 financial cooperatives in the SANASA network directly affected by the tsunami.

DESJARDINS CREATES A FUND TO SUPPORT REBUILDING EFFORTS

A few days after the tsunami, Desjardins Group set up a fund of nearly one million dollars to support reconstruction in the areas affected and asked Développement international Desjardins (DID) to manage the fund.

On February 6, 2005, in response to the need expressed by SANASA, DID sent Ms. Regina Piecaitis to Sri Lanka to help the financial cooperative network carry out a widespread survey to measure the impacts of the tsunami on the cooperatives, whose entire records of their members' savings and transactions had been swept away with the tidal wave. Beyond the emergency assistance it has provided, SANASA hopes to help families find homes and small entrepreneurs to relaunch their economic activities, rebuild the devastated infrastructure, and maintain public access to financial services. Desjardins' involvement has generated additional contributions: \$2.1 million from the Canadian International Development Agency and \$300,000 from the Société d'habitation du Québec (SHQ) to build new houses.



DID'S EXPERTISE AVAILABLE TO SANASA

SANASA's rebuilding efforts after the tsunami stimulated initiatives aimed at strengthening the basic financial cooperatives and the network as a whole.

As the president of SANASA explains, "The tsunami enabled us not only to rebuild but also to improve the systems in place to ensure the viability of our network. DID contributed significantly to these efforts."

In order to provide this support, professionals were assigned to long-term mandates in Sri Lanka, and several short-term missions were carried out as well, which included training courses on caisse financial management and the use of technological tools in financial cooperatives. Support also took the form of awareness sessions for officers to help them understand the need to work together to strengthen their network.

In addition, the collaboration between DID and SANASA made it possible for 18 Sri Lankans from various entities of the SANASA network to come to Québec to observe Desjardins Group's operations.

A PROMISING FUTURE

Four years after the tsunami, DID's mission to support the rebuilding efforts is coming to an end. Over those years, during which strong ties were forged between the Canadian experts and the microfinance leaders in Sri Lanka, DID contributed to modernizing the SANASA network, making products and services more secure and more efficient, and re-housing numerous families.

SANASA now has about 20 cooperatives whose operations were computerized by DID, and 80 cooperatives that use decision-making assistance software developed by the DID Technological Solutions department. More than 1,000 people have benefited from training offered by DID experts, on topics such as credit, financial management and the preparation of business plans. Co-op employees are now better equipped to serve their members. With a better understanding of the financial position of their co-op, the managers are able to take the necessary steps to adjust their aim and be in full control of their operations.

In addition to the exceptional role played by SANASA in the post-tsunami rebuilding efforts, the cooperative financial group's leadership was rewarded in 2007 by *Forbes* magazine: the subsidiary SANASA Development Bank Limited (SDBL) was ranked 50th in the list of top microfinance institutions in the world. SDBL is a development bank certified by the Central Bank of Sri Lanka; 80% of its ownership is held by 3,800 co-ops in the network. **D**