



VIETNAM WOMEN'S UNION

TYM



A

nnual Report 2016

**TYM - Continuously improve service quality,
balance financial and social performance**

Committed

Creative

Competent



WOMEN PUBLISHING HOUSE

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Ms. Ha Thi Dung, TYM's member of center 42, Anh Son district, Nghe An province in her citrus garden

MESSAGE FROM THE CHAIRPERSON OF THE BOARD OF DIRECTORS



2016 was the year witnessing many eminent politic activities of the country and the Vietnam Women's Union (VWU). To name a few, the 12nd National Congress of the Communist Party of Vietnam and the 14th election for members of National Assembly and representatives of People's Council at all levels were organized successfully; the Women Congress at different levels were timely and well held, creating a prerequisite for the 12th National Women Congress. In the bustling pace of important national celebrations, during the previous year, the VWU at all levels incessantly innovated contents and mode of operation, effectively implemented the 9th Resolution of the 11th Central Executive Committee of the VWU and attained numerous remarkable achievements accordingly, made significant impacts on women from all social classes and importantly contributed to reach the socio-economic development goals of Vietnam.



Ms. Nguyen Thi Thu Ha
*Member of Central Committee
Communist Party of Vietnam
President of Vietnam Women's Union*

Given numerous advantages interwoven with challenges, in 2016, Tinh Thuong One member Limited Liability Microfinance Institution (TYM) kept up its endeavor and accomplished successfully all predefined missions. Importantly, TYM recorded many noticeable achievements going beyond its set targets, contributing significantly to fulfill its political tasks entrusted by the VWU, particularly to support women in economic development, hunger reduction and poverty elimination. Such the remarkable achievements include but are not limited the coverage expansion into 6 new districts/towns, increasing the initial number of its coverage to 514 communes in 61 districts/towns in 12 provinces/cities; 127,274 women members accessed loans with total disbursement amount of VND 2,065 billion (USD 93.2 million), reaching 113% of the plan; loan outstanding of VND 1,054.6 billion (USD 47.5 million); total savings balance of VND 686.1 billion (USD 30.9 million), completing 120% of the plan.

Additionally, TYM piloted its MSE loans in one more branch, increasing the number of pilot branches to 3. Up to 1,354 female micro-entrepreneurs had the chance to avail this type of loan with a total disbursed amount of VND 64.7 billion (USD 2.9 million). This has contributed to the start-up business support program of the Government. In particular, in 2016, TYM provided policy loans with preferential interest rates to 2,600 poor women members. TYM also lowered the interest rates for most of its loans. The number of TYM savings members reached more than 131,184, adding 13,500 new savers compared to 2015. Besides loan and savings programs, in 2016, TYM kept on focusing on its capacity building and social and community support activities. 63 trainings on microfinance were organized for 3,174 center chiefs cum leaders of the VWU at local levels. In 2016, TYM also spent VND 8.7 billion (USD 392.6 thousand) supporting 1,600 members' families under the mutual assistance program. TYM also strengthened other social activities including scholarships to children of poor members with good academic performance, subsidized houses, financial and in-kind contributions to local areas to support the "new rural development" program. As for achievements in the past year, TYM continued to be honored "outstanding microfinance institution of the year 2016" for the 8th time by Citi Foundation. Two TYM members won the award of "outstanding microfinance clients," and one TYM staff member was honored as "outstanding loan officer in Asia-Pacific region".



Ms. Nguyen Thi Ly, technical officer of Do Luong branch, Nghe An province, crossing river on a raft to visit clients and appraise loans

CHAIRPERSON OF THE BOARD OF DIRECTORS
Nguyen Thi Thu Ha

GENERAL INFORMATION ABOUT TYM

- Year of establishment: **1992**
- Business License: **No. 181 / GP-NHNN dated 17/8/2010**
- Full Name: **Tinh Thuong One member Limited Liability Microfinance Institution**
- Abbreviation: **TYM**

STAGES OF DEVELOPMENT

● **1992-1997: Building a solid foundation**

TYM – Affectionate Fund was an initiative set up by the Department for Propaganda, Family & Living Affairs of the Central VWU with an initial budget of USD 18,000 granted by Asian Trust Fund (ACT) and the enthusiastic assistance of Dr. Aris Alip (Center for Agriculture and Rural Development, the Philippines) who helped TYM to train its officers and project operation technique. On September 2nd 1992, TYM disbursed its first VND 200,000 loan for a poor woman to invest in her production.

● **1998 - 2005: Confirming the operational model**

In 1998, thanks to its impressive performance, the Affectionate Fund Project was separated and became an independent unit (equivalent to other units/departments) under the Standing Presidium of the central VWU and became a sample for credit activities of the VWU.

● **2006 - 2009: Towards financial autonomy**

TYM continued to expand its operation in many localities. In 2006, TYM was transformed into an income generating unit of the Central VWU, becoming financially self-reliant. TYM actively mobilized and negotiated loans with preferential interest rates with international organizations in order to increase capital sources to meet the rising demand of poor women. By this stage TYM became more well-known and had chances to work with international stakeholders in various fields.

● **2010 to present: Professional consolidation and development**

TYM became the first microfinance institution to be licensed in Vietnam. The extensive experience and background of the organization is the key for TYM to further its sustainable and long-term development, continuous expansion of coverage areas in order to serve the growing number of target groups that TYM is supporting.

VISION

To become a leading microfinance institution of Vietnam, providing best financial services to low-income individuals and their families, with particular focus on poor and disadvantaged women.



Leader and members of center 20, transaction office 2, Nghi Loc branch, Nghe An province in a center meeting



Ms. Nguyen Thi Mai, member of center 4, Thuan Thanh district, Bac Ninh province

MISSION

To improve the living quality of low income women and their families, especially poor and disadvantaged women by providing financial and non - financial services, creating favorable conditions for their participation in socio - economic activities and enhancing their role in society.



Ms. Nguyen Thi Loi, TYM's member of Soc Son branch, availing loans to raise ducks



IMPACT AND VALUE IN 2016

In 2016, thanks to the increasing competitiveness gained through improvements to loan and savings products combined with non-financial services and social and charity activities, TYM was able to accomplish its main development targets.

OPERATION IN
12 PROVINCES

20
BRANCHES

455
STAFF MEMBERS

LOAN REPAYMENT
RATE:
99.99%

Centers
3,285

Completed
113%
Loan disbursement target

Loan outstanding
VND 1,054.6 billion
(USD 45.5 million)

Completed **105.1%** of member development target

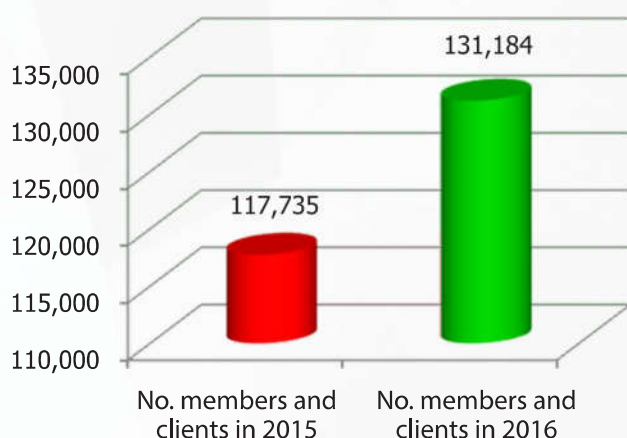
Completed **120%** of savings mobilization target

ACCOMPLISHMENTS IN 2016

a) Credit lending and coverage expansion

- In 2016, thanks to management and staff endeavors, target of member, client development was successfully completed, reaching 105.1% of the planned.

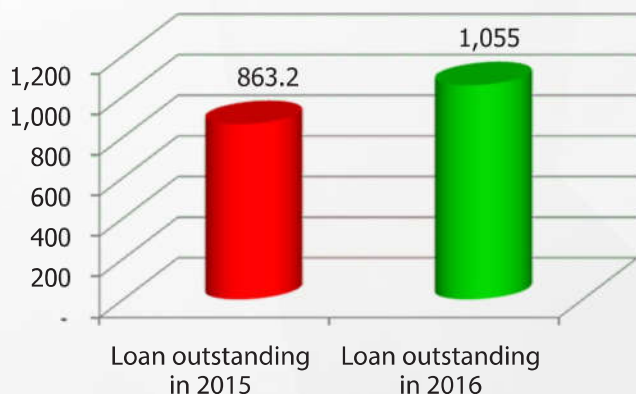
Member/client growth in 2016 vs. 2015 (Unit: Person)



13,449 new
members, clients

- TYM disbursed more than VND 2,065 billion (USD 93.2 million) in 2016, reaching 113% of the planned. The loan outstanding target was also exceeded by 12.7%

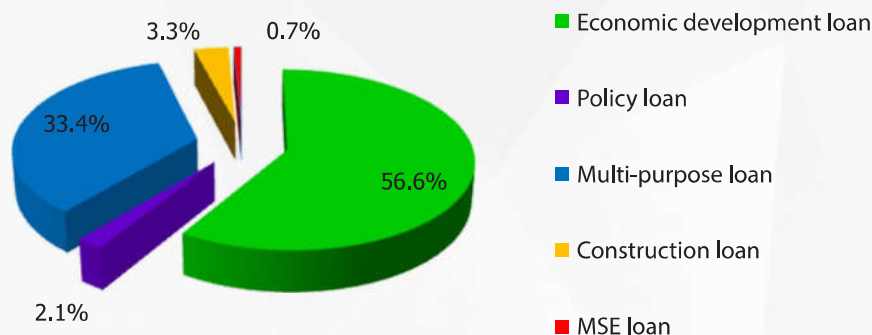
Loan outstanding growth in 2016 compared to 2015 (Unit: VND billion)



Increased by
VND 191.8 billion

Exchange rate: 22,159

Loan outstanding breakdown by type in 2016



- Expansion of coverage into seven new areas

**Southwest of
Dien Chau district
(Nghe An province)**

**Nghia Dan district
(Nghe An province)**

**Thai Binh city
(Thai Binh province)**

**Bac Giang city
(Bac Giang province)**

**Vinh Tuong district
(Vinh Phuc province)**

**Hoang Hoa district
(Thanh Hoa province)**

**An Thi district
(Hung Yen province)**

- Piloting MSE loans (investment loans) at three branches with focus on women owned microenterprises. In 2016, TYM disbursed MSE loans to 1,354 clients with total loan outstanding of VND 64.7 billion (USD 2.9 million).

Completion rate
120%

MSE loan outstanding
VND 64.7 billion

1,354
micro-enterprises
clients

- Policy loans for poor and disadvantaged women (mountainous, single, HIV-infected and ethnic minorities).

Accounted for
1.8%
total loan
outstanding

Policy loans outstanding
Over
VND 19 billion

2,659
Poor & disadvantaged
households supported with
loans with preferential rates

"Now I have the capital I need to expand my business without feeling stressed about making repayments. For us that means the end of the debt, I feel really relieved!"

Nguyen Thi Hong - Center 3 of Quang Khe Commune - Thanh Hoa Branch



b) Savings mobilization and supporting clients/members to accumulate wealth from small change

Savings is a program running parallel with credit. It contributes greatly to the success of microfinance generally and especially at TYM. Savings not only helps the institution to create sustainable sources but also its clients/members to develop savings habits, make reasonable expenditure plans and accumulate wealth.

- TYM's savings programs continued to prove their strength, competitiveness and excellence by enhancing customers' trust and increasing capital mobilization for the institution.

SAFE

SMALL AMOUNT ACCEPTED

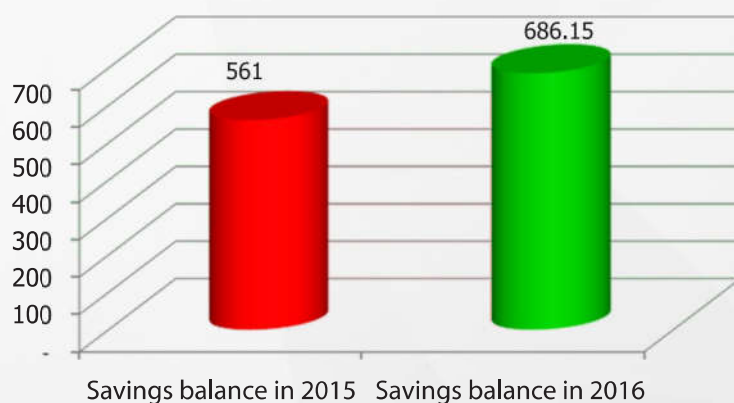
CONVENIENT

FAST

SIMPLE PROCEDURES

- In 2016, TYM savings mobilization reached VND 686.15 billion (USD 30.9 million), exceeding the plan by 120%.

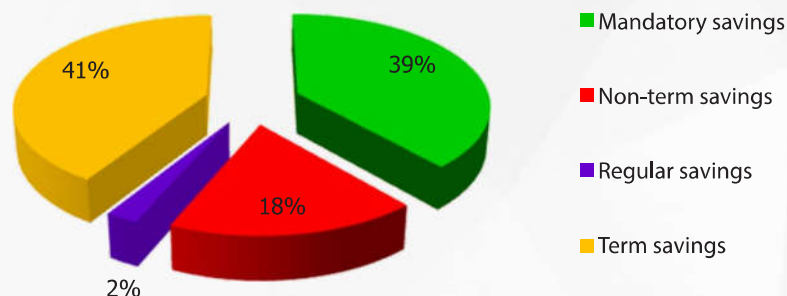
Savings balance in 2016 vs. 2015 (Unit: VND billion)



Increased by
VND 125.15
billion

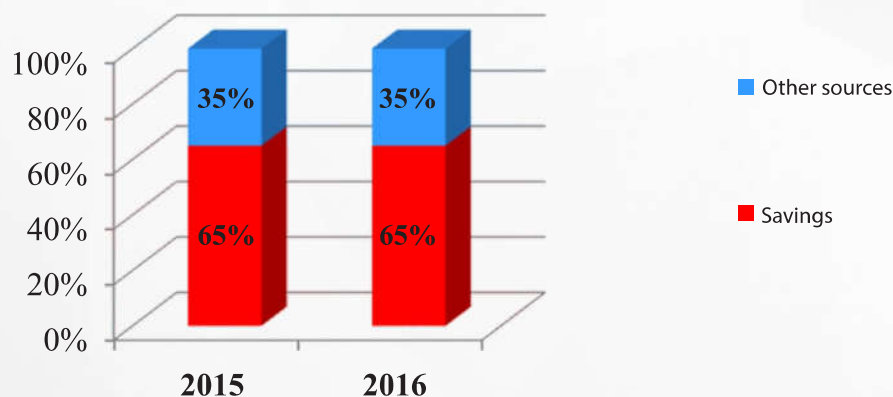
Exchange rate: 22,159

Savings balance breakdown by type in 2016



In recent years TYM's savings programs have changed in a positive manner. In the past, mandatory savings accounted for 70 to 80% of total savings whereas in 2016 this type accounted for only 39% of total savings.

Funding sources for TYM's credit activities in 2015 and 2016



In 2016, despite the increase in loan outstanding, the ratio of savings to loan outstanding was maintained at 65%.

"With this model we can borrow money and then gradually save, thanks to TYM we now have a small VAC (integrated fish, livestock and crop farm)!"

Le Thi Thoan - Gia Loc Branch, Hai Duong



TYM'S ACTIVITIES



TYM's General Director and local authorities at the opening ceremony of Quynh Luu branch, Nghe An province, September 2016



Ms. Nguyen Thi Nhung, member of center 33, Nghi Loc district, Nghe An province in a weekly repayment meeting



Officer of Me Linh branch, Hanoi disbursement loans to members



Ms. Nguyen Thi Tuyen, member of center 4, Quang Xuong district, Thanh Hoa province availing loans to grow sedge and produce mat



Ms. Nguyen Thi Nga, member of center 26, Quynh Luu district, Nghe An province with traditional fish sauce making business



Ms. Tran Thi Ve, member of center 8, Quang Xuong district, Thanh Hoa province availing loans to raise pigs and grow vegetables



Wood pellet producing workshop of Ms. Nguyen Thi Thanh Phuong, member of center 12, Phu Binh district, Thai Nguyen province



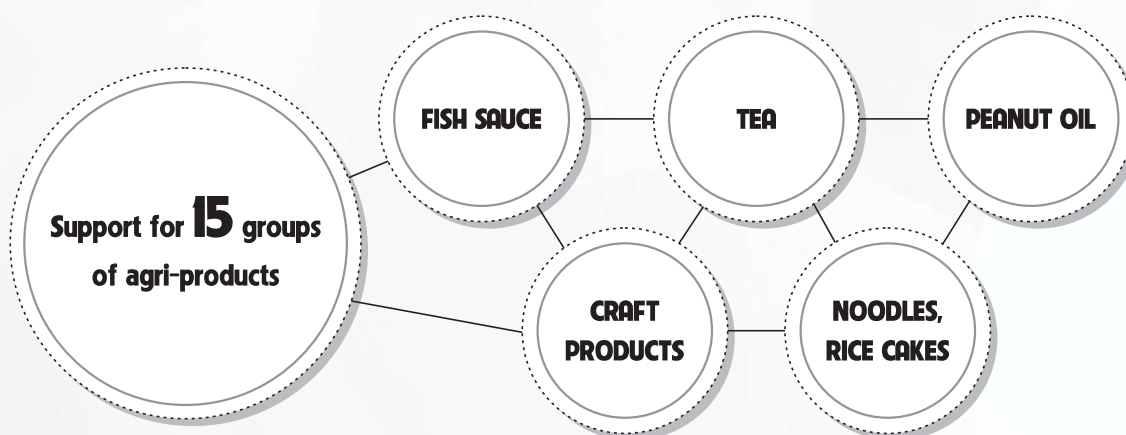
A weekly repayment meeting in mountainous village of Cao Veu 1, Phuc Son commune, Anh Son district, Nghe An province

c) Community and social activities were carried out effectively in support of members and their families to improve quality of life and strengthen household economies

In addition to loan and savings services, other supportive programs are also important in helping members develop their family economy and improve their quality of life, ensure the repayment rate at 100% and continue TYM's membership.

Market linkages for members' products

In 2016, TYM carried out various activities to assist members to introduce their craft and agricultural products to the market.



TYM stores in Hanoi and other branches were improved in terms of branding, marketing, especially with the use of social forums and networks, thus, attracting more customers.



Products of TYM's members introduced and sold at domestic fairs and exhibitions



Outlets for products of TYM's members located at 20 Thuy Khue street, Hanoi and some branches in other provinces

Marketing has improved significantly thanks to a variety of events and communication tools (leaflets and video clips) showing members production techniques. In 2016, TYM store chains attracted hundreds of frequent customers purchasing handicraft products and safe agri-products made by TYM's members.

In September 2016, dry tea made by TYM members in Thanh Son, Phu Tho was ordered by the European Microfinance Forum (e-MFP) to give out as souvenirs to participants in e-MFP in Luxembourg. Furthermore, TYM members' products were introduced and advertised at VWU events in Hanoi and Hoa Binh province.



200 dry tea packages made by TYM's members sent to Luxembourg were used as gifts to participants of the European Microfinance Week 2016, November 2016

“We have borrowed and saved money & also learnt about new tea growing techniques. Thanks to TYM support with packaging and consumption our tea now has its own unique brand”

Clean tea group of TYM member - Viet Tri branch, Phu Tho



● Capacity building for members

After the 12th National Women Congress, TYM collaborated with the VWU at all levels to strengthen all centers (loan repayment and savings collection centers) 63 training courses were organized for 3,174 center chiefs cum leaders of the local VWUs on center management skills and basic knowledge of microfinance.

TYM also organized 61 seminars for 3,050 turns of members and held 17 fieldtrips for 841 turns of members to visit successful economic models. The quality of seminars was significantly enhanced and highly appreciated by members and the VWU at the local level. Moreover, these activities empowered center chiefs and members with technical skills as well as informed them about new laws, regulations and policies of the Government (marriage and family, gender equality and land).



TYM Bac Ninh branch holding a study tour for members at the Dong Tao chicken raising project, October 2016



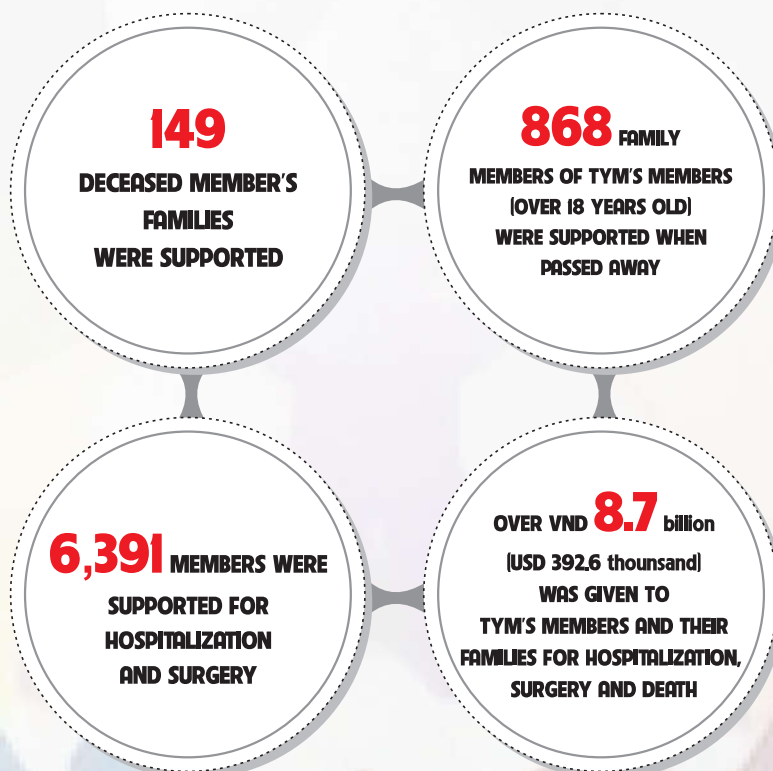
Training for center leaders on center management skills, Soc Son branch, 2016



A training for center leaders organized at Thuan Thanh district, Bac Ninh province

● Family Mutual Assistance

The Family Mutual Assistance Fund is a solution which provides meaningful and timely support to members and their families in case of illness, hospitalization or death. This program was supported by all TYM members. In 2016, the Family Mutual Assistance Fund provided VND 8.7 billion (USD 392.6 thousand) in support for 7,408 turns of beneficiaries.



● Social and community support activities

Social and community activities were maintained by TYM as charity support for members living under hardship. In addition, TYM also supported the program of “New rural development” started by the local government to improve quality of living and ensure social security.



In 2016, TYM invested VND 1.83 billion (USD 82.6 thousand) in the above community activities to support members, their children and community.

Thanks to these activities, many TYM members living in hardship in poor rural areas accessed quality healthcare services through TYM's free health check program. Many families also received new stable houses to be sheltered in the wet season. Also, thanks to the encouraging scholarships given to children of TYM's members, many students overcame hardships and were able to pass university and college entrance exams to become university students.



Ms. Vu Thi Thuong, a poor member of center 25, Vu Ban district, Nam Dinh province, being granted a subsidized house, September 2016



TYM Viet Tri branch, Phu Tho province handing gifts to a Vietnamese Heroic Mother on Martyrs Day 27th of July



TYM Lang Giang branch, Bac Giang province handing gifts to a wounded soldier's family on Martyrs Day 27th of July



Director of Nam Dinh branch handing a financial support to the Kindergarten of My Tan commune, My Loc district, Nam Dinh city, October 2016



Ms. Tran Thi Tuyet Nhung, TYM Deputy General Director making contributions to the program "supporting women and people at central provinces affected by floods" launched by the Central VWU, October 2016



Ms. Dao Thanh Trang, TYM Deputy General Director, making contributions to the program "raising piggy bank" launched by the Women Union of Thuan Thanh district, Bac Ninh province, June 2016



Free healthcare for members at Sam Son town, Thanh Hoa province, July 2016



Performance by members of center 34, mountainous village Cao Veu 2, Anh Son district, Nghe An province in a center meeting

STAKEHOLDER DEVELOPMENT; KEY RELATIONSHIPS FOR TODAY AND TOMORROW

In 2016, TYM strengthened ties with current partners and built relationships with new partners. As a result, foreign funding continues to help TYM extend its operation into new areas. Stakeholders that signed credit agreements with TYM in 2016 included BNP Paribas (Branch in Vietnam), Cordaid (the Netherlands), Oikocredit (the Netherlands), Blue Orchard (Switzerland), Triple Jump-Oxfam Novib (the Netherlands). A total lending amount was up to VND 196 billion (USD 8.8 million).

TYM also continued to deploy existing and new projects, namely the expansion of its operation in Thai Binh and Bac Giang province funded by Whole Planet Foundation (U.S.A), the Business Development Services project sponsored by Rabobank (the Netherlands), the capacity building in MSE loan assessment and auditing project funded by Blue Orchard, the MIS project supported by IFC, and the SPI4 project funded by the Social Performance Fund.



An expert from Oxfam visiting the wood pellet workshop of Ms. Nguyen Thi Thanh Phuong, center 12, Phu Binh district, Thai Nguyen province to study more about the effectiveness of TYM's credit activities, August 2016

Furthermore, thanks to the goodwill of the European Microfinance Forum (e-MFP) and the introduction of Rabobank, e-MFP selected Thanh Son dry tea made by TYM members as small gifts for participants of European Microfinance Forum. 200 Thanh Son dry tea packages went a long way from the mountainous Thanh Son district, underwent different sanitation checks in France and Luxemburg before being given to participants at e-MFP.

Finally, as an outstanding MFI model of the VWU, TYM greeted and shared experiences about MF with many international delegations and organizations including the Chairperson of Lao Women's Union, Myanmar Development Fund and a delegation from the Embassy of Peru. Through such the sharing, TYM contributes to the progress of poverty reduction in other nations as well as to the microfinance sector.



A delegation from CARD, the Philippines, visiting TYM, October 2016



Ms. Tran Thi Tuyet Nhung, TYM Deputy General Director (4th from the left) receiving and working with MetLife's experts, May 2016



IFC's experts supporting TYM in research and development of agri-finance, August 2016



Ms. Inlavan Keobunphanh, member of the Central Committee of the Lao People's Revolutionary Party, President of the Lao Women's Union visiting the livestock farm of Ms. Nguyen Thi Mui, center 17, Phuc Yen branch, Vinh Phuc province during her trip to Vietnam, April 2016

OTHER ACTIVITIES



TYM's Management receiving the award "Outstanding Microfinance Institution 2016" under CMA 2016 organized by Citi Foundation in Vietnam, Advisory Centre for Microfinance Resources for Small and Medium Microfinance Enterprises (VMFWG) and Vietnam Small and Medium Enterprises

Two TYM's members, Ms. Tran Thi Hue (left) and Ms. Nguyen Thi Hong (right) recognized as "outstanding micro entrepreneurs" under CMA 2016, December 2016



TYM representatives participating in Women's Congress at all levels



Ms. Claire Kelly – Asia/Pacific Regional Director – Whole Planet Foundation presenting the WPF's Asia/Pacific Field Officer Appreciation Award to Ms. Nguyen Thi Huong, technical officer of TYM Dien Chau branch, Nghe An province, January 2017

OUTLOOK FOR 2017

TYM IS EXCITED ABOUT THE YEAR AHEAD AND WILL STRATEGICALLY FOCUS ON SIX MAIN AREAS IN ORDER TO CONTINUE MAKING A DIFFERENCE.

- Focus on membership expansion in TYM's current operation areas and in one new province. The target total number of members and clients is 138,596.
- Keep on enhancing the quality of services supporting women on sustainable poverty reduction and economic development. A number of new products and services will be designed, piloted and implemented in 2017, namely: MSE loans (working capital and/or small investment for micro and small enterprises), agricultural loans (for agricultural households), natural disasters mitigation loans, and credits for near poor households, business counseling and other business development services to connect members' products with the market and ensure product consumption. Outstanding loans and savings in 2017 are expected to reach VND 1,144 billion (USD 51.6 million) and VND 714 billion (USD 32.2 million) respectively.
- Develop new IT system and core banking to enhance TYM's operations, especially to improve control and management in TYM.
- Effectively organize capacity building activities and provide support to members and the community, including: training for all center chiefs, members on natural disaster prevention and adaptation, and developing business plans. At the community level, TYM will continue to hold free health checks and provide needed medicine to 5000 members, grant 10 subsidized houses, give healthcare equipment to 26 localities under the "New Rural Development Program" and award 250 scholarships to children of TYM's members with good academic performance etc.
- Organize different emulation activities in the honor of TYM's 25th anniversary; promote the Resolution of the 12th National Women Congress to all TYM's members.
- Strengthen international co-operation to enhance TYM's impact and continue working with the international community to promote financial inclusion and equity for women in Vietnam.



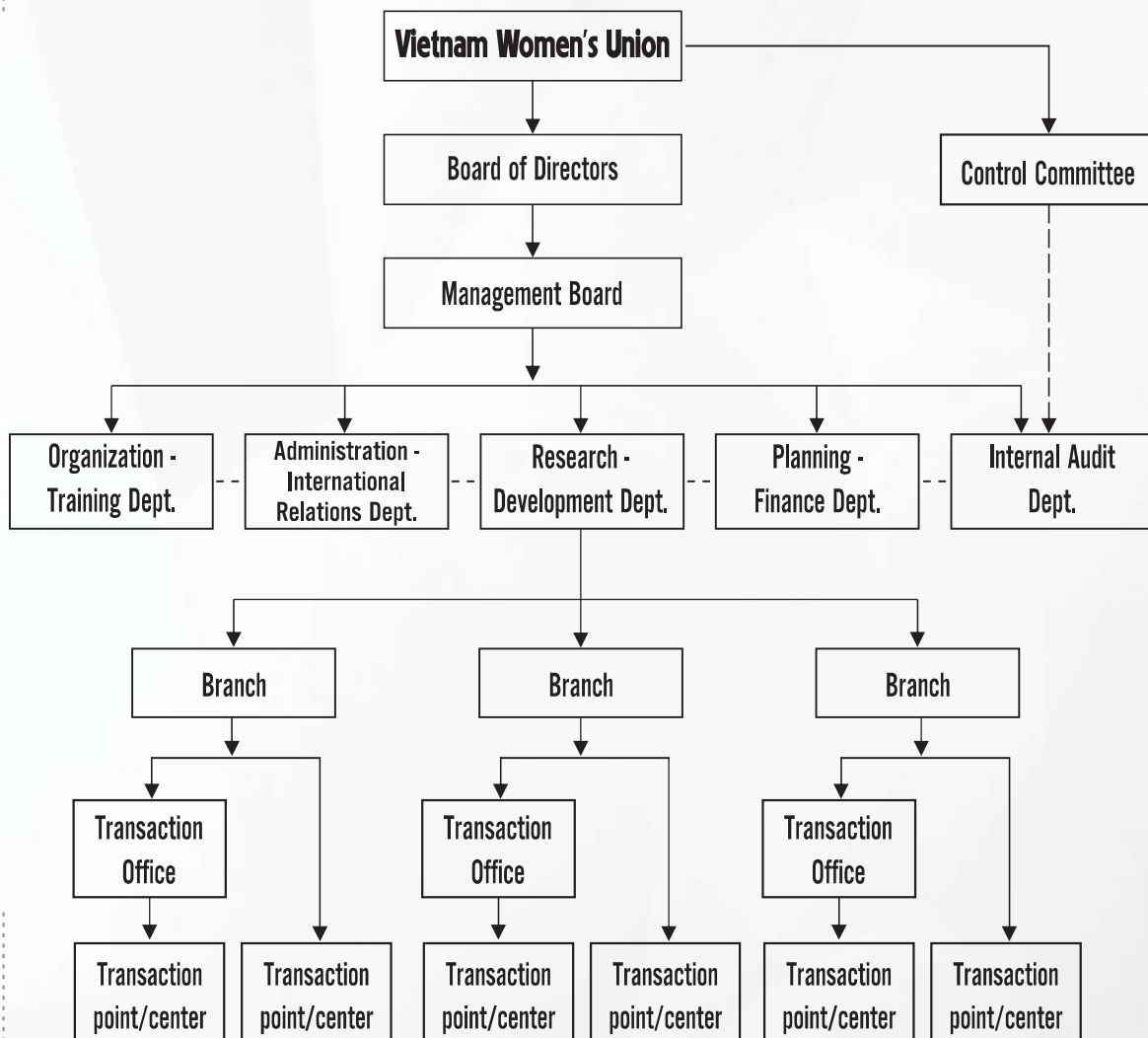
Operational and financial update of 2016

No	Description	2016	2015
1	Number of provinces	12	12
2	Number of districts	61	55
3	Number of communes	514	466
4	Number of centers	3,285	3,029
5	Number of branches/transaction offices	62	55
6	Number of staff member	455	425
7	Number of technical officers (TO)	251	211
8	Number of members	127,274	113,987
9	Number of savers (public)	3,910	3,748
10	Number of borrowing members	98,623	96,867
11	Number of poor members	2,659	2,431
12	Number of insured people	338,823	283,099
13	Number of members per TO	482	445
14	Number of members per center	39	38
15	Number of loans disbursed	127,717	120,964
16	Total loans disbursed	2,065,997,745,500	1,652,838,034,000
17	Loan portfolio	1,054,661,420,000	862,873,926,000
18	Savings balance	686,153,264,250	561,001,105,380
19	Repayment rate	99.99%	99.99%
20	PAR	0.01%	0.004%
21	OSS	127.48%	123%
22	FSS	0126%	109%

Exchange rate: 22,159

Exchange rate: 21,890

ORGANIZATIONAL CHART



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yt <https://www.youtube.com/user/tymfund>

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