

We

are committed to enterprise-oriented
solutions to biodiversity conservation
and economic development of
local communities.



Rich and Productive Biodiversity for Prosperous Communities

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ANSAB

Asia Network for Sustainable Agriculture and Bioresources

Annual Report



March 2006, Kathmandu, Nepal

*Rich and Productive Biodiversity
for Prosperous Communities*



F o r e w o r d

ANSAB has not sought to grow large, its emphasis has been on developing an integrated organization of highly talented persons, which can honestly work with people, and bring about changes at a ground level. It is because of this sincerity, ANSAB has been able to benefit communities in remotest mountain areas. ANSAB has no role model to follow, instead created its own. Linking livelihood issues with conservation, in a “modern way”, by considering necessary economic incentives has been ANSAB’s main strength.

Dr. Bishma Subedi has put together a team of talented and dedicated persons, and created conditions that enable them to express themselves in a healthy way. It is an honor to work with such a team. ANSAB has now begun to expand the idea of biodiversity conservation by considering not only goods, but also the flow of services that biodiversity generates interacting with an abiotic component of its ecosystem. Conservationists have to play a major role in an arena, hitherto dominated by economists, engineers, and health managers, in order to sustain economic activities. We are sure, ANSAB’s present form of activities are going to remain relevant to the development of Himalayan Mountains for many years to come. Its approach of making things to work at the ground level, using sound principles of environmental sustainability is going to be its distinguishing trademark or its niche.

Prof. S.P. Singh, FNA
Chairperson
ANSAB

John W. Croucher, PhD
Vice Chairperson
ANSAB

Economic Incentives to Communities and Biodiversity Conservation



The achievements and learning made in 2005 have put up additional compassion and challenges to ANSAB. The progresses and accomplishments of 2005 in natural resource management, enterprise development, research, networking and policy all drove to enterprise-oriented solutions to biodiversity conservation and community development. Along the way, in 2005 ANSAB expanded programs to high value crops, organic certification, ecosystem services and the value-chain interventions evolving from the subsector and business development service approach.

In Nepal alone, 49,276 households made a total monetary benefit of over Rs 290 million (US \$4 million) in 2005. This was made possible through micro-and small-enterprises and their increased capabilities in networking, trade linkages, marketing information, value-addition, and business development services. In line with the enterprise-oriented sustainable forest management, ANSAB worked directly with 112 forest user groups and 11 district FECOFUN chapters. These groups are managing 80,525 ha of forest and meadows benefiting 13,167 households with forest products for both subsistence and commercial purposes. Introduced in 2003, the forest certification initiative in 2005 brought 14,086 ha of forests area under Forest Stewardship Council certification covering 24 forest products in Dolakha and Bajhang. Eight forest-based enterprises have received a FSC chain-of-custody certification and several (including international) have shown interest in it. Over 23,000 ha of forest and meadow area in Dolakha and Humla is in the process of getting organic certification for 17 essential oils and several wild crafted herbs.

ANSAB's contribution continued to be fruitful for the NTFP sector of Nepal to witness some policy changes in 2005. Building on the landmark achievement in developing the first national 'Herbs and NTFP Development Policy 2004', this year, the multi-stakeholders process (NNN meeting, HNCC, policy revision taskforces, PPA, policy studies) resulted in royalty revision of 209 products rationalizing in terms of market prices and conservation needs and benefits to local communities.

All these successes would not be possible without the generous contribution from the donors, support and commitment in implementation from governmental and non-governmental organizations, and our highly capable and committed team members, who have put their head, heart and hand together with our shared vision and spirit. I would like to thank all of you and expect to create a greater synergy working with you all in the days to come for biodiversity conservation and poverty reduction. Keeping up our efforts for over a decade, we are committed to expedite our efforts for the mission of contributing to the biodiversity conservation and sustainable community development.

I hope you will enjoy the learning and progress presented in the report and let us know how to do better and be effective.

A handwritten signature in black ink, reading "Bhishma P. Subedi". The signature is fluid and cursive, with the first name being the most prominent.

Bhishma P. Subedi, PhD
Executive Director, ANSAB

ABOUT ANSAB

Established in 1992, ANSAB is an independent, not-for-profit, non-governmental organization working in South Asia region with its headquarters in Kathmandu, Nepal. ANSAB is committed to enterprise-oriented solutions to biodiversity conservation and economic development of local communities. ANSAB is governed by a board comprised of international personalities, and has a dedicated team of industrious members and staff, with specializations in different aspects of ecology, natural resources, enterprises, community development and local livelihoods.

ANSAB has a focal position in the field through its work for over a decade in ecological, technological, economic, and socio-cultural fronts associated to people-centered conservation, management, and use of biodiversity, especially non-timber forest products and high value crops. 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.

Program Focus and Approaches

ANSAB program focus includes:

- Natural products-based enterprise development and value chain growth for the benefits of the rural poor.
- Sustainable forest management and biodiversity conservation through advancement in community forestry, economic incentives, forest certification and good governance.
- Enabling policy environment through studies, networking and multi-stakeholders collaboration.
- Research, capacity building, information and business development services.

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

- ANSAB integrates societal objectives of resource conservation and economic growth of local communities.
- Programs are broadly based on coordination and collaboration across relevant stakeholders.
- At levels of program implementation, ANSAB positions itself to have facilitative roles.
- ANSAB continually adapts and builds on with the experience of its own and of other organizations.

Introduction



- ANSAB has a unique approach of service delivery that combines direct services to communities and stakeholders as well as through local intermediaries.
- ANSAB adopts an ecosystem approach while managing biotic resources.
- ANSAB programs are inclusive of the concerns of gender, equity, and disadvantaged groups from design to implementation.
- ANSAB emphasizes sustainability aspects in terms of institutional development, capacity building, and program impacts.

ANSAB Team

ANSAB has a team of 55 professional staff members in the field of enterprise development, business development services, natural resource management, community forestry, sociology, economics, marketing, biodiversity research, biological and socio-economic monitoring, policy analysis and research, and finance and accounting. ANSAB works with a network of partner organizations, universities and research institutions, government, non-government organizations and business associations in Nepal, India, Srilanka, Southern Africa, Lao PDR and USA. ANSAB's Nepal NTFP Network (NNN), which has over 300 professionals and over 50 organizations as members, promotes policy development, research and coordination in NTFP and forestry sector. Through coordination, ANSAB draws expertise from leading national and international private companies, public agencies, policy forums and networks, and non profits for specialized services such as product design and development, international marketing and forests management certification. In addition, it works closely with a number of reputed consultants in the specialized areas. For acquisition of the services of these consultants, ANSAB has a roster of experts which includes more than 100 individuals.



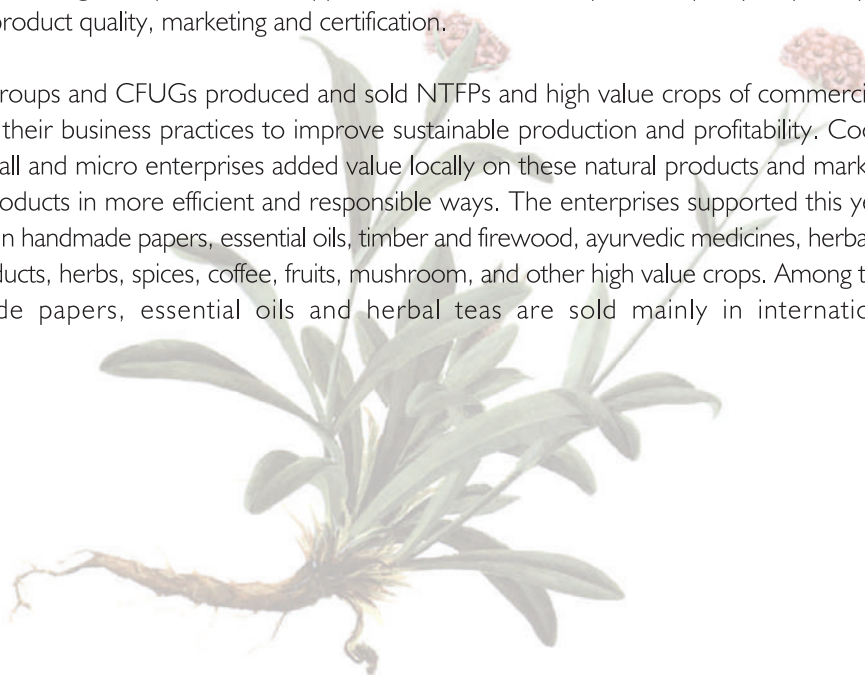
Enterprise Development for Income and Livelihood

In 2005, ANSAB focused on developing group based production enterprises and micro and small enterprises for value addition on natural products. Business development and marketing information services were further developed and extended to promote businesses and strengthen the capacity of producers, traders, processors, manufacturers and exporters. Value chain analysis and interventions were made to improve growth and competitiveness of handmade papers, essential oils, large cardamom, orange and highland coffee.



ANSAB facilitated local entrepreneurs, farmer groups, CFUGs and cooperatives to identify the enterprise options, undertake feasibility studies, develop business plans, and establish enterprises, and market their products. Existing enterprises were supported to further develop their capacity, especially in production system, product quality, marketing and certification.

Farmer groups and CFUGs produced and sold NTFPs and high value crops of commercial importance, changing their business practices to improve sustainable production and profitability. Cooperatives and other small and micro enterprises added value locally on these natural products and marketed the value added products in more efficient and responsible ways. The enterprises supported this year are dealing primarily in handmade papers, essential oils, timber and firewood, ayurvedic medicines, herbal teas, personal care products, herbs, spices, coffee, fruits, mushroom, and other high value crops. Among these products, handmade papers, essential oils and herbal teas are sold mainly in international markets.



"We have developed very strong relationship with local communities and we buy products directly from the local communities and producers."

Parbat Gurung
Group Manager of Sustainable BioTrade Group



Enterprise Type	No. of Enterprises/ Group	Economic participants (directly involved)				Economic benefit
		HHs	Male	Female	Total Participants	
Production and trade of HVCs	303	4,903	3,128	3,759	6,887	156,562,507 (US\$ 2,205,106)
Production and trade of NTFPs and other forest products	129	10,374	10,139	9,872	20,011	81,933,342 (US\$ 1,153,991)
Local level value addition	24	8,718	7,103	7,145	14,248	17,399,649 (US\$ 245,065)
Manufacturing and trade at national and international levels	3	350	397	373	770	34,297,523 (US\$ 483,064)
Total		24,345	20,767	21,149	41,916	290,193,020 (US\$4,087,226)

HH_s = households

With the enterprise and trade promotion efforts, ANSAB reached out to 41,916 women and men, most of whom belong to poor and disadvantaged families in remote districts of Nepal. The enterprise and trade activities in 2005 generated a total monetary benefits of Rs 290 million (US \$4 million) to 49,276 households, of which 24,345 were directly involved and 24,931 benefitted indirectly.

In 2005, different types of enterprise models and approaches were implemented, as an effort to match the local needs and generate learning on promoting economic growth as well as equity. The new models under study include group based production enterprises, value adding cooperative enterprises, CFUG business plans for production and sale of forest products, local enterprises with combined shares of FUGs, local entrepreneurs, and the poor households. Value chain approach to natural product-based enterprise development and financing mechanisms from private banks and CFUG funds for enterprise promotion are also being studied.

Business Development Services for Non -Timber Forest Products and High Value Crops

ANSAB implemented Business Development Services (BDS) market development approach to develop services provisions for enterprise development and livelihood improvement of rural poor of Nepal. The BDS for NTFPs and HVCs promoted in 2005 include: market linkages, input supplies, access to finance, technology, entrepreneurship development and capacity building training on production, business planning and marketing.



With the provision of these services, communities who had small land but did not know what to grow were taught to cultivate high value crops. Communities who had products but not able to sell were linked to the markets. The isolated and scattered small traders were brought into cooperatives, who started working jointly on group production and marketing and received higher benefit. Efforts were made in enterprise development, research and studies, capacity building of the service providers as well as producers, processors and traders.

In 2005, national and international level traders and companies made market linkages with local communities and producer's groups including 17 having buy back agreement, which generated a total sale of Rs 60,046,674 (US \$ 845,728) benefiting 8,162 households in Banke, Bardiya, Kailali, Syangja and Darchula. With the BDS provisions, these companies increased their sales and accessed new international markets, e.g, chiraita of NRs 328,000 (US \$4,620) monetary value was exported to Bangladesh for the first time from Nepal. Firstly in Nepal, new financing product was developed with the private bank to finance rural natural product enterprises.



Oranges and life of Majhi Shaila

With nothing in his hand and destiny, Majhi Sahila, 53 was so desperate when he had to look after three young daughters and three sons. Majhi lost his wife before 10 years leaving an infant child in his hand. Since then, Majhi feels struggling hard to survive his hopes to live a better life.

Majhi says, he had dreams and hopes for his life, and his children by cultivating orange and making money out of it. Those were the times he had oranges but no buyers. Majhi used to be desperate. For years, fruit dropping disease attacked the oranges trees that left him hopeless again and again. Like many people in his village, Majhi did not know about the harvesting technique. Many people lost their crops along with Majhi.

Last year in 2004, there were more oranges on trees. There was big production from a large number of farmers. Everyone was so happy to see the trees abundant with nice colored and tasty oranges. But there was no market beyond; everyone was obliged to sell at very low marginal price of only 6 rupees per kg. Producers had no meaningful voice to fix price of their production. Besides, there was so limited local market. Now, Majhi has no space ahead to be desperate. Majhi says, 'life is a part of desperation and this makes no matter for me.'



In 2005, ANSAB-BDS/MaPS made an intervention to increase the productivity of orange orchard and marketing. Majhi again made a hope that some good may happen. He did not sold his crops to the middlemen. The endeavor from ANSAB was made in the harvesting technique, disease control and its marketing. 5 collection centers were put up in order to make more benefit to the people. District Orange Producers Association (DOPA) was activated to provide the price information at the level of collection centers and farmer groups. As result, almost all people stopped the age-old practic of selling oranges in a lumpsum basis and started selling by weight. Finally, Majhi got 31,600 rupees from his sale from the collection center, last year he got only 7,000.

The profit from oranges is also same to Tir Maya Gurung, one of the neighbors of Majhi. She earned Rs. 1,40,000/- this year from oranges, last year she made only 65,000/- from selling her oranges.

Mr. Fadi Narayan Aryal, the chairperson of DOPA is confident for selling oranges in organized and systematic manner and seeking opportunities for exporting to India and Bangladesh. He says, " we along with farmers are getting 50% more than in previous years." Aryal was enthusiastic to share, "this year; we have sold oranges all across Nepal." Like many producers, Mr.Yak Narayan Aryal, trader at Syanja had to stay for four to five days for selling his oranges in Butwal in previous years, but now he does not have to stay more than one day for selling oranges because of the wholesale market establishment in Butwal.

Chandi kalika farmer group, where Majhi is a member sold oranges that made Rs. 4, 83, 696 this time which was only Rs.1,90,500 last year. Now, like many others, Majhi is making new ambitions for the next year.

MIS Increased Capacity and Bargaining Power of Rural Poor

Encouraged by the positive changes in market dynamics, favorable policy decisions, NTFP based program development and increased incomes to collectors, producers, local traders, ANSAB expanded and diversified its market information services across Nepal in 2005. In addition to a network of over hundred facilitating organizations, MIS service was extended by establishing and strengthening 2 regional and 9 district MIS centers. The MIS centers collected marketing information for 41 products mainly from 18 markets of Nepal and India to serve collectors, traders, producers and potential entrepreneurs of NTFPs and HVCs.



The information coverage include prices, buyers, demand, quality, processing technology, policy and regulations as well as package of practices on production and sustainable harvesting, post harvesting, processing and marketing. The information is provided in the form of periodic price list (monthly/weekly), trade bulletin, entrepreneurs directory, books, manuals, and booklets, and management guideline booklets, bulletin boards, community magazines and articles (lahara, ukali), policy and regulation updates, databases, websites and through advisory services, market visits, trade fairs, and buyer-seller interactions. At the local level, outreach was expanded in close coordination with intermediaries, such as development projects, NGOs, government line agencies, FNCCI and FECOFUN networks.

MIS services have resulted in enterprise development and market access, favorable decisions to benefit NTFP collectors and entrepreneurs, access to information, increased knowledge base on NTFP based programs, change in market dynamics, enhanced competition and bargaining power of the collectors and producers, increased income to collectors, producers, entrepreneurs and traders. A sample survey of 100 households now receiving ANSAB MIS information in two districts (Darchula and Ilam) reveals that;

- 50% of the respondents received marketing information only after MIS interventions. Before the MIS intervention, for over 90% respondents, the only source of information was local traders.
- With MIS services, over 70% collectors/farmers reported increased bargaining power resulting in increased income.

"The traders used to say, *if you want, give me, if you don't, don't give me-I can't reduce the price*. After we got the market information, we are receiving 700 per man (1 man = 40 kg) of ginger which was before only 500 per man. Now, I am happy."

Netra Mani Bhattarai
Ilam Ward no. 4



C o m m u n i t i e s B a r g a i n m o r e i n I l a m

Like Khadka Narayan Niraula, the communities of Barbote and neighboring VDCs were tired of the same price for ginger, large cardamom and amriso despite more efforts to produce them in good quality and quantity. Businesspersons at Siliguri and Naxalbari used to fix the price and the communities ever had to resort to traders as they had no alternatives to make ends meet. In the context, ANSAB along with Ilam Chamber of Commerce put up marketing information service to help resolve panic of the people. The service provided market information of products in Siligudhi, Naxalbari, Dhulabari, Birtamod and other major trade centers. Thereafter communities started bargaining for more prices with the traders. Niraula says, the price information has brought changes in my life." The information service has resulted in more economic benefits to the people. But some traders were unhappy that the bargaining capacity of people made their dictation on price feeble.

Again, convincing the traders was a challenge. Days after days traders were made concerned on the responsibility, accountability and sustainability so that both the traders and collectors can win. Now, a trader of all the three commodities, Mr. Balabhadra Acharya says, "the price information has increased understanding between traders and the collectors. I am now able to convince collectors the costs to transport and marketing, and they are satisfied with the price they are getting. As more collectors have trust over me, they are selling their products to me. And so, I am making more business these days." Now, the communities are getting good price and businessmen are moving towards responsible business practices.



Local Initiatives towards Sustainable Forests Management and Biodiversity Conservation

ANSAB promotes local initiatives in terms of sustainable forest management and biodiversity conservation through formation and strengthening of local forest user groups, development of forest management operational plan and enhancing local capacities in implementing forest management efforts. Building on the past initiatives on enterprise-oriented community forest management, in 2005, we focused on strengthening the capacity of forest users groups and their federations and improving forest management practices in line with the sustainable forest management framework and biodiversity conservation.



In 2005, ANSAB worked directly with 112 forest users groups and 11 district FECOFUN chapters. This effort contributed to conserve and manage 80,525 ha of forest and meadows and benefiting 13,167 households with forest products (both for subsistence and commercial purposes) and ecosystem services. The other targeted activities with the long term sustainability implications include capacity building of local stakeholders including district forest offices, improvement towards pro-poor decision making and benefit distribution, transparency in accounts keeping and fund mobilization, enhancing knowledge, skills and attitudes for sustainable harvesting and conservation.

Enmity Turns into Fraternity

Grazing yaks on the pastureland of Boch VDC in Dolakha is an indigenous practice of Sherpa ethnic group for generations. Grazing yaks is the way Sherpas are sustaining their livelihoods. Yak owners think they deserve the practice as their right that was granted conventionally from their forefathers. The practice was unbearable to the forest users of Bhitleri CFUG as it was depleting the forest resources and threatening the sustainability. The user group made series of efforts to halt grazing and the yak owners objected to defend their rights against the encroachment.



The dispute was fruitful to neither party; rather both groups were losing neighborhood, cooperation and most violently the trust among them. To reconcile the growing conflict, ANSAB, District Forest Office and FECOFUN took stake so that the either parties win. Both groups were brought under discussion. FUGs agreed to set aside 83 ha of forest area for yak grazing and yak owners undertook responsibility of conservation and management of the forest. To have their forest well managed, yak owners took responsibility to sow seeds for grass on the pastureland and District Forest Office and District Veterinary Office took over to provide seeds to them. As decided, the revenue paid up by the yak owners is to be used for the grazing management. A grazing management committee was formed to make necessary decisions. Now, both yak owners and the user group are glad to perceive their discord turning into more fruitful outcome.



Forest Certification: towards Sustainability and Responsible Business Practices

Environmentalists are concerned towards conservation. Poor people have concern to hold on their lives.

And many others have concern for poverty alleviation. When only economics aspect is considered, there is threat for conservation. And when only conservation is considered, there are more threats for the poverty. In 2005, ANSAB made more steps ahead to bring simultaneous efforts from social, economic and environmental perspective while managing forests for the both poverty alleviation and biodiversity conservation.

Keeping up its previous efforts, a total of 21 forest user groups (FUGs) with 14,086 hectares of forests in Dolakha and Bajhang

received FSC forest management group certification covering 24 forest products. This is the first NTFP certification in Asia and only the fifth in the world. The forest certification ensures social, economic and environmental aspects in the forest management and international market for the products produced in the certified areas. 36 FUGs comprising a total of 7,198 households and covering 17,031 hectares of forest areas received technical assistance through training, workshops, meetings, exposure visits, and one-on-one advices. Eight forest based enterprises received FSC Chain of Custody certification. Among them, Malika Hand-made Paper Enterprise from Bajhang is the first hand made paper certified under FSC certification in the world. In addition, we facilitated organic certification for 17 essential oils and 44 single ingredient herbs growing in 23,259 hectares of forest area managed by FUGs in Dolakha and Humla.

The effort is a part of the Public Private Alliance (PPA) which include certifying agency, a range of Nepali companies, networks, government and non-governmental organizations, donors, U.S. product buyers and designers.



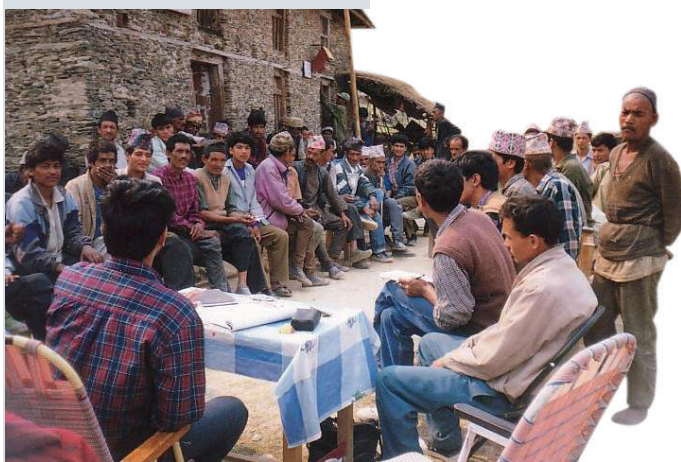
Bhola Bhattarai, Member Secretary of FECOFUN

"With forest certification, we have received higher recognition from government as well as from other stakeholders. It makes it easier to work with government and other organizations. It has benefited local communities. It has proved to FECOFUN that sustainable forest management is possible."



Policy, Multi-stakeholders Collaboration, and Upscaling Impacts

Development of NTFP sub-sector in Nepal is one of our core concerns and we worked with key stakeholders from grassroots to the policy makers to further improve the policy development process, provisions and their implementation. ANSAB continued to organize Nepal NTFP Network (NNN), founded in 1995, that brings together grassroots community, businesspersons, donors, environmental and government representatives to discuss and work together for promoting sustainable use and management of NTFPs, and the network advises herbs and NTFP coordination committee, headed by minister for forests and soil conservation on NTFP policy issues.



In 2005, ANSAB carried out a policy development process study taking 5 policy cases which have local impacts and national importance. The policy study sensitized the policy makers, national and local level key stakeholders on how and why policy analysis and reflections from multiple perspectives are important in terms of developing new policy or making a policy decision so as to contribute to poverty reduction while conserving natural resources.

Building on the landmark achievements in developing first herbs and NTFP development policy 2004, ANSAB collaborated with key stakeholders to review and rationalize royalty rates and trade regulation of NTFPs. ANSAB brought up understanding and knowledge on NTFPs policy issues and opportunities with studies, field implementation, interactions and workshops, conferences, and policy makers visit. Through facilitating dialogues and interactions among government-nongovernmental, private-public, communities and business actors, ANSAB contributed to review royalty rates of 209 products, of which royalty rates of 50 have been rationalized. For example, royalty rate of yarshagumba (*Cordyceps sinensis*) has been reduced by 50% from Rs 20,000/ Kg. Coordinating multi-stakeholders efforts, ANSAB contributed to lift restriction on yarshagumba export. Ban on kutki export was also withdrawn conditioning a provision to take prior permission form the Department of Forests (DoF) which is considered a gradual improvement in terms of the policy provisions. Finding the potential of benefits to the local communities, ANSAB with a task force of NNN recommended government to make necessary policy provision for the cultivation of wild NTFPs on private land.

As forest certification initiative drew concern of the policy makers and other relevant stakeholders, this was promoted as a national agenda by almost all stakeholders. Through studies, interactions, dialogues and national workshops, ANSAB shared its studies on the value chain study of products to the national level and grassroots stakeholders that is fruitful to understand the market potential and make production decisions for collectors, to reform policy for the policy makers and to implement program for the development workers.

Research/Studies, Publications and Documentary Films in 2005

Nepal Micro-finance Case Study

To identify the opportunities and constraints of forest-based small and micro-enterprises and analyze the scope of microfinance in enterprise development, a micro-finance case study was conducted in Parbat district. The study identifies innovative approaches of enterprise establishment which had both success and failure stories.

Influencing Policy and Good Governance in NRM Sector

The core objective of the research was to reflect back, analyze, synthesize and document the experiential learning of different actors and stakeholders in the evolution of community forestry and NTFP oriented policy formulation at local to national levels in Nepal.

Ecosystem services for Conservation

The main purpose of 'valuation of ecosystem services of Himalaya mountains forests for conservation through capacity building and policy interventions in Nepal and Uttaranchal India' is to facilitate conservation of the forest ecosystems and biodiversity by valuing ecosystem services.

Conservation, Market Forces and Governance in NRM Groups

The research has been designed to investigate the success or failure of resource management user groups to adapt to changes imposed by environmental, market and political forces.

Research/Studies

Value chain study of jatamansi and wintergreen

This study examines the role of natural products in Nepal based on a case of two essential oil producing plants--Jatamansi and Wintergreen, in terms of resource management, poverty reduction, and good governance. The case study was carried out using a value chain analysis approach through the lens of a nature, wealth, and power framework.

Market information for rural workers: Nepal

The case study is going to be published by UNDP, in partnership with Third World Academy of Sciences (TWAS) and Third World Network of Scientific Organizations (TWNISO). It presents the market information services, its process, implication and actors, lesson learned and policy implication based on the marketing information services program implemented by ANSAB.

MIS Overview Study

This overview study looks into the relevant agriculture marketing information systems in Nepal, India, Pakistan, and Bangladesh, and tries to generate ideas and insights for developing and strengthening agriculture and non-timber forest products marketing information systems in the similar conditions.

Linking Plant-Based Enterprises and Local Communities to Biodiversity Conservation in Nepal Himalaya

The book based on a research identifies and analyzes linkages among biodiversity, enterprises and communities in high mountain areas of Nepal. The research has inferred strategies and approaches that can be adopted to bring favorable changes in government policies and market structure and effectively implement conservation programs.

MIS Trade Bulletin

ANSAB develops and disseminates the Marketing Information Bulletin every month to the relevant governmental/non-governmental organizations, companies, businesspersons, traders and collectors through email circulation.

Documentary Films

Forest Certification : Steps towards Sustainability

The documentary presents the forest certification initiatives, implementation and implication in Nepal. It explicitly demonstrates potential of social, environmental and economic balance through certification process.

RARA Mugu Soap Enterprise

The documentary depicts how poor rural communities of Mugu are benefited from the Mugu soap enterprises economically and from the conservation perspectives.

NTFP Policy and Marketing

The policy hurdles borne by NTFP collectors and traders is explicitly depicted in the documentary. The documentary gives obvious reason for why policy for NTFP developed and amended for the benefit of the rural poor people.

Publications

Production and Harvesting Guideline

ANSAB developed production and harvesting guidelines for 26 species. The guidelines include introduction, availability, lifecycle, parts used, sustainable use, collection and management, harvesting, marketing information, natural habitat conservation and royalty rates.

Biological Monitoring Guideline

Considering the criteria like ecosystem health and vitality, threats to biodiversity, and other social indicators for community managed forests in Nepal, a guideline for community based biological monitoring was developed and experimented by most of the ANSAB supported FUGs.

In Search of Yarshagumba, a Trans-Himalayan Journey

The documentary, depicts a triangular relation between management of rich biodiversity, its sustainable use and income generation to the poor people of Himali region. The realities on how people made their lives and lost their lives in search of yarshagumba (*Cordyceps sinensis*) thrill our heart with sympathies and condolences.

A case of Malika Hand Made Paper, Bajhang

The documentary presents how community people of forest user groups have changed their concept towards livelihood generation and biodiversity conservation after the establishment of a forest based enterprise.

If you want to get more information or copies of the mentioned research outputs, publications and documentaries, please contact ANSAB or log on to ANSAB website: www.ansab.org

Project Portfolio in 2005

Certification and Sustainable Marketing of Non-Timber Forest Products (NTFPs) - Private Public Alliance (PPA)

Funded by Global Development Alliance of USAID and contributed by the Ford foundation, IDRC, SNV, ICCO, SDC, and alliance members, the project (2002 – 2005) aimed to increase incomes and employment of NTFP producers and promote sustainable resources management through certification initiatives, promoting product design and development, marketing of NTFPs, and expanding responsible buying practices among industry members in the developed countries. The project partners included MFSC, Aveda, Rainforest Alliance, HBTL, GAC, AHI, FECOFUN, NNN and HJSS.

Marketing Information System (MIS) Program for NTFPs in Nepal

Funded by ICCO and SNV, and is being implemented in Dolpa, Banke, Kailali, Surkhet, Syangja, Bardiya, Darchula, Panchthar, Taplejung, Ilam, Jumla and Mugu districts in Nepal, the project (2004-2006) aims at improving the marketing information access of local collectors and traders in Nepal in order to promote NTFP-based enterprises and ensure fair and equitable share of the local communities from the trade of NTFPs.

Business Development Services-Marketing, Production and Services (BDS-MaPS)

Funded by USAID Nepal and implemented by a consortium of International Development Enterprise (IDE), ANSAB, Winrock International, Lotus Opportunities and WWF, the project (2003-2006) is being implemented in Dolpa, Banke, Surkhet, Kailali, Bardiya, Syangja and Darchula districts of Nepal. The project aims to provide better market access to NTFPs and high value crops through improved market based BDS in the areas of cultivation, harvesting, trade and enterprise development.



Advancing Community Forestry for Sustainable Enterprises in Nepal

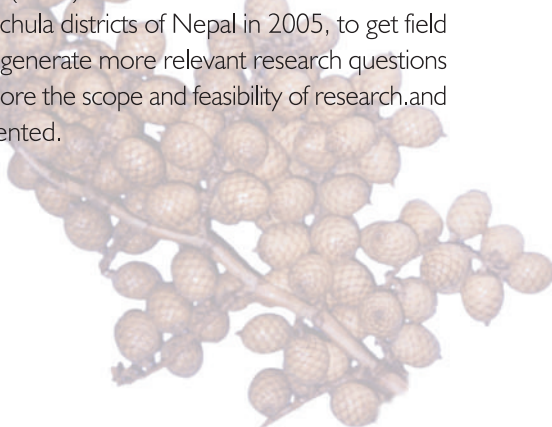
Funded by Ford Foundation, the project (2004-2007) is being implemented in Dolakha and Bajhang with an overall goal of advancing community forestry for sustainable enterprises, improved livelihoods and community development.

Enterprise Based Biodiversity Conservation in Nepal

Funded by USAID and jointly implemented by ANSAB and EnterpriseWorks Worldwide (EWW), the project (1999-2005) aimed at conserving the globally significant mountain biodiversity of the five western Nepal's Himalayan districts of Humla, Jumla, Dolpa, Mugu and Bajhang through community forest management linked to enterprise development, and strengthening and improving policy implementation in community forestry nation-wide.

Assessing the Linkages between Community Based Natural Resource Management, Governance and the provision of Ecosystem Services (Preliminary Field Research Work)

Funded by SANREM/CRSP and implemented in collaboration with Yale University, USA, the field research (2005) was undertaken in Dolakha, Banke and Darchula districts of Nepal in 2005, to get field insights, generate more relevant research questions and explore the scope and feasibility of research and implemented.



Influencing Policy and Good Governance in NRM Sector: Focusing on Community Forestry and NTFP Sub-sectors in Nepal

Funded by IDRC, the development research project (2004-2005) aimed to reflect back, analyze, synthesize and document the experiential learning of different actors and stakeholders in the evolution of community forestry and NTFP oriented policy formulation at local to national levels in Nepal.

Valuation of Ecosystem Services of Himalaya Mountains Forests for Conservation through Capacity Building and Policy Interventions

Funded by IDRC and being implemented in India and Nepal as a pilot study, the project (2005-2006) aims to facilitate conservation of the forest through assessing ecosystem services (ESs) of the mountain forests, educated, sensitized and interacting with the decision makers at policy level, and developing options for the payment.

Technical Support in Production and Technology Promotion to the Cardamom Subsector Development Program

Funded by SNV and implemented in Taplejung district in Nepal, the project (2005) ensured the marketing information systems for cardamom, provided training to farmers on crop management and production systems, promoted and disseminated drying technologies, and analyzed policy needs of the farmers to develop good policy environment for production and marketing.

FRAME Study

Funded by USAID through IRG and EWW and being implemented in Jumla and Dolakha, the project (2005-2006) aims to help NRM practitioners and decision makers to make greater use of the existing body of knowledge and ideas on successful and promising NRM experiences.



Financial Statement

Balance Sheet as on December 31, 2005

	Figures in Rupees	NRs. 71= US\$ 1
	Current Year	Previous Year
Non-Current Assets:		
Fixed Assests (at cost less depreciation)	2,959,005	1,645,762
Advance for Capital Expenditure	3,326,179	-
Investment in CBEs as Seed Capital	1,531,333	1,531,333
	7,816,517	3,177,095
Current Assets:		
Cash and Cash Equivalents	20,437,688	15,009,259
Accounts Receivable from Donors	3,066,720	6,435,536
Advances Recoverable in Cash or Kind	1,787,236	1,042,995
Less: Current Liabilities and Provisions	(7,468,947)	(6,311,974)
	17,822,697	16,175,816
Total Assets	25,639,214	19,352,911
Represented by:		
Restricted Fund	14,073,492	10,541,000
Sustainability Fund	7,000,000	5,000,000
Seed Capital Revolving Fund	1,556,333	1,556,333
General Fund	1,643,771	1,023,319
Capital Reserve Fund	1,365,619	1,232,259
Total Funds	25,639,214	19,352,911

Income and Expenditure Statement

for the year ended December 31, 2005

	Figures in Rupees	
	Current Year	Previous Year
Income		
Income from Donors for Projects	46,862,292	32,418,280
Grants-in-aid	3,139,646	2,212,220
Miscellaneous Income	4,152,531	604,545
Total Income	54,154,469	35,235,045
Expenditure		
Direct Project Expenditure	40,697,335	28,184,573
Research and Development Cost	3,129,986	1,599,721
General and Overhead Cost	6,311,966	3,775,498
Provision for Doubtful Payback	1,394,730	-
Total Expenditure	51,534,017	33,559,792
Surplus	2,620,452	1,675,253

ANSAB Donors and Partners in 2005

Donors

EnterpriseWorks Vita (**EWV**)
 Food and Agriculture Organization (**FAO**)
 Interchurch Organization for Development Cooperation (**ICCO**)
 International Development Research Centre (**IDRC**)
 The Netherlands Development Organization (**SNV**)
 The Ford Foundation (**FF**)
 United States Agency for International Development (**USAID**)
 Sustainable Agriculture and Natural Resource Management
 Collaborative Research Support Program (**SANREM/CRSP**)
 International Resources Group (**IRG**)
 Swedish International Development Agency (**SIDA**)

Partners

The World Conservation Union (IUCN)	Gorkha Ayurved Company, Nepal (GAC)
Livelihood and Forestry Program, of UK Department for International Development (LFP)	Herbs and NTFP Coordination Committee, Nepal (HNCC)
Swiss Agency for Development and Cooperation (SDC)	Himalayan Bio-Trade Private Limited, Nepal (HBTL)
International Centre for Integrated Mountain Development (ICIMOD)	Himali Jadibuti Sarokar Samuha, Nepal (HJSS)
Enterprise, Environment and Social Impact Consulting (E²SIC)	Humla Conservation Development Association, Humla, Nepal
Canadian Center for International Studies and Cooperative (CECI)	Ilam Chamber of Commerce and Industry, Nepal (ICCI)
Appropriate Technology India (AT India)	Federation of Nepal Chamber of Commerce and Industry (FNCCI)
Yale University, School of Forestry and Environmental Studies, USA	Practical Action (PA)
International Development Enterprises (IDE)	Kumaun University, India
Winrock International (WI)	Garhwal University, India
Worldwide Fund for Nature (WWF)	Lotus Opportunities, Nepal
Wageningen University, Netherlands	Malika Handmade Paper Limited (MHPL)
Alternative Herbal Industries, Nepal (AHI)	Micro Enterprise Development Program, UNDP Nepal (MEDEP)
AVEDA, USA	Ministry of Agriculture and Cooperative, Nepal (MoAC)
Virginia Tech University, USA	Ministry of Forests and Soil Conservation, Nepal (MFSC)
Tribhuvan University, Institute of Forestry, Nepal	Nepal Forum of Environmental Journalist (NEFEJ)
Nepal Herbs and Herbal Products Association (NEHHPA)	Nepal NTFP network (NNN)
Jadibuti Association of Nepal (JABAN)	Panchthar Chamber of Commerce and Industry, Nepal (PCCI)
Principia College, USA	Rainforest Alliance, USA (RA)
Department of Plant Resources, Nepal (DPR)	Rural Community Development Center, Mugu, Nepal (RCDC)
Dolpa Sarbangin Bikas Samaj, Dolpa, Nepal	Rural Development Group Program, Jumla, Nepal
ECARDS Dolakha, Nepal	Social Development Center, Bajhang, Nepal (STC)
Environment Conservation and Development Forum, Taplejung, Nepal	Socio-Economic and Ethno-Political Research and
Federation of Community Forestry Users, Nepal (FECOFUN)	Training Consultancy, Nepal (SEEPOR)
Forum for Natural Products Conservation and Utilization, Dolakha, Nepal	Taplejung Chamber of Commerce and Industry, Nepal (TCCI)
	Sustainable BioTrade Group, Nepal (SBTG)

ACRONYMS

BDS	Business Development Services
CFUG	Community Forest Users Group
DOPA	District Orange Producers Association, Syanja
ES	Ecosystem Services
FSC	Forest Stewardship Council
HVC	High Value Crop
MIS	Marketing Information System
NNN	Nepal NTFP Network
NTFP	Non Timber Forest Product
NRM	Natural Resource Management
PPA	Public Private Alliance
TWNSO	Third World Network of Scientific Organizations
USA	United States of America
VA	Value Addition
VDC	Village Development Committee

ANSAB

Geographic Coverage



In 2005, ANSAB implemented its program and/or provided services in Nepal, India, Southern Africa and Lao PDR

Direct Field Implementation: Darchula, Bajhang, Dolpa, Humla, Jumla, Mugu, Kailali, Banke, Bardia, Surkhet, Syangja, Dolakha, Ilam, Panchthar, Taplejung in Nepal and Uttaranchal in India

Policy, research, advisory, networking and information services extended across Nepal; program development, planning and advisory services to Uttaranchal and Himanchal in India, Bhutan, Lao PDR and Southern Africa