

## PRESS RELEASE

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### **SANASA Sees Brighter Future With Support From Développement international Desjardins**

**Montréal, March 28, 2009** – Four years after the tsunami which destroyed a large part of Sri Lanka, SANASA, the largest network of financial cooperatives in Sri Lanka, has reported positive results from the *Support Project for Reconstruction in Sri Lanka* carried out by Développement international Desjardins (DID), a component of Desjardins Group. Three hundred financial cooperatives in the SANASA network, some of which had been completely destroyed by the tidal wave, were able to count on expertise from DID for support to reorganize their activities.

Immediately after the tragedy which left 35,000 dead or missing, 15,000 injured and 500,000 homeless, the Desjardins Group mobilized to provide assistance to Sri Lanka. In addition to working with the SANASA network, which was already highly active in providing emergency services to victims (food, clothing, medicine) and in reconstruction efforts in Sri Lanka, Desjardins set up a fund of nearly one million dollars to provide assistance to relaunch activities and development in that country.

The mobilization attracted additional financial contributions from the Canadian International Development Agency (CIDA) and the *Société d'habitation du Québec* (SHQ). A total of nearly two and a half million dollars (\$2.5 million) was collected. Développement international Desjardins was put in charge of managing the funds and implementing the project.

The funds mobilized by Desjardins were used to support SANASA in its efforts to relaunch economic activities in the southern and eastern parts of Sri Lanka. Many small loans were made to members of local financial cooperatives at advantageous rates. The funds contributed by the *Société d'habitation du Québec* were used to help rebuild houses, especially in the eastern part of the country.

#### **Very positive results**

Above and beyond its financial contribution, DID provided logistics support for the SANASA network, mainly to ensure its continuity. It should be noted that many coops affected by the tsunami had nearly all data on member accounts washed away. "When the tidal wave hit, the coops lost all records of transactions and of their members' holdings and debts. SANASA employees were able to reconstitute members' assets relying on the memory and good faith of the members. The introduction of information

technologies to keep member data secure has become essential for SANASA and DID is playing an active role in that effort,” said DID President and Chief Executive Officer, Anne Gaboury, today during the Annual General Meetings of Desjardins Group.

SANASA President, Dr. Podi Kiriwandenya, confirmed the statement. “These hardships have made us stronger as individuals and as an organization. The tsunami meant we had to rebuild and set up better systems to ensure the viability of our network and DID contributed greatly to this effort,” he explained.

More than one hundred financial cooperatives received assistance from DID technology experts to introduce information technologies. More than 1000 individuals received training in credit, financial management, sound governance and preparation of business plans. Financial products were developed and introduced including housing loans and crop insurance, an innovation in the microinsurance field with actuarial calculations based on meteorological indices (rainfall measurement). Lastly, as part of this project, 18 Sri Lankans from various parts of the SANASA network were invited to visit Québec and see how the Desjardins Group operates.

It goes without saying that this project produced excellent results and that the SANASA network can now envisage the future with peace of mind. In 2007, the leadership of this cooperative financial group was recognized by Forbes Magazine when it ranked the SANASA Development Bank Limited (SDBL) number 50 on its list of top microfinance institutions around the world. SDBL is a development bank certified by the Sri Lankan central bank and the SANASA financial cooperatives hold an 80% interest in it.

### **About Développement international Desjardins (DID)**

Développement international Desjardins (DID) is a component of Desjardins Group and has been providing support for the creation, development and strengthening of financial institutions for over 38 years. DID is currently active in twenty countries in Africa, Latin America, the Caribbean and Europe. Through its efforts, nearly six (6) million families gain access to basic financial services and can fight poverty. DID works in partnership with the Canadian International Development Agency, the World Bank, the Inter-American Development Bank, the Bill-and-Melinda-Gates Foundation and many other multilateral organizations. To find out more, consult [www.did.qc.ca](http://www.did.qc.ca).

### **About Desjardins Group**

Desjardins Group is the largest cooperative financial group in Canada, with overall assets of \$152 billion, as at December 31, 2008. It comprises a network of caisses, credit unions and business centres in Québec and Ontario, and some twenty subsidiary companies in life and general insurance, securities brokerage, venture capital and asset management, many of which are active across the country. Drawing on the expertise of its 42,000 employees and the commitment of its 6,300 elected officers, Desjardins offers its 5.8 million individual and corporate members and clients a full range of financial products and services. Its physical distribution network is complemented by leading-edge virtual access methods. To find out more, consult [www.desjardins.com](http://www.desjardins.com).

## About SANASA network

Founded in 1906, SANASA has 8,440 financial cooperatives located across Sri Lanka with more than 855,000 members representing more than 3 million individuals. More than half of the members, who are mainly workers and entrepreneurs with low to moderate incomes, are women (54.9%). The financial cooperatives differ in size, but all are focused on institutional viability and providing members with financial products and services that meet the needs of the communities they serve. The SANASA Movement has several subsidiaries including a development bank, an insurance company and three training centres for staff members of its financial cooperatives.

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