

## **Executive Summary of Plan of Operation 2014-2015, COAST Trust**

### **1. Methodology**

This Plan of Operation of 2014-2015 of COAST Trust ([www.coastbd.org](http://www.coastbd.org)) has been prepared through the participation of stakeholders of different levels i.e. member participants, local level civil society, Government Officials and staffs. All the staff of different Sector/Section/ Project Implementation Units (PIU) were requested for covering the issues like i) last year achievements, ii) stakeholders' comments, iii) last year limitation, iv) the next year objectives and v) challenges. After compilation of all the papers from Sector/Section/PIU this document has been prepared and summarized. In this year we tried to make the plan of operation in a simple manner and with as much as possible less time consuming.

### **2. Critical Analysis during 2013-2014**

The micro finance program has been expanded vertically. The branches of Chittagong Region are running with full suing with the surplus. This year the savings products have been attracted to the group members and the growth rate of saving accumulation is taka 282.76 million. The overdue management has been strengthened with the senior colleagues from principal office through daily monitoring system and case by case support. It has been targeted to realize at least 20% of total overdue by December 2015. All the staff of the organization is involved for bad debt support two Fridays in a month. During these two days the office is providing breakfast and lunch. So far total amount of taka 49.90 lac has been collected from bad debt which is 12% of total bad debt. For mobilization of bad debt realization total expenditure for breakfast and lunch stands for taka 5.05 lac.

Through the partnership with The Asia Foundation, city corporation elections, 10<sup>th</sup> National Election 2014, Upazila elections have been observed. The multi year plan has successfully been completed with Stromme Foundation in Cox's Bazar.

This year the organization has been awarded the projects of Ujjibito (EU & PKSF in Bhola), Strengthening Governance of Safety net Protection (DFID and MJF in Moheshkhali) , Responsible Union

*Parishad* Project (DFID & MJF), Ma Moni-HSS (USAID & Save the Children in Monpura), Medium Term Cooperation Program (MTCP-IFAD all over the country with agri-farmers), Reaching Out School Children (ROSC-GoB and WB-in Monpura), 3<sup>rd</sup> Phase of Communication for Development Project (Unicef-in Bhola), Socio Economic Empowerment with Dignity and Sustainability (SEEDS-SF in Cox's Bazar). The organization involved in partnership with WFP for addressing the disaster related issues in Bhola district.

The organization has been re-certified by HAP International through a intensive and independent auditor appointed by HAP with its Standard 2010. The present certificate duration will be valid up to 2018.

This is the bad debt figures have been written off since the establishment of the organization (1998) and the total written off figure is taka 24.40 million. This has been done as per the policy of MRA (Microcredit Regulator Authority). The figure has been approved by BoT through the 83<sup>rd</sup> meeting held in Principal Office on June 27, 2014.

The long term strategies (2014-2019) of the organization have been prepared and approved by the board. The program objectives for next six years are i) sustainability of core program based on a micro finance with RBA (Right Based Approach), ii) integration of CITEP (Coastal Integrated Technology Transfer Programs /climate adaptation to enhance income capacity of the member participants, iii) building People's Organizations as alternative power structures and participatory management, iv) development of a sustainable disaster response and legal endowment fund, v) campaign and advocacy to facilitate coastal livelihood security especially of fisherman, vi) campaign and advocacy to facilitate pro poor policy especially for climate, economic and tax justice and vii) expansion also to the growth centre areas for the balancing hard to reach areas. The management objectives for next five years are i) building long term committed senior level, ii) development of simple but integrated and effective human resource development approach, iii) simple but effective program quality monitoring and finance monitoring systems, iv) promoting strong pro people corporate identity among community and all other level especially in respect of governance and v)

diversification of organizational income on sustainable basis.

On line marketing of *Totini* dry fish and sea weed has been launched and it was inaugurated by Chairman of PKSF in Cox's Baza. For the wide circulation of the *Totini* products a face book has been created with some video documents along with the recipes for food preparation of sea weed.

The organization received a license for operation of community radio in Bholra and in Cox's Bazar. Now getting the frequencies is under process and it is expected that the frequencies will be received by July 2014

The authority of regional team leaders has been strengthened. All the projects and programs leaders have been under the supervision of regional team leaders. The most of the decisions have been decentralized up to the regional team leader levels. The regional team leaders are giving technical and monitoring supports and ensuring the qualitative implementation of the programs and projects. They are also contributing for the development of staff through adopting one to one training methodology. They are supervising the programs and projects on behalf of central management. They are maintaining the smooth communication with the district administration officials as part of the organization.

For supervision of gender and training a post has been created in principal office and a female staff has been recruited.

For macro level policy advocacy Equity and Justice Working Group (**EquityBD**) is running with satisfactory level. This network organized different campaigns during 2013-2014. Some of major campaigns were i) Idle Money in the Banks to lend to NGO – MFI, ii) Post 2015 development agenda must embody the principles of Equity and Justice, iii) Statement on 3G Auction: Surrender to MNCs or a Planned Game? iv) UN must set Goal to ensure Food Security for global hunger as Bangladesh proposed, v) Civil Society Rights Group for a transparency, inclusive supra coordination body in climate finance and planning, vi) Campaigning against Pesticides and their Companies, vii) UN Refugee Definition have to be revised to include

Climate Migrants, viii) Climate Strategy Demand New Leadership with Scientific Perspective, ix) Developing Countries must raise the issues of Rights for Climate Migrants in COP 19, x) Developed and Developing Countries must have a Political Commitment to Stop Illicit Financial Flow, xi) WTO Must Facilitate Free Movement of Natural Labor, xii) Listen to the Plights of Climate Victims, Listen to the Science, xiii) Warsaw outcome has seriously undermined the CVC interest, xiv) Visionary Political Leadership is a must to achieve in WTO Trade Multilateralism, xv) Civil society demands the inclusion of access to information as central to the government's proposals on sustainable development goals, xvi) Civil Society in South Asia Need to Be United to make SAARC Accountable, xvii) Comptroller of Auditor General must audit MNCs, xviii) Human Rights and Inequality is the Concern for Post 2015 Development Agenda, xix) Capacitate BADC as a public institution to ensure agricultural seed, xx) Climate Responsiveness is important in Inter-Ministry Coordination and National Budget, xxi) Demand for Stopping VAT Extension as It is Regressive to Poor. WTO must ensure 100% DFQF for LDCs instead of forcing liberalization of essential services, xxii) No TISA or TIFA, even not in exchange of Duty Free Quota Free Access and xxiii) Allocate at least 20% of total budget for agriculture.

During last year, in respect of program the following lessons have been learnt; (i) an incidence happened in Cox's Bazar-2 Branch where the amount of taka 52.74 lac has been found as irregularities and 7.00 lac was found as misappropriation by the staff. The operation and internal audit could not identify the irregularities and misappropriation. For this incidence a case has been filed against the respective staff, (ii) still some misappropriations have been continuing by some dishonest staff, (iii) total 13 branches are suffering from deficit capital, (iv) the fund for community radio could not be managed.

The target of last year in micro finance service charge was taka 177.29 million and the achievement was taka 166.86 million (94.10%)

The target of development partners' grant during 2013-2014 was taka 58.07 million but we have received taka 55.87 million and the achievement was 96.20%.

The budget for the year 2013-2014 was taka 250.80 million where the expenditure was taka 233.90 million. Here the expenditure rate is 93.26%.

### 3. Planning for 2014-2015

During the year of 2014-2015 the major planning and strategies will be as follows.

i) to expands 6 branches in Noakhali and Chittagong areas, ii) to construct a basement of five storied building in Cox's Bazar and Bhola land, iii) vulnerability analysis of micro finance due to climate change impact in the coastal areas and will be submitted to PKSF for their consideration of expansion criteria, iv) to strengthen the climate change adaptation through CITEP, v) management and monitoring streamlining for the projects, vi) overdue realization will be emphasized through giving special support from principal office and other project staff, vii) to establish the community radio station in Bhola and Cox's Bazar, viii) searching fund for establishment and operation of community radio and ix) to take significant initiations for human resource development in the front line and project levels.

### 4. Budget Focus for 2014-2015

During 2014-2015 the budget has been prepared with an amount of taka 294.90 million (USD 3.78 million with the exchange rate of 1:78) with the surplus figure of taka 1.82 million (Last year it was taka million. The figure has been reduced due to the extra cost of i) expansion of six branches taka 3.75 million, ii) establishment of community radio taka 1.63 million, iii) Charfession land registration 0.6 million and iii) CREP repayment taka 6.2 million. Total budget has been increased of 18% than that of 2013-2014 (250.79 million).

During 2014-2015 the donor grant is taka 81.20 million, which is 40% more (due to inclusion of Ma Moni HSS-Save the Children, SEEDS-SF, MTCP-Medium Term Cooperation Program-IFAD and GSP-MJF projects) than that of last year (taka 58.10 million).

This year the earning of service charge from micro finance and social business will be taka 192.30 million that is 8.47% more than that of last year (taka 177.29 million).

Among the total budget of taka 294.90 million for 2014-2015, 63% will be beard from income of micro finance service charge (taka 184.58 million).

The percentage of administration cost will be 3.40% (taka 129.85 million), while the percentage of program cost will be 96.60% (taka 165.05 million program cost and taka 3,664.80 million as Revolving Credit Fund Operation).

The administration cost means the cost of salary and benefits of all the staff. The program cost includes revolving credit fund (during 2014-2015 the revolving amount will be taka 3,664.80 million) and the cost directly involved with the member participants and other stakeholders.

At the end of 2014-2015 the total number of member participants will be 100,233 which is 13.66% more than that of last year (88,189). The outstanding balance at the end of 2014-2015 will be taka 865.66 million (USD 11.10 million). This is 13.20% above from last year (taka 764.72 million). The member savings at the end of the year 2014-2015 will be taka 317.00 million that is 15.23% higher than that of 2013-2014 (taka 275.10 million).

In this year it will need taka 332.00 million as Revolving Credit Fund (RCF). It is expecting to receive taka 249.00 million from *Palli Karma Shahayak* Foundation (PKSF) and taka 83.00 million from Stromme Foundation (SF) as RCF. This year no bank loan will be received.

By ending of 2014-2015 the total staff will be 1075 which is 16.21% more than the last year (total staff was 925 and male female ration was 55:45).

This year the cost of fund is taka 79.78 million. The cost of fund includes the interest payable to group savings, PKSF, SF and Bank for using Revolving Credit Fund and also for some expenditure of Principal Office.

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