

Answer related Strategic plan

1. What are your objectives for the next five years till 2020?

Key goals:

1. Professional and strengthen institutional capabilities of tea cooperatives in Nepal,
2. Intensified representation lobby and advocacy,
3. Improved cooperative tea marketing and
4. CTCF sustainability.

Objectives:

1. Lobby and advocacy for tax exemption and change in National Tea Policy by making representation on Tea Board by the end of 2018.
2. To assists member cooperative for marketing by establishing auction market and making linkage to national and international market by the end of 2018
3. CTCF will play active role for better price of green leaf tea and by the end of 2018, it will assisted 20 tea cooperatives in achieving satisfactory payment agreements or MoU's with factories / processing units.
4. 12 cooperatives receive soft loans form NRB (Nepal Rastha Bank)/ (YSESF) Youth and Small Entrepreneurship Self employment fund and 5 cooperatives receive loan for operating processing factories form banks and financial institutions.
5. Lobby for grants and subsidies with government and other donors, 10 cooperatives for establishing processing unit and 10 cooperative for organic inputs, organic certification and vermin compost.
6. 25 cooperatives will engage in improved production methods, processing and marketing and 15 % of price will increased through better quality and marketing linkage by the end of 2018.
7. CO-OPERATIVE'S TEA, NEPAL a collective trademarks will registered and introduced in National and international level and income generation as royalty for the use of collective mark.
8. 100 % Core fund bear by the CTCF itself by increasing 150% share capital, 100% seed money fund, 100% service charge, 200% business fund and by 500% in income from assets of CTCF, by the end of 2018
9. Increase in export of tea manufactured by member cooperatives by 10%

2. What results you would like to achieve till 2020?

Goal 1. Professional and strengthen institutional capabilities of tea cooperatives in Nepal

Strategic objectives:

- 20% of the cooperatives have a profit higher than Rs. 200.000 and are able to pay the maximum annual service fee to CTCF by the end of 2018 (3 % in 2014 reached this target)
- 40 cooperative of the member cooperatives are in the best and excellent rank of the tea Cooperative ranking system, now (end of 2014) only 15 reached to this rank.
- with assistance of CTCF 20 cooperatives are organically certified by the end of 2018
- 25 cooperatives successfully operate own processing factories and 10 processing factories start to make profit form processing unit (now 16 cooperatives have) at the end of 2018.
- 60 % cooperatives keep their accounting system according to Cooperative rules
- 25 % plantation and production increase in end of the 2018.
- 10 % members increase in cooperatives at the end 2018.

CTCF's role in this strategy

CTCF assist in making cooperatives well managed and transparent which results in the above mentioned objectives. CTCF will facilitate provision of training and capacity building activities, other stakeholders will also be approached to provide training and capacity building for the professional development tea cooperatives. CTCF will provide technical training and capacity building on shared cost cover basis. Activities under this strategic goal will also include conduction a awareness program for tea cooperatives on organic tea farming, out of which 20 tea cooperatives engage in the process of organic certification and get certified before the end of 2018. For the capacity building for examples MY.Coop training, cooperative management and accounting , business planning training will conducted . likewise support to make agreement with cooperatives and processing factories for organic certification process ,awareness training related organic farming. CTCF assist to conduct technical training in production , processing and marketing to Cooperatives through DTCFs with the coordination with various supporting organizations like as governmental , NGOs, INGOs and donors. Such training are directly organized by CTCF with the financial contribution with the member cooperatives. CTCF will provide the training based on the need of members cooperatives and the ranking .

Goal 2; Intensified representation lobby and advocacy goal

Strategic objectives: from key expectations (*see outcomes of expectations session*)

- Lobby to change in national tea policy by the end of 2018.
- Lobby to establish made tea Auction market in Nepal and assure to sell tea produced by cooperatives.
- CTCF representation on the tea board by the end of 2018.
- By the end of 2018, CTCF assisted 20 tea cooperatives in achieving satisfactory payment agreements or MoU's with factories / processing units.
- 12 cooperatives receive soft loans form NRB (Nepal Rastha Bank)/ (YSESF) Youth and Small Entrepreneurship Self employment fund, other banks and financial institutions .
- 5 cooperatives receive loan for operating processing factories .
- 10 cooperatives receive grant and subsidy for the established processing factories and development the tea sector form the national and local government and other donors.
- 10 cooperatives get subsidy for organic inputs , vermin compost , organic certification from the government and other donors .
- Government discount (exemption) on taxes in tea sector.
- Lobby to provide reasonable price with factories and government by determining acceptable price of green leaf tea.

Intensified Representation, Advocacy and Lobbying strategy

To this date, the regulatory framework provided by the Nepal government is not in all areas in favor of tea cooperative development, we need to create an environment for our members that support the growth of the primary tea cooperatives and their sustainability in terms of institutional as well as financial. Lobby and advocacy activities will not only be directed to the government but also to stakeholder (institutions, (I)NGO's) that support the tea sector, CTCF will actively try to engage them in supporting tea cooperatives and DTCF's and cooperate with said organizations were as possible. CTCF lobby with the processing factories (HOTPA),NTPA (Nepal Tea Plantar Association)Jhapa to make create win win situation and build better relationship with cooperatives and make agreement with the green purchasing and organic certifications.

CTCF's role in ***Intensified representation lobby and advocacy*** strategy;

- Capacitate BoD-members and DTCF's for lobby and advocacy making use of FACT methodology
- National representing tea cooperatives voice towards the government making use of district MP's.
- Communication to members, knowing their needs and being accountable to them, news letter / bulletin etc.
- Lobbying for tea policy amendment , operate tea auction market and a proper representation in the Tea and Coffee board
- Lobbying reasonable price and timely payment system of green leaf tea.
- Facilitation of lobby and advocacy activities at district level through DTCF's for local grants and government support
- Representing, linkage and coordination with other service suppliers that are in favor of tea cooperative development (e.g. Cooperative Department, and many others)
- Lobby for grants, soft loans and long term loans provision for tea cooperative development, from Government and other institutions.
- Lobby for grant and subsidy for Cooperative Processing Factory, Organic certification, organic inputs and taxes .
- Analysis and calculate the cost of production of green leaf and aware to members and processing factories.
- Create a code of conduct of tea sectors together CTCF, HOTPA and NTPA.
- support to develop proposals and documents for cooperatives to get grants, loan and agreements.

Goal 3. Improved cooperative tea marketing;

Strategic Objectives:

- 25 cooperatives engage in improved production methods, processing and marketing.
- 50 % Domestic market increase.
- 15 % price increased through better quality tea and marketing linkages in domestic and interregional buyers at the end of 2018.
- 10 % made tea export in international market produced by own processing tea cooperatives.
- CO-OPERATIVE'S TEA, NEPAL collective trade marks registered and introduced in National and international level.

16 primary cooperatives are already engaged in own tea processing factories. They are facing marketing and they cannot sell their product in good price in market. So they are always request to CTCF for support to marketing. On the support of Agriterro CTCF conducted the domestic market survey in 2013 and support in designing a cooperative marketing strategy for orthodox tea marketing platform for small tea producing units in Nepal. The report recommend to CTCF not engage to

marketing and play facilitating and enabling role in marketing. Report was presented that there were three step road map. step one Discovery and assessment of the marketing cooperatives , Step two validation of Nepal Mountain tea marketing processors cooperative Society Ltd., Step three business plan development an overview of the proposed Nepal mountain tea small processer marketing cooperatives society Ltd. in the implementing phase . CTCF tried to make step one it was not successes because of the different interested of single processing unit and cooperatives. So members cooperatives strongly rise this marketing issues with CTCF and Cooperative department. So Cooperative department suggested to CTCF to support them and Cooperative department allocate the small amount around 1 lack to established tea out late in Santinagar Kathmandu along with other eight central federations. CTCF a subcommittee of marketing and subcommittee(marketing wing of CTCF) established the tea out late with the financial contribution of members processing cooperatives in Santinagar Kathmandu. CTCF create business fund (Marketing fund) for marketing by collecting form processing cooperatives , using seed money fund .

CTCF's role in this strategy

CTCF will support to processing cooperatives to linkage to national and international buyers and support to sell made tea. CTCF established the tea shop in Kathmandu with the financial contribution from processing cooperatives. It will operate and will sell produced tea by tea cooperatives. CTCF will Assist to conduct quality maintain for processing cooperative and will participate national and international expo for cooperatives tea branding. CTCF can follow marketing mission report of 2014 according to a blue ocean marketing strategy . CTCF will use Collective mark " COOPERATIVE'S TEA" Nepal as common logo for the sales promotions. As a long term strategy CTCF will not engage itself in marketing of made tea after 5 year later and will establish a separate body or other suitable units and hand over the all marketing activities.

Goal 4. CTCF sustainability, improving internal and external resource capacity

Objectives:

Increase the internal resources of CTCF .

- 100 % Core fund bear by the CTCF at the end of 2018.
- 100% seed money fund increase at the end of 2018 (Now in Nrs.1,000,000)
- 150 % Share amount increase by the end of 2018 (now in Nrs.208000).
- 100 % services charge increase (at present Nrs. 249000.) by the end of 2018 .
- 200 % Business fund (marketing fund) increase by the end of 2018 (at present Nrs. 399000)
- 500 % of increment in income form assets of CTCF .(present 10000) by the end of 2018.
- Nrs.150000.00 income from interest and dividend by Cooperative bank and other banks per year.
- Income of royalty from collective Cooperative mark (COOPERATIVES' TEA , NEPAL) .

Increase the external resources of CTCF.

- Increase the regular support budget form the Cooperative department . (at present 100000)
- Make a proposal for regular support from Agriterra.
- Make a positive environment for support from Unniti .
- Coordinate with AFA to get support from international donors and programme.
- Identify the other supporting organisations and put proposals to them .

Role of CTCF:

CTCF will increase the share and seed money fund form the members and use this fund to generate more income. CTCF develop own human power in cooperatives managements, account , business planning in central and district level and capitalize them and get small amount for the services. CTCF make convinced to all members to pay service fee by rendering quality services (professional training, service provided through CTCF like as marketing processing, organic certification linkage, document preparation, proposal writing etc) and increase the services charge from members. Different activities will conduct on the basis of financial contribution with the members . CTCF will convincing member that they they get value for money, by improving communication on costs and benefits of activities. It utilize available assets of CTCF like as photocopy , Projector and packaging machine to generate the income . It use business fund professionally to generate revenue. CTCF will make coordination between the machinery importer companies, inputs supplier companies and cooperatives to purchases machinery and inputs by imposing services charge . CTCF will charge certain amount as royalty for the use of collective mark.

CTCF's role in this strategy

CTCF lobby with the government and increase the regular cooperatives fund from the cooperative department. CTCF lobby with the different ministries and government officials to get financial support and project . CTCF develop the project proposal to get support from Agriterro and other identified supporting organizations. CTCF increase the better relationship with companies and working together with them to marketing and promotion of member cooperatives. CTCF develop the capacity on lobby advocacy , management , leadership of BoDs , international audit committee in central , district and local levels and capitalize them in their cooperatives . It helps to increase the willingness to financial contribution by cooperatives .