



**VIETNAM WOMEN'S UNION
TINH THUONG MICROFINANCE INSTITUTION**

TYM



2017

ANNUAL REPORT



**TYM - 25 YEARS OF COMMITMENT
TO THE MISSION OF EMPOWERING WOMEN**



**OUTSTANDING MICROFINANCE INSTITUTION
IMPLEMENTING PRINCIPLES OF CLIENT PROTECTION**



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MESSAGE FROM THE CHAIRPERSON OF THE BOARD OF DIRECTORS

2017 marked 25 years of TYM's operation and growth. Over the course of a quarter century, TYM has been constantly striving to maintain its mission entrusted by the Vietnam Women's Union (VWU) and striking a fine balance between social and economic objectives for sustainable development.

In 1991, in consideration of the results of the movement "Women helping each other in the family economy", the VWU soon realized the impact of microfinance on poverty reduction. When microfinance was a completely new concept in Vietnam and also there was no legal framework for microfinance, the VWU set up the Affectionate Fund (or Tinh Thuong Fund) (in 1992) to convince the community, especially the poor, to believe in microfinance and their own ability to step out of poverty. Since then, the development of TYM has become one of the practical examples for the Government and relevant ministries to issue a legal framework for regulating microfinance activities in Vietnam.

From the first 20 members, TYM, to the end of 2017, has sharply developed to over 140,000 members in 12 provinces and cities with loan and savings balance of VND 1,200 billion and VND 800 billion respectively. Thanks to constant innovation and development of products and services in response to universal financial needs of clients such as voluntary savings, microinsurance, training, business development consultancy, community support, over the past 25 years, TYM has assisted more than 120,000 women escaped from poverty; many of whom have become micro entrepreneurs, and took on leadership positions in the community.

With these remarkable results, 2017 was the 9th year that TYM was honored as "the Microfinance Institution of the year", "Outstanding Microfinance Institution Pro-poor focus", and "Outstanding Microfinance Institution implementing Client Protection", the 4th year in a row that TYM had its staff recognized as "Excellent Credit Officer in the Asia Pacific region", and the 1st year that one of its members was selected as the Microentrepreneur of the year.

In the coming time, the VWU believes that TYM would keep on innovating and expanding its area, applying automatic data management technology, and providing more products and services towards comprehensive and effective financial inclusion for women, especially disadvantaged women and women-owned start-ups. At the same time, TYM would continue to promote the leading role in microfinance activities of the VWU.

We would like to express our sincere gratitude to the Party committees, authorities, organizations, individuals and especially 140,000 clients who have been with us for the past 25 years. We will work together to maintain a safe and sustainable TYM; contributing to bring the best to Vietnamese women, and actively contributing to poverty reduction as well as building and developing the country.



Ms. Nguyen Thi Thu Ha
Member of Central Committee
Communist Party of Vietnam
President of Vietnam Women's Union
Chairwoman of TYM's Board of Directors

CHAIRPERSON OF THE BOARD OF DIRECTORS
Nguyen Thi Thu Ha



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.



MISSION

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

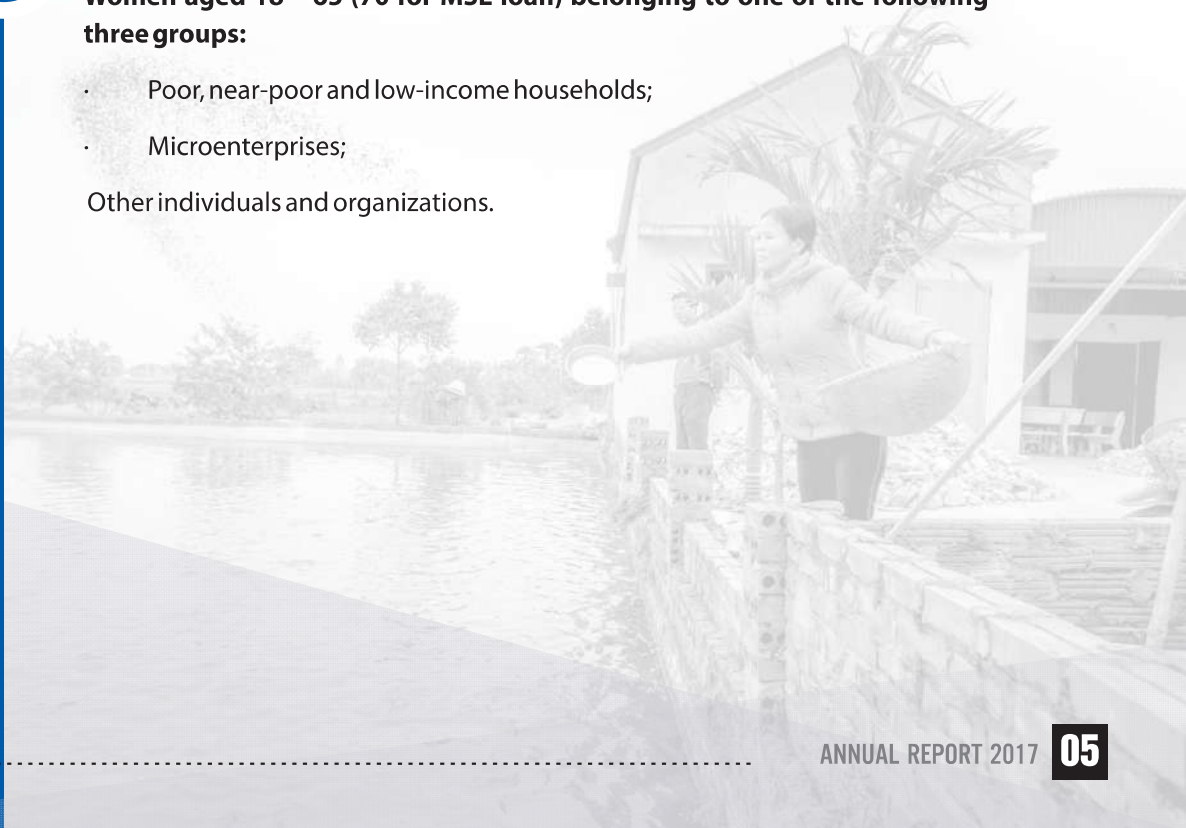


TARGET CLIENTS

Women aged 18 – 65 (70 for MSE loan) belonging to one of the following three groups:

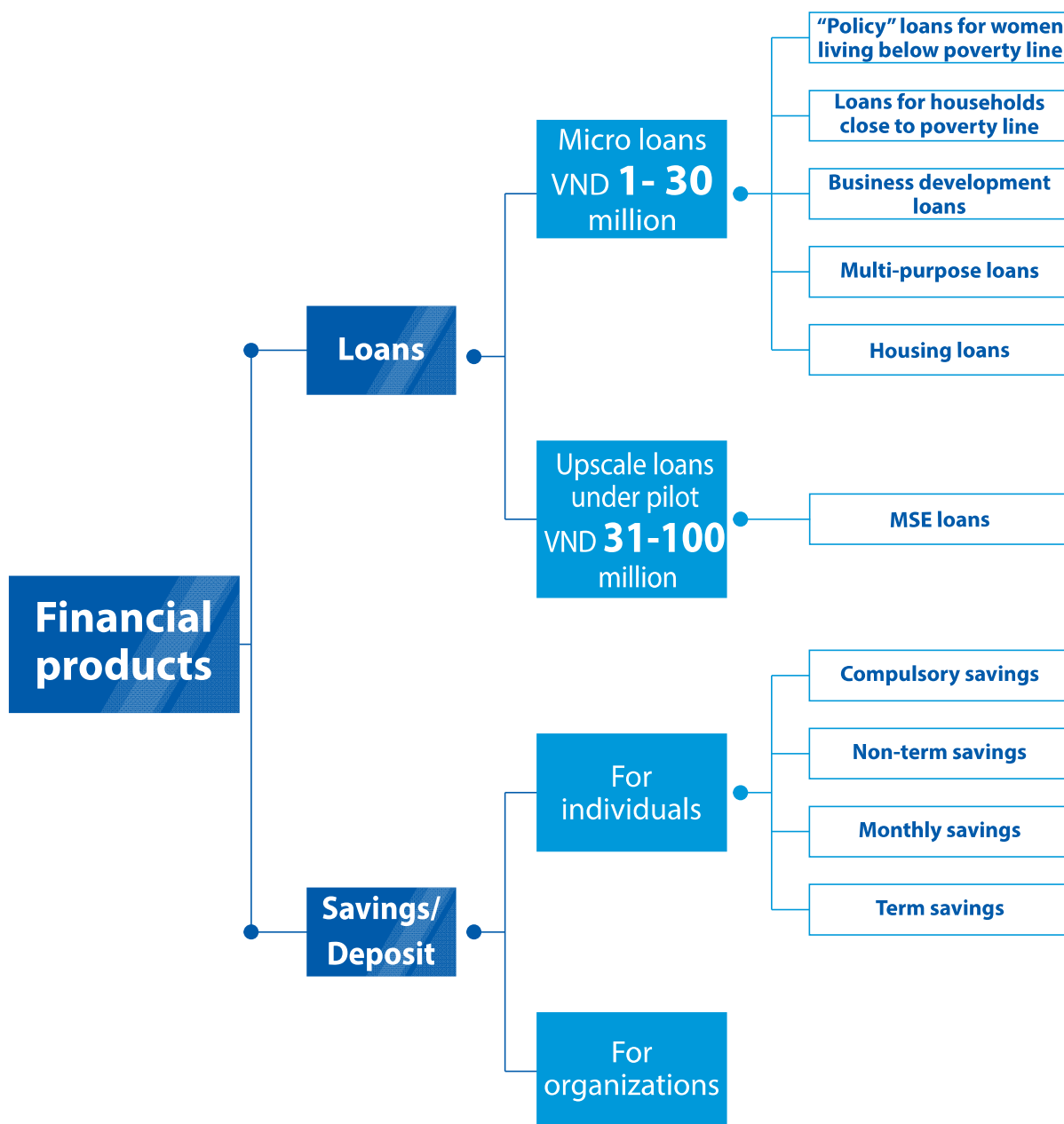
- Poor, near-poor and low-income households;
- Microenterprises;

Other individuals and organizations.





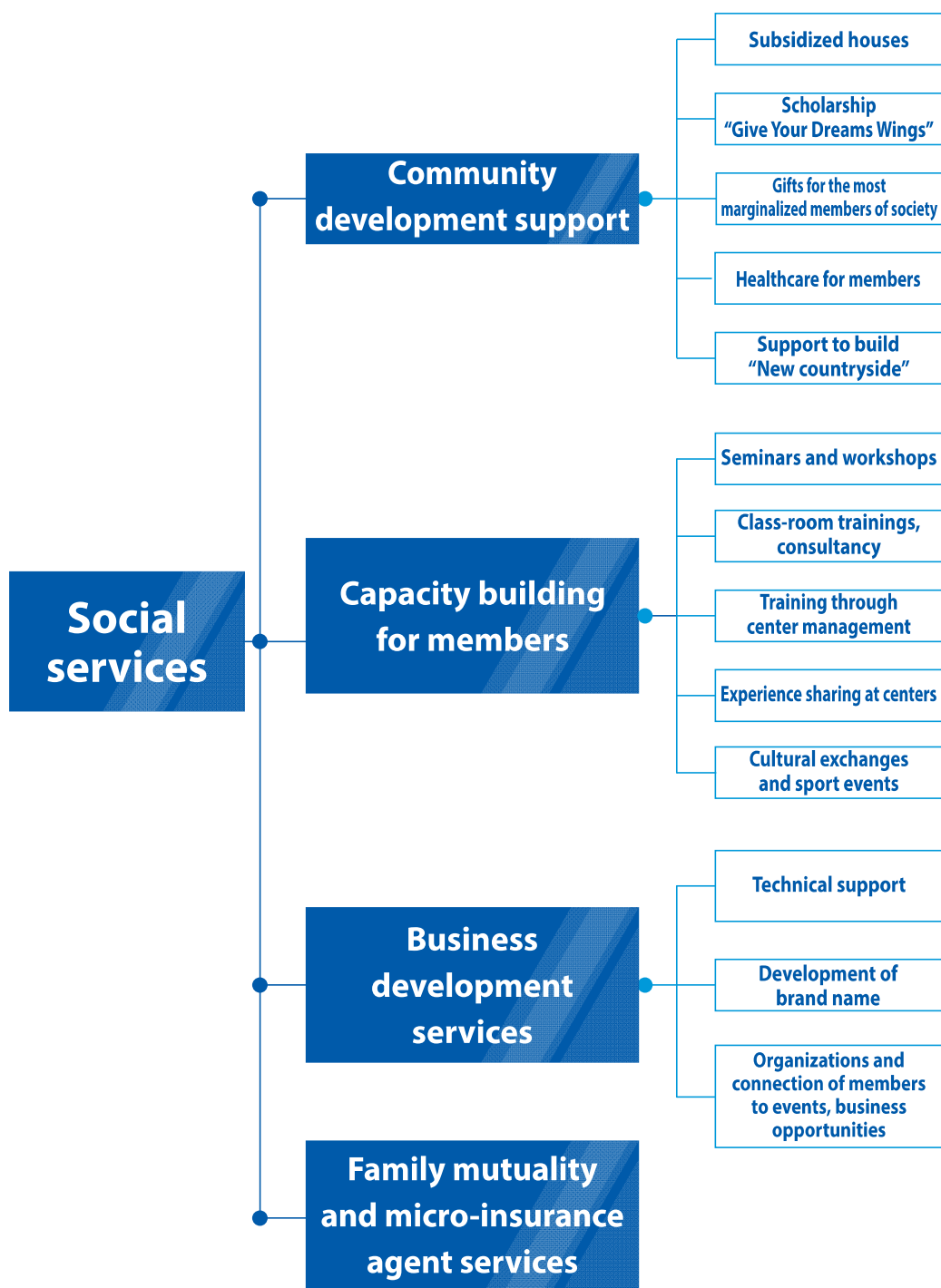
PRODUCTS, SERVICES



* 1VND = 0.000045 USD



PRODUCTS, SERVICES



TYM'S 25TH ANNIVERSARY: COMMITMENT TO THE MISSION OF EMPOWERING WOMEN



Celebration of TYM's 25th anniversary: TYM and 25 years of commitment to the mission of empowering women

On the 6th of October, in Hanoi, TYM celebrated its 25th anniversary (1992 – 2017) themed “TYM – 25 years of commitment to the mission of empowering women”. At the ceremony, there were about 300 guests including representatives of ministries, agencies, localities, former leaders of the Party and the State, leaders and former leaders of the VWU, domestic and international partners and friends, and the press.

In the ceremony, TYM's General Director presented the report “TYM – 25 year commitments to the mission of empowering women”. TYM also organized a panel discussion with representatives of TYM's members, local authorities, WUs and partners. They shared successful stories thanks to TYM's support and at the same time suggested the areas for TYM to improve in the coming time. In addition, the representative of the Savings Banks Foundation for International

2017 marked 25 years of TYM's operation and growth. To acknowledge its members/clients, partners and staff members over time, TYM organized various meaningful activities on its 25th anniversary in 2017.

Cooperation (SBFIC), which had been with TYM for more than a decade, presented an assessment on TYM's social performance. The expert expressed “Perhaps the biggest social achievement of TYM is that it exists. Its existence and its success have changed the lives of thousands of people, and the way people look at microfinance in Vietnam. Because of its role as a model for the whole of the VWU, and for the entire country, TYM should make all efforts to sustain its leading role and to grow even faster, so that one day the dream of creating a Women's Bank can come true.”

Speaking at the ceremony, Vice President of the VWU, madam Nguyen Thi Tuyet suggested that TYM continued its missions of supporting the poor, disadvantaged and low-income women, and at the same time, improved and diversified products and services towards a comprehensive and effective value chain, safe production and consumption, environmental protection for members. Besides, she emphasized that TYM was to keep on improving towards professionalization, enhancing its competitiveness, as well as actively sharing experiences and ideas, being a good example and a leading microfinance model of the VWU particularly and in Vietnam generally.

The Green Fair: 25 years with women in economic development

During its 25th anniversary, TYM organized a Green Fair from 6 to 8 of October 2017 in Hanoi. This was to introduce special products of TYM's members to consumers in Hanoi. Especially, the Green Fair was the opportunities for the customers not only to purchase good products but also to meet TYM's members and listen to their story of how their life had improved.

In this occasion, TYM also launched the online shopping website at carcommunity.vn to promote and offer members' products to customers.



TYM member's booth receiving many customers

Strengthening solidarity within members through cultural exchanges and sport events

To celebrate its 25th anniversary, TYM organized various cultural exchanges, sport events, and community activities for members. Creatively, each branch organized these events in various forms; thus, attracting not only members but also other women and local residents. To name a some, cultural exchanges at Nghi Loc, Viet Tri, and Soc Son branches; a contest to study about the operation of TYM and VWU at Bac Ninh and Nam Truc branches; female volleyball and football competition at Thanh Hoa, Dien Chau, and Me Linh branches; good member competition at Gia Loc and Hung Nguyen branches; cooking contest at Quynh Luu branch.



Members of TYM Gia Loc branch, Hai Duong province in the good member competition

Internal event – Solidarity is strength

In addition to celebration activities with partners and clients, TYM also sent tribute to its staff members throughout the ages who had contributed to the success of TYM today. Two big events for staff included "TYM Cultural Beauty Contest" and "The Second Sports Festival". They were held in turns on 7 and 8 of

October 2017 and received the attendance of all staff.

The event was the chance for around 500 staff members of TYM in 12 provinces and cities to get closer, to tighten solidarity, and to nurture the love for the institution.



VVU's Former Vice President of the Socialist Republic of Vietnam Trương My Hoa (second from the left) visiting a booth of TYM's members at the Green Fair, on the occasion of TYM's 25th anniversary, October 2017



Panel "TYM – achievements and areas for innovation" in the 25th anniversary

25TH

ANNIVERSARY AND MEMORABLE MOMENTS



The 2nd Sports Festival, October 2017



TYM Cultural Beauty Contest, October 2017



Ms. Nguyen Thi Hue, member of TYM Hai Hau branch, Nam Dinh province, recognized as "Outstanding Entrepreneur" under CMA 2017 with Mushroom Model

120,000

Women lifted out of poverty

Over
300,000

Turns of people benefited community programs

7,000

Women became micro entrepreneur

15,400

Women became leaders of government bodies and WUs at all levels

25
YEARS

AND OUSTANDING NUMBERS



Ms. Nguyen Thi Thanh, member of TYM Nghi Loc branch, Nghe An province, owning an aluminium and glass workshop



Ms. Le Thi Thuan, member of TYM Hai Duong branch, with integrated business (garden, livestock and fishpond)

Disbursed
11,000,000,000,000
VND

Over
1,000,000
loans

Savings balance of over
700,000,000,000
VND



Ms. Nguyen Thi Hao, member of TYM Soc Son branch, Hanoi, in her fruit garden

* 1VND = 0.000045 USD

TYM HONORED AS “OUTSTANDING MICROFINANCE INSTITUTION IMPLEMENTING PRINCIPLES OF CLIENT PROTECTION”



Under the 2017 Citi-Vietnam Micro Entrepreneurship Award (CMA), TYM was recognized as “outstanding microfinance institution implementing principles of client protection”.

The award was for the organization, which satisfied the three criteria including 1) client protection policies and regulations available and made clear to all clients, 2) client complaints redressal mechanism available, and 3) good social performance assessed by the organizer using the social performance audit tool (SPI4). Understanding the importance of client protection, especially to poor and disadvantaged women, throughout 25 years of operation and development, TYM has always put priority and highest attention



into the interests of clients. TYM determines that it must be based on clear principles. As a member of the Smart Campaign, TYM applies its seven (7) principles of client protection. Especially, TYM has developed a standardized training program and integrated client protection as a compulsory topic for all staff members.

01

Appropriate product design and delivery:

In recent years, TYM has introduced numerous new products for different market segments and target groups (loans for near poor households, MSE loans, etc.) as well as for different using purposes (business loan, multi-purpose loan, housing loan). In addition, TYM keeps on improving its products to serve best the needs and conditions of clients (review of interest rate of credit and savings, repayment term, transaction methods, community activities, etc.)



02

Prevention of over-indebtedness:

TYM does a rigorous pre - and post-disbursement monitoring to avoid overdue repayment for clients and to ensure the portfolio quality for the institution at the same time. Thanks to that, TYM's repayment rate is maintained at 99.99%.

03 Transparency:

TYM makes publicly available all information about its products and related procedures; updates regularly changes to regulations and policies to ensure that clients understand well their rights and responsibilities.

04 Responsible pricing:

TYM's interest rates are determined on the market base which are appropriate for each client group. More preferential rates are applied for priority groups. Apart from interest, TYM does not charge clients any fees.

05 Fair and respectful treatment of clients:

TYM applies a standardized code of conduct and absolutely respects the legitimate interests of clients. The code of conduct is documented and applied consistently throughout the institution. In addition, TYM promulgates and applies an anti-discrimination policy and makes it clear to all clients.

06 Privacy of client data:

Currently, TYM has a separate policy for the collection, processing, using, distribution and storage of client information. Privacy of client information is also included as a clause in the agreements with clients. The clients are also informed fully and clearly about the privacy of their data.

07 Mechanisms for complaint resolution:

TYM implements regular field monitoring and visits to understand the desire and expectation of members (client visit, field monitoring and supervision by field officers and head office). TYM also applies various channels for clients feedbacks (hotline, website, social network, direct discussion with TYM staff, etc.) and commits for clear and satisfactory resolution.



Mr. Joerg Teumer – Representative of SBFIC presenting TYM's social performance report in the TYM's 25th anniversary, October 2017

INTENSIVE CAPACITY BUILDING FOR MEMBERS IN 2017



In 2017, in addition to annual community activities, TYM has focused on capacity building with new topics that are more practical and relevant to each group of members. In the 4th quarter of 2017, TYM provided training for 250 members of TYM and WUs of Phuc Yen town, Binh Xuyen district (Vinh Phuc province), Nam Dinh city (Nam Dinh province) and Hoang Mai town (Nghe An province) on "small business management skill for women entrepreneurs". This was a training course for TYM's mature clients, who own micro-enterprise, but still need to improve management capacity. In 2017, TYM also completed the 1st phase of the project "capacity building in disaster risk and business continuity planning for TYM's members" which covered six branches in the coastal areas. The project was undertaken after recognizing the huge impacts and consequences of climate



change and marine environmental disasters on members. During the 11 months of the project's implementation, TYM trained nearly 58,000 members living in the coastal areas. For such the trainings, TYM coordinated with a number of international organizations in all relevant activities such as study, evaluation, assessment of training needs, planning, and design of training content. The trainings were highly appreciated by members not only for the relevance of the content but also attractive and straightforward training method which most of them experienced for the first time.

Besides, TYM carried out regular training courses on management skill for center leader, gender and gender equality, financial management.



SUPPORTING THE FUND FOR POOR WOMEN TO CHANGE TRANSFORM THE BUSINESS MODEL



SUPPORTING THE FUND FOR POOR WOMEN TO TRANSFORM THE BUSINESS MODEL

The Fund for Poor Women (FPW) is a unit under the VWU. It was established in 2007 with the following missions, namely: To contribute to the National Program of Hunger Eradication, Poverty Reduction and Social Justice Upholding; To improve livelihoods and economic status for women and promote gender equality; To contribute to strengthen and develop the VWU. The FPW is operating in 27 districts/ towns in 14 provinces/ cities and applies a “semi-professional” management model with almost staff members working part-time.

With experience and strengths in the field of microfinance, the VWU recognizes that it is very important to professionalize its microfinance activities. Based on the VWU's microfinance strategy and the requirements of management agencies, the VWU has decided to pilot the transformation of the FPW's operation. The new model for transformation is the operational model of TYM – an outstanding microfinance model of the central VWU.

Under the direction of the VWU, TYM has been actively working with the FPW to carry out this transformation. In early 2016, TYM's experienced staff conducted a survey at the FPW's branches to select the first branch for pilot. In August 2016, the transformation was officially carried out at Binh Thuan branch in all areas including products and services, operational procedures, accounting system, MIS, and organizational structure. After six



months, in April 2017, TYM continued to support the FPW to evaluate the pilot result in Binh Thuan. The pilot result was the basic for transformation in other provinces.

From the initial successes of the transformation at Binh Thuan branch, in July 2017, the FPW, with the support of TYM, carried out transformation at Quang Ninh and Quang Tri provinces. During this process, TYM has involved in all steps from staff recruitment, sending experienced staff to the FWP for onsite training, and training the FWP's staff at TYM's branches. Such comprehensive support was highly appreciated by the FWP and acknowledged by the VWU's leaders.

In December 2017, the VWU organized a workshop to evaluate the pilot transformation. The pilot results showed that the transformation direction is correct. In the coming time, the VWU would transfer all the FPW's activities to TYM in order to unify microfinance programs and build up a strong microfinance institution under the central VWU.

IMPACT AND VALUE IN 2017

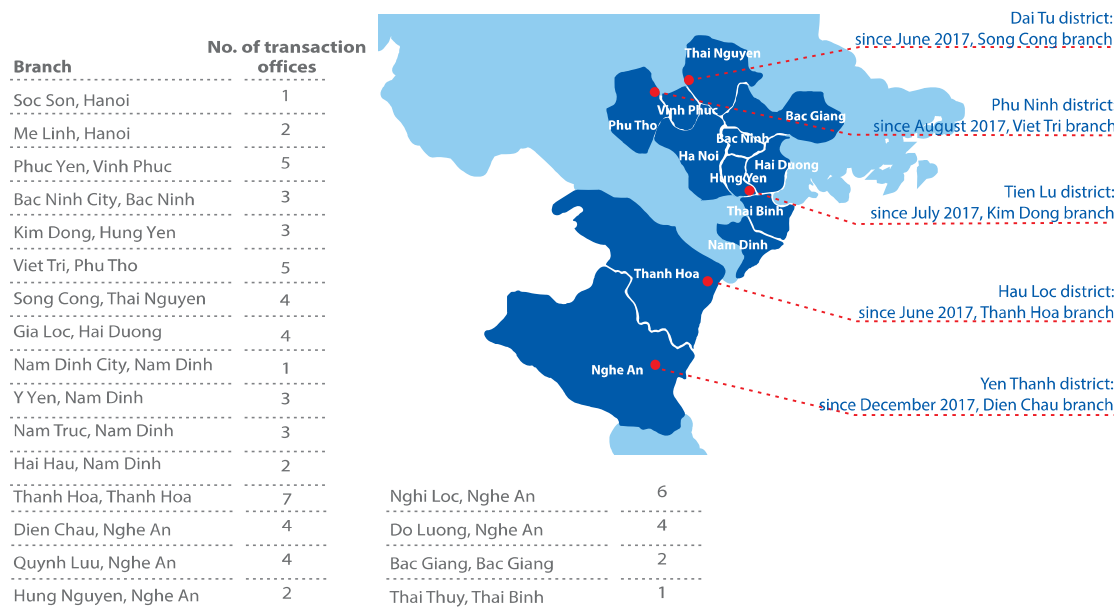
COVERAGE EXPANSION AND MEMBERSHIP DEVELOPMENT



Coverage expansion: In 2017, in celebration of its 25th anniversary, TYM focused on coverage expansion. TYM surveyed and expanded the coverage to 5 additional districts including Hau Loc (Thanh Hoa), Dai Tu (Thai Nguyen), Phu Ninh (Phu Tho), Tien Lu (Hung Yen) and Yen Thanh (Nghe An). Additionally, in the existing areas, TYM has expanded to 55 additional communes,

bringing the number of covering communes to 569.

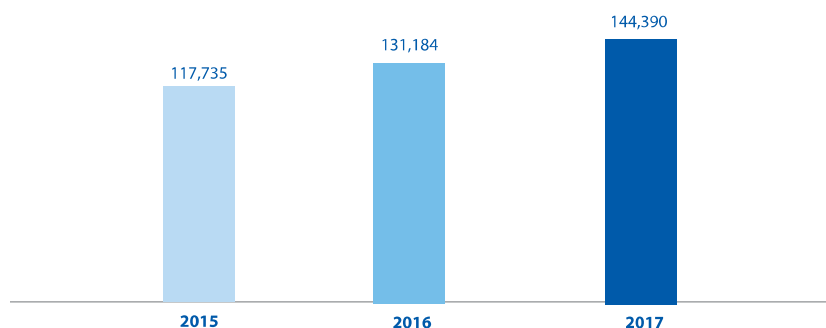
TYM also conducted a survey in a new province named Hai Phong. By the end of the year, TYM received a written approval of the State Bank of Vietnam (SBV) to open a new branch in this province and set up the office in Thuy Nguyen district.



Membership expansion: In 2017, with its best effort to attract clients through various activities and campaigns, TYM reached 29,366 new members, bringing the total number of members and clients to 144,390, increasing 13,206 compared to 2016. The membership growth rate reached 106.3% of the plan.

144,390
Members / clients

Member and client growth, 2015-2017
(Unit: person)



CREDITS: APPROPRIATE PRODUCT IMPROVEMENT AND DESIGN IN LINE WITH CLIENT'S NEEDS



Ms. Hoang Thi Thanh

“

My family would never have got this kind of property should we had not been supported with valuable funds from TYM since the start-up in 2001.

”

VND 2,318.9 **100.77%**
billion of loans disbursed compared to the planned one

VND 1,221 **105.2%**
billion of loan outstanding compared to the planned one

In 2017, TYM focused on research and development of credit products to better serve the needs of clients. Specifically, TYM diversified the range of products for different target groups and improved the product's characteristics for more convenience to clients:

- More attention to the groups living below and close to poverty line: Offered a new loan product for near poor households with preferential interest rate in March 2017. TYM also set out targets and kept a close monitoring of the target for the preferential loans for the poor and near-poor households as defined by the Government. By the end of 2017, the outstanding of these types of loans reached VND 43.13 billion, accounting for 3.53 % of the total loan portfolio, increasing by 1.73% compared to 2016. There were 4,743 poor and near-poor households that benefited from these loans.

- The pilot of MSE loans was expanded to an additional branch of Gia Loc in Hai Duong province, providing access to members/ clients demanding for larger loans. The percentage of the MSE loan outstanding out of the total institutional portfolio increased rapidly from 0.7% in 2016 to 6.83% in 2017.

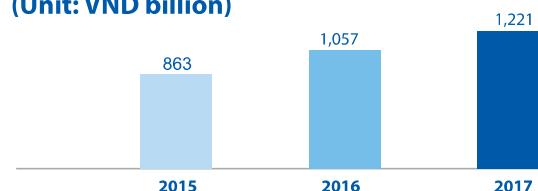
- Revising credit regulations and policies, creating more opportunities for members to access TYM's loans: reducing lending interest rate, allowing early repayment etc. These changes were appreciated by members and helped to attract more borrowers.

In 2017, TYM disbursed VND 2,318.9 billion,

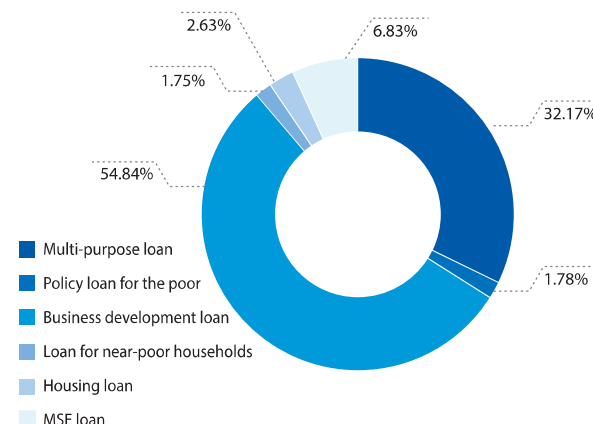
increasing by over VND 17.7 billion compared to that in 2016, fulfilling 100.77% of the planned one. Loan outstanding reached VND 1,221 billion, fulfilling 105.2% of the planned one, increasing by VND 166 billion compared to that in 2016.

Business development loan remained the most popular one; however, the loan outstanding of this type was less than that in the previous year. On the contrary, multi-purpose loan and MSE loan outstandings tended to increase rapidly thanks to their variety of eligible purposes and repayments mechanism (multi-purpose loan) and big loan size (MSE loan).

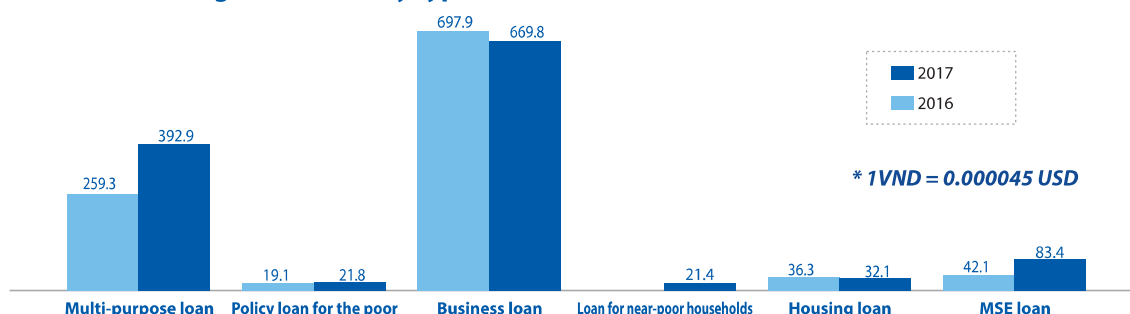
Loan outstanding growth, 2015-2017
(Unit: VND billion)



Loan outstanding breakdown by type in 2017



Loan outstanding breakdown by type in 2017 vs. 2016 (Unit: VND billion)



SAVINGS: STANDARDIZED AND SAFE PROCESSES



Ms Nguyen Thi Thuy

“I have been saving at TYM since 1999. Thanks to that, I have got money to take care of my family. Now, as I get older, I feel much more comfortable because I have had a reserve fund for sickness or illness and do not need to rely on anyone.”

VND 1,042
billion of
loans disbursed

VND 813.48
billion of
loan outstanding

107.5%
compared to
the planned one

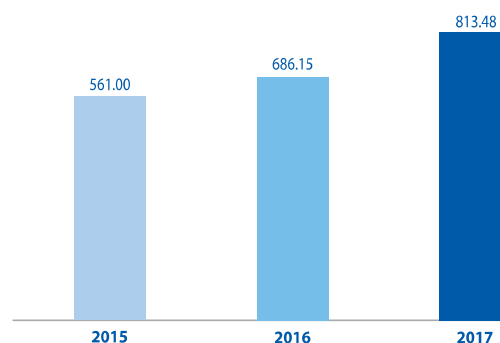
66.6%
savings balance per
loan outstanding

TYM always considers savings as an effective and important funding source not only for the organization but also for members and clients. In 2017, TYM has revised many savings regulations and policies to meet the requirements of the State Bank, the need of clients and especially to ensure the savings security.

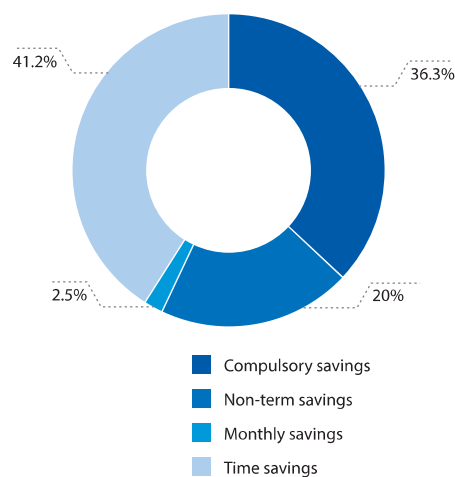
Currently, 100% members deposit at TYM. Besides, TYM attracted an additional 3,792 public savers in 2017, growing at 120% compared to 2016 and trending to increase further.

In 2017, TYM mobilized VND 1,042 billion in savings from its members and clients. As of 31 December 2017, the balance of savings was VND 813.48 billion, achieving 107.5% of the planned one.

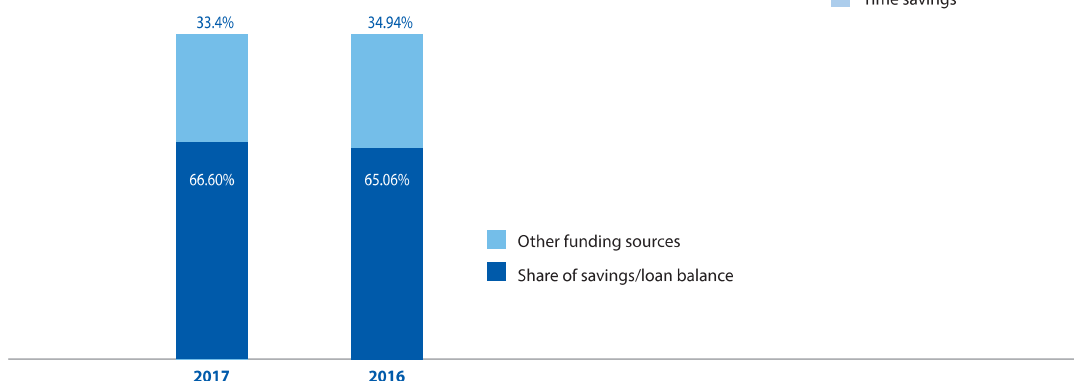
Savings balance growth, 2015-2017
(unit: VND billion)



Savings balance breakdown in 2017(%)



Ratio of Savings out of loan balance



* 1VND = 0.000045 USD

SOCIAL SERVICES: INTENSIVE AND PROFESSIONALIZED SUPPORT



Ms. Nguyen Thi Long

As for me, TYM's training is very useful and gives me motivation. After the exposure visit in 2016, my husband and I decided to switch to growing fruit trees instead of growing rice as before. Although it's been over a year and the trees are still in development, we are really optimistic about future results.

Community development services: In 2017, TYM spent a budget of over VND 2.13 billion for 78 community programs at 12 provinces/cities to support more than 5,438 poor families and communities in its covered areas. These programs included construction of Love Shelter, scholarship of "Give Your Dreams Wings", gifts to the poor in the national holidays and Lunar New Year, to the people with meritorious services to the revolution in the martyrs' day 27th July, free healthcare for members, and contribution for local schools

and health station etc. Particularly, in welcoming the 12th National Women's Congress and the TYM's 25th Anniversary, TYM cooperated with the VWU at all levels to organize many cultural exchanges and sport events. With this series of various activities, TYM not only provided timely support to its members, but also their family members, other women and the community in its covered areas.



4,654
members

Free healthcare



9

families

"Subsidized house"



259

scholarships

"TYM - Give your dreams wings"



25

facilities

Building new countryside



314

presents

For the poor and marginalized members of society



175

presents

Be grateful to war invalids



20

events

Cultural exchanges and sport events for members

* 1VND = 0.000045 USD

Capacity building – consultancy for members

Communication and awareness raising for rural women are always important activities



63,383

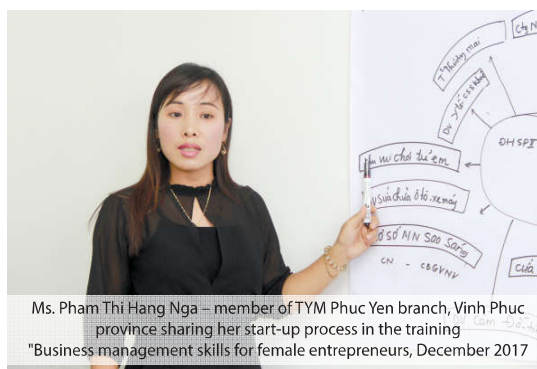
Turns of members benefited training and consultancy activities

that TYM gives much attention to. In 2017, TYM continued to apply three main forms including classroom training, seminar and exposure visit. These activities help members not only to cultivate knowledge, especially in economic field but also to improve their capacity and self-confidence to manage their businesses.

- **Classroom training:** TYM organized 109 training courses for over 61,000 turns of members on 3 main topics:

Training on management skills for center leaders	12 provinces/cities	71 courses	3,367 members
Training on “Management of natural disaster – climate change risks”	Nam Dinh, Thanh Hoa, Nghe An	28 courses	57,710 members
Training on business management skills for female entrepreneurs	Vinh Phuc, Nam Dinh, Nghe An	10 courses	250 members

- **Seminars:** TYM organized 34 seminars for 1,650 turns of members with various topics including maternal and child health caring skills, family happiness maintaining skill, gender equality etc.
- **8 exposure visits** for 406 turns of members to visit and learn from outstanding business model.



Ms. Pham Thi Hang Nga – member of TYM Phuc Yen branch, Vinh Phuc province sharing her start-up process in the training “Business management skills for female entrepreneurs, December 2017

Business development services - BDS: In 2016, TYM promoted BDS activities, especially introduction and connection of members’ products to the market. In 2017, TYM continued to work harder and had many plans to solve the problem of finding the market for high-quality agricultural products and handicrafts produced by TYM’s members and to professionalize its BDS.

- **Promoting sales through online channels:** TYM has introduced the website carcommunity.vn that allows online shoppers to purchase all products available at the CAR shop; enhanced interaction with customers through other channels, especially the shop’s facebook @CARNongphamsach.

- **"Green Fair"**– was held on the occasion of TYM's 25th anniversary. The fair was the chance for 20 members to offer their unique products to consumers in Hanoi. Thanks for that, they had new customers and fellow traders from other provinces; many clean food shops selected them as regular providers.
- **Granting 100% funding to build clips on some of the special products** produced by TYM's members to introduce on Facebook, Youtube, websites of CAR and TYM.
- **Consultancy for members to improve product packaging, leaflets, stamps and labels** with sufficient information and clear origin was held. This helps not only to attract the attention of customers but also create consumers' trust when using the products.

Through the outlet chain including an outlet at 20 Thuy Khue Street, Hanoi and three outlets at branches of Thanh Hoa, Song Cong and Hung Nguyen, TYM has provided regular support for more than 80 women to introduce and offer their specialty such as Hung Yen vermicelli, Thai Binh seafood, Cua Lo fish source-dried seafood, Hai Hau rice, Dong Anh

purple rice and clean vegetables, Thanh Son tea etc. to the market. The increasing number of regular visitors and the better sales have shown the interest of consumers in these products. The chain of outlets has gradually stabilized and developed.



Ms. Phan Thi Ly (to the right) – members of TYM Dien Chau branch in her booth at the Green Fair, October 2017

INTERNATIONAL RELATIONS

2017 is the year marking many important international cooperation events of TYM.

In October 2017, TYM celebrated its 25th anniversary with the participation of nearly 60 guests from many countries. TYM also received numerous wishes from partners and friends who could not come and join the event. That sincere attention and affection is a great encouragement for TYM to continuously strive for the development of Vietnamese women.



Representative of American women activists talking to TYM's members in Me Linh branch, Hanoi

In addition, during 2017, TYM hosted 38 international delegations, including representatives from the Asia-Pacific Financial Inclusion Summit visiting Phuc Yen branch in Vinh Phuc province; experts from International Finance Corporation (IFC) supporting agri-finance, business planning and MIS; German Parliament delegation

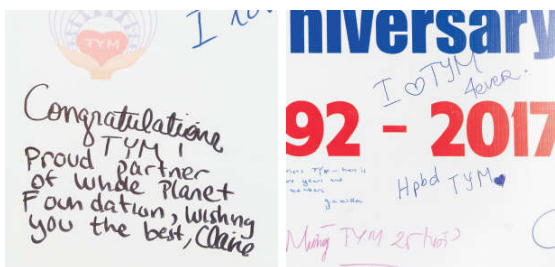
visiting Y Yen branch in Nam Dinh province; Lao Women's Union, American women activists visiting Me Linh branch, and so on. At the same time, TYM also successfully organized some important exposure visits for staff, joining international training, conferences and seminars. That was the opportunity for TYM to exchange, share experiences and participate in the international microfinance network.

Besides, international funding remains an important part for TYM's operation given the difficulties in accessing to domestic sources. In 2017, TYM borrowed a total of VND 211 billion from foreign organizations to expand its microfinance operations. This is a significant source of funding which enables TYM to provide credit and other services to thousands of women and families.

Technical assistance was also a priority in 2017. Existing projects were implemented and achieved good results. They included "Supporting TYM to expand its coverage in Thai Binh and Bac Giang provinces", "Supporting TYM to strengthen its sustainability", and "Supporting TYM's members to pilot cooperative economic



Lao Women's Union visiting and learning about TYM's operations, Hanoi, October 2017



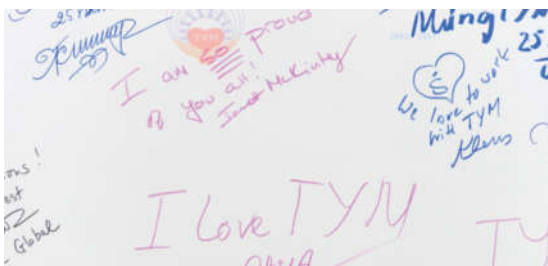
Partners writing their congratulations on TYM's 25th anniversary, October 2017



Delegation of the the Asia-Pacific Financial Inclusion Summit visiting Center 40, TYM - Vinh Phuc branch, Vinh Phuc province, March 2017



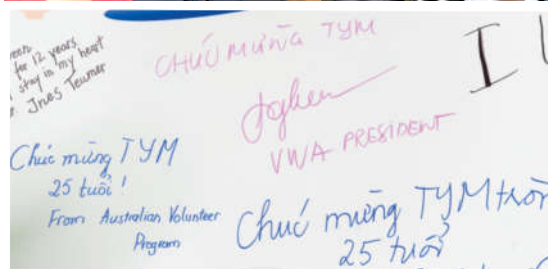
Partners congratulating TYM on its 25th anniversary, October 2017



Representative from the Committee for Social Affairs, Equality and Integration of the Parliament of the State of Saxony, Germany visiting TYM's members in Y Yen branch, Nam Dinh, May 2017



Đối tác của TYM viết lời chúc mừng trong Lễ kỷ niệm thành lập TYM, tháng 10/2017



model". Especially, in 2017, TYM mobilized successfully a couple of projects on capacity building for members. TYM also exploited a dengue fever project to protect low-income members' family with children during the high season. Such the projects have contributed positively to helping poor and low-income women to prevent risks in their lives while at the same time raise their capacity, awareness and strive to escape poverty sustainably.

In the coming time, TYM expects to have opportunities to cooperate in many fields with more international partners.

**TYM officer won the
WPF's Asia Field Officer Appreciation Award 2017**

BE FERVENT WITH EACH MEMBER BE RESPONSIBLE FOR EACH LOAN DISBURSED



“

**For me, all members
are my friends. That
my friends are happy
makes me happy too.
It's that simple.”**

Ms. Vu Thi Lien – A staff member of TYM Phuc Yen branch in Vinh Phuc province

The WPF Field Officer Appreciation Award winner

For the past 17 years, Ms. Vu Thi Lien, technical officer of TYM – Phuc Yen branch in Vinh Phuc province has remained enthusiastic in supporting members get out of poverty. For colleagues, she is always a source of inspiration and positive energy to multiply the good work.

"Provide the fishing rod, not the fish"

It is the "eternal" motto of the microfinance staff. In addition to giving loans to members, she always thinks of how to make them benefit from that. Thus, during her 17 years of working, she has always tried best to motivate and support her members, guide them to use loans effectively. With her support, many women have risen out of poverty and achieved a better life.

One such member is Ms. Nguyen Thi Ly in Binh Xuyen district (Vinh Phuc province). Ms. Ly had a small business in Southern Vietnam, but was forced to return to her hometown in Northern Vietnam when she went bankrupt in 2004. She returned home with only 2 million VND (USD 125) in hand. Her parents could not give her any money as they were too poor themselves. Ms. Lien encouraged Ms. Ly to take out a VND 7 million (USD 437) loan from TYM to set up a business. Observing that Ms. Ly lived in a residential area, which was far away from the market, Ms. Lien advised her to open a small grocery store. In addition, Ms. Lien connected Ms. Ly with providers for better prices. After some time, the business stabilized. Ms. Lien continued to meet with the local Women's

Union asking them to promote the store to build up clientele, as a result Ms. Ly has sold goods to a large number of local women in the area. Thanks to Ms. Lien's support, the business grew, four years later they were back on track and owned "Hai Ly" a successful grocery store. After accumulating some capital from the store, Ms. Ly and her family wanted to develop their business even further but were unsure about where to invest. Once again, Ms. Lien provided recommendations. This time she suggested they sell petrol, as she recognized there was no petrol station in the area. Ms. Ly listened to the clever advice and began selling cans of fuel for motorbikes. Soon after, she borrowed another loan from TYM to open a service station. Ms. Lien continued to assist Ms. Ly's family by asking a close friend in the petrol business to help Ms. Ly's family out with technical advice. That's how, for the second time, Ms. Ly's family succeeded with the help of Ms. Lien, their devoted, enthusiastic Credit Officer! Ms. Nguyen Thi Ly's success story was recognized nationally in 2009 when she was awarded the Micro Entrepreneur Award by Citi Foundation.

Another TYM client who has greatly benefited from Ms. Lien's outstanding service is Mrs. Nguyen Thi Mai. While managing Centers in Quat Luu commune, Lien saw an opportunity, she realized that the locals grew high quality sweet watermelons, but saw there were limited points of sale - producers sold their fruit on the roadside and made very little profit. Ms. Lien suggested that Ms. Mai bought watermelons and sold them to a fruit-processing factory known to her. Ms. Mai took the idea on board and set up a new business, which has become very productive. Thanks to the intervention, people in the region can now sell their produce at a higher price and enjoy a better quality of life.

In addition to that, it seems that a great love for the members always motivates her to find out ways to support them. Many members and their husbands, who had not had a stable job, were introduced to reliable employers. To name a some, husband of Ms. Huynh, member of center 7, was introduced to work for the Construction Company no. 4 of the Hanoi Construction Corporation; Ms. Yen in Center 59 was introduced to work for Ms. Hanh, another member in Center 35 etc. So far, all of them have earned stable income from these works.

Sharing difficulties with members, spreading kindness to the community

Perhaps the most valuable thing is that she

always helps members with thoughtfulness and integrity. Because she understands that, the "dedicated" in the core value of TYM means the companion and sharing with members towards a better life. Among the members that



Lien has managed the case of Ms. Nguyen Thi Lieu is perhaps one of the most touching. Ms. Lieu is a single mother and has an unstable income. She raises pigs and cows to send her daughter to school. Life for her had always been hard, but when she was hospitalized due to liver malfunction things became impossible. Understanding and sympathizing with her situation, Ms. Lien started to juggle her family to have more time supporting Ms. Lieu. In the morning, she had to get up very early to do housework, prepared breakfast for the old mother and two children, then took them to school, after that brought the breakfast to Ms. Lieu's daughter and got her to school.

In addition to that, during the holidays, Lien visited the girl and helped her to take care of herself; she taught her to ride a bicycle so she could get to school. She also organized a money collection from 30 members in the center and contributed some from her salary in order to buy her a bicycle and an electric rice cooker. Lieu was touched and grateful to see her daughter being cared for by TYM staff and other members in the group. Fortunately, after several months of treatment in hospital, Ms. Lieu's health gradually stabilized.

Among 587 members served by Ms. Lien, there are many who have made progressive changes in life thanks to her support. Such the incredibly beautiful work has inspired and multiplied the confidence and motivation for fellow staff of TYM to continue their journey alongside poor women.

**TYM's member honored as "Outstanding Micro Entrepreneur"
under Citi Microfinance Entrepreneurship Award Vietnam 2017**

TURNING SAWDUST INTO CLEAN ENERGY



Full name: Nguyen Thi Thanh Phuong Age: 29
Living in Phu Binh district, Thai Nguyen province,
Vietnam
Joining TYM since 2012
Business activity: Production of sawdust pellets
and smokeless stoves
Recognized as the Microentrepreneur of the year
under CMA 2017 (the highest prize)

Determined to put the idea of clean energy fuel into life

To Vietnamese people, sawdust is not something new, but sawdust pellets - a kind of "clean" fuel and renewable energy is certainly not well known, especially about 10 years ago when the green energy was still new in Vietnam. However, in that context, Ms. Nguyen Thi Thanh Phuong, a member of TYM Song Cong branch, Thai Nguyen province, and her husband Mr. Nguyen Huy Hung cherished the idea "producing bio-pellets* from simple things in daily life to create environment - friendly energy".

In 2009, Phuong and her husband started to study and invent their own production

machines because they did not have enough money to buy industrial machines. For more than two years, they kept on looking for all kinds of materials writing about domestic and foreign machines and then designed and assembled their own machines. Phuong shared that although they failed many times, the machinery burned, the house was always dusty, investment money grew larger, they still determined to keep on going. She had to work for others to earn breads for the whole family so that her husband (an automation engineer) could focus on inventing the machine. Finally, their efforts were compensated when their sawdust pellet production line could operate at a much lower cost compared to imported machines and were easy to use for small businesses in Vietnam.

Particularly, they also made their own stoves to use the sawdust pellets. They hope that their products are used not only in factories and industrial parks but also at home to replace charcoal and firewood stoves and firewood that may affect negatively the environment.

Starting up with the capital of trust

After successfully manufacturing the production line, they began to look for input

materials. Sawdust was cheap; however, at that moment of time, they run out of money and transportation costs were expensive, they, consequently, had to collect from various small wood mills. Moreover, they had to borrow a lot from relatives and friends to invest in manufacturing the machinery and renting a workshop. The new production models did not come into operation, making it difficult for them to access the funds from banks. Thus, Phuong came to TYM – who believed in their project and appreciated their good ideas. After listening to their story and evaluating the project, TYM decided to disburse quickly and did not require any collateral. The first loan of VND 7 million (USD 350) at that time to buy sawdust is the important fund for them to start their business. They started to run the production line and sell the products to the market.

Up to now, she owns a workshop of over 1,000m², creating regular jobs for 12 to 15 local women with average income of VND 3 to 6 million per month (USD 134 - USD 270). Their revenue reaches over VND 1 billion/year. In addition, they have transferred the technology to other providers in many provinces across the country.

Phuong shared "In order for women to start-up successfully, the most important thing is the trust and sharing of the husband". Currently, her husband concentrates on technical work; for such others as production and business management, finding of markets, financial and funding management and business development, she is in charge of.



“

We produce pellets from simple things in daily life to create environmentally friendly energy

”

After 11 years of participating in CMA, there are 89 TYM's members honored as "Outstanding Micro-Entrepreneur". Phuong is the first member receiving the highest award. She has planned to use the award to expand her business in the coming time.

* Agricultural waste (straw, sugar cane, corn husk, etc.), forest residues (dried leaves, wood chips etc.), paper-waste, metan generated from landfill, waste-water treatment plant, fertilizer from livestock and poultry farms



Bi-annual meeting of TYM Gia Loc branch, July 2017



Ms. Phung Thi Ly – TYM's member in Phuc Yen branch, Vinh Phuc receiving the prize from TYM, December 2017



TYM's annual meeting with the participation of the VWU's leaders, December 2017
(Madam Nguyen Thi Thu Ha – President of the VWU – the 6th from the left and madam Nguyen Thi Tuyet – Vice President – the 4th from the left)

OTHER ACTIVITIES IN 2017



TYM's representatives participating in the roundtable discussion on financial inclusion with Queen Maxima of the Netherlands, May 2017



IT expert from CARD, the Philippines (first row, the 1st from the left), supporting TYM's MIS project, November 2017

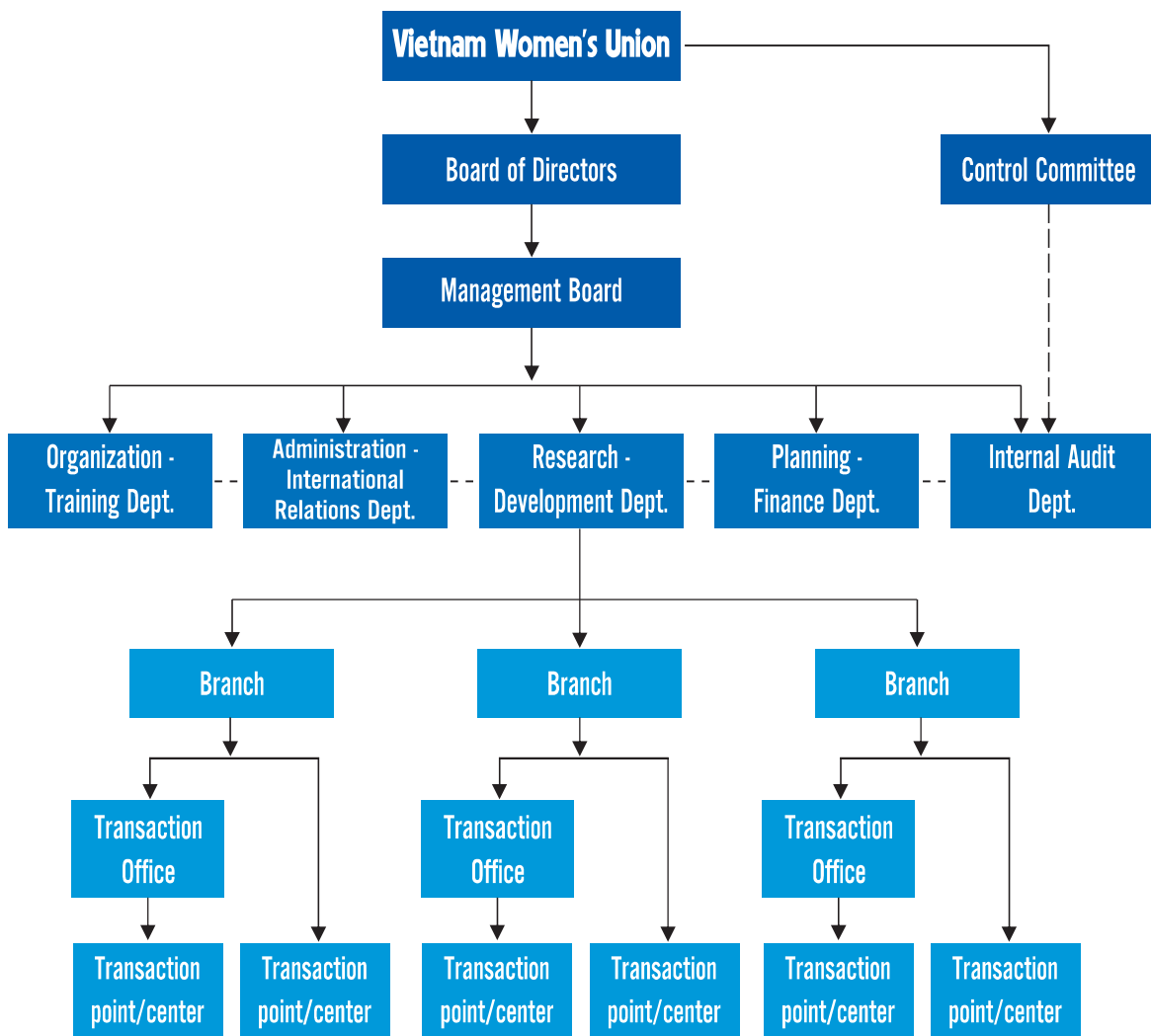


Conference of launching TYM's operation in Phu Ninh district, Phu Tho province, August 2017



Training course on "Development of Competition Strategy", April 2017

ORGANIZATIONAL CHART



2017 OPERATIONAL UPDATE

	2016	2017
No. of provinces	12	12
No. of districts	61	66
No. of communes	514	569
No. of centers	3,285	3,612
No. of branches/ transaction offices	62	66
No. of staff members	455	498
No. of technical officers (TO)	251	274
No. of members	127,274	140,598
No. of clients	3,910	3,792
No. of active members	98,623	100,275
No. of poor members	2,659	2,501
No. of members per TO	482	513
No. of members per center	39	39
No. of loans disbursed	127,717	100,275
Total loans disbursed (VND)	2,065,997,745,500	2,318,922,969,000
Loan outstanding (VND)	1,054,661,420,000	1,221,270,954,000
Savings balance (VND)	686,153,264,250	813,482,048,000
Repayment rate	99.99%	99.99%
PAR	0.004%	0.005%
OSS	123%	124%
FSS	122%	121%

* 1VND = 0.000045 USD

OUTLOOK FOR 2018

1

Expanding the network and attracting more clients: expand the coverage to 5 new districts/towns in the existing provinces, bring the number of members to over 150,000; establish branches in 3 new provinces covered by the FPW including Lam Dong, Quang Ngai, Tay Ninh;

2

Improving products and services to increase access and benefits for women: study a special loan for natural disaster risk prevention; review and adjust credit and savings policies to be more suitable with clients, continue to simplify loan procedures;

3

Strengthening members' capacity building, business development support and community activities: organize 25 study tours for members, introduce members' products to markets; organize free medical examination and treatment for 3,827 members; construct "Love Shelter" for 9 poor members family; provide medical equipment for 19 medical centers; grant 550 scholarships to members' children;

4

Continuing to build a management information system to meet the new requirements of the forth industrial revolution: develop and select a modern information technology system to meet the requirements of organizational management and innovation;

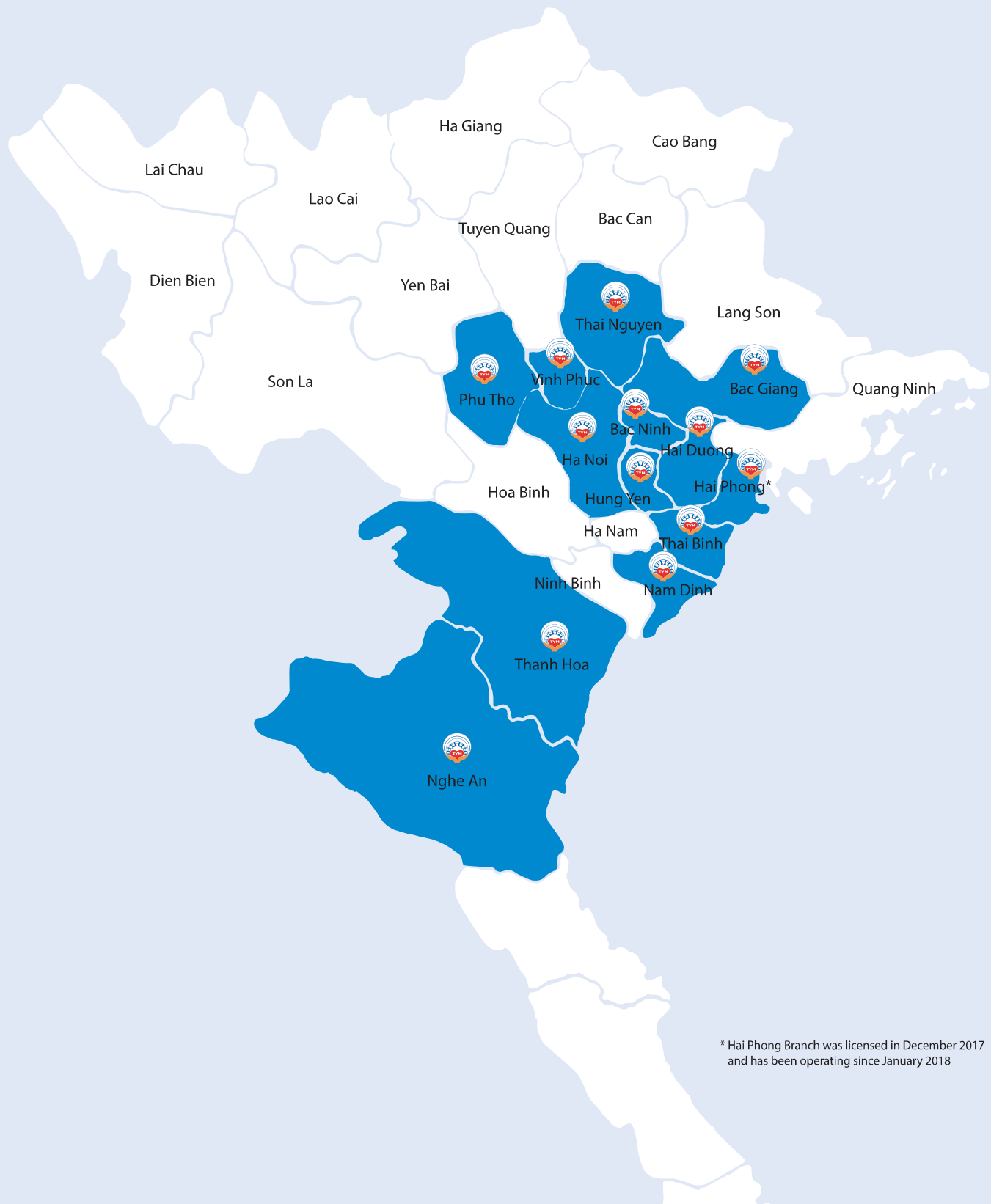
5

Strengthening internal controls and risk management: Strictly implement the legal and risk management in accordance with the law and internal regulations of TYM; closely monitor the operation safety ratios;

6

Promoting international cooperation: supplement and efficiently exploit resources for development; exchange and share experiences; play an increasingly active role in regional and international microfinance networks.

TYM COVERAGE MAP



* Hai Phong Branch was licensed in December 2017 and has been operating since January 2018

DANH BẠ TOÀN TYM

TYM – SOC SON BRANCH, HANOI

Address: no. 11, Da Phuc street, Soc Son town, Soc Son district, Hanoi
Tel: (024) 3.884.0517 - (024) 3.595.5560

TYM – ME LINH BRANCH, HANOI

Address: Center of Population, Family Planning of Me Linh district, Noi Dong village, Dai Thinh commune, Me Linh district, Hanoi
Tel: (024) 3.818.3555

TYM – VINH PHUC BRANCH, VINH PHUC PROVINCE

Address: no. 25, Hoang Quoc Viet street, Phuc Yen city, Vinh Phuc province
Tel: (0211) 3.869.778

TYM – BAC NINH BRANCH, BAC NINH PROVINCE

Address: no. 89, Nguyen Du street, Ninh Xa ward, Bac Ninh city, Bac Ninh province
Tel: (0222) 3.828.003

TYM – THAI NGUYEN BRANCH, THAI NGUYEN PROVINCE

Address: Residential group of Du Tan, Thang Loi ward, Song Cong city, Thai Nguyen province
Tel: (0280) 3.662.535

TYM – VIET TRI BRANCH, PHU THO PROVINCE

Address: no. 148, Minh Lang street, Tien Cat ward, Viet Tri city, Phu Tho province
Tel: (0210) 3.818.755

TYM – HAI DUONG BRANCH, HAI DUONG PROVINCE

Address: Northern Residential Areas of Gia Loc town, Gia Loc district, Hai Duong province
Tel: (0220) 3.514.277

TYM – KIM DONG BRANCH, HUNG YEN PROVINCE

Address: no. 372, Nguyen Luong Bang street, Luong Bang town, Kim Dong district, Hung Yen province
Tel: (0221) 3.811.542

TYM – Y YEN BRANCH, NAM DINH PROVINCE

Address: New Urban Area, Lam town, Y Yen district, Nam Dinh province
Tel: (0228) 3.823.424

TYM – NAM DINH CITY BRANCH, NAM DINH PROVINCE

Address: no. 01, Tran Dang Ninh street, Nam Dinh city, Nam Dinh province
Tel: (0228) 3.526.606

TYM – NAM TRUC BRANCH, NAM DINH PROVINCE

Address: Office Building of Nam Truc district, Nam Nam Giang town, Nam Truc district, Nam Dinh province
Tel: (0228) 3.912.120



HEAD OFFICE

TINH THUONG ONE-MEMBER LIMITED LIABILITY MICROFINANCE INSTITUTION (TYM)

Address: no 20, Thuy Khue street, Tay Ho district, Hanoi city
Tel: (024) 3. 728.1003 - (024) 3. 728.2818

TYM – HAI HAU BRANCH, NAM DINH PROVINCE

Address: no. 213A, Residential Area no. 4, Yen Dinh town, Hai Hau district, Nam Dinh province
Tel: (0228) 3.775.780

TYM – THANH HOA BRANCH, THANH HOA PROVINCE

Address: no. 78, Residential Area no. 2, Quang Xuong town, Quang Xuong district, Thanh Hoa province
Tel: (0237) 3.670.752

TYM – HUNG NGUYEN BRANCH, NGHE AN PROVINCE

Address: Residential Area no. 7, Hung Nguyen town, Hung Nguyen district, Nghe An province
Tel: (0238) 3.821.421

TYM – NGHI LOC BRANCH, NGHE AN PROVINCE

Address: Residential Area no. 6, Quan Hanh town, Nghi Loc district, Nghe An province
Tel: (0238) 3.796.680

TYM – DO LUONG BRANCH, NGHE AN PROVINCE

Address: 2nd floor, Center of Communication and Sport, Residential Area 4, Do Luong town, Do Luong district, Nghe An province
Tel: (0238) 3.717.088

TYM – DIEN CHAU BRANCH, NGHE AN PROVINCE

Address: Residential Area no. 3, Dien Chau town, Dien Chau district, Nghe An province
Tel: (0238) 3.623.920

TYM – QUYNH LUU BRANCH, NGHE AN PROVINCE

Address: Former Sport Center of Quynh Luu district – Residential Area no. 3, Cau Giat town, Quynh Luu district, Nghe An province

TYM – HAI PHONG BRANCH, HAI PHONG PROVINCE

Address: no. 35, Da Nang street, Nui Deo town, Thuy Nguyen district, Hai Phong city
Tel: 0978 372 209

Project “Supporting TYM to expand operations to Thai Binh and Bac Giang provinces”: THAI THUY BRANCH, THAI BINH PROVINCE

Address: Trade Union of Thai Thuy district, Residential Area no. 6, Diem Dien town, Thai Thuy district, Thai Binh province
Tel: (0227) 3.753.338

Project “Supporting TYM to expand operations to Thai Binh and Bac Giang provinces”: BAC GIANG BRANCH, BAC GIANG PROVINCE

Address: Back Gate, 3rd floor, no 72 Hung Vuong street, Ngo Quyen town, Bac Giang city, Bac Giang province
Tel: (0204) 3.552.556

JOIN US TO SUPPORT VIETNAMESE WOMEN!



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TYM – 25 YEARS OF COMMITMENT TO THE MISSION OF EMPOWERING WOMEN



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