



Government of the Republic of Vanuatu

Office of the Registrar of Cooperatives & Business Development Services



ORCBDS Annual Report 2016

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**Office of the Registrar of Cooperative &
Business Development Services**

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Lists of Acronyms

AFIC	APMA Financial Investment Centre
DFAT	Australian Department of Foreign Affairs and Trade
EU	European Union
FAO	Food and Agriculture Organization
GFG	Governance for Growth (AID)
JICA	Japan International Cooperation Agency
ORCBDS	Office of the Registrar of Cooperative & Business Development Services
OXFAM	Oxford Committee for Famine Relief
SPC	South Pacific Communities
TVET	Technical and Vocational Education and Training
UNDP	United Nation Development Programme
UNICEF	United Nations International Children’s Emergency Fund
VRCS	Vanuatu Red Cross Society
VCF	Vanuatu Cooperative Federation
MIS	Management Information System
MSME	Micro, Small, and Medium Enterprise
NCP	National Cooperative Policy
VAT	Value added Tax
S & L	Savings and Loan
KFW	Kreditanstalt Fur Wiederaufbau (German Development Bank)



Acknowledgement

It is with great pleasure that this office presents its 2016 Annual Report. This Report covers the collection and analysis of data related to ORCBDS rural business development program for 2016.

We take this opportunity to acknowledge the outstanding effort of all who contributed in a way for the collection and collating of data into a useful information report about the development and changes in Vanuatu Cooperative Movement. The major contributors of this annual report are;

- Government of Vanuatu
- Non-Government Organizations
- Cooperative Societies and their members
- Ni-Vanuatu business clients
- Government institutions
- And people of Vanuatu

Further, ORCBDS would sincerely like to acknowledge the Government of Vanuatu through the Office of the Prime Minister for recognising the importance of revitalising the Cooperative movement as a vehicle for rural business development and economic self-reliance. Thank you for recognising the established vision and your support to take cooperative movement to another milestone and witnessing the changes through transitions to full cooperative enterprise system which we are yet working hard, and with limited resources to achieve. Let me assure you that we are really work hard to achieve what we both believed in.

Further acknowledgment goes to our Funding Agencies namely, TVET, DFAT, GFG, SPC, JICA, UNICEF, OXFAM, UNDP, FAO, EU, Red Cross, Live & Learn, Save the Children, World Vision and others not mention here. Without your contributions, we won't be able to reach rural communities in far most remote areas. Thank you very much.

Finally, ORCBDS would like to acknowledge all the hard working officers for their timeless efforts that resulted in the completion of 2016 Annual Report that is now available to the people of the Republic of Vanuatu.



Director and Registrar's Report



Greetings to everyone,

I am pleased to report real progress against our Business Plans in the 2016 Annual Report. This Report covers the collection and analysis of data related to ORCBDS rural business development program in 2016.

Our Achievements of 2016

1. Our cooperative membership has increase to **15,573** with a total of **VT 804,647,416** in Sales turnover. We estimated a government revenue through those retail cooperative not registered in VAT and paying VAT directly are **VT 71,524,214**.(Estimated VAT returns (1.25 = cost/9) at VT71,524,214 as government revenue collected through Customs and Inland Revenue).
2. **55%** of Coops were audited with profits of **VT 130,364,011** and **VT 39,456,547** Shared among Members as their Annual Dividend.
3. Total Savings in Cooperative savings and Loan is **VT 278,160,869** and loan disbursed from these savings is **VT 334,405,784**.

Malampa

1. In Malampa we have over 5,000 Members with their turnover of **VT 333,312,081** and Profits of **VT26, 505,593**. This is from 64 coops Audited out of 99 Active coops from 2015. In 2016 we recorded 101 Active Coops. Dividend shared among members is **VT17, 064,627** and that includes cooperative savings and loan societies.
2. With Cooperative Savings and Loan societies, we recorded a total saving of **VT 278,160,869**. Loan given out to members was **VT 34,665,363**, purposely for individual small micro business, school fee, rebuilding etc...
3. We have star stories where newly established cooperative borrowed from other cooperative in a form of loan to buy new stock. This is achieving our cooperative principles promoting Cooperative to Cooperative network. Also one of our Consumer Cooperative borrowed money from their cooperative savings and Loan business to buy vehicle for transportation.



Shefa

1. Our Shefa team audited Coops 26 coops with VT 161,421,641 turnover and VT 74,033,527 in profits and dividend shared is VT11,339,732
2. Total savings recorded at VT197, 509,597 and Loans given out to members VT 275,192,530.

Sanma

1. Sanma has over 3,500 Member with 110 active cooperatives. They have audited 59 coops with a financial record of VT 173,089,017 turnover and VT 26,517,298 in profits. Dividend shared among members was VT 11,562,956 from VT 24,286,808 savings with loans given out at VT 13, 098,440.
2. One of our star cooperative savings and loan in West Coast has a financial record of over VT 8,000,000 member's savings. Another in savings and Loan societies in east Santo has over VT 4,000, 000 in members' savings.

Penama, Tafea and Torba

In 2017, our focus will be on these provinces. They were once our leading provinces with successful cooperatives especially Tafea and Penama however due to natural disasters, limited resources, and unforeseen circumstances they experience downfalls. However, through our audited reports we recorded over VT 12,700,000 of savings in Penama, Tafea and Torba from over 3,600 members.

Our Challenges

- 2016 was indeed a challenge for us. Even though we are seeing a positive trend in cooperative movement over the last 8 years, we still sense that there seems to be limited policy support by stakeholders and Government for Cooperative sector.
- Lack of Capacity to diversify and getting cooperative businesses to be more into Cooperative Enterprise System has always been a great challenge.
- We need to review and create new training materials to meet our stakeholder's expectations as there are changing needs and increase demand.
- Creating a unified financial systems for different sector or types of cooperatives and if an affordable Micro-Insurance program to support cooperatives when they face disasters.
- HR issues and strengthening our compliance unit to deal with all cooperative issues



Forward Plans

Despite all these challenges, our key priorities has always been on sight and that is to

- Completion of National Cooperative Policy (NCP) 2017 -2020
- Review and prepare the MSMEs bill to go through parliament
- Thorough review of Cooperative Act and aligning it to our NCP.
- Establish other sectoral Cooperatives as Agriculture, Health, Housing, Insurance etc
- A strong and active compliance programs to address on-going issues
- Continue reviving VCF and the Secondary cooperatives
- Ensure MIS rollout effectively
- Audit Preparation
- Implement projects based on agreements.
- A strong promotion on Cooperative not as a Movement but as an Enterprise.

We have put in place the plans and objectives to ensure these priorities are accomplished, to consistently enhance our business services and to be more efficient and smarter through our Management Information System (MIS), which will be trail out in 2017. We still believe in leading the field in rural development and understand our clients better than ever before through our collaboration with our stakeholders through partnering programs.

We will continue our diligence in building up and empowering rural economic development through our rural business development program. I remain confident that our progress will be a reflection of the important role this office plays to our stakeholders and pledge for their continuous support so that we can achieve our ambition aligning our efforts to improve rural livelihoods, and there are evidence showing we are heading in the right direction.

Finally, thank you for your support in 2016 and be assured that we are working hard to empower rural economic development through ORCBDS mandated programs.

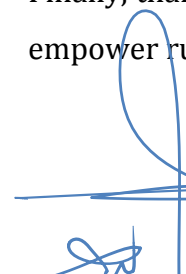



Ridley M. Joseph
Director and Registrar of ORCBDS



Table 1: Shows Overall Key Results in brief for the 2016 financial year

Financial Activity	FY15	FY16
Active Coops	340	387
Audited	165	187
Annual Turnover	VT 638,758,722	VT 804,647,416
In-direct Revenue (VAT)	VT 79,294,840	VT 71,524,214
Direct Revenue	VT 2,514,430	VT 2,674,140
Profits	VT 70,622,587	VT 130,364,011
Dividend Shared from Coops (Consumer & S&L)	VT 39,628,857	VT 39,456,547
Dividend shared from S&L only	VT 4,871,663	VT 10,634,872
Total Savings from S&L	VT 102,900,711	VT 278,160,869
Loans Disbursed	VT 70,778,205	VT 334,405,784
Coop Membership	14,265	15,537
Coop Employment	404	587
Carry Out Business Trainings	36	47
Women employed as managers	130	219
Number of woman into assisted into entrepreneurs	33	118
Number of Cooperatives revived	5	4



Progress Against Strategic Priorities

ORCBDS has in place its yearly business plan, and three (3) key strategic priorities are in place to support its Visions and Missions;

Supporting Cooperatives

- ✓ The development stage of drafting the National Cooperative Policy to support the Cooperative Legislation
- ✓ Vanuatu Cooperative Federation has currently revived its network to support secondary and primary cooperatives.
- ✓ Cooperative projects to strengthen the road map for facilitating produces from rural to urban markets.
- ✓ We are currently road mapping the process to review the Cooperative Societies Act to ensure the legislation remains relevant, up to date and continues to meet the needs of Vanuatu people. And this should be done before 30th of June 2017.
- ✓ Agriculture Production chain has been developed as a road map for our market value chain.
- ✓ Continuous improvement of coop financial status.

Ensure Compliance

- ✓ New Recruitments to support the new ORCBDS structure
- ✓ Introduction of National Cooperative Policy
- ✓ Investigations and complaints issues has been dealt with effectively and efficiently compared in past years.
- ✓ ORCBDS staff compliance to PSC rules and regulations has been undertaken effectively and efficiently.

Working Effectively

- ✓ Increased by 3.7% from 2015 in business training and follow-ups to support client's initiatives.
- ✓ As part of a continuous internal review program, we have conducted internal reviews of key services and programs, refining and enhancing services to help our clients achieve better outcomes. This is has been achieve through the development of automated systems in excels and other programs that



furnish the reporting process and hence, introducing to societies the automated systems that should rectify how they currently work so reporting to members becomes more visible and responsible.

- ✓ Development of Management Information System to support cooperative data
- ✓ Current plans and recommendations are already in place for top 10 coop societies, as such, automated systems will be introduced and other support services like business plan, budgeting, marketing plan and capacity building.
- ✓ Efficient data collection improving our offer to analyze our service performance. This has increased our capability in using data to deliver insights to enhance our leading position and further help us to satisfy our stakeholder's needs



Impressions from 2016

Old and New Matvun Consumer and Marketing Cooperative in Malampa Province



VCF supporting Cooperatives women farmers with shipment of their produce to Port Vila



Launching of VAO Agri Cooperative



TUTA FANUA A'RIKI Handy Craft Cooperative



Futuna Fishermen Savings & Loan Coop for Futuna



Lovevetuwale Cooperative Savings & Loans - Torba



Rani Coop – South Santo



Saama Coop – North Efate



Revival of Tanabulu cooperative - Pentecost



Tewetonga Cooperative - Epi



Cooperative Sales Day – Port Vila



Key Performance Indicators

Table 2: Number of Active Cooperatives

Province	Active Cooperative Societies in Vanuatu for the past 6 years					
	2011	2012	2013	2014	2015	2016
Tafea	79	84	72	78	15	20
Shefa	39	52	69	74	71	100
Malampa	84	91	94	104	99	101
Penama	54	62	40	41	34	45
Sanma	49	93	130	110	104	110
Torba	11	11	16	17	17	17
Total	316	393	421	424	340	393

The overall number of cooperatives has increase compared to 2015. To be more precise, the annual growth rate over the last 8 years is 6.4%. By provinces, Tafea is transforming slowly with the revival and establishment of new cooperatives. While Penama has a steady growth and there a growing signs that more communities and groups will form cooperative businesses as they realise the power of empowerment and social justice through cooperative enterprise.

Figure 2: Growth in cooperative movement



Table 3: Type of Active Cooperative Societies

Types	Tafea	Shefa	Malampa	Penama	Sanma	Torba	Total
Retail	8	45	37	10	34	13	148
Producers	3	5	12	8	6	0	34
Fisheries	2	2	0	1	2	0	7
Savings & Loans	6	39	48	25	67	4	191
Transport	0	1	0	0	0	0	1
Others	1	6	4	0	1	0	12
Total	20	100	101	45	110	17	393

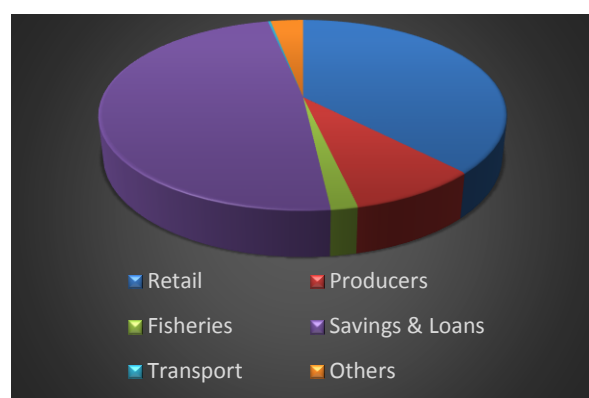


Figure 3: Chart showing active Cooperative by sector

The chart shows the composition of cooperative by sector, and data indicated that cooperative savings and loans comprised of 48% and 38% to retails sector. Other sectors make up a significant composition of the whole cooperative

business in Vanuatu. Even though these registered societies are based on these sectors, a significant number of cooperatives are also involved in other business sector such as fuel, transport, copra etc.... In 2016, 10 cooperatives were diversified to other business such as goods trading, fuel, local produce & marketing etc....

Plans are currently in place to establish more producer coops in rural areas to support government priorities in productive sector. ORCBDS has currently revived Vanuatu Cooperative Federation with the intention to promote producer or agricultural cooperatives through VCF trading network.

Table 4: Shows Employees and Memberships

	Jan to Dec 2013	Jan to Dec 2014	Jan to Dec 2015	Jan to De 2016
Employees	587	784	404	587
Members	14,967	16,079	14,265	15,537



Total Employment

There is a growth in employment compared to 2015. Annual Growth rate in employment since 2009 is 13.8% while membership annual growth rate is 11.8 %. This growth relates to new cooperatives being established or being revived after the TC Pam. Provinces from the north especially Malampa and Sanma has maintain a steady growth both in employment and membership. We believe that having VCF up and running will pave way for small cooperatives to grow thus, contributing to rural economic participation. Even though there was a decline in employment, 183 employments were created by ORCBDS program a number of them are woman getting into business and becoming entrepreneurs.

Figure 4: Shows employment in cooperatives from 2009 to 2016

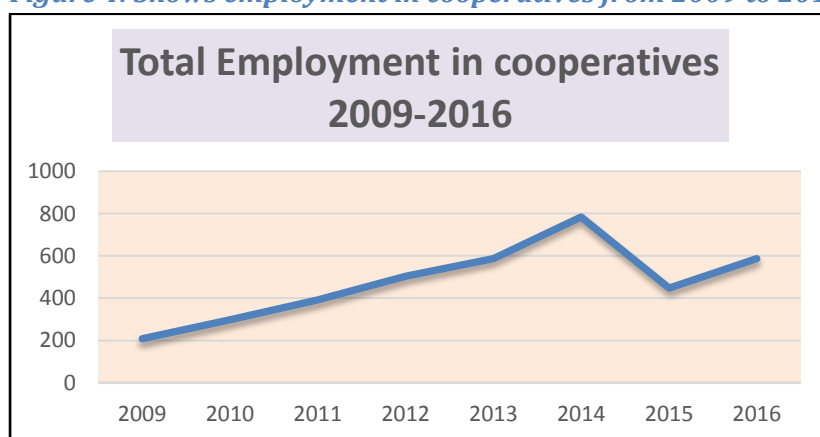


Table 5: Shows Total of Membership

	2013	2014	2015	2016
Tafea	3,237	3,259	486	885
Shefa	1,266	1,650	2349	3695
Malampa	4,503	4,865	5092	5739
Penama	1,654	1,964	1964	1380
Sanma	4,001	4,005	4034	3523
Torba	306	336	340	351
Total	14,967	16,079	14,265	15,537



Table 6: Shows Financial Strengths of Audited Consumer Cooperatives

Total turnover

Provinces	2013 (VT)	2014 (VT)	2015 (VT)	2016 (VT)
Tafea	20,366,173	24,207,125	26,167,815	61,029,666
Shefa	76,208,965	81,797,602	87,653,796	161,421,641
Malampa	279,433,346	312,301,842	317,730,187	333,312,081
Penama	145,646,474	87,767,932	67,700,100	57,210,406
Sanma	137,137,717	132,097,817	190,074,254	173,089,017
Torba	13,541,675	16,725,485	17,132,670	18,584,605
TOTALS	672,334,350	654,897,803	638,758,722	804,647,416

The turnover sales shown on the table above represents only the number of cooperative societies that have been audited by the officers. Note that the turnover has increased compared to 2015. Since data was recorded from 2009 to 2016, we calculated using compound annual growth rate for 8 years and it shows that the annual growth rate in turnover from these years to now is 5.5%.

Further, it was a turnaround for most coops after TC Pam. Coops are growing both in numbers and in financial strength. Further, the number only represents the consumer coops and not the savings and loans.

For sure if more coops were to be audited, surely these figures will increase more. Further, the line graph below shows that there is a stable growth of coop turnover over the past 7 years. Like all other business sectors, business in Vanuatu is very competitive and involving other environmental forces including natural disasters affecting growth in businesses in Vanuatu.



Figure 6: Depict Annual Turnover over 7 years

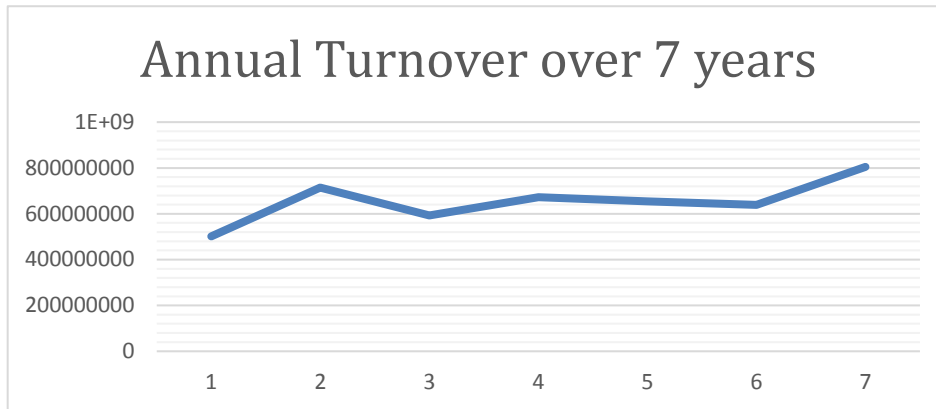


Table 7: Shows Total Dividend Shared

Provinces	2013 (VT)	2014 (VT)	2015 (VT)	2016 (VT)
Tafea	6,312,678	674,500	418,079	762,500
Shefa	3,870,803	8,435,648	7,792,180	11,339,732
Malampa	10,509,384	16,924,562	17,377,034	17,064,627
Penama	29,114,525	6,782,847	708,194	303,569
Sanma	28,827,053	9,530,169	12,542,354	10,118,309
Torba	812,969	816,760	791,016	630,310
TOTALS	79,447,412	43,164,486	39,628,857	39,456,547

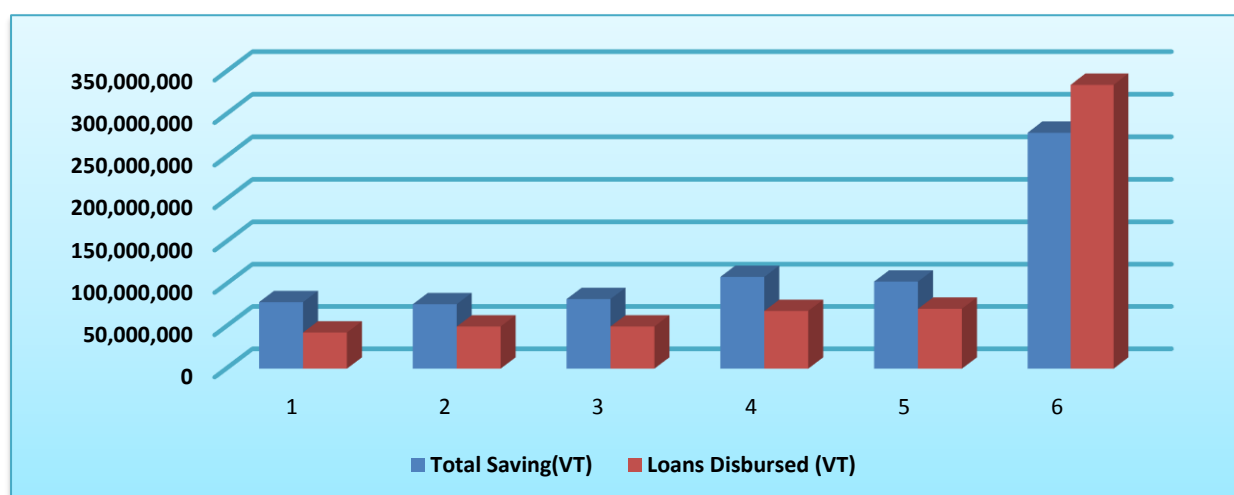
Dividend continues to drop by -16% from 2013. Even though this seems negative, advices have been given to coop societies to use low percentage of rebate in dividend to control cash flow budget for following year. Other reason being, only 55 % of Audit being carried out and cooperative businesses agreeing not to give out dividends until business fully recover.



Table 8: Active Savings and Loans Cooperative Societies

	2011	2012	2013	2014	2015	2016
Total Saving(VT)	78,561,385	76,154,984	82,254,799	108,347,527	102,900,711	278,160,869
Loans Disbursed (VT)	42,699,293	49,786,663	49,776,606	68,186,915	70,778,205	334,405,784

Figure 8: shows Active Savings and Loans Cooperative Societies



Savings has increase in the last 6 years from 2011 to 2016. There is still a steady growth of 23.5% with savings and loan disbursement as both are correlated. In 2016, there was a huge increase in both savings and loans disbursement. This is resulted from AFIC Cooperative savings and loan society savings which is becoming very popular with its instant services. Further, with the composition of cooperatives by sector, savings and loans accounts for 48% in Vanuatu with a significant of **80% of members are women**. Promoting women in business is one core functions of the ORCBDS through the savings and loans initiative. The idea is to promote rural savings for future needs.



Table 9: shows total savings

Provinces	2013 (VT)	2014 (VT)	2015 (VT)	2016 (VT)
<i>Tafea</i>	33,940,643	4,031,024	217,145	1,366,495
<i>Shefa</i>	3,118,604	16,256,097	13,402,918	197,509,597
<i>Malampa</i>	22,068,086	34,399,882	40,109,612	43,516,908
<i>Penama</i>	7,004,330	8,673,017	6,873,198	11,077,551
<i>Sanma</i>	15,910,206	44,513,497	41,697,825	24,286,808
<i>Torba</i>	216,930	474,010	600,013	403510
TOTALS	82,258,799	108,347,527	102,900,711	278,160,869

Loans disbursed to members has experience a huge increase 40.9% since 2013. This increase is from AFIC S&L in Port Vila and Luganville. However, research is yet to be done to report the impact of this loans disbursed. Current Cooperative policy development will ensure to provide policy direction as to how to establish a national savings and loan for members to have easy access to credit at a low interest rate.

Table 10: Total Loans Disbursed to Members

Provinces	2013 (VT)	2014 (VT)	2015 (VT)	2016 (VT)
Tafea	17,668,691	4,621,030	34,900	623,010
Shefa	1,917,585	9,650,223	8,232,683	275,192,530
Malampa	17,085,887	22,661,909	27,766,576	34,665,363
Penama	4,981,640	8,797,370	12,582,323	10,676,441
Sanma	8,122,803	22,435,383	21,951,723	13,245,440
Torba	0	21,000	210,000	3,000
TOTALS	49,776,606	68,186,915	70,778,2050	334,405,784

Apart from consumer & marketing coops, savings & and Loan cooperative has been actively giving out dividend to its faithful members in their financial year and this can be seen below. Shefa recorded high in dividends and Malampa. This shows members are saving more compared to other provinces.



Table 11: Total Dividends Shared from S&L only

Provinces	2013 (VT)	2014 (VT)	2015 (VT)	2016 (VT)
Tafea	444,359	0	0	0
Shefa	108,753	5,091,502	222,847	7,044,737
Malampa	1,387,397	1,585,070	2,382,096	2,262,960
Penama	316,127	447,207	735,607	107,529
Sanma	864,599	1,429,277	1,531,113	1,219,646
Torba	0	0	0	0
TOTALS	3,121,235	8,553,056	4,871,663	10,634,872

Number of Audited Cooperative Societies

Table 12: Shows Audited Cooperative

Province	Active Coop 2015	Audited 2016	% Audited
Tafea	15	10	67%
Shefa	71	26	37%
Malampa	99	64	65%
Penama	34	29	85%
Sanma	104	59	57%
Torba	17	9	53%
Totals	340	187	55%

The annual report of 2015 recorded 340 cooperatives and 187 of those were audited in 2016 which indicated that 55% cooperatives compared to 49% in 2015. This is an increase of audited coops over the previous years. However, our target plans are to achieve 80% in 2017. In order to achieve this 80% audit, ORCBDS is currently building up its audit template in a user friendly approach for officers to use for auditing. Other reasons for these impediments are insufficient and resources constraint such as limited officers to carry out audit and timings to carry more than 80% of audits.



Table 13: Shows Total Turnover and Indirect Revenue Contribution by Cooperatives Societies

(All figures are based on the number of audits done. For 2016, based on 187 audited societies)

Year	2010	2011	2012	2013	2014	2015	2016
Total Turnover (VT)	501,493,678	710,365,977	774,021,309	672,334,350	763,245,330	634,358,722	804,647,416
Indirect Revenue (VAT)	62,686,710	88,795,747	96,752,664	84,041,794	81,862,225	79,294,840	89,405,268

The table above show the total turnover that audited coop societies have yield over the last 7 years. Further, the table also shows the indirect revenue through VAT that coop business have generate as indirect revenue to the government. Indirect revenue is determined by:

For Coop with VAT Registration, indirect revenue is calculated by $\frac{VT\ 804,647,416}{9}$ is **VT 89,405,268**. This also means that source of payment for VT 89,405,268 part is transited through suppliers and part is paid direct to the VAT Office.

For Coop not yet registered to VAT, 25% is used as average mark-up, is partly for suppliers and VAT. $\frac{VT\ 804,647,416}{1.25}$, is VT 643,717,932. This means that the indirect revenue is therefore $\frac{VT\ 643,717,932}{9}$, is **VT 71,524,214** which is transited through suppliers.



Business Training

Table 14: Shows 2016-Business Trainings

Provinces	Trainings				
	2012	2013	2014	2015	2016
Malampa	4	5	21	16	12
Penama	3	4	5	2	13
Samna	2	9	12	5	13
Shefa	3	12	3	9	9
Tafea	2	7	5	1	0
Torba	0	4	0	3	1
Total	14	41	46	36	48

In 2016, ORCBDS delivered 48 business trainings altogether compared to 36 in 2014. Funding for these trainings come from different organizations such as TVET, FAO and UNDP including funds from the department's recurrent budget.

Comprehensive Awareness

Awareness was conducted through visits to rural communities by conducting awareness and other business appraisals. These include consultation awareness on recovery projects to rebuild damaged coops. People have been made aware of ORCBDS way forward including revival of VCF and establishment of national savings and loans.

Table 15: Showing office and offsite visit in 2016

	Awareness Programs	Details
Tafea	32	Average of 56 minutes spend with clients in assisting coop book keeping records, logistics and update progress.
Shefa	45	Mentoring and coaching
Malampa	80	80 sites visits on coops doing business appraisal
Penama	37	136 minutes average time spend on clients carrying out business assistance
Sanma	29	Site visits to coop clients
Torba	34	Site visits to coop clients
Total	275	



Table 16: Shows Business Assisted

Province	2012	2013	2014	2015	2016
Tafea	16	66	15	0	4
Shefa	88	134	15	6	1
Malampa	18	6	24	24	3
Penama	-	1	3	3	5
Sanma	30	21	24	30	5
Torba	2	2	1	0	0
Total	156	230	82	63	22

ORCBDS have assisted private businesses in areas such as business plan/cash flow projections/business advisory/book keeping checks/loan applications etc. The office is currently working to ensure MSMEs bills is gazetted in parliament. This should help promote small business in informal sector

Support woman in business

Establishing women in business has been one objective of ORCBDS 2016 Work plan. Fortunately, reports from provinces indicated that 33 women were assisted by ORCBDS through business advices and trainings to enhance their confidence to get into business and that contributes to 33 employments created by ORCBDS rural business development program.

Table 17: Clients Visits & Call Reports

Provinces	2016		Total
	Off site	In site	
Tafea	32	27	59
Shefa	45	697	742
Malampa	80	91	171
Penama	37	28	65
Sanma	29	103	132
Torba	34	8	42
Total	275	954	1121

These figures represent client visits done by officers where clients either come to the office (In site) or officers going to their businesses (off sites)



Table 18: Shows Direct Revenue

2009	2010	2011	2013	2014	2015	2016
1,186,447 VT	1,679,310 VT	2,876,770 VT	2,873,280 VT	2,627,245 VT	2,514,430 VT	2,674,140

The establishment of ORCBDS serve the purpose of provide service to meet business aspiration of the generally Ni-Vanuatu public. Hence, ORCBDS exist to facilitate, provide support services to enable Ni- Van to compete in business. The direct revenue is recorded in table 18 reflects the income received with services provided. Our future objective is to report direct VAT revenue with coops registered in VAT in this table which will show a significant rise.

Table 19: Revenue collected in 2016 by Province

	Audit Fee (VT)	Business Plans (VT)	Admin (VT)	Training (VT)	Total VT)
Tafea			101,150		101,150
Shefa	490,000	0	74,950	271,000	835,950
Malampa	685,000	0	102,580	22,500	810,080
Penama	50,000	0	136,260	72,750	259,010
Sanma	262,500	0	77,250	0	339,750
Torba	20,000	0	280,700	27,500	328,200
TOTAL	1,507,500	0	772,890	393,750	2,674,140



Table 20: Total Expenditure January – December 2016

Cost Centre	Expenditure	Budget Allocation	Variance
Head Quarters	22,918,481	21,147,036	-1,771,445
Payroll	11,131,425	14,343,024	3,211,599
Overheads	11,787,056	6,804,012	-4,983,044
Training	7,961,169	10,437,247	2,476,078
Payroll	4,986,169	7,437,247	2,451,078
Overheads	2,975,000	3,000,000	25,000
Malampa	4,689,305	4,844,589	155,284
Payroll	3,813,991	3,844,589	30,598
Overheads	875,314	1,000,000	124,686
Tafea	4,622,394	4,862,349	239,955
Payroll	3,765,709	3,862,349	96,640
Overheads	856,685	1,000,000	143,315
Sanma	3,757,686	4,613,739	856,053
Payroll	2,914,140	3,613,739	699,599
Overheads	843,546	1,000,000	156,454
Shefa	7,132,092	6,557,479	-574,613
Payroll	6,806,561	5,557,479	-1,249,082
Overheads	325,531	1,000,000	674,469
Torba	3,432,782	3,985,029	552,247
Payroll	2,844,455	3,285,029	440,574
Overheads	588,327	700,000	111,673
Penama	3,503,642	4,113,735	610,093
Payroll	2,601,851	3,113,735	511,884
Overheads	901,791	1,000,000	98,209
TOTAL DEPARTMENT	58,017,551	60,561,203	2,543,652
PAYROLL	38,864,301	45,057,191	6,192,890
OVERHEADS	19,153,250	15,504,012	-3,649,238

The table 15 above shows the summary for budget breakdown incurred in 2016. In detail, data shows that subsistence allowance recorded high followed by local travel and vehicle repair etc... The office of Registrar ensures that these expenditures will be managed well in 2017 therefore systems and procedures are in place to ensure there are proper controls on expenditures.

Reviving Tertiary and Secondary Cooperatives

As part of the ongoing priority (2015 to 2016), ORCBDS has pledge itself to revive Vanuatu Cooperative Federation (VCF) as a tertiary cooperative and Secondary cooperatives which include Tafea Cooperatives Association. We believed that in doing so, it will give rise to primary cooperatives through its network of market linkage from rural to urban centres.

A milestone achieved recently was the signing of MOU between ORCBDS, Vanuatu Fisheries Department, and Department of Industry for the establishment of Port Vila



fish market at VCF compound also and other storage facilities to support the revitalisation of VCF. Also the continuation of rice sales and flour to cooperatives and public. Other works achieved was VCF linking agricultural products from rural to Port Vila.

Cooperative Projects

SPC (Shipping component)

In 2016, ORCBDS secured projects from SPC with KFW funding for the supply of solar freezers and eskies to well establish cooperatives around Vanuatu. The department works collaboratively with Vanuatu Fisheries Department to ensure the delivery of equipment's which in walk-in cold room and display cabinet for main urban centres. Project is yet to be implemented. However, project costs estimates close to 100 million VT

Cyclone Pam Recovery (DFAT)

The reconstruction of damaged cooperatives is to be funded by DFAT, Australian Government. The recovery will only include reconstruction of damaged building with total cost of 20,000,000 VT. Thank you to Vanuatu government for realising the needs in Cooperative sector. The office is hopeful that the implementation of these will be in mid-2017.

Development of ORCBDS Management Information System (MIS)

Our JICA Volunteer, MR. Honjo Sadao has already done a tremendous work on our MIS which include Cooperatives database, Training database, and Compliances database. This should help with access of information which supports the Right to Information Act for the public.



Cooperative Picture Highlights for 2016

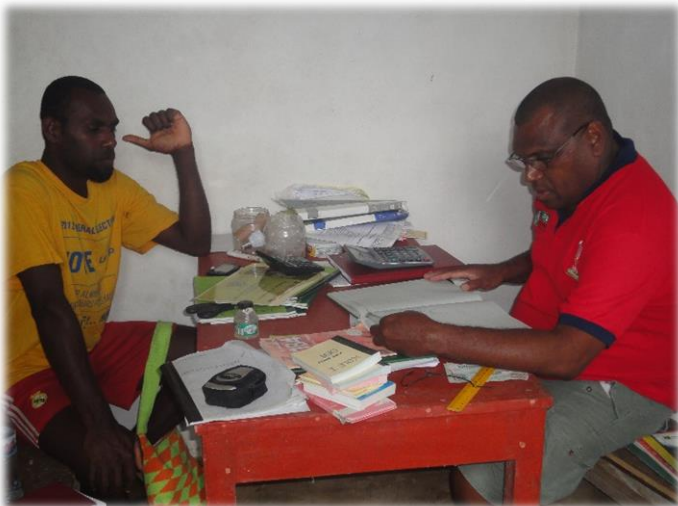
ORCBDS Staff AGM 2016



Celebrating International Cooperative day - 2016



Business Appraisals with our Cooperative clients



Coop employment opportunity to women



Coop Training to youths



Our Remote Cooperatives



Successful cooperatives - Sanma



Our Hard Working Officers



Our Rural Business Training



Our potential shrimp farmers



One of our dormant cooperatives in need for revival



Ground breaking for fish market



“Building a better community through social economic development and social justice – Through Cooperative Business Enterprises”