



# Annual Report 2074/75

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## MESSAGE FROM THE EXECUTIVE DIRECTOR

Dear Partners, Donors and Friends,

It gives me an immense pleasure to present another issue of ANSAB's annual report that highlights our activities, achievements and financial situation in FY 2074/75. The past year marked important achievements that signify ANSAB's strong and continuing recognition in its field, and our persistent focus on building prosperous communities through enterprise-oriented natural resource management.

We implemented 10 projects in 2074/75 which have attained promising results and learning at the community level through our work on ecosystem-based commercial agriculture, forest certification of ecosystem services, value chain development, and resilient community development. We worked with the grassroots communities for their capacity development on sustainable forest management, farm and forest based enterprise-oriented activities along with the support on drinking water, education and recovery effort to flood affected communities in the southern plains. We also worked at national level for the development of sustainable forest management certification standard, and contributed to the National Agroforestry Policy development process. Our impact tracking system shows that our programs have generated over NRs 924 million (US \$9.24) financial benefit during the last year involving 85,394 economic participants. These outcomes have resulted with ANSAB's current projects along with the past ones that have facilitated and capacitated rural households to be involved in new production and productivity, product collection, enterprise development, value chain linkages, improved marketing and cooperative, better market access and price of the natural resource products.

These achievements would not be possible without the support from our donors, partners, board members, advisory board members and a truly dedicated and professional staffs. I must thank all of you for your continuous support and solidarity for our noble cause, and look forward to work together again in coming years.

Thank you.

Bhishma P. Subedi, Ph.D.  
Executive Director





## INTRODUCTION

ANSAB has been conserving biodiversity and improving livelihoods across Nepal and South Asia for twenty-five years. It places community empowerment and economic incentives at the heart of its approach, and generates knowledge and results through applied research and studies to implement innovative solutions, such as the creation of enterprises based on the sustainable use of natural resources, establishment of payment for environmental services, and advancement of ecosystem based commercial agriculture that increase communities' resilience, their standards of living and harness social equity. ANSAB has been consistently evolving, consolidating, institutionalizing and advancing the approaches and strategies for the promotion of community-based enterprises and value chains, natural resources management and biodiversity conservation, enabling policy environment and multi-stakeholder collaboration.



## VISION

ANSAB has a vision of rural South Asia built on rich biodiversity and prosperous communities. This vision includes rich, healthy and productive ecosystems actively managed and sustainably used by formerly poor local communities. It also features adaptive people and resilient ecosystems able to cope with global climate change.

## MISSION

Generate and implement community-based, enterprise-oriented solutions that conserve biodiversity and improve the livelihoods of the poorest of the poor while bolstering national economic development and addressing climate change.



## PROGRAM FOCUS AND APPROACH

ANSAB program focus includes:

- **Pro-Poor Economic Development:** Climate smart ecosystem-based commercial agriculture (ECA), forest products and services based value chain development incl. micro, small and medium enterprises (MSMEs), agroforestry and homegardens, food and nutrition security, biomass-based energy, one health, drinking water and education
- **Biodiversity, Ecosystem Services and Climate Change (BESCC):** Sustainable forest management incl. forest certification, ecosystem services incl. forest carbon, climate change adaptation and mitigation, REDD plus
- **Networking, Policy and Research:** Enabling policy environment through networking and multi-stakeholder platforms, collaboration, evidence-based policy analysis, socio-economic and bio-physical research and studies
- **Capacity Building and Services:** Training, study tours, technical assistance, market information, business planning, and publications



## GUIDING PRINCIPLES

ANSAB has adopted the following guiding principles and approaches while planning, implementing, monitoring and evaluating its program activities:

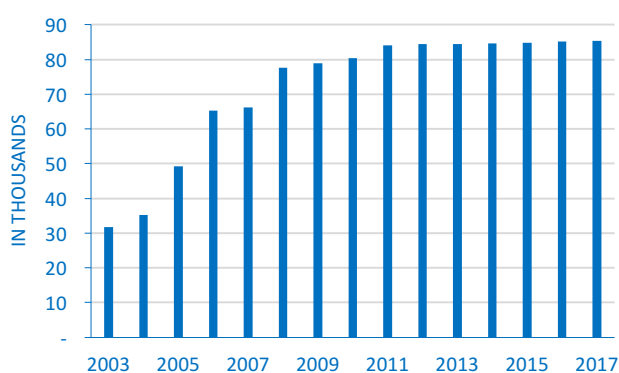
- **Measurable Impact:** ANSAB interventions have been widely tested and applied on the ground. Outcomes are meticulously quantified and compiled through a thorough Impact Tracking System (ITS) in terms of conservation, sustainable use, livelihoods and economic growth, access and equity.
- **Innovation:** ANSAB believes in continuous learning and is constantly testing new ideas, approaches and methodologies to better achieve its mission.
- **Sustainable Implementation:** ANSAB builds partnership with local NGOs/CBOs that will be able to pursue the work once national and international funding comes to term. It also mobilizes Local Resource Persons (LRPs) to build the capacity of local communities.
- **Scientific and Indigenous Knowledge:** ANSAB values indigenous knowledge and combines both traditional and modern scientific methods when implementing projects on the ground.
- **Public-Private-Community Collaboration:** ANSAB fosters collaboration and partnership of government bodies, private sectors, cooperatives and community institutions for achieving the socio-economic and environmental benefits the community deserve
- **Sustainable Development Goals (SDG):** ANSAB programs contribute to the United Nations key objectives for development, more specifically towards “Zero Poverty”, “Zero Hunger”, “Gender Equality”, “Decent Work and Economic Growth”, “Responsible Production and Consumption”, “Climate Action” and “Life on Land”.

## ACHIEVEMENTS

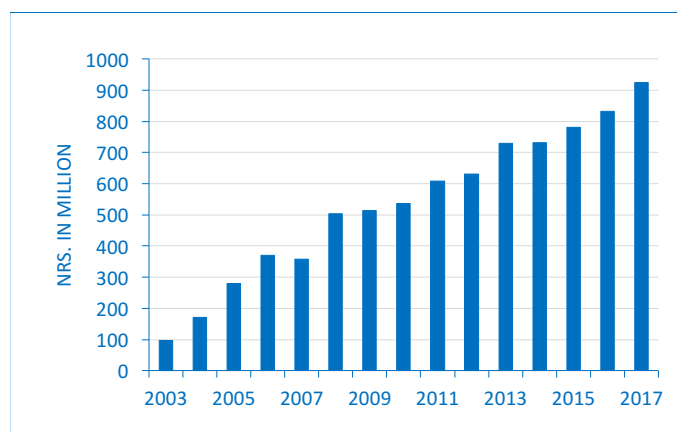
ANSAB measures its effectiveness on the ground through a detailed Impact Tracking System (ITS). Specific outcomes are measured in terms of monetary benefits to primary producers and collectors, degree of economic participation in the value chain, and forest area under improved management.

Through ANSAB's intervention:

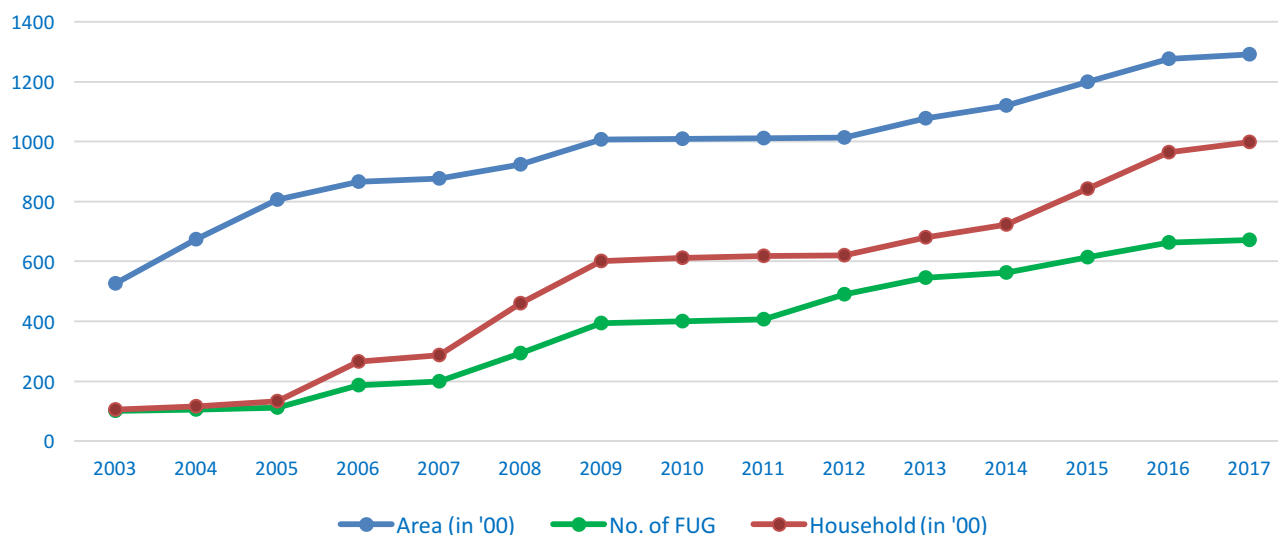
- A total of 1,319 economic entities have been developed and strengthened that engaged 85,394 economic participants generating revenue of NRs 924 million (US \$9.24million) during last year.
- 129,200 hectares of forest and meadow areas was brought under the improved management of 672 Forest User Groups, representing 99,900 households.



Annual Economic Participants in ANSAB's Programs



Annual Monetary Benefits from ANSAB's Interventions



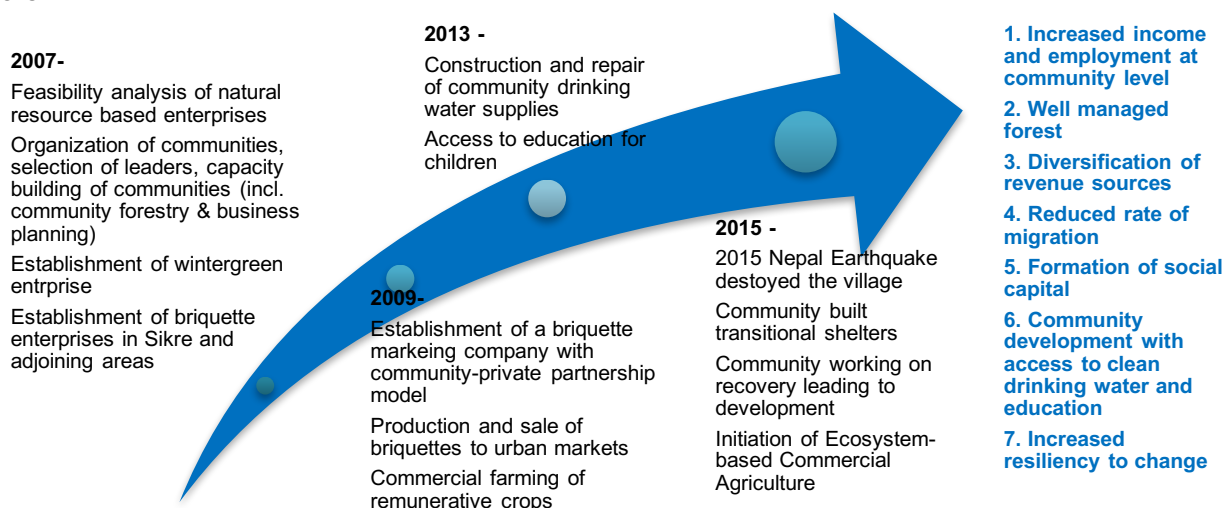
Number of Forest User Groups (FUGs) worked with, Area under sustainable management (in hectares), and Households benefitted through ANSAB's intervention

## SIKRE: A VILLAGE IN NEPAL MOUNTAIN ON THE PATH OF TRANSFORMATION TO SUSTAINABLE RURAL DEVELOPMENT

With a vision of creating rich biodiversity and prosperous communities, ANSAB generates knowledge and designs programs for community-based, enterprise-oriented solutions, which are then implemented in partnership with community groups, local enterprises and other stakeholders. The major outcomes achieved include the conservation of ecosystem and biodiversity, improvement in local livelihoods, enhanced capability, improved governance, and social harmony. As a part of its program 'transforming natural resource dependent rural communities into commercially viable and sustainable entities', ANSAB has been supporting several villages in mountains of Nepal. Since 2007, an interesting set of practices has been initiated in Sikre in Sindhupalchok district of Nepal, which shows a promise of being transformed into a model community for integrated sustainable rural development in mountain.

In 2007, ANSAB facilitated communities and prioritized wintergreen, an essential oil bearing plant, as a promising NTFP species for generating cash income in the area. Four community forestry user groups (CFUGs) were supported to make forest management plan with proper inventory for sustainable management and use of the forest resources. ANSAB organized the interested community members, helped them to select the enterprise manager and create a business plan, and establish forward linkage for marketing with the national level company - Himalayan Bio-trade Ltd. (HBTL). Within six months, with ANSAB's facilitation, the CFUGs, interested individuals in the communities, HBTL, and the workers of the proposed enterprise jointly invested to start up the enterprise, and established the Sikre wintergreen distillation enterprise in April 2008. There is a clear provision of sustainable harvesting of wintergreen in the community forestry operational plan with the formation of a monitoring committee involving representatives from CFUGs and the enterprise in order to ensure sustainable sourcing of raw materials. The enterprise produced 60 kg of essential oil in the first year and then produced an annual average of 250 kg.

Inspired by the success of the wintergreen enterprise, the CFUG in Sikre itself and private investors invested their income generated from selling of the wintergreen leaves to the distillation enterprise to set up Sikre briquette enterprise. This enterprise started production of briquette in the same year, as they found it to be profitable and matching with the interest and skills of the ultra-poor and women members.



*Figure: Activities and outcomes of sustainable rural development practices in Sikre village*

They started a new briquette marketing company in Kathmandu following the same model in 2009, which was later registered as Himalayan Naturals Pvt. Ltd. in partnership with other briquette enterprises and investors. This has been a stepping-stone in developing briquette industry in Nepal. Himalayan Naturals emerged as a unique pioneering endeavour of community-private partnership and now remains



as the leading briquette marketing company in the country. There are over five briquette-producing enterprises in the area with clear benefit sharing mechanism among the shareholders.

The initial support on identification of economic opportunities, community organizing, capacity building, sustainable natural resource management, enterprise development, and technological and marketing interventions along with the practical ways of inclusive and green development have helped the village to gradually transform into the present state.

It shows a greater promise for the future with organized community organizations, increased access to school education to their children, well managed forests, watershed and farms, access to clean drinking water and sanitation, and several enterprises for revenue diversification. The organized community has initiated to make investment in their local level development works. Communities in Sikre and the adjoining areas - Pyukharka, Tamche and Chiple worked together with ANSAB and the community enterprises in 2013 for the construction and repair of clean drinking water system that provided drinking water to their settlements, Sikre briquette enterprise, and a community school. The water program was developed such that all of the community had equal access to water. Children, women and other marginalized members of the community, now, have access to clean drinking water close to their settlement. The community members also have access to toilets. Most of the community members now send their children to schools. Innovations in farming and economic activities are taking place. All people including ultra poor are included in the revenue stream as part of the business protocols.

They were better able to cope with the disaster of the 2015 Nepal Earthquake indicating their increased resiliency to disaster and change. Social harmony between the community members have increased, and the communities were able to cope with the disaster of the earthquake better than the other adjoining communities. With the shelter package (CGI sheets, construction materials and orientation) provided by ANSAB, the communities constructed transitional shelter with their existing construction skills and utilizing locally available material such as bamboo, salvaged wood, remaining of dismantled structures, and became ready for impending monsoon and winter as well. There is an integrated settlement in the Sikre area and the communities are living in harmony.

ANSAB has closely been working with the community leaders, Himalayan Naturals and other organizations for revenue diversification. It has initiated promotion of ecosystem-based commercial agriculture through provision of inputs and technical support for growing identified high value cash crops and trees.

*We would like to express our gratitude to all ANSAB donors and partners, especially Aveda, blue moon fund, Ford Foundation and ECHO, without whose support this innovative work and outcomes would not be possible.*

## IMPLEMENTING THE NTIS IN THE SECTOR OF MEDICINAL AND AROMATIC PLANTS (IN-MAPS)

Medicinal and Aromatic Plants (MAPs) are very important source of livelihoods for the poor rural people of Nepal as they are used as supplementary food, ethno-medicines along with the source of cash income. Every year a large quantity of MAPs is collected from forests and private land and mainly exported to India in crude form despite having ample opportunities of exporting value added MAPs products to developed countries in Asia, Europe and USA.

*Implementing the NTIS in the sector of Medicinal and Aromatic Plants (IN-MAPS)* project is being implemented in six districts (Pyuthan, Dang, Banke, Surkhet, Kailali and Kanchanpur) of Nepal with the aim to contribute to a socially balanced economic development of the poor and ultra poor inhabitants through improving production, collection, processing and marketing of MAPs in the selected districts. Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH has been providing technical support to this project. These districts have potential to develop new MAPs processing enterprises, and at the same time need upgrading of the existing processing enterprises through enhancing the supply of raw materials and trading of the value added MAPs products to the domestic and international markets.

ANSAB, as the national partner of the IN-MAPS project, has been working with GIZ Nepal in the six districts with the major objective of providing technical support to the project on sustainable harvesting and primary processing, such as cleaning, sorting, grading and drying; secondary processing and product development; establishing market linkages; and developing entrepreneurship of the existing and potential entrepreneurs. It has implemented the two phase of the partnership (first phase: 15 January 2018 to 14 May 2018; second phase: 15 May 2018 to 12 September 2018), and is currently implementing the third phase (September 2018 to 12 March 2019). The first phase of the partnership focused on preliminary field level coordination and activities for the improved capability of the collectors, value chain actors, facilitators and the local partners, and the assessment of needs in the project districts for improved production and productivity of the selected NTFPs. During the second phase, the partnership focussed on provision of relevant information, equipment and services for improved harvesting, post harvesting handling and value addition; effective delivery of extension services from DPROs and DFOs; and increased institutional strengthening of local partners. The third phase of the project is currently being implemented by continuing the field level activities and building on the activities of the previous phases for generating the impacts envisioned by the IN-MAPS project.

Partnership and technical support from ANSAB will contribute to the key outcomes of the IN-MAPS project in improving the production and manufacturing practices of the actors, strengthening the capacities of the enablers and facilitators, and improving market access of the value added products to export destinations. This will strengthen the capacity of the MAPs actors and meet the objectives of the IN-MAPS project in coordination and implementation of the NTIS in the context of MAPs. The partnership will provide key contribution to achieve the expected results envisioned by the IN-MAPS project, such as increasing export of MAPs; increasing income of targeted MAPs farmers and manufacturers; increasing the number of producers and exporters; and developing new MAPs products and marketing internationally.



## SUCCEEDING WITH CITES: SUSTAINABLE AND EQUITABLE JATAMANSI TRADE FROM NEPAL

Wild-harvested medicinal and aromatic plants (MAPs) underpin Nepal's traditional medicine systems and provide a critical source of income for low income rural communities. Over 300,000 Nepali households commercially harvest and trade MAPs.

One of Nepal's most commercially valuable and heavily exploited species is Jatamansi (*Nardostachys grandiflora*). Between 100-500 tonnes of Jatamansi rhizomes are traded annually for medicinal and cosmetic use. The harvest of Jatamansi in nine districts provides at least 15,000 people with an average of 25% of their annual income. However, local income is potentially held back by low rates of value addition, a lack of direct access to international markets, and undercutting by large scale illegal export of rhizomes to India.

Jatamansi populations are declining owing to overharvesting for export and habitat loss, putting both species and livelihoods at risk. Concern regarding these declines led to Jatamansi's inclusion in CITES Appendix II and IUCN classification as threatened. Nepal's Government has adopted various harvest and trade controls, including a ban on exports of unprocessed rhizomes. In 2017, the Government adopted an Act aimed at strengthening CITES implementation that unintentionally banned exports of all Appendix II listed species, including Jatamansi. With consent from the Ministry of Law, the Ministry of Forests and Environment (MoFE), has presented a proposal to Parliament to amend the Act to allow trade of CITES listed species, incl. Jatamansi, which has now been adopted by the Parliament needing the development of new guidelines enabling trade to resume.

There are currently few economic incentives for sustainable sourcing, equitable benefit sharing, or CITES compliance. Although demand and price premiums for materials meeting sustainability, legality and social criteria are growing, manufacturers marketing sustainable products frequently misunderstand CITES requirements and perceive CITES species as risky. A more effective combination of market-oriented and CITES approaches is therefore needed to improve conservation and livelihood outcomes for trade in Jatamansi and other CITES-listed MAP species.

ANSAB in partnership with the MoFE, TRAFFIC International, ProFound, Royal Botanic Garden Edinburgh (RBGE), University of Copenhagen, The FairWild Foundation and the IUCN SSC Medicinal Plant Specialist Group has designed a project that will deliver a locally-appropriate market-based model for sustainable and equitable Jatamansi trade from Nepal, supporting CITES and Convention on Biological Diversity (CBD) commitments and addressing the combined threats to local incomes and healthcare of biodiversity loss, habitat degradation and declining access to natural resources linked to overharvest of medicinal species. Funded by the UK Government's Darwin Initiative, the project activities are being implemented in Mugu and Jumla districts of Nepal from July 2018 to March 2021.

The project will support Nepal's Government in operationalising CITES trade controls for MAPs, and provide training on the FairWild Standard and certification scheme, production quality and value-addition to 2,000 Jatamansi harvesters. Producer enterprise(s) sourcing from key production sites in project sites in Jumla and Mugu districts will be linked directly with international buyers in sustainability-sensitive markets. The project will establish harvest, trade management and benefit-sharing systems to strengthen implementation of CITES and the CBD and provide a model for replication.



## NUDGING CHILDREN TOWARD HEALTHIER FOOD CHOICES: COMBINING SCHOOL AND HOME GARDENS

There has been an increase of school garden programs in the developing countries in order to help children to learn about planting, cultivating, harvesting, composting and nutrition. Studies have shown that school gardens can improve children's knowledge of and preferences for healthier foods, however actual improvement in food choices may be constrained by low availability of healthy foods and the overriding influence of caregivers on children's diets.



ANSAB has joined hands with the World Vegetable Center, Nepal Agricultural Research Council (NARC), and Leibniz Institute of Vegetable and Ornamental Crops (IGZ) to deepen understanding of how school garden programs can be made more effective to influence children's food choices toward healthier diets. With fund from the Bill & Melinda Gates Foundation and UK aid, a research study is being implemented in Sindhupalchok district that will test the hypothesis that school garden programs can nudge children aged 8-12 toward healthier diets if these constraints are addressed explicitly. The project uses a cluster randomized trial in which 30 schools from one district in Nepal are randomly assigned to a control and intervention group. Stratification is used to achieve balance, and also includes a home garden component that trains parents in gardening and nutrition and promotes parents and children to work together to improve family nutrition. Using a combination of quantitative and qualitative method the study will provide a deeper understanding of the mechanisms through which school-based interventions can influence children's food choices and thereby contribute to better nutrition intervention designs globally.



## FCPF-CAPACITY BUILDING ON REDD+ FOR CIVIL SOCIETY ORGANIZATIONS AND LOCAL COMMUNITIES IN EAST ASIA AND THE PACIFIC REGION

The Capacity Building Program of the Forest Carbon Partnership Facility (FCPF)/World Bank aims at promoting the participation and meaningful engagement of forest-dependent indigenous peoples, local communities and southern civil society organizations facilitating their active engagement in REDD+ processes. The objective of the program is to provide them with information, knowledge, and awareness to enhance their understanding of REDD+, thus enabling them to engage more meaningfully in the implementation of REDD+ activities. FCPF has been implementing the Capacity Building Program in two phases, separately allocating resources to fund activities for the indigenous people, local communities and civil society organizations.



Under the second phase of the Program, *FCPF-Capacity Building on REDD+ for Civil Society Organizations and Local Communities in East Asia and Pacific Region* has been designed to focus on activities to strengthen: (i) the knowledge of targeted southern civil society organizations and local communities of REDD+ Readiness at the national level; and (ii) knowledge exchange at the regional level. For implementation of the project, FCPF has selected ANSAB as a regional recipient organization for the capacity building programs in Asia and the Pacific region of civil society organizations and local communities. The beneficiaries of the project are the civil society organizations and local communities in four FCPF eligible countries in East Asia and the Pacific, namely Fiji, Papua New Guinea, Vanuatu and Vietnam, who will participate in national-level REDD+ capacity building activities and in regional knowledge exchange events.

National level activities are currently being implemented as sub-projects by three civil society organizations in Fiji and Vietnam that have been selected by ANSAB with the support of an independent Regional Advisory Committee based on agreed eligibility criteria. Regional activities comprise of two knowledge dissemination workshops, and a dedicated webpage on REDD+ related topics of regional interest.

The project is an important instrument to catalyze effective civil society coalitions on REDD+, increase civil society engagement in national REDD+ processes, and give them a window of opportunity to engage more strongly in national dialogues. Engagement with national processes will be interlinked with sub-projects to attach inputs with the desired impact. Sub-projects will include some funding for meetings between civil society organizations and REDD+ decision makers within the targeted countries to enhance CSOs' visibility to governments and increase their involvement in decision making related to REDD+ in their respective countries.



## COUNTRY LEVEL PROJECTS UNDER FCPF CAPACITY BUILDING ON REDD+ FOR CIVIL SOCIETY ORGANIZATIONS AND LOCAL COMMUNITIES IN EAST ASIA AND THE PACIFIC REGION

**Building Capacity for Fiji's CSOs And LCs To Actively Participate In The Fiji National REDD+ Readiness Programme:** Being executed by the Grace Trifam Ministry (GTM), this sub-project will benefit 13 local communities in VitiLevu Island (Ra Province (TikinaTokaimalo), Tailevu North Province (TikinaDawasamu), Naitasiri Province (TikinaNabobuco), Namosi Province (TikinaNaqarawai) and Ba Province of Nadarivatu Region (TikinaQaliyalatina)); Maritime Islands (consisting of Lomaiviti Group (Gau Island) Mamanuca/Yasawa Group (TikinaNacula), Kadavu Island (TikinaNakasaleka) Lau Group (TikinaLakeba) and Ovalau Island (TikinaLovoni)); and Vanua Levu Island (comprising Cakaudrove Province (TikinaWailevu East including Rabi/Kioa Islands) and Bua Province (TikinaLekutu)). Financed activities are a pre-evaluation of CSOs and LCs' awareness of REDD+, REDD+ awareness raising for CSOs and designated LCs, training of trainers for CSOs and LCs in the West, North and Central/Eastern Divisions, a national faith-based workshop to discuss REDD+ issues and presentation of recommendations to the National REDD+ Steering Committee, and development of a discussion paper on existing ERPD strategic issues combined with specific recommendations from the CSOs and LCs fora. The project aims to benefit 2,000 men and 2,000 women.

**Empowering CSOs and LCs to Effectively Participate in the Implementation of Vietnam's Emission Reduction Programme (ER-P):** Being executed by the Centre for Sustainable Rural Development (SRD), this sub-project will benefit communities in the North Central Coast (NCC) region of the country and CSOs which are members of the VNGO-FLEGT and REDD+ networks in the six NCC provinces by setting up a new Forest Conversion Independent Monitoring (FCIM) framework and network in advance of implementation, scheduled for 2019-2024 in the ERPD. Supported activities are: (i) a 3-day training workshop for 30 CSOs on the ERPD, their role, and the preconditions required for them to bridge capacity gaps in order to fulfil their role. Their capacities will be built to subsequently train 50 LC beneficiaries about ERPD in each of the 6 NCC provinces. The provincial training will also discuss the FCIM framework; (ii) one national and 6 provincial dialogues with decision makers on the FCIM to mobilize CSOs to benefit from genuine consultation on ER-P implementation; and (iii) development of a FCIM framework and establishing an independent monitoring network to deliver on forest conversion priorities in the ERPD. The sub-project targets 250 men and at least 100 females.

**Promoting Adaptive Collaborative Management Approach (ACMA) through Strengthening Capacity and Participation of Vietnamese CSOs and Local Communities in REDD+ Process:** Being executed by the Centre for People and Nature Reconciliation (PanNature), this sub-project is expected to provide a range of benefits to local communities and strengthen their participation in forest governance by adopting the ACMA approach in one REDD+ site level, Huong Nguyen Commune, Thua Thien Hue province. By contributing to this overall objective, the project is expected to significantly enhance the capacity of Vietnamese civil society to participate fully and effectively in REDD+ readiness and implementation in Vietnam. Financed activities are discussions with ICHTER, which is piloting ACME in Thanh Hoa province, assessing capacity needs on REDD+ readiness, developing a set of awareness and training materials for CSOs/CBOs and local communities on REDD+ Readiness, organizing a training workshop for beneficiaries, identifying key components for the ACMA approach, organizing and facilitating community training courses to enhance beneficiaries' capacity on REDD+ readiness and consult the ACMA framework, organizing and guiding village forest protection teams on community based forest/carbon monitoring with mobile application techniques, organizing and facilitating a consultation workshop with provincial and district staff on the ACMA framework, organizing a national workshop to create a dialogue on the ACMA framework and generate policy recommendations, developing and publishing policy recommendations on the ACMA framework, contributing to the development of a CSO-led FCIM/PFGM framework, and developing indicators and tools for FCIM/PFGM and collaborating with CSOs/CBOs to deliver a district level testing.

## **SUPPORTING COMMUNITIES TO CONSERVE FOREST BIODIVERSITY AND ENVIRONMENT IN THE TERAI AND HIMALAYAN FOOTHILLS IN NEPAL**

The diverse forests of Nepal's Terai Region and Himalayan Foothills (Churia Hills) are exposed to high anthropogenic pressure along with climate change, leading to an alarming rate of degradation, continuous deforestation, and loss of unique and valuable biodiversity. On the other hand, the majority of the population is directly dependent onto the forests, which play an integral part in their farming systems and livelihoods. In this context, well-managed and protected forests are and will be the greatest security for rural communities, and bear great potentials in the use of plants and traditional knowledge for the future development of conservation-oriented enterprises. Thus, in the face of this rapidly changing environmental and socio-economic landscape, it is vital for these forest dependent communities, to develop new paradigms for the conservation of their forests.

In that ground reality, ANSAB and Manfred-Hermesen-Stiftung Foundation (MHS) have jointly developed a program and been working since 2013 with the aim to establish in cooperation with local Community Forest User Groups (CFUGs) and other stakeholders a pilot case for sustainable landuse and forest conservation at the Churiya Hills in Nawalpur, Nepal. The experiences and outcomes of this pilot project have shown that community-based forest conservation provides dual benefit of biodiversity conservation and local economic development in one of the highly threatened landscapes, while maintaining social harmony, equity and justice. Major outputs attained through this project include:

- Assessed the state of the local ecosystem, identified threats to conservation, and effectively restored and protected 882 ha of forest that has been highly threatened and in parts severely degraded at the start of the project.
- The technical support and capacity training provided by ANSAB to the local communities resulted in the official formation of 4 CFUGs, and the collaborative development of forest management and restoration plans. This, in turn, enabled the CFUGs to formally acquire use rights over 882 ha of their forest.
- Designed and field-tested key interventions to create economic incentives for conservation. The interventions were: i) plant nursery development and plantation of timber and fodder trees in community forests and private lands; ii) conservation-oriented enterprise development, such as ecotourism and sustainable use of Non-Timber Forest Products (NTFPs); iii) cultivation and restoring natural stocks of Medicinal and Aromatic Plants (MAPs); iv) organic farming on community and private land and marketing of the products; and v) management of the impacts of livestock on the forests by way of introducing fodder plants and trees in private land and along the boundaries of the community forests.
- Raised awareness on the importance of biodiversity and protection of nature through school students, youth clubs, women groups and CFUGs.
- Demonstrated forest fire prevention and control measures through training and mass media campaign, silvicultural practices, including fire-line construction inside the forests and formation of rapid response team.

Major lessons learnt from the implementation of conservation activities so far include: i) communities become more motivated to conserve natural resources once they receive assurance of use rights and get direct benefits from these resources; ii) introduction of suitable alternative income generation activities to the forest dependent communities lead to reduce forest degradation and deforestation; iii) raising awareness, adding value to NTFPs, and providing essential technical capacities to the local people lead to the reduction of annual burning of the understory and forest fires. Building on the achievements made and lessons learnt so far, ANSAB and MHS are jointly working to carry out preparation activities around the area for the development of a conservation program along with some community support activities for meeting immediate conservation needs and alternative income options.

## NEPAL DEVELOPS NATIONAL FOREST STEWARDSHIP STANDARD (NFSS)

The Nepali National Forest Stewardship Standard (NFSS) has been developed by an independent chamber-balanced multidisciplinary Standard Development Group, that is approved by the Forest Stewardship Council (FSC) on 16 May 2018, without any conditions. The NFSS provides the country specific practical criteria, indicators and verifiers that help enhance sustainable forest management practices and record keeping system; improve good governance including equitable benefit sharing mechanism; and increase access to market for ecosystem goods and services at national and international level.

This standard is applicable to all forest operations seeking FSC certification within Nepal. The standard applies to all forest types including natural and plantation forests, all forest management regimes, and geographic areas (national and sub-national level) of Nepal. Similarly, this standard will cover timber, non-timber forest products and ecosystem services (forest carbon sequestration, biodiversity conservation, hydrological services, soil conservation and recreational services) in its certification scope.

The NFSS development process in Nepal was facilitated by ANSAB with financial support from the Forest Certification for Ecosystem Services (ForCES) project, Forest Stewardship Council (FSC), and WWF Nepal. The formal NFSS development process began in 2013. It built on the knowledge and experience from the previous FSC certification work of ANSAB since 2002, the interim certification standards developed by the certification body (Rainforest Alliance/Smart Wood), and FSC ad-hoc (interim) national working group formed in 2005. ANSAB developed NFSS development strategy and proposal and registered the process at Forest Stewardship Council (FSC) Performance and Standards Unit (PSU) to initiate the process.

## NEPAL FLOOD 2017: ANSAB SUPPORTS RECOVERY OF A FLOOD AFFECTED COMMUNITY IN NAWALPUR

The southern plain area was denudated during August 2017 due to the heavy flash flood in Nepal affecting a large number of population in terms of loss of lives, livestock, agricultural products, and other economic activities. ANSAB and Aveda Corporation jointly designed a support program to the flood affected households in Bhutaha-Serahi area of Madhyabindu Municipality in Nawalapur district, an area in Nepal's southern part inhabited by a backward ethnic minority - Tharu community where ANSAB has been implementing sustainable rural development program. ANSAB collaborated with the Madhyabindu Municipality, Lions Club, CG group, Shanti Made Nepal and Chhetri Samaj to leverage fund for providing support to the flood affected 20 households in the area. ANSAB closely worked with the municipality to construct 19 houses. Each of the houses under construction has two storeys with 4 rooms. This settlement is close to the Chitwan National Park and there are chances of damage from the wild lives as well as the chances of submerging the lower storey during the flood. Considering this, we designed two storey building with RCC pillars with high strength. With two storeys, people could stay in the second storey if the flood denudate the first storey, and with the high strength RCC pillars, the wild animals could not dismantle the houses.



ANSAB further supported the affected households by providing vegetable production training with a package of various seasonal vegetables seeds including potato, broad leaf mustard, cauliflower, bean, pea, radish, pumpkin, egg plant, bottle gourd, coriander and chilli. The local community cleared the sand layer from their farm themselves, and have established vegetable nurseries in their respective fields. ANSAB supported for the drinking water supply in the community by providing material support to install 2 new tube-wells and RCC flooring in the existing 18 tube-wells.

#### **ANSAB PROVIDES E-LEARNING EDUCATION PACKAGE TO THREE SCHOOLS IN DOLAKHA**

ANSAB provided audio-visual educational components to three schools in Dolakha with support from Aveda Corporation, USA that will provide good learning environment by empowering teachers and inspiring the school students to learn. ANSAB handed over the educational components consisting of smart TV set, laptop and Midas e-class apps to Chhahare primary school in Khawa, Hanumanteshwor secondary school in Mainapokhari and Himawarti Secondary School in Marbu along with a brief orientation to the subject teachers regarding use of e-learning package.





## PROJECTS IMPLEMENTED IN 2074/75

- Natural resources stewardship for community development: next level of partnership among Aveda, ANSAB and domestic enterprises in Nepal for sustainable use of natural resources, income diversification and social justice
- Implementing the NTIS in the sector of Medicinal and Aromatic Plants (IN-MAPs)
- Succeeding with CITES: Sustainable and equitable Jatamansi trade from Nepal
- Supporting communities to conserve forest biodiversity and environment: A pilot initiative in Kawasoti and Madhyabindu municipalities, Nawalparasi, Province no 4, Nepal
- Nudging children toward healthier food choices: An experiment combining school and home gardens
- FCPF capacity building on REDD+ for southern civil society organizations and local communities in East Asia and the Pacific region
- Making technical education practical and accessible for rural communities
- Expanding FSC certification at landscape-level through incorporating additional eco-system services
- Up-scaling the production and consumption of bio-energy to reduce carbon emissions and enhance local employment in Nepal
- Implementation of a WFP assistance programme – home grown school feeding package for school meals programme

## ANSAB PUBLICATIONS <sup>1</sup>

### Books and Reports

- Collection, processing and utilization of Medicinal and Aromatic plants – Information booklet (*In Nepali*)
- Traditional Agricultural and Medicinal Practices in the Kailash Sacred Landscape, Nepal : ICIMOD Working Paper

### Research articles/Papers

- ANSAB's approach for farm and forest based enterprises: A successful case for business incubation
- Traditional Agricultural and Medicinal Practices in the Kailash Sacred Landscape, Nepal
- The greening of the Himalayas and Tibetan Plateau under climate change
- Agroforestry for sustainable development in Nepal: prospects, challenges and ways forward
- Forest ecosystem services in Nepal: a retrospective synthesis, research gaps and implications in the context of climate change
- Vulnerability and impacts of climate change on forest and freshwater wetland ecosystems in Nepal: A review
- Factors affecting pesticide safety behaviour: The perceptions of Nepalese farmers and retailers.
- Invasive alien plant species dynamics in the Himalayan region under climate change

### Periodicals

- Monthly price lists for selected 33 NTFPs and spices in 6 key markets of India and Nepal
- Himalayan Bioresources (Triannual e-newsletter)

<sup>1</sup> ANSAB's publications are available free of charge at [www.ansab.org](http://www.ansab.org)



## GEOGRAPHIC COVERAGE

### ***Districts of Nepal where ANSAB Provided Services***



### Countries where ANSAB Provided Services



## FINANCIAL REPORT

## ANSAB Nepal

## Balance Sheet

As on Ashad 32, 2075( July 16, 2018)

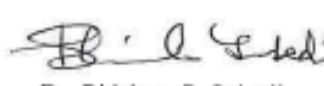
		Figures in Rupees	
	Note	Current Year	Previous Year
Non-Current Assets:			
Property, Plant and Equipment	3	4,441,390	6,300,312
Investment- Revolving Fund Scheme	4	1,600,000	3,000,000
<i>Total non-current assets</i>		<u>6,041,390</u>	<u>9,300,312</u>
Current Assets:			
Cash and Cash Equivalents	5	105,754,162	104,006,574
Accounts Receivable from Donors	6	6,919,878	7,022,133
Accounts receivable under Revolving Fund Scheme	4	2,400,000	1,000,000
Advances and Deposits	7	1,800,116	1,145,520
Less: Current Liabilities and Provisions	8	(7,483,306)	(8,857,209)
Net current assets		<u>109,390,850</u>	<u>104,317,018</u>
<b>Total Assets</b>		<b><u>115,432,240</u></b>	<b><u>113,617,330</u></b>
Represented by:			
Restricted Donor Fund	6	8,420,761	385,522
Unrestricted Donor Fund		21,794,047	34,246,390
Equity Fund	9	85,217,432	78,985,419
<b>Total Funds</b>		<b><u>115,432,240</u></b>	<b><u>113,617,330</u></b>

*Explanatory notes form an integral part of the financial statement.*

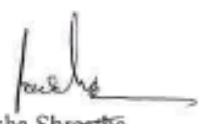
For and on behalf of ANSAB Nepal,

As per annexed report

  
 Puja Parajuli  
 Manager - Admin. & Finance

  
 Dr. Bhishma P. Subedi  
 Executive Director

  
 CA Komal Chitracar  
 KB Chitracar & Co  
 Chartered Accountants

  
 Barsha Shrestha  
 Treasurer  
 Date : 14 October 2018  
 Kathmandu

  
 Radhesh Pant  
 Chairperson



## DONORS AND IMPLEMENTATION PARTNERS



ANSAB works with a variety of donors and partners to effectively and sustainably implement its approach. Through its numerous past projects it has developed a network of partnerships with different institutions, including government and non-government entities, national and international organizations, universities, private companies and research institutions. ANSAB sincerely acknowledges the following donors and partners for their support in 2016:

### DONORS

1. Aveda Corporation, USA
2. Bill and Melinda Gates Foundation, USA
3. Darwin Initiative, UK
4. Department for International Development (DFID), UK
5. Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
6. Estee Lauder, USA
7. Forest Carbon Partnership Facility (FCPF)/World Bank
8. Global Greengrants Fund, USA
9. Imperial College, UK
10. Manfred-Hermesen-Stiftung Foundation (MHS), Germany

### PARTNERS

1. Alternative Herbals Pvt. Ltd., Nepal
2. Ashapuri Organics, Nepal
3. FairWild Foundation
4. Federation of Community Forestry Users Nepal (FECOFUN)
5. Forest Stewardship Council (FSC)
6. Helvetas Nepal
7. Himalayan Bio Trade Pvt. Ltd. (HBTL), Nepal
8. Himalayan Naturals Pvt. Ltd., Nepal
9. Innovative Agro Solution (IAS), Nepal
10. International Union for Conservation of Nature (IUCN), Nepal
11. Ministry of Agriculture and Livestock Development (MoAD), Nepal
12. Ministry of Forests and Environment (MoFE), Nepal
13. National Trust for Nature Conservation (NTNC), Nepal
14. Nepal Herbs and Herbal Products Association (NEHHPA)
15. ProFound
16. Relief International
17. Royal Botanic Garden Edinburgh
18. Technology Adaptive Research and Implementation Center, Nepal (STARIC/N)
19. Traffic International
20. University of Copenhagen
21. World Agroforestry Center (ICRAF)

## ANSAB TEAM

ANSAB has a team of dedicated and motivated professionals, working to achieve the shared vision of rich biodiversity and prosperous communities. ANSAB also works with a wide range of experts and consultants and has a roster of more than 200 experts. ANSAB staff and consultants have expertise in fields such as: natural products-based community enterprise development, business development services, value chain promotion, natural resource management, community forestry, forest certification, sociology, environmental science, economics, marketing, biodiversity research, biological and socio-economic monitoring, networking, policy analysis, research, finance and accounting.

Name	Designation
Dr. Bhishma P. Subedi	Executive Director
Mr. Puspa L. Ghimire	Programs Director
Mr. Sudarshan C. Khanal	Manager - Research, Planning and Communication
Mr. Shambhu Charmakar	Manager - Biodiversity, Ecosystem Services and Climate Change
Ms. Puja Parajuli	Manager - Administration & Finance
Mr. Basudev Nepupane	Manager - Administration & Finance
Dr. Kishor Atreya	Agricultural and Environmental Health Expert
Ms. Aakriti Poudel	Program Officer
Dr. Nabin Raj Joshi	Cluster Coordinator
Mr. Chandika Amgain	Cluster Coordinator
Mr. Manoj Kumar Thapa	Cluster Coordinator
Mr. Uddhab Adhikari	IT Specialist
Ms. Anju Katuwal	Finance Officer
Ms. Basanti Subedi	Associate Admin Officer
Mr. Sudeep Raj Adhikari	Agriculture Research Associate
Mr. Jip Chhiring Sherpa	Agriculture Technician
Mr. Bijay Karki	Agriculture Technician
Mr. Yub Raj Neupane	Field Officer
Mr. Pawan Devkota	Field Officer
Mr. Binod Shrestha	Senior Messenger/Store Keeper
Mr. Bishnu Poudel	Driver
Mr. Dil Bdr. Budhathoki	Driver
Mr. Dil Bdr. Gurung	Office Security Guard
Ms. Hasti Pun Magar	Office Helper
Ms. Nani Maya Gurung	Office Cleaner



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