



Strategic Plan: 2023-2025

Renewing Cufa



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Executive Summary

Cufa's mission of economic development is more critical than ever in the face of the fall-out from COVID across our region. This *2023 – 2025 Strategic Plan* articulates an updated vision: to build economic resilience through tailored financial support and enterprise development for vulnerable communities in Cambodia and PNG as well as the wider Asia-Pacific region. Moreover, we commit to foster empowerment in line with a more robust three pillar approach which targets how vulnerable people and communities:

- (1) **earn**: through microenterprise and livelihood programs;
- (2) **save**: through financial literacy; and
- (3) **invest**: through access to digital tools and diverse finance sources.

This is underpinned by our new Gender Equality and Disability Inclusion action plans, which guide stronger program design principles and delivery.

The Board and senior management team has together embraced major reforms through 2022, which are a springboard for this Plan. This includes: the closure of Foresters Community Finance (FCF); the integration of the longstanding Village Entrepreneur (VE) program with the Cambodia Livelihoods program under the ASPIRE brand; the planned closure of our Myanmar portfolio by end 2022; and revitalised presence in PNG with new donor funding, with a view to grow a wider Pacific presence.

The *2023-25 Strategic Plan* focusses on three priority areas:

1. Expand and diversify Cufa's revenue streams (donations and grants)
2. Deliver high quality programs and consulting projects
3. Collaborate and build strong partnerships

What this means in practise is that Cufa will work to attract sustainable and more diverse sources of income; we will showcase best delivery practice and high impact programs with robust evaluation that aligns with donor expectations; and we will embrace and pursue more collaborative approaches in line with best sector practise and to lift our impact.



1. Our Purpose

Cufa emerged from the credit union movement in 1971 and began to actively move away from these origins in 2013. Credit union development work is still a feature of our work; however, the majority of our programs now focus on financial literacy and inclusion, which speaks to our twin outcomes:

- (1) Economic empowerment programs promote opportunities for rural growth and impact investment; and
- (2) A portfolio of dynamic and inclusive programs builds the foundations of strong local communities.

This is reflected in Cufa's refreshed tag line – *Social Change, Sustainable Results* – and our work in addressing intergenerational poverty. Cufa will focus on the provision of specialised financial literacy education and micro-enterprise development programs, while investment in community-owned financial institutions will remain a small, albeit important, legacy focus.

2. Vision, Mission and Values

Vision

For communities to be resilient and self-supporting across the Asia-Pacific region.

Mission

We embrace a 3-pillar approach of:

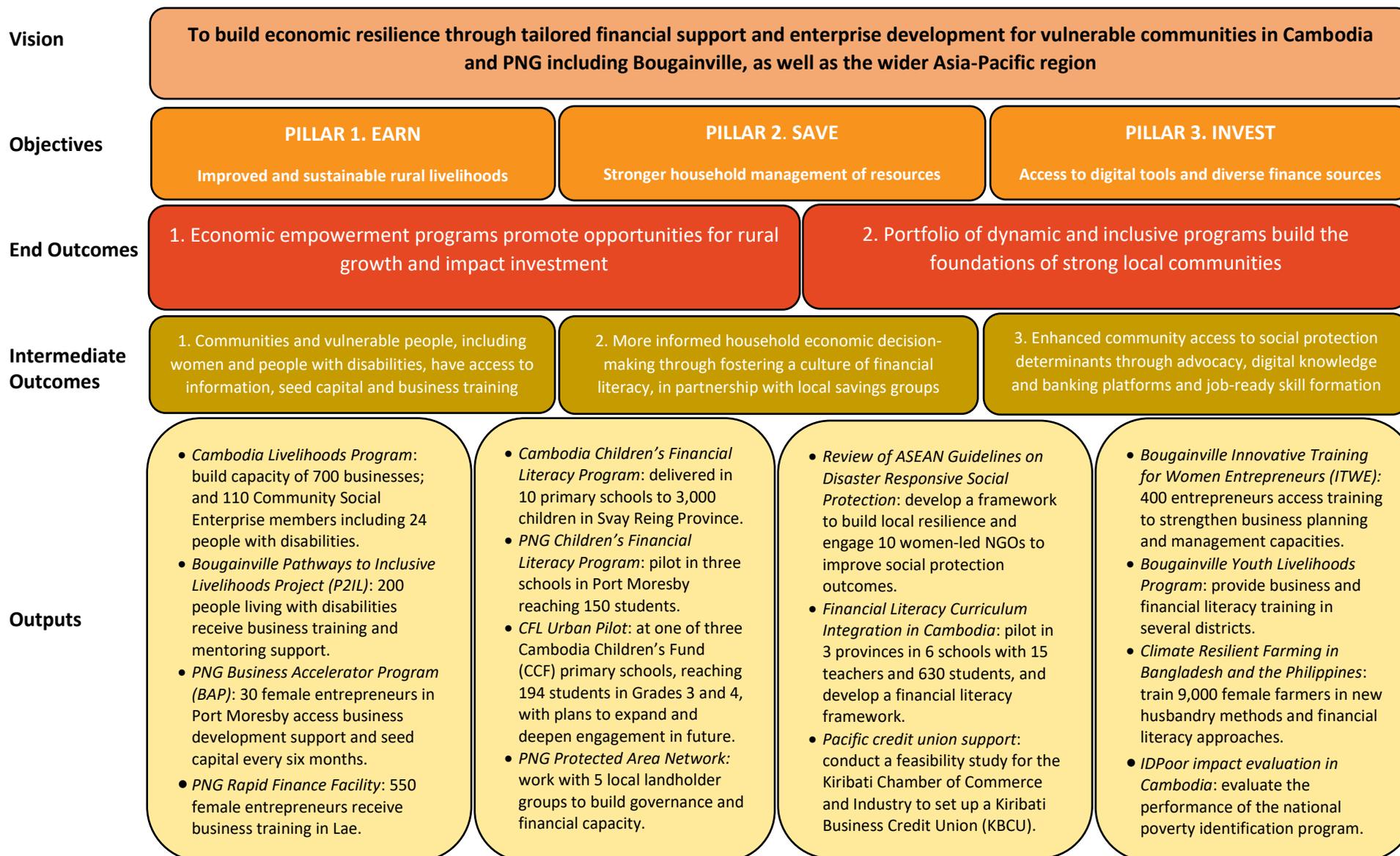
- (1) **Earn:** through microenterprise and livelihood programs;
- (2) **Save:** through financial literacy; and
- (3) **Invest:** through access to digital tools and diverse finance sources.

Values

Resilient, collaborative, respectful and inclusive.



3. Theory of Change





4. Goals and Objectives

The goals for the *2023-2025 Strategic Plan* are three-fold:

1. Expand and diversify Cufa's revenue stream
2. Delivery high quality programs and consulting projects
3. Collaborate and build strong partnerships

4.1 Expand and diversify Cufa's Revenue Streams

- *Diversify Cufa's fundraising avenues*
- *Diversify and grow funding from various organisations*
- *Increase the number of, and funding from, individual donors*

Overview

Our key sources of revenue are drawn from: credit unions including corporates; individual donors; bilateral and multilateral organisations; foundations and trusts; and bequests. Each of these areas require individual attention and specific approaches to generate the required engagement and resulting fund generation. Over the past decade Cufa has tried to tap into each of these areas with mixed success. While Cufa has historically received significant support from corporates (including mutuals), this has been in terminal decline in recent years.

Cufa had a high degree of success with individual donors through the Village Entrepreneur initiative, but supporter numbers have dropped off significantly over time. The area of major ongoing success has been in respect to funding from bilateral (DFAT, Global Affairs Canada) and multilateral organisations (UN and ADB).

Our inherent weakness is lack of brand awareness: our roots within the credit union movement limited our engagement with a larger public audience and this low visibility translates to greater difficulty in attracting funding in a highly competitive market. At the same time, **the volume of mutual donations for international work continues to wane:** the credit union sector has been rapidly consolidating through mergers and bank conversions and this seems set to grow, along with a greater focus on establishing stand-alone philanthropic foundations to promote credit union brand awareness through supporting domestic causes.

In this context, Cufa has struggled to build a pipeline of funding from corporates while, in recent years, our credit union support has declined rapidly and now only constitutes a handful of legacy supporters. In terms of the Australian public we have experienced some success, with many individual supporters associated with the credit union movement. As our exposure in the credit union space has declined, our individual donor base has similarly shrunk. With a limited pool of ongoing individual donors, we no longer have the breadth and depth of supporters to pursue other fundraising initiatives (for example, in the mid-2010s we could organise fundraising 'Challenges' in the form of Cambodia cycling tours).

In the absence of a fundraising strategy, which will be addressed through a new committee in 2023, and without any dedicated marketing budget for staff or outreach, current efforts rely to a certain extent on the CEO's profile in the sector, with a measure of success in 2022 through new donor matching platforms such as Seedling and crowdfunding tools.



Focus

Given Cufa's current financial position, Cufa will be disciplined and play to our strengths. This means that we will continue to pursue grants or tenders from multilateral (i.e. ADB, UN and Commonwealth Foundation) and bilateral (DFAT, Canada, UK and US) sources given our strong track record. Within this segment, brand recognition has little impact on funding success; rather it is proven results that secure funding. Following our recent level of success, we have paused major business development so that the team can focus on the intensive project management involved in delivering successful consulting work. We can turn the grant capture capability back on when there is sufficient headroom.

Conversely, we will maintain a low-cost, high-value approach to engaging individual supporters. There is a significant human resource cost to engage in fundraising, while the skills are different for grant writing. Over the past several years, Cufa has invested significant resources generating new corporate leads with very limited success to show. Cufa has engaged sector experienced fundraisers as well as people with marketing expertise from the corporate sector, but neither approach appears to have generated any impact. We have recently partnered with *Gathered Here* and now offer our supporters a free, online bequest service. The decision to integrate our Village Entrepreneur program into our Cambodia Livelihoods program (under the new ASPIRE brand) will also produce administrative and cost efficiencies and expand our donor engagement.

Targets

1. Institutional Funding: consolidate the current grants portfolio from bilateral and multilateral sources and pursue 10% net funding growth year-on-year, subject to our staff carrying capacity
2. Corporate and individual funding: we will seek to grow untied funding by net 10% each year.
3. Continue to expand follower numbers on LinkedIn and Facebook, with net 20% growth year-on-year.

Actions

1. Embed the Senior Manager position with combined project management and grant writing capability.
2. Deploy a volunteer under the Australian Volunteer Program in the Cambodian office, to help improve Cufa's management and MEL capacities.
3. Deploy a volunteer under the Australian Volunteer Program in the PNG office, to help improve Cufa's social media and public communications.

4.2 Deliver High Quality Programs and Consulting Projects

- *To develop a clear line of sight between resources and effort that maximises our impact in alleviating poverty, institutional strengthening and benefits vulnerable people, women and people with disabilities*
- *To continue to develop tools and project delivery methodologies based on contemporary best practice, promoting gender equality and disability inclusion, and applying adaptive management principles*
- *To provide a work environment that encourages continual learning and improvement*

Overview

Cufa may be relatively small in size, but we pride ourselves on the scale of our impact. Our Theory of Change provides an integrated picture of how our current suite of programs relate to and help achieve our overall vision and objectives. In FY22-23, across our focus and priority countries, we will deliver:

- Financial literacy training to 4394 children and 2000 adults, including 100 persons with disabilities
- Enterprise development support to 1624 entrepreneurs, including 1300 females and 328 with disabilities
- Provide livelihoods support to 9000 female farmers in climate-resilient poultry and fish farming
- Invest in and build the capacity of 110 Community Social Enterprise members
- Build the social protection advocacy capacities of 10 women-led NGOs across the ASEAN region

Further to this, Cufa has conducted a range of important technical and evaluation work, to shape and inform major policy settings. This includes integrating financial literacy into Cambodia’s national school curriculum and an assessment of IDPoor, Cambodia’s national poverty identification program which proved critical as a social protection tool during the COVID period.

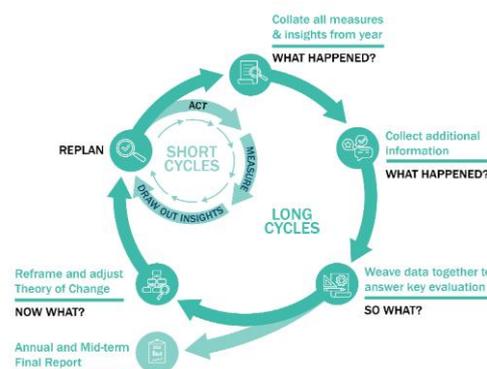
Focus

The new Cufa Australia team has a much deeper professional background and qualifications in the aid and development sector, reflected in our combined 50+ years of experience and direct country connections. This matters because it translates into greater effectiveness as a result of broader networks, as well as a more robust understanding of wider dynamics within the sector. Interactions and engagement with external stakeholders is now our lifeblood, and a strong and enduring presence in Australia. Indeed, in May 2022 we harnessed the opportunity to create a more dynamic and interactive workspace, as well as reduce overheads, in Sydney by moving to co-locate our office with several other NGOs.

The renewed transparent and open Cufa culture is flexible, adaptable and focused on learning. We commit to embrace an Adaptive Management approach through more consistent evaluation processes as well as annual ‘reflect and refocus’ workshops to review findings and course correct as necessary.

The following graphic describes a process of designing, implementing, adapting and evaluating programs. This cycle of **Collaborating, Learning and Adapting (CLA)** underpins adaptive management practises in the field of development. It involves three distinct concepts:

- collaborating intentionally with stakeholders to share knowledge and reduce duplication of effort;
- learning systematically by drawing on evidence from a variety of sources and taking the time to reflect on implementation; and
- adapting strategically based on applied learning.



There is clear evidence of the benefits of collaborating internally and externally with stakeholders. Much of the production and transmission of knowledge – both explicit and tacit knowledge – occurs through collaboration.

Targets

1. Convene an annual Strategic Board Meeting where Directors and Senior Management reflect on major evaluation findings and annual reporting mechanisms to assess program direction and focus



2. Convene a minimum of one annual strategic staff workshop per country of operation to present program findings and critically reflect on lessons learned to inform future delivery phases

Actions

1. Commit to annual reflection workshops as an opportunity to reflect on evaluation findings at both the program and Board level
2. Standing Board agenda item to review progress against the endorsed Gender Equality and Disability Inclusion Action Plans
3. Support access to ACFID and other professional training to invest in and develop staff skills in GEDSI and MEL practises

This commitment to collaboration is further elaborated and reinforced in our third Strategic Plan goal, as detailed next.

4.3 Collaborate and build strong partnerships

- *To ensure that CUFA enjoys long term sustainable partnerships*
- *To engage with partners and stakeholders whose values and aspirations align*
- *To work with the most disadvantaged communities in Asia and the Pacific*

Overview

Partnerships are the cornerstone of the new CUFA and we have formed a range of notable new relationships including:

- **Australian Volunteers Program**, and we will start to deploy volunteers in Cambodia in mid-2023 and PNG from 2024
- **Gathered Here**, Australia's leading end-of-life services site, who host a free online will service
- **Goodwill Wines**, who commit to donate half of their profit to Australian charities
- **StoneX**, to manage our FOREX payments at significant saving to mainstream banks
- **Aflatoun International**, and we are the inaugural Pacific partner in their global network
- **Heifer International**, a leading global NGO working in the agricultural development space
- **Cambodia Children's Fund (CCF)** to deliver our Children's Financial Literacy (CFL) program in their schools in Phnom Penh
- **Adelaide University and Monash University** through regular internship placements

Focus

Inherent in our vision for communities of the Asia Pacific region to be free of poverty through economic development and self-determination is the need to build synergies with partners. Strong partnerships enhance our capacity to reach and deliver programs in rural and remote areas, and also enhance our profile within the communities where we work as well as in Australia. It further ensures that sustainability and ownership are at the fore of project design and delivery. Separately, strong partnerships with bilateral and multilateral organisations will see CuFa benefit from an improved reputation as a trusted and competent international agency able to deliver high quality projects, on budget and on time.



Targets

1. We will pursue a minimum of 5 consortium-based business development opportunities each year
2. We will meet at least once per year with each donor partner to provide strategy and program updates
3. Staff have access to learning and development opportunities each year tailored to their individual career needs and relevant to their job

Actions

1. Empower County Managers to take greater ownership of the relationship with the local government and the Australian post.
2. Develop the next generation of managers in each country to ensure partnerships are not only embedded in the Country Manager but in other levels of the organisation
3. Encourage participation in the training and networking opportunities that arise in each project country.
4. Seek out partnerships with like-minded NGOS including working on, and tendering for, joint projects.
5. Be open to the consideration of merger possibilities where other NGOs with a similar philosophy and mission express interest in joining with Cufa to achieve scale and to reduce back-office costs to ensure more funding reaches the communities with whom we work.