



THE importance of rural banking in the Philippines cannot be overemphasized.

Rural banking, after all, seeks to expand the economy in the countryside by providing people living in the rural communities with basic financial services.

In our country, the Rural Bankers Association of the Philippines (RBAP) was organized to foster goodwill and mutual understanding among rural bankers — enabling them, in turn, to promote the interests of and offer quality services to the communities wherein they operate.

The RBAP was founded in 1955 for the following reasons:

to promote the general welfare and safeguard the common interests of rural bankers;

to work for the proper and effective implementation of the laws and regulations on rural banks;

to study and devise ways of making rural bank facilities more responsive to the needs of the people in rural areas;

to act as a medium in the dissemination and operation of rural banks;

and to initiate and develop a program of activities to stir up rural bank consciousness.

According to BSP Governor Amando M. Tetangco, Jr., the RBAP and the Bangko Sentral ng Pilipinas have a long history of cooperation in advancing the rural banking sector.

Tetangco emphasized that the rural banking industry plays a special role in accelerating economic growth while maintaining price and financial stability.

This role is highlighted in rural bankers' deep involvement in the BSP's financial inclusion efforts, which seek to expand access to financial services through multiple, innovative and safe channels for more Filipinos — especially our previously “unbanked” countrymen.

The BSP has expanded the reach of microfinance services that can be offered to the rural banks' target market, in recognition of the varying needs of their client-base in the countryside.

Aside from microenterprise loans, the BSP now recognizes micro-housing loans (Circular 678), micro-agri loans (Circular 680), micro-insurance (Circular 683) and micro-deposits (Circular

694).

The BSP also issued Circular 694 in October 2010, which allows any qualified bank to set up physical offices in areas where it may not be economically feasible to put up a full-blown branch.

Such scaled-down offices will enable the unbanked and underserved to access financial services such as loans, savings, remittances, electronic money conversion, bills payment, pay out services, and limited foreign exchange purchases.

I congratulate the new officers of RBAP for the year 2011-2012:

President Ian Eric S. Pama; VP for Luzon Antonio O. Pasia; VP for Visayas Enrique P. Abellana; VP for Mindanao Vittorio Z. Almario; Treasurer Reginald L. Ocampo; Assistant Treasurer Vicente R. Mendoza; Corporate Secretary Atty. Edward Leandro Garcia, Jr.; and Assistant Corporate Secretary Wilner A. Palacios.

I also congratulate RBAP's new board of directors: Armando B. Bonifacio, Rene M. Sayo, Orlando F. Cervantes, Aurelio B. Villaflor, Milagros C. Florin, Rosario Ong Velos, Marynoll A. Brasileno and Remedios Calderon.

I wish RBAP all the best in achieving its vision of setting the standards for innovation and excellence in rural banking that are recognized around the globe.

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