



**Government of the Republic of Vanuatu**  
**Office of the Registrar of Cooperatives & Business Development**

# **ORCBDS Annual Report 2015**

**Rebuilding Strong Cooperatives, Strong  
People, Strong Communities**



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## Acknowledgement

It is with great enthusiasm that we present 2015 ORCBDS Annual Report. This Report covers the collection and analysis of data related to ORCBDS rural business development program for 2015. Even though we were faced with challenges from natural disasters and climate effect, I as Director and Registrar of this office takes this outmost opportunity to acknowledge the outstanding effort of all who contributed in a way for data collection and information much needed for ORCBDS to compile and generate this Annual Report. Major of these many contributors are

- Government of Vanuatu
- Non-Government Organizations
- Cooperative Societies
- Ni-Vanuatu business clients
- Government institutions
- 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 business concept as a vehicle for rural business development and economic self-reliance. Thank you for recognising the established vision and your financial support to ignite cooperative movement and to participate in facilitating the movement to restore to its former pre-eminence and empowering Ni-Vans in rural economic development. 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, JICA, UNICEF, OXFAM, UNDP, FAO, EU, 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 the efforts of all individual officers for their timeless efforts that resulted in the completion of 2015 Annual Report that is now available to the people of the Republic of Vanuatu.



## Director and Registrar's Report



Greetings, to everyone reading ORCBDS Annual Report, 2015. I am pleased to report real progress against our Strategic Priorities in the 2015 Annual Report. This Report covers the collection and analysis of data related to ORCBDS rural business development program in 2015.

### Highlights of 2015

While 2015 is a real tough year from politically to climate environment, I as Director and Registrar of this office cordially invites you to take a look at the highlights at this report as our 2015 challenges not as a failure, but as a success that we have built upon through a passing of a natural disaster and climate effects and political instability. In summary, ORCBDS delivered a somewhat consistent effort business services to its clients, and ensuring strategic plan for 2013-2015 in being implemented with most of our goals close to achieve.

In Quarter 1 2015, tropical cyclone Pam takes its course over Vanuatu causing severe damage on our cooperative societies destroying over 12% of our cooperative societies. In Quarter 2, most activities were based on recovering program headed by ND MO. Thus, this report summaries most work covered in quarter 3 and 4 of 2015

However, I am very pleased that all established units have worked very hard to deliver a positive result and are demonstrating good momentum going forward with our societies.

I am particularly pleased that we have been able to record a steady growth in dividend payout to our members recording VT 39,628,857 and the in-specie loan disbursed of 70,778,205 via cooperative savings & loans. Not only that, but a steady savings in number of active cooperative savings and loans. Not only that but also an increase in savings to over 102,900,711 VT.

While encountering challenging and uncertain economic conditions, couple with the natural disasters, societies have been committed in the savings which resulted in



healthy dividend payout and loan to members which I believe have been made good use of to rebuild their lives once again after what TC Pam has left behind. This has demonstrate that we are a significant contributor to rural economic development, therefore we will be continued to be innovative and believe that in future members will increase once we find a right blend to take cooperative movement back to its success days.

In 2015 we revived 7 cooperative societies that have been dormant for quite sometimes. Each of the provinces contributed to this revival of dormant societies. Not only that but we assisted in creating more than 30 jobs whom reports indicate are women through their establishment of their businesses, and becoming entrepreneurs through ORCBDS rural business development program.

Through our leading rural development insights capability we have enhanced our offer to meet our clients" needs, delivering a better business services experience and more relevant business appraisals, resulting in more communities and groups showing interest with us to being part of cooperative movement. Without doubt we are working harder - and smarter - as we compete every day with major players in business arena.

#### **Good progress against our Strategic Priorities**

All established provincial offices delivered a positive performance result except Tafea province who have focus and participate more on recovery program initiated by NDMO.

We are extending our leadership rural development in business services. This has been demonstrated through stable growth in sales from cooperative societies, continued increase in new societies, and higher membership.

In Northern provinces, we continue to be the rural leader, reinforced through the more savings & loans established. As the movements slogan "Strong Cooperative, Strong People, Strong Communities, we are connecting our clients directly with new business initiatives, and introducing exciting services to inspire communities with fresh business ideas. The strategic repositioning of ORCBDS is underway and we are working hard to revive Vanuatu's cooperative movement as it once been in its success years.

We have maintained our successful track record of building new businesses recording at 33 businesses been established. We believe yet to be leading in rural development in



capacity building uniting the communities and groups and, we are aiming for more than VT 600 Million in annual turnover in 2015.

Our plans for reviving Vanuatu Cooperative Federation (VCF) has been achieved and we are now looking forward to revive secondary cooperatives in the provinces. We specifically want to thank the Vanuatu Government for taking the lead in realising the significance of reviving VCF, thus, its financial support to acquire goods for trading.

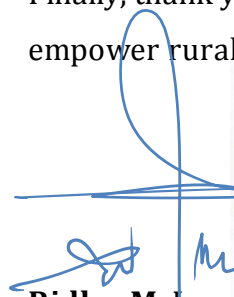

We have put in place the fundamentals that will enable future growth. We have consistently driven our business services to be more efficient and smarter. We still believe in leading the field in rural development and understand our clients better than ever before.

#### **Sustainable, profitable growth into the future**

We will continue our diligence in building up and empowering rural economic development through our rural business development program. I remain confident that our stakeholders will continue see the importance role this office plays and pledge for their continuous support so that we can achieve our ambition of double digit societies' growth in the future, the evidence shows we are heading in the right direction.

The overall report indicated that Tafea sees a huge downfall in number of cooperatives due to natural effects and other cooperative issues that needs to be address in 2016. On the bright side, Malampa and Sanma have continue leading strong cooperatives followed by Shefa, Penama and Torba with steady growth.

Finally, thank you for your support in 2015 and be assured that we are working hard to empower rural economic development through ORCBDS mandated program.

  
  
**Ridley M. Joseph**  
**Director and Registrar of ORCBDS**



## Key Results in brief for the 2015 financial year

<b>Financial Activity</b>	<b>FY14</b>	<b>FY15</b>
Active Coops	424	340
Audited	193	165
Annual Turnover	654,897,803	638,758,722
In-direct Revenue (VAT)	81,862,225	79,294,840
Direct Revenue	2,627,245	2,514,430 VT
Profits	64,047,132	70,622,587
Dividend Shared from Coops (Consumer & S&L)	43,164,486	39,628,857
Dividend shared from S&L only	8,553,056	4,871,663
Total Savings from S&L	108,347,527	102,900,711
Loans Disbursed	67,246,445	70,778,205
Coop Membership	16,079	14,265
Coop Employment	786	404
Carry Out Business Trainings	46	36
Women employed as managers	179	130
Number of woman into assisted into entrepreneurs	21	33
Number of Cooperatives revived	8	5





## **Progress against strategic priorities**

ORCBDS has in place since 2013 3 Strategic Priorities to deliver business services to Ni-Vanuatu owned business especially to rural communities. During the year 2014 to 2015, steady growth and challenges has been made against each of the objectives of the strategic plan, with key highlights as follows:

### **Supporting Cooperatives**

- ✓ Vanuatu Cooperative Federation has currently revived its network to support secondary and primary cooperatives.
- ✓ VCF currently buying produce from cooperatives in the Island.
- ✓ 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 30<sup>th</sup> of June 2016.
- ✓ Agriculture Production chain has been developed as a road map for our market value chain.
- ✓ Our website and Face book page online to promote cooperative activities An increase in savings from coop members compared to 2013 indicated that the department has been extremely working hard to support the coop societies.

### **Ensure Compliance**

- ✓ We continued to effectively regulate Cooperative Societies and monitor compliance under the Cooperative Society Act. The introduction of the new structure pave way for compliance strengthening. Currently Manager Compliance will develop compliance policy in line with cooperative Act for compliance on cooperative.

### **Working Effectively**

- ✓ 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.



- ✓ The development of database by our JICA volunteer now in process.
- ✓ 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 2015

One of the cooperative Warehouse destroyed by cyclone pam



Imayo coop Tafea

IPIP consumer cooperative - Tafea



Tafea Cooperative Association damage by TC PAM



Coop destroyed by TC Pam and now selling chairman's home



**Vanuatu People rebuilding Strong Communities through Coop Societies**



Coop Rebuilding



Distribution of VCF to Members



Launching of VCF Log



Women receiving their Dividend payout out – Happy faces



Cooperative Training to Youths in Rural



Mothers grouping together to producer cooperative - Penama



**Vanuatu People rebuilding Strong Communities through Coop Societies**



## Performance Indicators

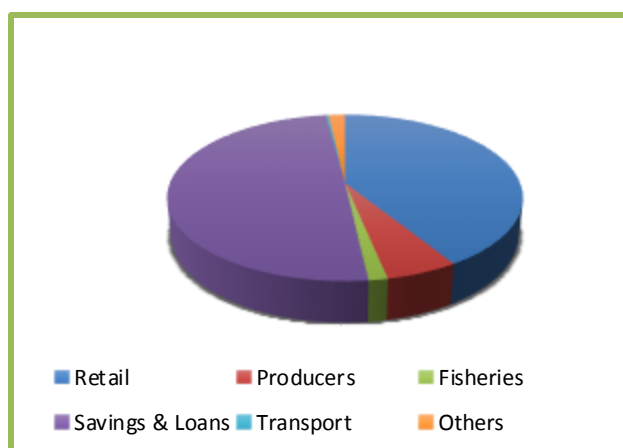
### Number of Active Cooperatives

Province	Active Cooperative Societies in Vanuatu for the past 4 years				
	2011	2012	2013	2014	2015
Tafea	79	84	72	78	15
Shefa	39	52	69	74	71
Malampa	84	91	94	104	99
Penama	54	62	40	41	34
Sanma	49	93	130	110	104
Torba	11	11	16	17	17
<b>Total</b>	<b>316</b>	<b>393</b>	421	424	<b>340</b>

This year 2015, saw a decline in number of cooperative throughout the provinces. Significant decline in Tafea and other parts of provinces. Tafea experience a huge downfall and Malampa. Cyclone Pam was the major downfall for cooperatives in Vanuatu, however that does not stop newly establish societies. 2015 we registered 18 new cooperative societies and revived 2 societies being domain.

### Type of Active Cooperative Societies

Types	Tafea	Shefa	Malampa	Penama	Sanma	Torba	Total
Retail	9	40	35	12	33	11	140
Producers	0	0	11	4	3	1	19
Fisheries	2	0	0	0	3	0	5
Savings & Loans	3	30	49	18	64	5	169
Transport	0	1	0	0	0	0	1
Others	1	0	4	0	1	0	6
<b>Total</b>	<b>15</b>	<b>71</b>	<b>99</b>	<b>34</b>	<b>104</b>	<b>17</b>	<b>340</b>



The chart above shows the composition of cooperative in sector, and data indicated that cooperative savings and loans composed of 50% and 41% to retails. Other sectors make up a significant composition of the whole cooperative business in Vanuatu. Even



though these societies registered based on these sectors, a significant number of cooperatives are also involved in other business sector such as fuel, transport, copra etc... In 2015, 7 cooperatives we diversified to other business such as goods trading, local produce marketing etc...

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

## Employees and Membership

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

### Total of Employment

There is a decline in employment compared to 2014. This decline is related to Tafea having a significant down fall in number of cooperatives due to cyclone pam damage of cooperative societies. However, other provinces from the north especially Malampa and Sanma has maintain a steady growth both in employment and membership. Nonetheless, 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, 33 employments were created by ORCBDS program and a number of them are woman getting into business and becoming entrepreneurs.

### Total of Membership

	2013	2014	2015
<b>Tafea</b>	3,237	3,259	486
<b>Shefa</b>	1,266	1,650	2349
<b>Malampa</b>	4,503	4,865	5092
<b>Penama</b>	1,654	1,964	1964
<b>Sanma</b>	4,001	4,005	4034
<b>Torba</b>	306	336	340
<b>Total</b>	<b>14,967</b>	<b>16,079</b>	<b>14,265</b>

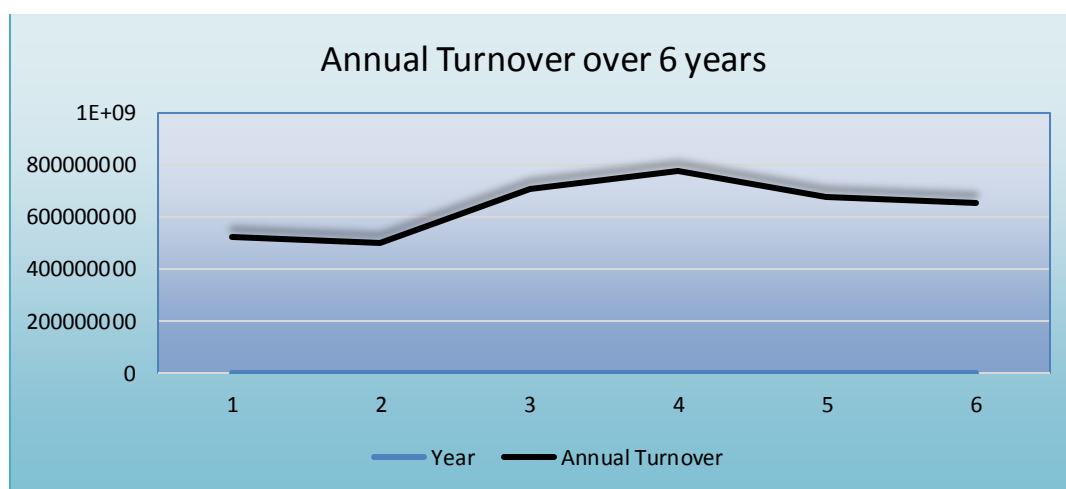


## Financial Strengths of Audited Consumer Cooperatives

Total turnover			
Provinces	2013 (VT)	2014 (VT)	2015
Tafea	20,366,173	24,207,125	26,167,815
Shefa	76,208,965	81,797,602	87,653,796
Malampa	279,433,346	312,301,842	317,730,187
Penama	145,646,474	87,767,932	67,700,100
Sanma	137,137,717	132,097,817	190,074,254
Torba	13,541,675	16,725,485	17,132,670
<b>TOTALS</b>	<b>672,334,350</b>	<b>654,897,803</b>	<b>638,758,722</b>

The turnover sales shown on the table above represents only the number of cooperative societies that have been audited by officer. Note that the turnover has decline compared to 2014. Further, the number only represents the consumer coops and not the savings and loans.

Despite the decline, does not mean that turnover has fallen on all societies. For sure if more coops were to be audited, surely these figures will increase. Further, the line graph below shows that there is a stable growth of coop turnover over the past 6 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.

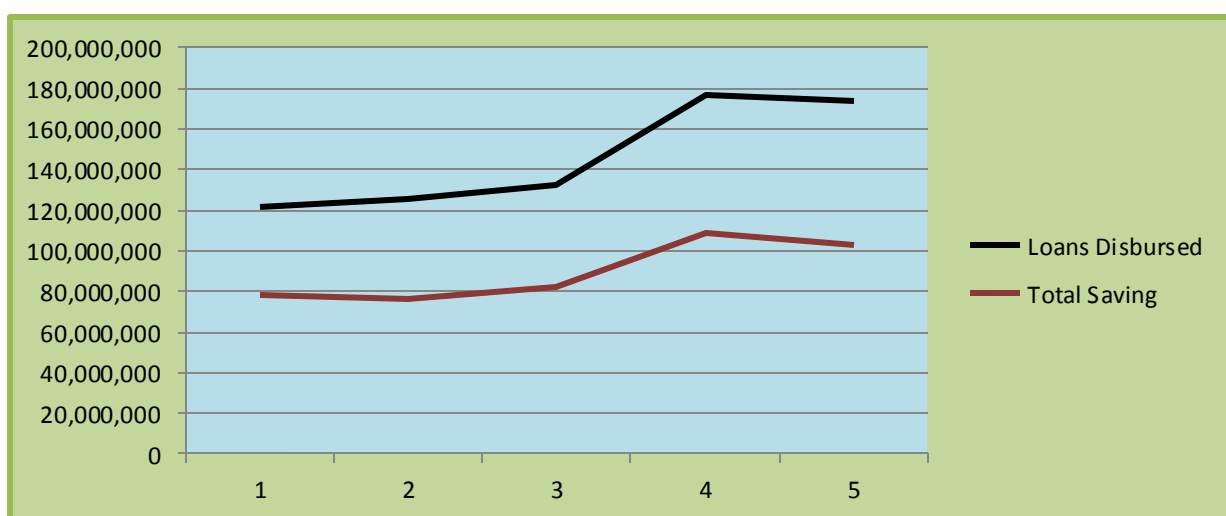


Total Dividend Shared			
Provinces	2013 (VT)	2014 (VT)	2015 (VT)
Tafea	6,312,678	674,500	418,079
Shefa	3,870,803	8,435,648	7,792,180
Malampa	10,509,384	16,924,562	17,377,034
Penama	29,114,525	6,782,847	708,194
Sanma	28,827,053	9,530,169	12,542,354
Torba	812,969	816,760	791,016
<b>TOTALS</b>	<b>79,447,412</b>	<b>43,164,486</b>	<b>39,628,857</b>

Dividend has dropped by 1.7% from last year. 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 follow year. Other reason being, Tafea not carrying out its expected audit reports due to cyclone recovery program with NDMO. Otherwise, when turnover and profits decline, it corresponds to the decline in dividend shared also.

### Active Savings and Loans Cooperative Societies

	2011	2012	2013	2014	2015
Total Saving(VT)	78,561,385	76,154,984	82,254,799	108,347,527	102,900,711
Loans Disbursed (VT)	42,699,293	49,786,663	49,776,606	68,186,915	<b>70,778,205</b>



Savings and loans activity has decrease by 0.8% in 2015 compared to 2013 and 2014. There is still a steady savings rate however if all savings and loan been audited surely,





we would be recording and increase saving by members as they now see the significance of saving for future needs which can be seen in increase in loan disbursement to members. Further, with the composition of cooperatives by sector, savings and loans accounts for 50% in Vanuatu with significance of 80% of the members are women. Promoting women in business is one core functions of the ORCBDS thus the initiation of savings and loans. This encourages first and foremost savings and then loaning from your savings to carry out their business aspirations.

Total savings			
Provinces	2013 (VT)	2014 (VT)	2015 (VT)
Tafea	33,940,643	4,031,024	217,145
Shefa	3,118,604	16,256,097	13,402,918
Malampa	22,068,086	34,399,882	40,109,612
Penama	7,004,330	8,673,017	6,873,198
Sanma	15,910,206	44,513,497	41,697,825
Torba	216,930	474,010	600,013
<b>TOTALS</b>	<b>82,258,799</b>	<b>108,347,527</b>	<b>102,900,711</b>

Loans disbursed have been increase compared to 2014. Research is yet to be done to report the impact of this loans disbursed. However, not all savings and loans were audited to record the real value of these Cooperative Savings & Loans. Plans are now underway to establish a national savings and loan leading to cooperative bank in future.

Total Loans Disbursed to Members			
Provinces	2013 (VT)	2014 (VT)	2015 (VT)
Tafea	17,668,691	4,621,030	34,900
Shefa	1,917,585	9,650,223	8,232,683
Malampa	17,085,887	22,661,909	27,766,576
Penama	4,981,640	8,797,370	12,582,323
Sanma	8,122,803	22,435,383	21,951,723
Torba	0	21,000	210,000
<b>TOTALS</b>	<b>49,776,606</b>	<b>68,186,915</b>	<b>70,778,2050</b>



Apart from consumer coops, savings & and Loan cooperative has been actively giving out dividend to its faithful members in their financial year and this can be seen on the table below. Sanma recorded high in dividends compared to 2014 where Shefa gave out more dividend payment to its members.

Total Dividends Shared from S&L only			
Provinces	2013 (VT)	2014 (VT)	2015 (VT)
Tafea	444,359	0	0
Shefa	108,753	5,091,502	222,847
Malampa	1,387,397	1,585,070	2,382,096
Penama	316,127	447,207	735,607
Sanma	864,599	1,429,277	1,531,113
Torba	0	0	0
<b>TOTALS</b>	<b>3,121,235</b>	<b>8,553,056</b>	<b>4,871,663</b>

### Number of Audited Cooperative Societies

Province	2015	Audited 2015	% Audited
Tafea	15	7	47%
Shefa	71	18	26%
Malampa	99	88	89%
Penama	34	13	38%
Sanma	104	31	30%
Torba	17	8	47%
<b>Totals</b>	<b>340</b>	<b>165</b>	<b>49%</b>

2015 recorded 340 cooperative as active compared to 424 in 2014. Based on the assessment report on Cyclone Pam damage on cooperatives shows significant number of cooperatives being damaged by cyclone Pam in March 2015. These result in overall decline of cooperatives and overall economic downfall in rural areas especially in Malampa, Shefa and Tafea provinces. Out of 340 only 49% were audited. This is a steady growth in % of audited coops. However plans are to achieve 80% in 2016. 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 cooperative. Other reasons for these impediments are insufficient and resources constraint such as human and timings to carry more than 80% of audits.

### Total Turnover and Indirect Revenue Contribution by Cooperatives Societies

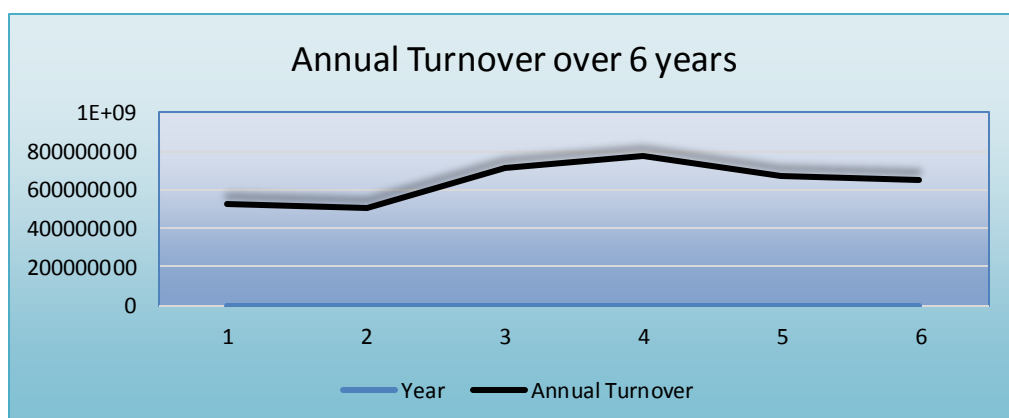
(All figures are based on the number of audits done. For 2014, based on 193 audited societies)

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

The table above show the total turnover that audited coop societies have yield over the last 6 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 calculating 12.5% VAT from goods sold by the consumer societies.

This year 2016, plans are to strengthen compliance program on cooperatives so VAT revenue should be reported as direct revenue. This means ORCBDS compliance officers will visit each and every society and advise them for VAT registration and to comply to VAT regulations. This will be achieved through collaboration with the Department of Customs and Inland Revenue.

The line graph below shows that there is a stable growth in turnover and indirect revenue over this past years. This is evident through Inland Revenue recording an increase in VAT revenue collection from small businesses including cooperative businesses in rural areas.



## Business Training

2015-Business Trainings								
Provinces	Trainings				Total Participant			
	2012	2013	2014	2015	2012	2013	2014	2015
Malampa	4	5	21	<b>16</b>	86	96	424	<b>36</b>
Penama	3	4	5	<b>2</b>	34	70	42	<b>35</b>
Samna	2	9	12	<b>5</b>	48	199	221	<b>58</b>
Shefa	3	12	3	<b>9</b>	32	84	55	<b>87</b>
Tafea	2	7	5	<b>1</b>	25	91	185	<b>26</b>
Torba	0	4	0	<b>3</b>	0	51	0	<b>57</b>
Total	14	41	46	<b>36</b>	225	591	927	<b>299</b>

In 2015, ORCBDS delivered 36 trainings altogether compared to 46 in 2014. This is a drop from 2014 because most NGOs who frequently funded our trainings such as UNICEF, Save the Children are all committed to relieve TC pam program. However, trainings undertaken shows that youths and woman are main recipients in our training and most are in micro business. 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 normal officer visits to rural communities contacting awareness. However, major awareness was carried out through cooperative day and cooperative forum in July to September. People have been made aware of ORCBDS way forward including revival of VCF and establishment of national savings and loans.

	Awareness Programs	Details
Tafea	<b>120</b>	Awareness has been carried out through off sites visits both on savings and loans and consumer societies. Also through cooperative forum
Shefa	<b>1,000</b>	Average time spend on this visits is 15 minutes per client mostly for short seminars and business advices.
Malampa	<b>1,300</b>	Awareness has been carried out through off sites visits both on savings and loans and consumer societies and other individual clients.
Penama	<b>100</b>	Awareness program conducted on Maewo, East Ambae and North Pentecost. Average time spend is 30 minutes
Sanma	<b>2,000</b>	These are onsite and offsite visits to established societies



Torba	<b>100</b>	CSL on Loh Island. Average time spend is 45 mins
Total	<b>4,580</b>	This has been achieved through cooperative day and forum in July 2015

### Business Assisted

Province	2012	2013	2014	2015
Tafea	16	<b>66</b>	<b>15</b>	<b>0</b>
Shefa	88	<b>134</b>	<b>15</b>	<b>6</b>
Malampa	18	<b>6</b>	<b>24</b>	<b>24</b>
Penama	-	<b>1</b>	<b>3</b>	<b>3</b>
Sanma	30	<b>21</b>	<b>24</b>	<b>30</b>
Torba	2	<b>2</b>	<b>1</b>	<b>0</b>
Total	<b>156</b>	<b>230</b>	<b>82</b>	<b>63</b>

The ORCBDS assisted private businesses in areas such as business plan/cash flow projections/business advisory/book keeping checks/loan applications etc. ... Number has also dropped because of CDF & SBDF funds ceasing to operate effectively a year now.

### Support woman in business

Establishing women in business has been one of ORCBDS 2015 Workplan. Fortunately, reports from provinces indicated that 33 women were assisted by ORCBDS through business advices and trainings enhance their confidence to get into business and that contributes to 33 employments created by ORCBDS rural business development program.

### Clients Visits & Call Reports

Provinces	2015		Total
	Off site	In site	
Tafea	5	7	12
Shefa	20	223	243
Malampa	129	88	217
Penama	16	10	26
Sanma	52	61	113
Torba	18	4	22
Total	<b>240</b>	<b>393</b>	<b>633</b>

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

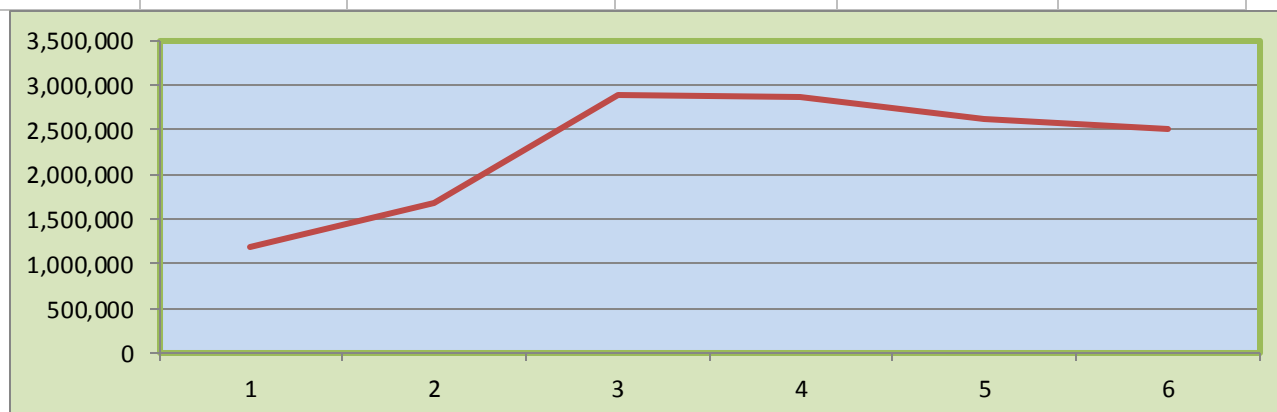


## Direct Revenue

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

The above table provides some indication on the various activities that the office derived its direct revenue. Our Compliance strengthening program for 2016 is to advice small business including cooperatives for VAT registration. In future, we will report VAT revenue in this table which will show a significant rise.

	Audit Fee (VT)	Business Plans (VT)	Admin (VT)	Training (VT)	Total VT)
Sanma	270,000	30,000	129,250	13,500	442,750
Malampa	601,000	8,000	180,590	36,000	825,590
Torba	30,000	0	345,380	85,500	460,880
Shefa	250,000	0	220,950	111,500	582,450
Tafea	0	0	62,650	0	62,650
Penama	70,000	0	40,110	30,000	140,110
<b>TOTAL</b>	<b>1,221,000</b>	<b>38,000</b>	<b>978,930</b>	<b>276,500</b>	<b>2,514,430</b>



The graph shows the trend in direct revenue collection from the office of the Registrar. We will assume that all indicators correspond to one another meaning that if there is a decline in audit as an example, there will be a decline in revenue collection. However, in long run, we will include VAT collections through cooperative VAT registration.

## Total Expenditure January - December 2015

The table above shows the summary for budget breakdown incurred in 2015. 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



managing well in 2015 therefore systems and procedures are in place to ensure there are proper controls on expenditures.

Cost Centre	Expenditure	Budget Allocation	Variance
<b>Head Quarters</b>	<b>17,645,662</b>	<b>18,054,743</b>	<b>409,081</b>
Payroll	8,679,566	9,086,728	407,162
Overheads	8,966,096	8,968,015	1,919
<b>Training</b>	<b>9,819,287</b>	<b>9,234,430</b>	<b>-584,857</b>
Payroll	7,765,573	7,134,410	-631,163
Overheads	2,053,714	2,100,020	46,306
<b>Malampa</b>	<b>5,961,727</b>	<b>6,183,529</b>	<b>221,802</b>
Payroll	3,725,270	3,945,770	220,500
Overheads	2,236,457	2,237,759	1,302
<b>Tafea</b>	<b>5,964,504</b>	<b>6,359,729</b>	<b>395,225</b>
Payroll	3,726,984	4,121,970	394,986
Overheads	2,237,520	2,237,759	239
<b>Sanma</b>	<b>5,118,741</b>	<b>7,030,739</b>	<b>1,911,998</b>
Payroll	2,562,851	4,267,901	1,705,050
Overheads	2,555,890	2,762,838	206,948
<b>Shefa</b>	<b>7,125,208</b>	<b>6,465,039</b>	<b>-660,169</b>
Payroll	5,499,134	4,777,280	-721,854
Overheads	1,626,074	1,687,759	61,685
<b>Torba</b>	<b>6,286,186</b>	<b>6,548,709</b>	<b>262,523</b>
Payroll	2,977,926	3,053,042	75,116
Overheads	3,308,260	3,495,667	187,407
<b>Penama</b>	<b>4,679,908</b>	<b>4,893,687</b>	<b>213,779</b>
Payroll	3,188,407	3,336,115	147,708
Overheads	1,491,501	1,557,572	66,071
<b>TOTAL DEPARTMENT</b>	<b>62,601,223</b>	<b>64,770,605</b>	<b>2,169,382</b>
<b>PAYROLL</b>	<b>38,125,711</b>	<b>39,723,216</b>	<b>1,597,505</b>
<b>OVERHEADS</b>	<b>24,475,512</b>	<b>25,047,389</b>	<b>571,877</b>

## Vanuatu Cooperative Federation

As part of 2015 priorities, ORCBDS pledge itself to revive Vanuatu Cooperative Federation (VCF) as a tertiary cooperative. We believed that in doing so, it will give rise to primary and secondary cooperatives through its network of market linkage from rural to urban centres.

The first milestone achieved recently in September 2015 was acquiring a container of rice from a supplier and distributed to cooperative network. Again in November, VCF through ORCBDS bought 29 containers (29,000 bags) of rice and currently distributing to cooperatives in the islands, individual businesses and household individual at a very affordable price.



Not Only that, but as but of the objectives, VCF bought coconuts from cooperatives in Malekula for distribution in Port Vila, shepherds island and Tafea, whom are experiencing shortage and high price of dry coconuts. In summary VCF will be re-establishing with a support from ministry of trades and commerce as a tertiary cooperative that will facilitate import and export of goods domestically and internationally for its shareholders. It will position itself as a central hub for channeling these value chain products from rural to urban markets especially hoteliers. Lastly, VCF is currently seeking opportunity to create small scale manufacturing industry that can add value to local produce, thus supporting productive sector in Vanuatu. Talks are currently on for technical assistance on for infrastructure to support logistics for VCF. Not only that but supporting fisheries industries.

### **Cooperative Projects**

In 2015, ORCBDS secured two projects from FAO and UNDP. Each project costs 12 million for the purpose of establishment of cooperatives and carrying out capacity building activities to cooperatives. There were 12 project site altogether in all provinces. Major business activity from these cooperative projects are retail, savings and loan, Fishing, poultry.

#### **FAO**

This project cost 7 Million Vatu has undergone four phases whereby activities were produced and delivered by the department. The outputs are as follows;

**Output 1** – Carry out capacity training of at least 40 cooperative board members and 80 cooperative members to strengthen the establishment and efficient management of their cooperative business.

**Output 2** – Eight cooperative societies establish/strengthen in 8 project sites with at 80 members

**Output 3** – Input supports provided and strengthen capacity of at least 120 project beneficiaries to carry put income generating activities

**Output 4** – At least two after training technical support and monitoring visit carried out to all 8 cooperative societies.

The following selected areas are;

- North Ambrym
- West Ambrym





- Loh, Torba
- Merelava, Torba
- East Ambae
- Black Sands
- North West Santo
- And Emae, Shefa Island

### **UNDP**

This Project cost 8 million Vatu and has undone four phases too like FAO project. The following selected areas are;

- Tanna
- Aniwa,
- Ipayato
- And West Ambae

### **JICA**

JICA has been one of our repeated funder for ORCBDS. They have assisted in funding printing cost of our reviewed training modules. Currently they have sourced a retired Japanese computer softer volunteer to develop sets of ICT tools to enhance cooperative programs. The following projects under Training and communication Section includes;

- Accounting System for Auditing
- Information Management system - database
- Coop Route
- Online Training platform

These projects were schedule to end in 2017

### **Cooperative Day and Forum**

Cooperative day and forum was such a success for our cooperatives which saw huge turnout from societies coming together from provinces to celebrate the movement and their achievements. The key highlight was the organisation of the forum whereby issues and way forward were presented from the cooperative members and the Office of the Registrar. Thank you Vanuatu for the financial support to organise these events throughout our provinces. Below are the break down allocated to each provinces to organise the events:



<b>Detail</b>	<b>Fund</b>
ICA membership fee	500,000
Promotional Materials	400,000
Airfares / DSA	455,000
Incidentals	290,000
MALAMPA	860,000
SHEFA	1,000,000
SANMA	850,000
TAFEA	890,000
TORBA	350,000
PENAMA	405,000
<b>Total</b>	<b>6,000,000</b>

Resolutions and Way forward discuss during Cooperative forum are;

1. Revive Vanuatu Cooperative Federation
2. Revival of Secondary Cooperatives
3. Establish more Agricultural Cooperative
4. Establish a National Savings and Loan
5. Review Cooperative Act
6. Need new policy and new structure
7. ICT inclusion in cooperatives
8. Improve documentation for clients
9. Develop cooperative Training curriculum
10. Standardize cooperative business advisory services
11. Draft National Cooperative Policy 2017 beyond



## Detail Assessment of TC effect on Cooperative Sector

The table above shows detail cost of cooperative being damage as in goods and in

Summary of Assessment Report on Cooperative Societies in Vanuatu						
Name of Cooperatives	Types of Cooperative	Province	Island	Particular Damaged	Estimated cost of Damage (VT)	Projected Loss of Income
Saama Coop	Retail	Shefa	Efate	Walls	7,600	500,000
Emua Coop	Retail	Shefa	Efate	Roofing	729,125	200,000
Epao coop	Retail/Producer	Shefa	Efate	Iron Roofing	550,000	180,000
Kapasa coop	Retail	Shefa	Efate	Iron Roofing/Stock Damaged	830,000	160,000
Cooks Barack Coop	Retail	Shefa	Efate	Stock Damaged/Whole building destroyed	1,332,490	500,000
Manura coop	Retail/Producer	Shefa	Epi	Stock Damaged	125,000	150,000
Tewoto coop	Retail/Producer	Shefa	Epi	Stock Damaged/Whole building destroyed	700,000	250,000
Yarsu COOP	Retail/Producer	Shefa	Epi	Roofing	205,440	120,000
Tafea Guest House coop	Guest House	Shefa	Port Vila	Roofing and Wall	1,114,031	150,000
Kiric Coop	retail	Shefa	Efate	Stock damaged and whole building	850,000	300,000
<b>Total estimated damaged costs of coop societies in Shefa Province</b>					<b>6,443,686</b>	<b>2,510,000</b>
Talao Coop	Producer coop	Tafea	Tanna	Walls Blown Away	89,600	200,000
LLK coop	Retail	Tafea	Tanna	Ware house destroyed and goods Damages	100,980	170,725
Imaio Coop	Retail	Tafea	Tanna	Whole house blown Away and stock damage	160,600	200,000
Nimakapas coops	Producer coop	Tafea	Tanna	Roofing	81,600	50,000
Fokona Coop	Producer coop	Tafea	Tanna	Roofing	81,600	150,000
Lenakel Coop	Retail	Tafea	Tanna	Roofing	244,800	350,000
Tafea Fishermen Coop	Fishing Coop	Tafea	Tanna	Roofing	100,000	300,000
Tafea Coop	Rental	Tafea	Tanna	Roofing and Wall	5,700,000	310,000
Tafea Coop Guest House	Guest House	Tafea	Tanna	Roofing and Wall	2,700,000	50,000
<b>Total estimated damaged costs of coop societies in Tafea Province</b>					<b>9,259,180</b>	<b>1,780,725</b>
Bonvilau	Retail	Malampa	Malekula	Roofing	87,000	200,000
ACA	Producer coop	Malampa	Ambrym	roofing	98,000	120,000
Mene coop	Retail	Malampa	Ambrym	Good damaged	40,000	200,000
Tchimaie coop	Retail	Malampa	Ambrym	Good damaged	21,750	150,000
Tousi Coop	Retail	Malampa	Ambrym	Hardware damaged	87,000	200,000
<b>Total estimated damaged costs of coop societies in Malampa Province</b>					<b>333,750</b>	<b>870,000</b>
<b>Total estimated Damaged costs on Overall coop societies in Vanuatu</b>					<b>16,036,616</b>	<b>5,160,725</b>

structure during Tropical Cyclone Pam. The economic effects saw a significant loss of revenue over 6 months and some have rebuild themselves from acquiring loans from commercial banks while others are still struggling to rebuild. Through the national government initiative, ORCBDS has submitted its assessment reports and total cost incurred from loss of business is 26 Million Vatu to rebuild. TC Pam has contributed to a huge downfall of cooperative societies in Shefa, Tafea and parts of Malampa province.



## Cooperative Picture Highlights for 2015

Members waiting to be served through Coop Savings and Loan



Youth Member served by their Coop Manager



Officer conducting Cooperative business awareness to women in communities



Celebrating Cooperative day and cooperative congress



Supporting Women in Business through business training



Digest coconut Farmers' cooperative -Torba



**Vanuatu People Rebuilding Strong Communities through Coop Societies**



Launching of Vanuatu cooperative federation and sale of rice for a start



Meeting with mothers savings and Loan

Coop Officer and Waillapa Manager - Sanma



Cooperative Manager Computer Training - Sanma



Cooperative AGM at the community Hall



Cooperative Compliance toktok from Tousi Coop Manager



**Vanuatu People Rebuilding Strong Communities through Coop Societies**



Coconuts shipped to Tanna - Compliments of Malampa Coops



Coop Live stock sale at VCF Compound



More Coconuts for Port Vila



VCF rice loading to Islands



Officer Conducting AGM with coop Members



Manager distributing shares to their Members - Penama



**Vanuatu People Rebuilding Strong Communities through Coop Societies**





**“Rebuilding a better community through social economic development and social justice – through Cooperative Businesses”**