



*Rich Biodiversity and
Prosperous Communities*

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2013

A n n u a l R e p o r t

Asia Network for Sustainable Agriculture and Bioresources
(ANSAB)



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 2013. 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.

Promising results and learning have been attained at the community level through our work on natural resource based enterprises, value chain development, REDD+ and certification of ecosystem services. For example, the business in briquette value chain, which we developed in community-private partnership model some years back provided direct employment to about 250 rural poor with an earning of NRs. 25.6 million in 2013. It is a part of the NRs 732 million financial benefit generated involving 84,420 economic participants 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 through ANSAB's assistance.

Our pilot initiative on REDD+ and certification of ecosystem services in Nepal's community forest shows that communities can take on these non-traditional services. The REDD+ pilot project ended in 2013 and it demonstrated an early emission reduction project which has simultaneously contributed to strong social upliftment while real emission is being reduced, and has shown how climate finance can reach the local level in an effective, transparent and timely manner.

Since the past some years, we have started working on Ecosystem-based Commercial Agriculture (ECA) with a goal of transforming conventional agriculture and forestry into a climate smart, socially prestigious business. In 2013, we have started some of the initial key components of ECA under our agriculture program that are crucial to test the effectiveness of ECA, make a ground for efficiency testing and develop a program for scaling-up.

In 2013, we were selected by the World Bank as the regional intermediary organization for the FCPF (Forest Carbon Partnership Facility) capacity building programs in Asia and the Pacific region, and by the Multi Stakeholder Forestry Programme (MSFP) commission a national study on for promoting private sector's participation in Nepal, that is one of the major 11 outcomes of the Programme and will guide other activities of the Programme.

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

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Introduction

Asia Network for Sustainable Agriculture and Bioresources (ANSAB) is a civil society organization committed to biodiversity conservation and livelihood improvement in South Asia. Since its establishment in 1992, it has been putting community empowerment and economic incentives at the heart of its approach, believing that as people benefit from natural resources they become more motivated to conserve them. ANSAB generates knowledge and results through applied research and studies to implement innovative solutions in line with this core conviction as creating enterprises based on the sustainable use of natural resources, and establishing payment-schemes for environmental services.

ANSAB has a focal position in the field through its work for more than two decades in ecological, technological, economic, and socio-cultural fronts associated to people-centered conservation, management, and use of biodiversity, especially NTFPs and high value agricultural commodities. 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-stakeholders 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 Approaches

- ANSAB program focus includes:
- Pro-Poor Economic Development: Natural products and services based value chain development incl. SMEs, Ecosystem-based Commercial Agriculture (ECA), Biomass-based energy, One health, Drinking water and Education
 - Biodiversity, Ecosystem Services and Climate Change (BESCC): Sustainable forest management incl. forest certification, Payment for ecosystem services incl. forest carbon, Climate change adaptation and mitigation
 - Networking, Policy and Research: Enabling policy environment through studies, networking and multi-stakeholders 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, publications

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).
 - Millennium Development Goals (MDG): ANSAB programs contribute to the United Nations key objectives for

development, more specifically to "Eradicate Poverty and Hunger", to "Promote Gender Equality and Empower Women" and to "Ensure Environmental Sustainability".

- **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.
- **Community-Private-Public Collaboration:** ANSAB works through a multi-stakeholders approach involving all relevant actors (local producers, harvesters, entrepreneurs, traders, companies, service providers, government line agencies, donors, etc.) in program planning and implementation. It believes in creating hybrid community-private-public ownership structures and achieving objectives through joint partnerships and collaborations.

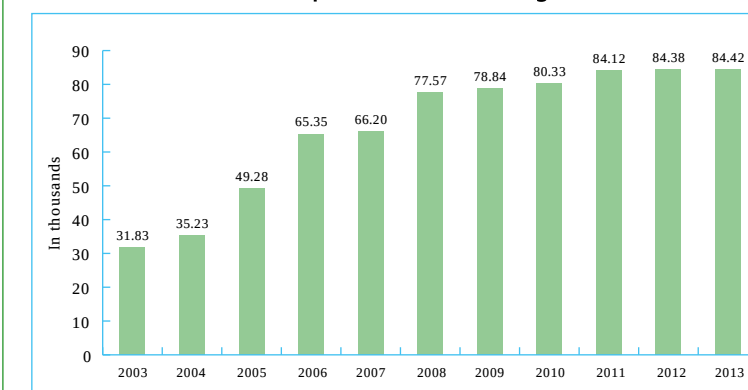
Achievements

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.

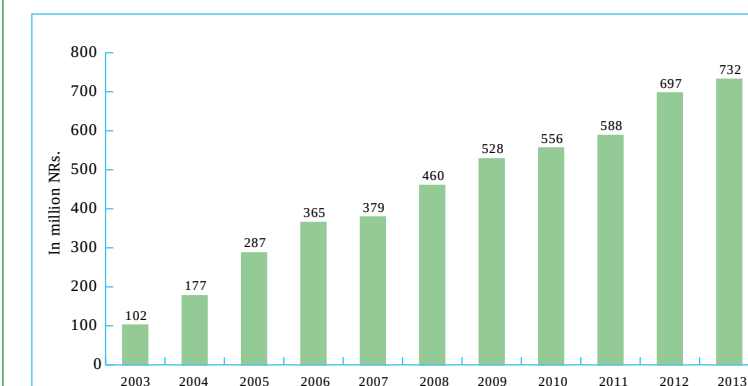
In 2013, through ANSAB's intervention:

- A total of 1,181 economic entities were developed and strengthened engaging 84,418 economic participants and generating revenue of NRs. 732 million (US \$7.82 million);
- 107,700 hectare of forest and meadow areas was brought under the improved management of 545 Forest User Groups, representing 68,100 households (HHs).

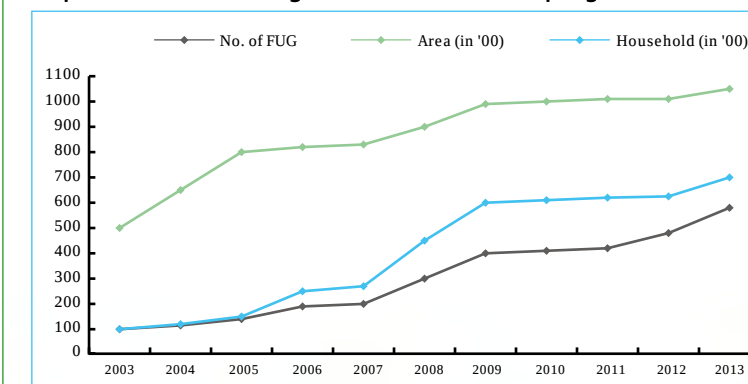
Annual Economic Participants in ANSAB Programs



Annual Financial Benefits of ANSAB's Interventions



Forest Area, Forest User Groups and Households brought under improved forest management under ANSAB programs



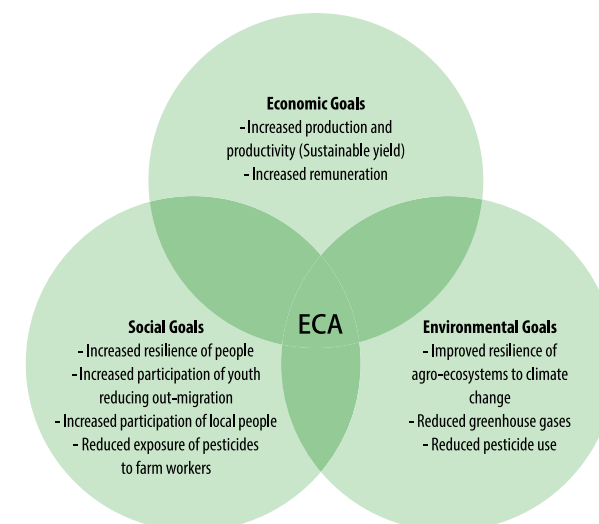
Promoting Ecosystem Based Commercial Agriculture in Nepal

Nepal has a comparative advantage in developing sustainable agriculture; and the existence of some good practices that are scattered across the nation can be an asset to this direction. But efforts are still lacking to consolidate these good practices into a viable system of value chain. There is no any appropriate agribusiness model to apply under such situation. The sector is still mainly dominated by subsistence farming, traditional farming practices, land fragmentation, and low level of knowledge and suffers with low productivity and production. The sector is struggling to catch up with rapid changes in terms of new technologies, viable products, emerging markets and business possibilities. There is a widespread negative perception among the local people towards farming as menial, tedious and an un-prestigious employment partially due to small remuneration and the use of traditional farming practices. These factors have led the rural people, especially youths, to migrate to urban areas and abroad in search of better livelihood opportunities and higher incomes, thus leaving their children and elderly family behind. This has been negatively affecting the technological up-gradation, which would increase production and the success of rural entrepreneurial activities.



In order to tap the huge potential that exist in Nepal's agriculture sector and address the challenges of resource degradation, fragmented land holdings, erratic climate systems, poor market linkages and labor shortages currently being faced by this sector, ANSAB has envisioned a new program named

Ecosystem-based Commercial Agriculture (ECA), which aims to transform the traditional forestry and agriculture into climate smart, attractive and socially prestigious business. A climate smart ECA system, as envisioned by ANSAB, increases the production and productivity in a sustainable way; improves the resilience of agro-ecosystems and people to climate change; reduces/removes green house gases; and attract youths and make it socially prestigious generating better remuneration. The ECA builds on the good results and best practices gained through ANSAB's programs aimed at building prosperous communities through farm and forest based enterprises.



With financial assistance from blue moon fund (bmf), ANSAB has started some of the initial key components of ECA that are crucial to test its effectiveness, make a ground for efficiency testing and develop a program for scaling-up. With the bmf support, we have a) conceptualized the ECA system with two major components - farming systems with appropriate inputs, technologies and practices; and community-based capitalism with fair and green value chain - an agri-business model; b) established an experimentation center for developing and testing technologies, and demonstration, c) identified and oriented a lead firm, which has a long-term commitment for promoting ECA value-chain; d) piloting the farming and business model with the lead firm and communities in peri-urban areas of Kathmandu and Nawalparasi districts.

Strengthening linkages and capacities in the region to promote forest-based enterprises, biodiversity conservation and climate change

Incentive oriented conservation has been ANSAB's focus since its establishment, and the organization has been able to carve prominent position in this regard at national and regional level. ANSAB has remained as a national hub for Forest Connect- a joint program of International Institute of Environment and Development (IIED) and the Food and Agriculture Organizations of the United Nations (FAO) to link community based enterprises among themselves, to market and policy makers, and the coordinator or Nepal NTFP Network (NNN) - a forum of more than 50 organizational and 250 individual members representing community, business, donors, environment and government discusses and work together on natural resource management in Nepal. In February 2013, ANSAB in partnership with IIED and FAO organized the third Forest Connect International Workshop, where the country teams from Nepal, Cambodia, Vietnam, Congo, Tanzania, Burkina Faso, Brazil and Mexico presented forward-looking reports on farm-forest enterprises in response to increasing threats of global climate, biodiversity loss and excessive nitrogen use associated with changes in forest land use. Invited forest institutions concerned with farm forest enterprises from Indonesia, Myanmar, Guatemala, Uganda, Mali, Ghana, Canada, USA, Finland and United Kingdom also made their presentation on their current state of activities and support to small farm-forest enterprises. In March, 36th sharing meeting of Nepal NTFP Network (NNN) was organized among the Nepalese participants where discussion on prioritizing NTFP enterprises & support options that deliver integrated, intensified and climate



smart land use. Discussion on harmonizing Community Forestry and IEE/EIA practices and process was also done for making the environmental assessment process in community forestry more efficient and less bureaucratic.

Similarly ANSAB provided capacity strengthening of stakeholders working in forest enterprises, biodiversity conservation and environmental financing. In April, ANSAB in association with Relief International - Enterprise Works/VITA (RI-EWV), hosted exchange training on sustainable environmental financing to the Filipino foresters, where the team was capacitated on forest carbon measurement, data entry and analysis of forest biomass and carbon by ANSAB's technical staff. The technical staffs from ANSAB visited Mindanao and Palawan provinces in May and June and offered same trainings in the Philippines. Similarly, ANSAB together with Forest Stewardship Council (FSC) organized a four days training on Free and prior informed consent (FPIC) in Nepal in July 2013. The training focused on key concepts related to FPIC, Access and benefit sharing (ABS) and biodiversity conservation, and their application for Ecosystem Service certification within the FSC framework.

In August 2013, the World Bank selected ANSAB as the regional intermediary organization for the FCPF (Forest Carbon Partnership Facility) capacity building programs in Asia and the Pacific region. FCPF mentioned the criteria for the organizations with a high level of regional credibility; an established institutional structure with a solid track record in issues related to forestry, climate change and/or REDD+; and demonstrated capacity for effective financial management and procurement, among others for the selection procedure. ANSAB will work with the FCPF for its capacity building programs in FCPF REDD countries of Asia and the Pacific.

Promoting private sector involvement and investment in Nepal's Forestry Sector

ANSAB has been producing robust, evidence based and practical solutions for linking forestry sector with the economic opportunities, actively engaging the private sector. It has worked with the private sectors at national and international level to link forest based enterprises. For example, it assisted banks and related institutions in Nepal for financial product development and linking them to the enterprises of Banke and Dolakha districts. At international level, ANSAB's facilitated the linkage of Aveda and Estee Lauder to HBTL to purchase Nepali handmade paper.



In 2013, ANSAB commissioned a national study for Multi Stakeholder Forestry Programme (MSFP) to address this knowledge gap and make strategic recommendations for attracting and retaining the responsible private sector, who would make long-term investments in forestry and earn a decent profit and social prestige while contributing to sustainable management of forest, enhanced local livelihoods, additional employment generation and economic growth. This study is one of the major 11 outcomes of the ten years MSFP programme, and it will guide other activities of the programme. The outcomes of this study will provide the much-needed roadmap and pathways for promoting private sector's participation in Nepal offering useful evidence-based information, insights and strategies to stakeholders in aligning the private sector's objectives of 'maximizing profits from investing/financing in forests' with the enablers' objectives of 'sustainable use of forest resources, wealth creation, and equitable distribution'.

In 2013, ANSAB also worked in Karnali districts with the potential investors for processing, value addition and trade in Karnali district for their investment in distillation and trade. Besides, ANSAB has also been piloting to link carbon and other ecosystem service (tourism, hydrological services, disaster risk reduction) markets to sustainable forest management that could enhance private sector's participation in the sector and inturn expand investment opportunities in Nepal's forestry sector.

Key findings from the national level study on private sector investment and involvement in Nepal

1. There are some product and service value chains that have comparative advantage, which can be turned into competitive industries. Surprisingly these remained underexplored and unrecognized among the stakeholders including the government.
2. Community forestry in Nepal has created a very good base - with very strong and effective institutions and robust ecological resources - for enterprise-oriented sustainable forest management.
3. The private sector is interested and serious, but now at the crossroads of whether to continue and expand the operations if it can be transformed into a decent business or move out of the forestry business, if supply constraints are not addressed with improved governance of the sector.
4. The main motivating factors for private sectors are high return on investment, low risk and transaction costs, and stability of business with good social image.
5. In spite of the big and lucrative markets for the forest products, the producers are not getting enough incentives to be motivated for increased production, which is mainly due to policy related challenges and high transaction costs.
6. There is a huge untapped potential of generating economic value of legally and sustainably produced forest products and services worth NRs 373 billion, a many fold increase from the present value, creating 1.38 million full time job equivalents, and contributing to government royalty and national economy.

Setting up national demonstration governance and payment system under REDD+ in community forestry in Nepal

Payment for Ecosystem Services, REDD, REDD+, and the evolving global carbon markets; understanding how each can be incorporated into conservation and poverty alleviation strategies has been one of the goals of ANSAB. In 2013, ANSAB in partnership with ICIMOD and FECOFUN completed a four-year program in Nepal that demonstrated the potential of a community-focused, inclusive approach to REDD+. The project built capacity of community forest user groups member to monitor and report on carbon stocks and increment, strengthened the capacity of civil society actors for their active participation in the planning and preparation of national REDD-strategies, and established a pilot Forest Carbon Trust Fund (FCTF) for distribution of the performance-based financial incentive to local communities. The project mainly focused on the stimulation of performance based forest management through the financial incentive provided in the form of REDD+ payment.

This project was successful in demonstrating that local community forest user groups can measure and monitor carbon in their forest and integrate carbon assessment as an activity in their operational plan of the community forest. The project was also able to illustrate that the Forest Carbon Trust Fund can be managed in a transparent, accountable and equitable manner that provided incentive for performance based forest management.



The lessons learnt from this pilot project have been used to develop knowledge package on REDD+ and extensively recognized as inputs for the formulation of National REDD Strategy. As there are very few actual on the ground REDD+ payments made, this project offered forestry professionals from different countries to visit the site and learn on how participatory community REDD can be implemented. It also provided a real opportunity for student and researchers to analyze the impacts of REDD+ which otherwise would not be possible had the payments not been made.

Table: Outreach of the REDD+ project

Watershed	Forest area under REDD project	Number of community forest	Total no. of household	Total population	Smallest community forest	Largest community forest area
	ha				ha	ha
Charnawati	6,094.31	65	8,772	47,290	1.49	819.35
Ludhikhola	1,888.00	31	4,348	24,882	5.24	270.71
Kayarkhola	2,381.96	16	4,415	26,024	34.5	329.2
Total	10,364.27	112	17,535	98,196	41.23	1419.26

Table: Carbon stored in each watershed and corresponding payment to the watershed

Watershed	2010	2011		2012		2013	
	Average Carbon stock (tCO ₂)	Average Carbon stock (tCO ₂)	Payment (USD)	Average Carbon stock (tCO ₂)	Payment (USD)	Average Carbon stock (tCO ₂)	Payment (USD)
Charnawati	4,540,061.58	4,598,381.55	45,534.93	4,650,088.18	44,187.9	4,727,965.58	43,156.04
Ludhikhola	1,445,128.56	1,478,811.82	27,560.13	1,500,501.52	26,120.65	1,532,878.26	26,184.71
Kayarkhola	2,516,210.72	2,531,929.33	21,904.94	2,547,647.94	24,691.45	2,578,762.20	25,659.25

**FSC
Certification
generates
income
while
protecting
environment
at local level
in
Charnawati
Landscape,
Dolakha
district**



To reach the wintergreen processing enterprise a vehicle must travel along narrow, curvy switchbacks, ascending the hills of the Dolakha district. Eventually, a narrow path leads down from a pull off on the side of the road. It winds its way down the hill towards the plume of smoke that rises from the chimney below. Mid-July's monsoon rains may send many in Kathmandu Valley seeking cover, but in Dolakha the rains mark a season of great productivity. Along the road from the district headquarters of Charikot to the Napkeyen Mara Community Forest User Group (CFUG), scores of people— young and old, male and female—tend their rice paddies as the raindrops fall during this season. Under the tin roofs and beside the warm hearth of the wintergreen processing enterprise, a similarly varied group of people is typically assembled. Bearing baskets full of wintergreen leaves from the forest, many CFUG members arrive at this warm, dry oasis of sorts to deliver their harvest and collect their pay.

The people of Napkeyen Mara and neighboring CFUG's have been collaborating in wintergreen processing for the past decade. On a typical afternoon several men prepare the vat used to heat the wintergreen and distill it into oil for the next batch. They empty the already distilled remains and store them for burning later. Boys and girls and their mothers and fathers deliver freshly cut wintergreen—which is later loaded into the vat for distillation—to the storeroom. The manager inspects the finished oil and dispensed payments for the fresh wintergreen.

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to invest in sustainable, income generating agricultural opportunities. For instance, many have used the money to begin raising goats for eventual sale.

In addition to fostering income-generating opportunities, the certification has also subtly helped to mitigate erosion, prevent pesticide use, conserve biodiversity and reduce wildfires, according to the President and Secretary of the Napkeyen Mara CFUG. They credit the certification with these benefits, and point to the financial incentives as the motivating factor in community members' support of the certification efforts. The road from Kathmandu to Dolakha is lined with many commercial agriculture operations, many of which use pesticides. Despite known harms to producers, consumers and ecosystems, farmers use these chemicals in part because they lack an alternative means of generating income. The people of FSC certified CFUGs in the Charnawati Landscape are living proof of the potential for alternatives. Through local enterprises like the wintergreen processing operation, they have been able to develop strong communal relationships, protect environmental health and expand livelihood opportunities in a sustainable fashion. This is why many CFUG leaders expressed excitement about the Forestry Certification for Ecosystem Services (ForCES) program, which ANSAB is piloting in the Charnawati and Gaurishankar landscapes. They've seen the tangible environmental, social and economic benefits of the existing FSC forest certification and hold hope that extending the certification to ecosystem services will only expand upon those opportunities.

(This case is written by Jacob-Wolf Sorokin, student of Yale University during his internship at ANSAB when he made a visit to Charnawati Landscape)

Promoting small and medium natural resource based enterprises in Nepal

Since its establishment, ANSAB has been promoting small and medium natural resource based enterprises in Nepal with a comprehensive range of activities, including entrepreneurship development, enterprise planning and development, business development services, marketing information services, value chain promotion and market linkages, and product certification. It pioneered establishing enterprises based on non timber forest products (NTFP) in Nepal promoting sustainable utilization, processing, value chain development and marketing of these products with the focus on the interest of the poorest local people. ANSAB has worked with agriculture-based enterprises to promote smallholders involvement in ecosystem based commercial agriculture. It has special interest in developing and strengthening the capability of community forest user groups, farmer groups and smaller organizations for sustainable natural resource management and linking them to the market, service providers and national policy through participatory roles of local communities, government and ANSAB. Based on the approach, it has developed and strengthened a total of 1,181 economic entities involved in the collection, value addition and trading of NTFPs. These economic entities include a total of 68 regional and national processing and marketing enterprises.

In 2013, ANSAB in partnership with Mission East worked for the sustainable and equitable exploitation of high value NTFPs in Humla, Mugu and Jumla districts of the Karnali region. ANSAB conducted value chain analysis of Atis, Kutki, Yarsagumba and Jatamansi in the districts and based on resource availability, market, confidence of local communities and potential of value addition identified enterprises such as jatamansi distillation enterprise in Jumla, jatamansi/sugandhwal distillation in Mugu and NTFP collection and trading in Humla districts. The local communities and enterprises were then capacitated on successful operation of the enterprises along with harvesting, post harvesting, trial production, linkage development and organic certification of the products. Among other outcomes, the project supported enterprise of Jumla produced and sold over 1,000 kg of Dhatelo oil in 2013



to Kathmandu based buyer which was not regarded as a common product for trade before.

In 2013, ANSAB also worked with the peri-urban farming communities to promote ecosystem based commercial farming through production, processing and marketing of organic products. ANSAB has worked with Ashapuri Organic Farm in Kavrepalanchok district and developed it as the experimentation and demonstration center for Ecosystem based Commercial Agriculture (ECA), and worked with the agriculture production farm and cooperatives in Kathmandu, Bhaktapur, Dolakha, Sindhuli and Nawalparasi districts.

Project Portfolio

1. Nepal Center of Excellence in Rural Development (Designing Agribusiness Model for Ecosystem-based Commercial Agriculture)

Funded by the blue moon fund (bmf), this project (March 2012 to March 2013) builds from the works accomplished during first grant of the Nepal Center of Excellence project. This phase of the project ensures wider dissemination and maximum use of the recently developed toolkits and develop most needed new toolkits; institutionalizes knowledge gathering, analysis and dissemination through the creation of Demonstration and Experimentation Centers; develops a system of policy advocacy through regular production and dissemination of evidence-based, ready-to-use recommendations for policy-makers and civil society stakeholders; and enhances capacity of the organization through expertise development of staffs. bmf has previously supported ANSAB for the Nepal Center of Excellence in Rural Development project that supported institutional expansion and growth and systemization and dissemination of ANSAB's development model in order to support rural sustainable development in Nepal.

2. Expanding FSC certification at landscape- level through incorporating additional eco-system services (ForCES)

Funded by Global Environmental Facility (GEF), United Nations Environment Programme (UNEP) and Forest Stewardship Council (FSC), the project is being implemented in partnership with National Trust for Nature Conservation (NTNC), FECOFUN and Relief International. The project (October 2011- September 2015) aims to enhance global and national environmental standards applied to emerging market for Biodiversity conservation and Ecosystem services as an initial step for advancement of successful model of FSC certification, and is implemented in two watershed areas of Dolakha district; namely Gaurishankar watershed area and Charnawati watershed area.

3. Design and setting up of a governance and payment system for Nepal's Community Forest Management under Reduced Emission from Deforestation and Degradation (REDD)

Funded by the Norwegian Agency for Development Cooperation (NORAD), the project "Design and setting up of a governance and payment system for Nepal's Community

Forest Management under Reduced Emission from Deforestation and Degradation (REDD)" was implemented in partnership with the Integrated Center for Mountain Development (ICIMOD) and Federation of Community Forestry Users, Nepal (FECOFUN). The project (July 2009 - May 2013) had the main goal to set up a national demonstrational governance and payment system for emission reduction through sustainable forest management that benefits local communities. The project was implemented in three watershed areas of three districts - Dolakha, Gorakha, and Chitwan in Nepal.

4. **Economic Growth for Social Justice: supporting NTFP trade and business development in Karnali (ATIS Karnali)**

Funded by European Union/ Non State Actors in Development, Actions in partner countries (Nepal), this project (April 2012 to March 2015) has the overall objective to contribute to poverty reduction of remote Karnali regions through sustainable and inclusive economic growth, and the specific objective to promote sustainable and equitable exploitation of high value Non Timber Forest Products (NTFPs) in Humla, Mugu and Jumla districts of Karnali region. It is being implemented in partnership with Mission East, Karnali Integrated Rural Development And Research Center (KIRDARC), Rural Development Group Programme (RDGP), Rural Community Development Center (RCDC).

5. **Fighting Zoonoses in Afghanistan, Bangladesh and Nepal (ABN)- Increasing awareness, prevention, & control of zoonoses**

Funded by European Commission One Health Programme in Asia and led by Relief International UK this project is being implemented in Afghanistan, Bangladesh and Nepal. This project will contribute to the reduction of zoonoses and alleviate their impact on fragile population by promoting awareness, behaviour change, and coordination between individuals and local and national authorities. ANSAB is the country focal point of Nepal. This project has been launched from March 2014 for 3 years.

6. **Up-scaling the production and consumption of bio-energy to reduce carbon emissions and enhance local employment in Nepal**

European Commission/Switch Asia call awarded the project to the consortium of Helvetas Nepal, ANSAB, IUCN Nepal and Technology Adaptive Research and Implementation Center, Nepal (STARIC/N) to up-scale the production and industrial consumption of bio-energy in Nepal for increasing employment and reducing carbon emissions in the country. ANSAB will provide services as enterprises and entrepreneurship development, product quality improvement, packaging and product promotion, linkages with marketing companies, and strengthening associations and entire value chain. The project will be implemented from January 2014 to December 2017.

7. **Supporting Communities to Conserve Forest Biodiversity and Environment-A pilot initiative in Shivamandir VDC, Nawalparasi, Nepal**

Funded by Manfred Hermsen Stiftung (MHS) Germany, this project (July 2013 to December 2015) has the overall objective of building a case for community-based forest conservation in one of Nepal's highly threatened landscapes. The project is being implemented in Nawalparasi district.

8. **Private Sector Involvement and Investment in Nepal's Forestry: Status, Prospects and Ways Forward**

ANSAB commissioned a national study for Multi Stakeholder Forestry Programme (MSFP) in order to assess the private sector involvement and investment in Nepal's forestry and make strategic recommendations for attracting and retaining the responsible private sector, who would make long-term investments in forestry and earn a decent profit and social prestige while contributing to sustainable management of forest, enhanced local livelihoods, additional employment generation and economic growth. The study (April 2013 to June 2014) is study is one of the major 11 outcomes of the ten years MSFP programme, and it will guide other activities of the programme.

9. **Assessment of Carbon Stock in the Chitwan Annapurna Landscape for REDD+**

ANSAB in partnership with ICIMOD and UNIQUE Forestry and Land Use GmbH is carrying out a comprehensive study

encompassing assessment of carbon sequestration potentials, carbon capture, permanency, leakage and risks from the forest coverage in the Chitwan Annapurna Landscape (CHAL) for the WWF/Hariyo Ban Program. A year study (Feb 2013 to July 2014) will develop baseline of forest carbon stock in CHAL. In addition, the project will capacitate local communities and academia on forest carbon inventory in order to initiate REDD Readiness activities for the benefit of communities and conservation.

10. Sikre Community Water Supply and Repair Maintenance Project

With the Community Water Supply and Repair Maintenance Project (December 2012 to December 2015) funded by Global Greengrants Fund (GGF), ANSAB is working with the communities of Sikre, Pyukharka, Tamche, Chiple and Dovan settlements of Attarpur village development committee (VDC) in North-Eastern Sindhupalchok district for the construction, repair and maintenance of clean drinking water project. ANSAB has previously worked in 2012 for the Community Water Supply Project to the Ghulghule Masding Kapti Community Water Users Committee in Dolakha district, and communities of Attarpur VDC in Sindhupalchok district with the grants from the GGF.

11. Examining the implications of REDD Payments on Livelihoods and Local Economic Development in Nepal

Funded by South Asian Network for Development and Environmental Economics (SANDEE), this research study (January 2011 to June 2013) analyzed the impact of the pilot REDD payment project that would be helpful in deciding whether the REDD program can be scaled up at the national level while ensuring that it is carbon effective, cost efficient, equitable and capable of producing co-benefits to the local community.

12. Development of Biomass Energy Strategy for Nepal

The Biomass Energy Strategy (BEST) is being done as part of Nepal Energy Efficiency Programme (NEEP) with financial support from Government of Federal republic of Germany

through GIZ being executed by Water and Energy Commission Secretariat (WECS) together with implementation partner Alternative Energy Promotion Center (AEPC). In partnership with IP-Consult - Germany, ANSAB contributed to the process (April to December 2013) from the very beginning phase of designing the study methodology, study site selection and conducting the case studies for demand and supply situation of biomass energy in the pilot sites in different physiographic regions of Nepal. ANSAB also contributed to socio-economic situation analysis, collecting and analysing the baseline data and projecting the scenario of the biomass energy sector in Nepal.

13. Energy Gardens for Small-scale Farmers in Nepal: Institutions, Species and Technology

Funded by ESRC-DFID Development Frontiers Research Fund and led by University of York-UK in partnership with ANSAB, Practical Action Nepal, Ethnobotanical Society of Nepal (ESON), Botanic Gardens Conservation International (BGCI), Hassan Biofuels Park and Feminist Dalit Organization, this project (October 2013 to March 2015) will investigate the socio-economics of biomass energy production at the level of households, small-scale farms and the communities where they are situated. ANSAB will be responsible for inputs on household and community-based agriculture and bioresource production systems in Nepal.

14. Improving institutional and benefit sharing mechanisms of REDD + in Nepal through consolidation of good field practices and FSC standards at landscape level

Funded by GIZ, this project (September 2013 to August 2014) has the objective to strengthen community-based forest management system as well as government managed forestry in rural areas applying forest related sustainability standards as best practice through strengthening institutional mechanisms for REDD+ benefit sharing mechanisms at landscape level. It is being implemented in partnership with FECOFUN.

Donors and Implementation Partners in 2013

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 over 100 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 2013:

A. Donors

1. United Nations Environment Programme (UNEP)
2. Blue moon fund (bmf), USA
3. European Commission
4. Norwegian Agency for Development Cooperation (NORAD)
5. United States Agency for International Development (USAID)
6. Multi Stakeholder Forestry Programme (MSFP)
7. Manfred Hermsen Stiftung (MHS), Germany
8. Global Greengrants Fund, USA
9. South Asian Network for Development and Environmental Economics (SANDEE)
10. Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
11. Economic and Social Research Council (ESRC)/ Department for International Development (DFID)

B. Partners

1. Alternative Herbal Pvt. Ltd., Nepal
2. Ashapuri Organics, Nepal
3. Aveda Corporation, USA
4. Center for International Forestry Research (CIFOR)
5. Enterprise Works Vita/Relief International
6. Ethnobotanical Society of Nepal (ESON), Nepal
7. Federation of Community Forestry Users, Nepal (FECOFUN)
8. Feminist Dalit Organization (FEDO), Nepal
9. Forest Stewardship Council (FSC)

10. HELVETAS Swiss Intercooperation, Nepal
11. Himalayan BioTrade Pvt. Ltd. (HBTL), Nepal
12. Himalayan Naturals Pvt. Ltd., Nepal
13. International Centre for Integrated Mountain Development (ICIMOD)
14. International Union for Conservation of Nature (IUCN), Nepal
15. IP-Consult, Germany
16. Karnali Integrated Rural Development and Research Center (KIRDARC), Nepal
17. Ministry of Agricultural Development (MoAD), Nepal
18. Ministry of Forests and Soil Conservation (MFSC), Nepal
19. Mission East, Nepal
20. National Trust for Nature Conservation (NTNC), Nepal
21. Nepal Herbs and Herbal Products Association (NEHHPA), Nepal
22. Practical Action, Nepal
23. Relief International-UK
24. Rural Community Development Center (RCDC), Nepal
25. Rural Development Group Programme (RDGP), Nepal
26. Technology Adaptive Research and Implementation Center, Nepal (STARIC/N)
27. Tribhuwan University, Nepal
28. UNIQUE Forestry and Land Use, GmbH
29. University of York, UK
30. WWF Nepal

Geographic Coverage

Countries where ANSAB Provided Services



Districts of Nepal where ANSAB Provided Services



ANSAB's Publications in 2013

Books and Manuals

- Field Manual on Nursery Management and Cultivation of Chiraita (*Swertia chirayita*)
- Field Manual on Nursery Management and Cultivation of Satuwa (*Paris polyphylla*)
- Magrath, W. B., A. Shrestha, B. Subedi, H. B. Dulal, and R. Baumbach. 2013. Nepal Forest Sector Survey: Policy Priorities and Recommendations. Program on Forests (PROFOR). Washington, DC. 104.

Presentations and Proceedings

- Pilot REDD+ project in community managed forests in three watershed regions of Nepal: Incentives for improved forest management. International Workshop on Market Based Incentives for Watershed Management, December 11 and 12, 2013. United Nations Environment Program and University of Cape Town, Cape Town, South Africa
- Community Forestry, Markets & Livelihoods: Trends, Lessons & Framework for Action. Third regional forum for people and forests pathways to sustainable livelihoods: from learning to action" November 19-20, 2013. RECOFTC, Bangkok, Thailand
- ANSAB's Experiences on REDD+ and related activities. Forest Carbon Partnership Facility Regional Intermediaries Workshop, September 4 - 5, 2013, Washington D. C
- 36th Sharing Meeting of Nepal NTFP Network (NNN), March 16, 2013, Kathmandu
- Prioritizing scarce resources for facilitated support of small forest and on-farm tree enterprises: Proceedings of the third International Forest Connect Workshop, February 12 to 15, 2013, Kathmandu
- Assessing support options for sub-sectors of small farm-forest enterprises in Nepal that might best deliver integrated, intensified, and climate-smart land use. Third International Forest Connect Workshop, February 12 to 15, 2013, Kathmandu
- Ecological Information for Community PES Project: Experience from Nepal Himalaya. Asia REDD+ Working Group 3rd Annual Meeting. January 8-10, 2013, West Java, Indonesia



Research Articles

- Joshi, N.R., Singh, V. and Tewari A. 2013. Biomass and carbon accumulation potential towards climate change mitigation by young plantations of *Dalbergia sissoo* Roxb. and *Eucalyptus* hybrid in Terai Central Himalaya, India. *American Journal of Research Communication*; www.usa-journals.com, ISSN: 2325-4076.
- Joshi, N.R., Tewari A. and Chand D.B. 2013. Impact of forest fire and aspect on phytosociology, tree biomass and carbon stock in Oak and Pine mixed Forests of Kumaun central Himalaya, India. *Researcher*; 5(3):1-8, ISSN: 1553-9865.
- Barakoti, T.P. 2013. Country status report on medicinal and aromatic plants of Nepal. 17 pp, Paper presented, In: *Proceedings of Expert Consultation on Medicinal and Aromatic Plants in Asia and the Pacific* held 2-3 December, Bangkok, Thailand.

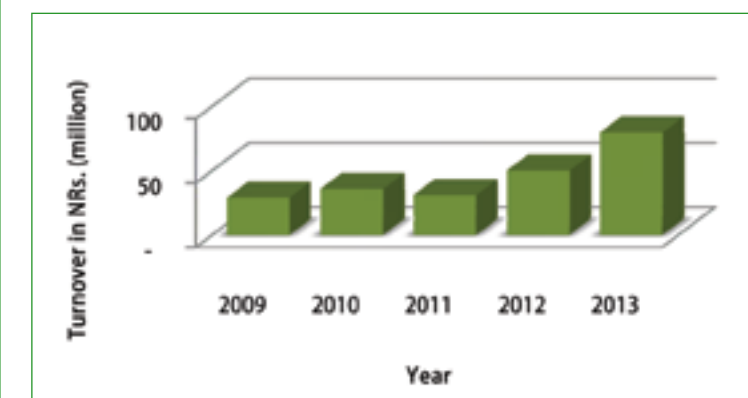
Periodicals

- Monthly Price Lists for selected 33 NTFPs and spices in 6 key markets of India and Nepal
- Himalayan Bioresources (e-Newsletter published three times a year)

Financial Report

The net assets of ANSAB as on the end of December 2013 is NRs. 73.13 million and it is represented by NRs. 8.84 million in the form of property plant & equipment and investments in CBEs and NRs. 64.29 million in the form of cash and cash equivalents and other current assets. The gross revenue for the year 2013 was NRs. 79.71 million, of which 51% was from various reimbursable projects' grant, 26 % was from various consulting service projects' grant, 23% from foreign exchange gain, contributions, interest and other miscellaneous sources.

Financial overview over past five years



Balance Sheet

As on December 31, 2013

	Figures in Rupees	
Assets	Year 2013	Year 2012
Property, Plant and Equipment	8,341,799	2,833,469
Investment in CBEs as Seed Capital	500,000	500,000
Total Non-Current Assets	8,841,799	3,333,469
Cash and Cash Equivalents	58,314,498	42,070,668
Accounts Receivable from Donors	5,427,054	1,628,183
Prepaid Advances Accruals and Deposits	9,835,976	3,048,533
Less: Current Liabilities and Provisions	(9,287,630)	(5,089,087)
Total Net Current Assets	64,289,897	41,658,297
Total Assets	73,131,696	44,991,766
Represented by:		
Restricted Fund	19,935,750	9,534,647
Equity Fund	53,195,946	35,457,119
Total Funds	73,131,696	44,991,766

Statement of Income and Expenditure

For the year ended December 31, 2013

	Figures in Rupees	
Income	Year 2013	Year 2012
Income from Donors for Projects	40,843,482	29,252,270
Grants-in-aid	20,710,286	9,064,565
Miscellaneous Income	14,799,413	10,269,523
Total Income	76,353,181	48,586,358
Expenditure	Year 2013	Year 2012
Direct Project Expenditure	38,689,572	28,314,448
Research and Development Cost	18,185,730	7,196,328
General and Overhead Cost	5,111,035	4,656,461
Total Operational Expenditure	61,986,337	40,167,237
Surplus/(Deficit) from operation	14,366,844	8,419,121
Gain /(Loss) on foreign exchange	3,354,824	1,534,056
Balance transferred to General Fund	17,721,668	9,953,177

ANSAB Team

Board of Directors

ANSAB is governed by an international Board of Directors including noted economists, scientists, businesspeople, government representatives and leaders in environmental, economic, and social areas. In 2013, ANSAB was governed by the following members:

Mr. Radhesh Pant, Chairperson Chief Executive Officer, Nepal Investment Board
Prof. S. P. Singh, FNA, Vice Chairperson Former Vice Chancellor of Garhwal University Advisor, State Planning Commission, Government of Uttarakhand
Mr. David Hircock, Member Advisor on Natural Resources, Estee Lauder Companies, Inc.
Ms. Ann Koontz, Member Technical Assistance Department Director, Relief International
Mr. Jaya Mukunda Khanal, Ex Officio Member Secretary, Ministry of Agriculture Development
Dr. Bhishma P. Subedi, Ex Officio Member Executive Director, ANSAB

ANSAB Team

ANSAB Advisory Board

ANSAB Advisory Board provides strategic input to both the Board of Directors and the management team to maintain the organization's achievements and improve its effectiveness, outreach and impact. The current members of ANSAB Advisory Board are:

Dr. William D. Carmichael Independent Consultant, USA
Dr. William R. Burch Frederick C. Hixon Professor Emeritus of Natural Resource Management and Senior Research Scientist, School of Forestry and Environmental Studies, Yale University, USA
Dr. Mike Rechlin Professor and Dean, Future Generations Graduate School, USA
Dr. Utz Dornberger Professor and Director, International SEPT (Small Enterprise Promotion + Training) Program, University of Leipzig, Germany
Dr. Yam Malla Country Representative, International Union for Conservation of Nature (IUCN), Nepal
Mr. Peter de Marsh Vice-chair, International Family Forestry Alliance (IFFA), Canada
Dr. Uday Raj Sharma Expert, Biodiversity Conservation and Policy, Nepal Former Secretary, Ministry of Forest and Soil Conservation (MFSC)
Mr. Martin Simard Senior Policy and Research Analyst, Copyright and International Trade Policy Branch, Canadian Heritage, Canada

Staffs¹

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.

S.N. Name	Designation
Headquarters Based Staff	
1 Dr. Bhishma P. Subedi	Executive Director
2 Mr. Puspa Lal Ghimire	Programs Manager
3 Dr. Kalyan Gauli	Manager - Biodiversity, Ecosystem Services and Climate Change
4 Mr. Sudarshan C. Khanal	Research, Planning and Communication Manager
5 Mr. Kiran Chandra Adhikary	Manager - Administration & Logistics
6 Mr. Goliv Khatiwada	Manager - Administration & Finance
7 Mr. Krishna P. Sankhi	National Zoonoses Coordinator
8 Mr. Prakash Katwal	Senior Program Officer
9 Dr. Tanka Barakoti	Agriculture and Natural Resource Specialist
10 Dr. Shruti Khadka Mishra	Ecosystem Services and Economic Development Specialist
12 Mr. Kabir Ratna Sthapit	Program Officer
12 Mr. Shambhu Charmakar	Program Officer
13 Dr. Nabin Raj Joshi	Research Officer
14 Mr. Rijan Tamrakar	Program Officer
15 Mr. Ganesh Raj Acharya	Program Officer
16 Mr. Yubaraj Subedi	Senior Project Implementation Officer
17 Mr. Chandika Amgain	Marketing Officer
18 Ms. Deepika Adhikari Chettri	Senior Program Associate
19 Mr. Prem Bahadur Lama	Ecosystem based Commercial Agriculture Expert
20 Mr. Babu Ram Dhakal	Associate Researcher

¹The list doesn't include volunteers and short term consultants serving ANSAB

S.N. Name	Designation
21 Mr. Basu Dev Thapa	Agriculture Technician
22 Ms. Aakriti Poudel	Research Planning and Communication Associate
23 Ms. Anju Katuwal	Associate Finance Officer
24 Ms. Basanti Subedi	Administration Associate
25 Mr. Uddhab Adhikari	IT Officer
26 Mr. Binod Shrestha	Senior Messenger/Store Keeper
27 Mr. Ravi Khatri	Senior Driver
28 Mr. Bishnu Kumar Poudel	Driver
29 Mr. Dil Bahadur Gurung	Office Support/Security Guard
30 Ms. Kamana Tamang	Casual Worker (Office Helper)
31 Ms. Nani Maya Gurung	Office Cleaner (Casual Worker)
32 Mr. Anil Prajapati	Field Project Coordinator
33 Mr. Manoj K. Thapa	Marketing Officer