**Summary of the organisation’s background:**

Officially registered as a cooperative in 2014, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is a cooperative of approximately 850 members growing coffee in Morobe Province of Papua New Guinea. The cooperative is made up of four main sub-districts and 13 main tribes, which encompass around 100 smaller clan groups. It is estimated that a total of 70,000 people (effectively the entire region) benefit from services provided by the cooperative. The cooperative has previously achieved Fairtrade certification, however has since been decertified due to the lack of a management team to lead the operations of the organisation, including sales and certification requirements.

**Organisational structure:**

The organisation has a General Assembly, a board of directors and a management team.

**Mission:**

To provide market access to producing communities in remote rural areas and transport of coffee harvest.

**Introduction:** The organisation had a busy year; the board conducted 10 meeting to decide on a new manager for the organisation. However, meetings were not successful due to a lack of skills within the community to perform the manager’s role, and because the board does not trust strangers.

**Chairperson’s report:** This year, the organisation was impacted by decertification, although sales were record high. Decertification means that next year members won’t benefit from community projects financed by the Fairtrade Premium. The documentation required for the next FLO-CERT audit is been compiled by the board, but without a manager there is a high risk of having gaps in documentation as the board is planning to reapply for Fairtrade certification. Also, I would like to take the opportunity to announce that I will be dedicating more time to my garden and would like to delegate some of my activities to a manager. So, urgent intervention from the General Assembly is needed to find a suitable candidate for the management position.

**Manager’s Report:** Not available

**Accountant’s Report:** I am happy to report that there is USD 50,000 available to spend on activities for next year, from sales and the Fairtrade Premium. The organisation owes no monies. So, the organisation can start making plans on how to spend the money available. In addition, in the last general meeting, the General Assembly decided to spend the Fairtrade Premium on a vehicle to collect members’ produce at their farms and to take it to the organisation’s warehouse. However, the vehicle has been used exclusively by the chairperson who is always very busy with the organisation’s affairs.

**Environmental Report:** some members of the organisation have been using an unknown herbicide and the Environmental Officer doesn’t know how to approach the members to ask for more information about the product.

**Organisation’s Activity Report:**

|  |  |  |  |
| --- | --- | --- | --- |
| Activity Board meeting | |  | |
| Description:  The board met 10 times to discuss the issue of not having a general manager for the organisation and the current decertification. | | | |
| Person responsible: Chairperson | | | |
| **Main outcome** | **Next steps** | | **Deadline** |
| There has not been consensus around filling the management position.  The board worked together to prepare for FLO-cert audit, not yet scheduled. | Find suitable candidates for the management position. | |  |
| Interview them | |  |
| Choose one candidate | |  |
| Draft annual plan for next year | |  |

**Statement of Financial Position** **as at 2017**

Statement of Revenue & Expenditure

|  |  |
| --- | --- |
| **Revenue**  Sales and Fairtrade Premium USD 100,000 | |
| Contributions and events | 0 |
| Grants, investment and other income | 0 |

|  |  |
| --- | --- |
| **Expenditure** | |
| Activities:  (10 meetings) | USD 50,000 |
| Administrative | 0 |
| End of Year Balance USD 50,000 | |

|  |  |
| --- | --- |
| **Current Assets** | |
| Property | 1 laptop, 1,000 chairs, and 1 desks and 1 truck |
| Total Capital | USD 50,000 |

**Variation of activities:**

There were no planned activities for 2016.

**Challenges and opportunities:**

The membership is large and it is challenging to hold meetings, as they are expensive and difficult to coordinate.

There is an interested buyer, which will buy all the volume produced by the organisation under Fairtrade terms.

**2017- Needs Assessment Report:**

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | **Current Needs and Conditions** | **Potential for Fairtrade Premium** |
| **Social** | **Education** | Although the nearest school is a short walk (under 10 minutes) for children in the organisation’s villages, members report that school fees prevent children from attending school for as long as their families would like. Further, members report that teacher availability is an issue, and that local schools are in need of supplies and other types of infrastructure, including access to water. Illiteracy is high in the organisation’s adult community, especially among females; without basic skills in reading and writing. The Board reports that there are church literacy programs in the community, but these do not target women who are over the age of 35. | Premium funds could be used to supplement teacher salaries and purchase supplies, which would provide the incentive for teachers to remain in schools. A program focusing on adult literacy, specifically female literacy, would allow women the opportunity to participate in budgeting and family finances, and community members the opportunity to keep better sales records and to apply for credit. |
|  | **Health** | Although the nearest health clinic is a short walk for people in the communities, the board reports that clinics lack medical supplies including basic medicine. Members report that the most pressing medical issues in the communities are malaria, tuberculosis, pneumonia and malnutrition. For women, complications during childbirth are common, and hospitals specializing in women’s issues are out of reach for members’ communities. HIV/AIDS awareness is of great importance for these communities. | Premium funds could be used to purchase medical supplies for local health clinics. Current HIV/AIDS awareness programs could be expanded, and training for a childbirth/maternity specialist for the local clinic could be funded. |
|  | **Gender Equality** | The organisation does not have a women’s committee, but it is the cooperative’s policy to have at least two women on the board (which has seven members in total). |  |
| **Environmental** | **Water** | Some villages have access to water via bamboo piping systems or water tanks (water tanks were provided by the district in 2010), however most families in the organisation’s communities still rely on streams as their primary source of water. | Further investment into bamboo piping systems and water tanks would allow more communities to benefit from water infrastructure. |
| **Economic** | **Infrastructure** | The greatest challenge for the organisation’s communities is the lack of infrastructure, specifically stable roads and bridges. | Premium funds could be used to contribute to the development of a stable road system connecting the organisation’s communities to the main city. Specifically, the cooperative could contribute funds to larger road construction plans, perhaps in the form of tools or diesel fuel. Also worth considering is the purchase of track animals, which could provide more immediate access for remote communities. |
|  | **Income Generation** | Currently, members grow coffee as their primary source of income. Other crops are grown and used either for subsistence or to be sold in local markets. Members acknowledge the risk involved in relying solely on coffee. | Premium could be used to pay for extension officers, who could provide farmers with guidance on increasing the productivity of their coffee trees. Extension officers could also provide assistance with regards to crop diversification, so that farmers do not rely solely on their coffee trees as their main source of income. |
|  | **Business and Management Skills** | The Board acknowledges the need for assistance in the area of organizational and financial management**.** Management difficulties have been a serious obstacle in achieving its goals. | Premium could be used to pay for visits by extension officers or other third party organizations that could provide the cooprtative’s management with training in record-keeping and organizational and financial management. |

**Roster:**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Thank you notes:**