

Sikre: A village in Nepal Mountain on the path of transformation to sustainable rural development

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Introduction. 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, a very poor village in Sindhupalchok district of Nepal, which shows a promise of being transformed into a model community for integrated sustainable rural development in mountain. This article reflects the initial situation, the process and the promising outcomes that provide hope, optimism and flow to the community and other stakeholders.

Situation before the intervention. Sikre lies in Attarpur area of Sindhupalchok district and is about 3 hours’ drive (105 km) from Nepal’s capital city, Kathmandu. Mixed ethnic groups with Newar and Tamang as the dominant groups inhabit the village. This was one of the poorest communities in Nepal, with very low socio-economic status. A significant proportion of the population was uneducated; over 80% without secondary level education. Subsistence agriculture remained as the main occupation of the people, with very limited non-farm employment and income generation opportunities. Seasonal migration, especially of the youths, to Kathmandu and Gulf countries for wage was prevalent, as it had been the major source of cash earning to the villagers. There were certain patches of the government forests with abundant NTFP resources, including lokta for handmade paper and wintergreen, but the livelihood, income and employment generation opportunities from the sustainable management of forest resources were not tapped due to lack of knowledge, entrepreneurial capability, appropriate technology, and financial resources.

Interventions and the transformation. In 2007, ANSAB facilitated communities and prioritized wintergreen (*Gaultheria fragrantissima*), an essential oil bearing plant only used to feed goats at that time, as a promising NTFP species for generating cash income in the area. Four community forestry user groups (CFUG) 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 Himalayan Bio-trade Ltd. (HBTL)¹. 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

¹ Himalayan Biotrade is a natural products processing and marketing company established by ANSAB as a pioneering lead firm with community-private partnership and owned by a consortium of Nepalese community based forest enterprises. Its mission is to produce and market the highest quality natural products ensuring benefits to the rural community groups of Nepal Himalaya.

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.

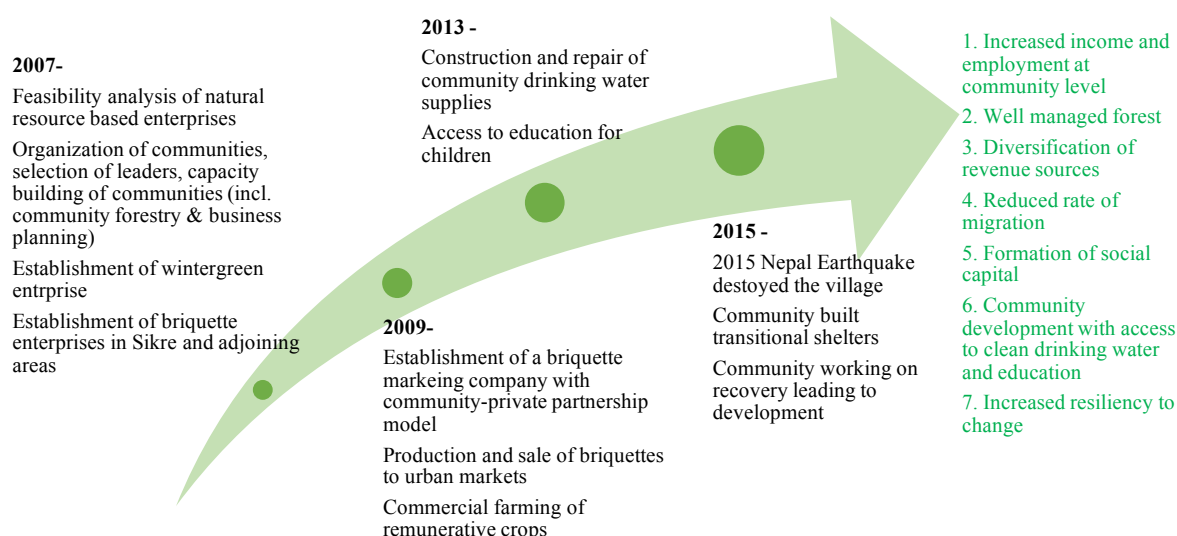


Figure: Activities and outcomes of sustainable rural development practices in Sikre village

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. They found that there was an increase in demand for briquette in Kathmandu, but there was no guarantee that the community received a fair price for their products from the then Kathmandu based market. With the continuous facilitation by ANSAB staffs, they worked out ways to overcome the marketing challenges.

They started a new briquette marketing company in Kathmandu following the same model in 2009, which was later registered as Himalayan Naturals Pvt. Ltd. with the government of Nepal in 2010 in partnership with other briquette enterprises and investors. This has been a stepping-stone in developing briquette industry in Nepal, and the briquette industry has now been established in the country with ANSAB's technological and marketing interventions. Himalayan Naturals emerged as a unique pioneering endeavor 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. These enterprises have sold over 3 million pieces of briquettes over past seven years, and generated cash income to the local community members, while remaining with their family members. About 150 poor community members (with about 35% women) are now directly employed in the briquette enterprises for eight months/year with an average earning of US \$128 per month.

Besides the direct income generation improving livelihood from the briquette, some of the community members have also developed their own individual enterprises utilizing the entrepreneurial quality developed through the experiences gained in the community enterprises. For example, several farmers started commercial farming of vegetables. Thus community members develop community enterprises on one hand and operate their small businesses on the other.

Greater Promise. 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. It has set an example of retaining youths with better employment and income opportunity for them in the village with significant reduction in the rate of outmigration.

They were better able to cope with the disaster of last year's 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 last year's earthquake better than the other adjoining communities. The 7.6 magnitude 2015 Nepal earthquake had the two largest aftershocks of 6.7 magnitude in Sindhupalchok and 7.3 magnitude in the adjoining Dolakha district, making Sindhupalchok as one of the most severely affected districts. Almost all houses in the area, including the community enterprises were completely damaged, leaving the communities to live under open sky. All 369 households in five settlements in Attarpur Village decided to shift to a safe place in Sikre. 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.

The communities also resumed their enterprise activities after few weeks of the earthquake. Furthermore, they have been planning for the recovery leading to sustainable development. Community leaders have been working together with ANSAB, Himalayan Naturals and other organizations for the seeds, other inputs and technical support for growing identified high value cash crops, trees and livestock to compensate the loss of productive livelihood assets from the earthquake, such as stored grains, seed stocks and livestock.

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