

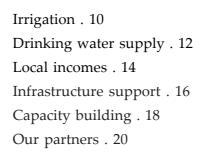


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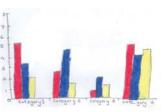


Photo captions: Educational opportunities, drinking water, local infrastructure are areas that Shanti Griha contributes to.

Cover photos Rajiv Nepali, front; Bidur Kaji Rokaha, back.

Inside photos by Rajiv Nepali, Bidur Kaji Rokaha, Monika Knapp, Prathit Shrestha, Anish Silwal, Sujit Silwal, Ramesh Pandey and Dr. Christine Harth.



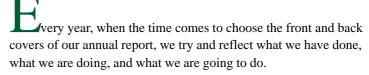


Art, Pranay K. Shrestha, aged 12





Opening Words



This year, on the front cover, a young man carries a school table across the River Lothar. He will walk five hours to reach his village and he will have forded the river 36 times as it snakes back and forth across his path before he reaches home. This is how Nepal is. Plenty of resources, yet, sometimes, it is these very opportunities, this very wealth that hinder the progress of its people.

And on the back cover, you will see a young boy working the early rivulets that feed the river system in the area through a newly installed irrigation channel to water his family's field of corn. He makes good use of what nature has bequeathed upon his people, but at what cost? He misses out on school.

This report shares tales of challenges, endeavors, and achievements. On the higher hill flanks, even as the boy works the fields, assuring food safety for his family, through the river valley arrives, on human back, a table that will allow him to study in comfort once he goes back to school after the hour of hard field work.

His life, the life of the young man carrying the table, and the life of the river and Shanti Griha's efforts flow together. The boy and his village needed food security, Shanti Griha helped them implement the irrigation project and provided training in improved agriculture. The man on the cover, his children, and his elders needed educational opportunities, Shanti Griha helped build a school and made arrangements for furniture.

People came together, income opportunities became available, challenges resulted in opportunities, livelihoods became more secure, and there was celebration. The cover of this report portrays exactly what we are attempting to do, celebrate human endeavor!

Best regards, The Shanti Griha Family



Photo captions:
Irrigation means
food security, roofing
for the home, and fodder
for the animals. Construction helps build schools,
bridges, community
centers. Skill development
creates easy to access
markets and services
for a rural populace.















Shanti Griha Context

Peace has resulted in better life conditions for the Nepalese people. The rebels are established in the halls of power, Constitutional Assembly elections have taken place, justifiable distrust amongst political parties has failed to derail this difficult stage of national reconciliation.

Serious challenges lie ahead. In order to remain in power and maintain political status quo, parties will assure that Constitution building proceeds slowly. The ethnic divide that they fostered to come into power gathers momentum and causes alarm. Splinter groups have learned how to cause disruption at the national level: blocking highways and stopping supply of essential goods to key regions. The reconciliation process struggles to assure "all" Nepalese people that they will be fairly treated in the "new" Nepal.

Even while the sorting of political ends is ongoing, globalization has brought unto our people further stress. The energy crisis saw vehicles line up for days and weeks. Smooth campaigning by civil society operators against hydroelectricity plants in the 1990s assures that the people of today face electricity turn offs for as many as 19 hours a day. As is their wont, leaders new to power make extravagant promises and "new Nepal" is no longer a terminology that the person on the street takes with seriousness.

Art, Nishita Joshi, aged 8







Economic crisis at the world level touches people in the highest settlements of the Himalayas to those who inhabit the deepest and furthest river valleys. Families all across the nation have risked all that they own to send their young abroad to Korea, Japan, and the Middle East to earn a good living and send money home. Many of them are returning home having lost their jobs, without savings. If the crisis solves sooner rather than later, it will mean a lot to the Nepalese people.

Shanti Griha is working to address some of the challenges that our country people face. It contributes to make life better through interventions that seem small and insignificant but have resounding impact among those they help. Basic life needs are not many: water that is accessible and relatively clean; food that is nutritional and varied; education for the young and the old; improved capacity to make changes to one's situation; economic opportunities, these are areas that we work in. Hopefully, our work will contribute to ease the pressures brought onto our people by political strife and the global economic crisis.

We are thankful to Dr. Christine Harth, Monica Knapp, BMZ, CARE Deutschland International, Mrs. Petra Schulz and Kinderhiflswerk für die Dritte Welt, Mrs. Annegret Fuhse and the children and staff of Grundschule Richardstraße, Ian Boulton and the kind people of Nepal who join hands with us to work towards something wonderful during this difficult period.



Photo captions:
Out among the high hills,
water is scarce, springs,
brooks need to be managed
well. Construction is difficult
as material is transported on
on human back. And success
has far reaching impact.









Our Projects



The needs of remote villagers in Nepal are many, we believe that it is up to them to decide what is most urgent and what will help improve their lives the most. Our work is to help them identify resources, skills, interventions, and prepare project proposals that is appraised by our donor partners. Once funding and support is approved, Shanti Griha helps villagers access markets, knowledge and experience, and allows them to acquire training, improve capacity, mobilize their communities, address conflicts, and achieve drinking water, irrigation, education, economic, and other improvements.



Shanti Griha professionals go village by village looking at needs, talking to village leaders and the people at the grassroots to identify where our contribution is needed the most. Seven years of involvement at the grassroots' level has helped us network well with community based organizations and groups with whom we form primary partnerships.

As we travel, we take with us seeds and seedlings, books and sports goods, pencil and arts products, warm and cool clothing to share with the villagers as a part of our activity. Shanti Griha supports projects that have local ownership. Local people, involving women and the marginalized, implement all its projects. Financial and operational transparency and accountability are mandatory amongst all its local partners. We are pleased that Shanti Griha was able to initiate and complete 18 efforts over a 18 month period in 2007/2008.



Clean Water

Construction of intake and storage tanks and reservoirs

Provision of piping and drainage to reach out to people in the community

Irrigation

Construction of small dams, reservoirs, irrigation canals, and drip-irrigation systems.

Repair and maintenance of systems that cannot be completely taken care of by local resources

Local Incomes

Sewing, yarn processing, bamboo crafts and other entrepreneurship training

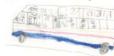
Enterprise setup support through contribution of material and machinery

Knowledge dissemination and supply of improved seeds and animals for improved and organic farming/husbandry

Shanti Griha Program Briefing



Art, Kaoru Shrestha, aged 6



Infrastructure Support

Repair and construction of schools

Maintenance and construction of trails

Construction of community houses

Installment of solar panels for electrification and power supply



Capacity Building

Community mobilization and organization support

Literacy, accounting and other essential skill development

Project need, plan, resource generation support

Monitoring, evaluation, and sustainability related interventions



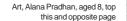
Rapid Action

Immediate response to construction related problems and failures with regards to irrigation systems, school buildings, etc.

Impromtu health services such as camps, provision of medication

Photo captions: Efforts such as improving sanitation are multi-dimensional. Awareness is required at the community, school, family, and indivdual levels and appropriate infrastructure needs to be in place.







Irrigation

Shanti Griha's irrigation projects helped four villages and 499 people directly. Food security has improved in the areas where the projects were implemented, villagers who were able to achieve two harvests a year are now harvesting three and even four times, increasing output by 50 to 100%. Villagers report that they are able to sell their produce where as two years before, their grains would last from five to seven months in total and the men had to leave homes and families for cities and population centers in order to earn cash to make up for the shortfall.

Indigenous irrigation systems are improved upon as they can lead to seepage of water, "In particular, crabs get into the earthen canals and dig them up. We had difficulty as even after rocks were plastered over, where the cement was not thick enough they managed to make holes there," comments Rajiv Nepali, our technical officer. "Logs were carved to go over clefts and gulches and these were dislodged over time. Villagers had to be extra vigilant and the precious water, especially during the off season was absorbed into the hills rather than reaching the fields."

Improved irrigation systems have not only impacted the main crops by increasing productivity, they also allow for the plantation of vegetables and other cash crops around the home, making the food that families eat healthier and more varied and allowing families to bring in cash during offseasons. Working in Rampur Jharna Village was an interesting experience for Shanti Griha. Sixty-nine people living in 13 houses share 72 hectares of land. Though thirty minutes away





from the highway, the village was not able to capitalize on their proximity to major markets because two third of their land was dependent on rainwater. Villagers planted rice, wheat, and corn and most men worked as migrant laborers when field work was light.

Shanti Griha helped establish a lift irrigation system and a well 15.2 meters deep in the area. The well fed a 5,000 liter tank that supplied water to an extensive network of irrigation canals. The community rose up to the occasion and raised funds per household so that electricity costs could be met long term, consumable parts repaired, and the services of maintenance and support personnel purchased. Bhujmati Pun is especially pleased because she can now commit all her energies to her own land and crops. In the past she had to work on the highway as a porter and this was very hard work indeed!

As the images on these pages show, hills can be a hard dry place when there are no rains. Brooks and other water sources are in the valleys and need to be protected and managed. Some brooks are prone to flash floods that not are not only a threat to intake tanks and reservoirs, they take human lives and wash away animals as large as buffalos and rage into homes and fields. Stable sources of water need to be identified, the water put in reserve tanks and distributed, sometimes using pumps, through an effective canal that does not require high maintenance and does not lose excessive amounts of water.

As Nepal is an agricultural nation, we recognize that it is important for the more than 80% of the population that works with agriculture to achieve better yields, food security, and profits in order to improve their lives. We are committed to contributing what we can to help make the lives of Nepalese farmers better.







Photo captions: Where villagers have need, Shanti Griha supports them by purchasing essential material such as pipes, cement, providing technical input, helping them manage resources and connecting such resources to homes and fields using new as well as traditional know-how.





Art, Khushi Rajkarnikar, aged 7



Photo captions:
Access to safe drinking
water involves layout
of piping in difficult
terrain, construction
of reserve tanks,
and solar energy to
generate electricity to
take water to
villages at higher
elevations.



Drinking Water Supply

Thirty-two villages received clean drinking water through Shanti Griha's six projects in Chitwan during 2007/2008. More than 3,000 people benefitted directly from a distribution system that placed taps within five minute walking distances. Considering the fact that some of these villagers had to walk for two hours to get their daily ration of water, our projects have changed lives, made animal husbandry more feasible, and increased the growth of cash crops and vegetables for home use.

When villagers request support for drinking water projects, knowledgeable villagers and Shanti Griha experts review springs, brooks, and potential sources. The water supply is checked for reliability: it has to be a known source that is active year long and has a reliable history. The water is analyzed scientifically to check for contamination such as E Coli, arsenic, and other organic, non-organic presence.

Once the source is approved for human use, maps are made with the involvement of local people, water channels and their flow is charted, placement of taps is determined as per household location, the number of human beings and associated livestock is counted and potential rise in demand for the next five years estimated. An attempt is made to assure that each individual has access to at least 45 liters of water a day.

We present a case study of Onewang village in the mid-hills of Chitwan. There are no roads that motorbikes, cars, or trucks can use to go to Onewang. A five hour walk through the Lothar River takes us to this village of 153 people and 22 houses. The predominantly Tamang ethnic group that live here used to walk









downhill one hour to fetch 15 liters of water in their *gagro* containers. At the water source, women, children, and the aged gathered from early morning, even at 3 am for the supply was limited. Their neighbors in the Bhandara Village, three hours walk away, had seen the difficulty that the people of Onewang faced and told the Tamangs who came their way to ask for help from Shanti Griha.

A water source was identified, it was hidden away in a hard-to-access location three and half kilometers and three hills away. The local people wanted it to feed three reservoirs that were planned. An old government constructed reservoir was found and repaired and two new 14,000 and 12,000 liter reservoirs constructed. Together, they would feed four villages and their school for sixty young people. 18 taps were placed appropriately and 5.2 kilometers of connection pipes laid. More than a million rupees was spent to make this project possible and the community themselves contributed more than three hundred thousand rupees through fund raising and labor contribution.

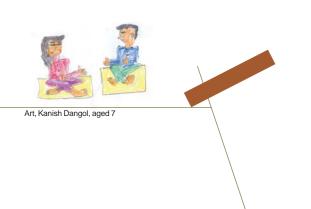
Today, the women of Onewang and their children have more time for restful sleep. They have running water near their homes three times a day and instead of the typical three or four loads, they can carry up to 24 jars of water per day for drinking, cleaning, washing, and feeding farm animals, all excess is drained into vegetable gardens nearby. Damai Singh, who is 75, says that he sees green vegetables in the village and is surprised: he gets to eat a variety of vegetables that he could not have dreamed possible!













Local Incomes



Mitra Kumari Titung is a leader amongst women. When the villagers of Sikharbasti wanted to improve their income generation skills and contacted Shanti Griha, she was among the initiators. After the training, she took a risk and borrowed 40,000 rupees from a local bank paying 18% interest. She employed two young women and kept four sewing machines busy. The communities around her were starved for a good tailoring establishment which not only provided essential services but augmented their apparel through new and innovative ideas. She had no shortage of clientele and soon paid back the loan, had surplus cash with which the family improved their home, put better quality food for everyone, and began attending better educational establishments.



Economic empowerment is an integral part of Shanti Griha's program. Wherever possible, we try to work with the opportunities that local communities can identify. Some want to learn sewing, some want to be electricians or plumbers, some want to expand their farm incomes.



Most desires of the Nepalese people tend to revolve around farm activities. Bee keeping is in demand: better pollination of crops helps increase farm yield. Mushroom cultivation leads to improved protein intake amongst communities (the culling of chicken, goat, sheep, and buffalo takes place at irregular intervals in most places) and hard cash! Kitchen gardening and the ability to grow offseason cash crops brings about amazing changes in many villages. Often, these communities are not used to eating fresh greens: now there are vegetables aplenty as well as tomatoes and potatoes and squash and cauliflower, radishes, cucumber and more not only to sell but to feed the family with.



Art, Divayashree Shrestha, aged 7

Animal husbandry is especially good as it means milk, meat, increased farm productivity through natural fertilizer and cash. Changes are very obvious and they are important. We are pleased to have helped those who make good use of the opportunities to find their lives forever influenced.

While many ideas require better know-how, some capital support, technical expertise and training, market access, individuals surprise us with their creativity and innovation. Mrs. Kamala Pun who learned as she was in training that she liked sharing information and learning, wanted to work as a trainer. She received an internship opportunity and as her work was effective, she was given a job that earns her Rs. 48,000 a year.

Shanti Griha supports individuals as well as communities through the enterprises and training that it supports. In many communities, markets are far away and services are difficult to access. Instances are many where service providers such as tailors, bee cultivators, and craftsmen working with indigenous knowledge update their production with modern equipment and techniques. Combining traditional knowledge and enhancing skills, our trainers help local communities come up with enterprises that address grassroots' demand, result in improved service and product delivery, allow for greater comfort and output, improve the economy, and help improve capacity and technology.





Photo captions: Local incomes are enhanced by enterprises such as bee keeping, bamboo works, spinning, dyeing and crafts, vegetable farming, and sewing.



Photo captions: School buildings, community houses, and other infrastructure efforts improve accessibility, safety, and opportunities for the local populace.





Infrastructure Support



As Shanti Griha has limited resource, it is selective when supporting infrastructure development efforts. One drawback of this beautiful Himalayan terrain that Nepal boasts of is that travel, transportation, and infrastructural investments tend to be very expensive due to the lay of the land. Accessibility is limited as short distances can be separated by high hills, cliffs, and even mountains and goods have to be transported on human back in many parts of the country. Even places that have roads lose connection for five to seven months of the year due to the monsoon rains.



Therefore, Shanti Griha intervenes where the need is the most desperate. Community houses where people can undergo training, establish cooperative and community based organizations, meet up for recreation and conversation, celebrate special occasions, and conduct workshops and seminars are one of the infrastructure related projects that Shanti Griha prioritizes. Improvement and construction of educational establishments such as schools and child care centers are high on the list and bridges, foot-trails, are a rare part of the support we provide: these are only featured where the need is dire. Irrigation, drinking water efforts are covered through special sections in this report.



When development professionals from Shanti Griha and other agencies travel, community centers are a place for overnight rest and gathering point for villagers to share their needs, assessments, and achievements. At the community center in Bhandara, more than 400 people, particularly women, received training in sewing, processing wool using the spinning wheels, mushroom farming, embroidery, and bamboo craft over a period of one year. There was a request that a mushroom storage room be constructed as local farmers found the crop profitable and Shanti Griha responded to this request: today, the mushroom that is farmed is safe, protected

from vermin, and does not go to waste, each harvest is reported to bring in Rs. 25,000.

Bidur Kaji Rokaha feels especially proud that he has been able to be a part of the team that has supported school development. "Young people in the areas that we have intervened can now continue their education at the same establishment. Where there were primary schools, we now have secondary schools, where there were secondary schools, we now have high schools. Young people and their parents are encouraged and do not drop out of school discouraged by additional cost of commuting, new uniforms, and teaching systems. Time that should be invested in education does not go into walking longer distances."

Four schools and one community house support more than 1,600 young and old people in the villages of Birendranagar, Swamitar, Appani, Kuchur, and Bandara. When Shanti Griha partners with schools, it also helps them upgrade toilet facilities, assure availability of running water, provides essential books for libraries and, sometimes, arranges for a computer department if the village has access to electricity. Orientation is provided on improved teaching techniques, art material, cultural exposure is provided and the use of the physical infrastructure is encouraged for activities that bring the community together.









Art, Chirag C. Shrestha, aged 9



Art, Apoorva Thapa, aged 10

Capacity Building

The work of Shanti Griha involves the empowerment and capacity building of local communities. In places we reach, there are many people who have not had the advantage of formal education, especially women and the elderly. However, many have great enthusiasm and interest in improving their conditions and life opportunities.

In some of the villages, the people are not organized. For example, Onewang, population 153, which features one of the strongest community mobilization in areas where we work today, did not have a community based organization. An early involvement of Shanti Griha is to facilitate the organization of local human resource. Women, youth, men, those that are marginalized are brought together through village gatherings and meetings. Once groups are formed, many ask that they first learn how to read and write so that they can take action that leads to the improvement of their lives through micro project opportunities.

Adult literacy becomes a priority and women, the elderly, and their children gather in the evenings and learn to read, write, and the opportunity to discuss the needs and opportunities available in their area. Amritpani was a location where 25 women built their capacity to read and write. They identified resources, best opportunities were discussed, and proposals put forward verbally.

Next phase is discussions, technical possibilities, the assignment of personnel, and the gathering of financial, labor, technical resource from within the community. This is because in today's development environment, it is taken for granted that those who wish to work with NGOs also need to make a contribution themselves and an average 30% cost coverage of any project through the contribution of labor and the raising of funds. In Swamitar, the school board run by the











Photo captions:
Communities
organize, assure
appropriate
mobilization of
human, cash, and
other resources, and
learn to design,
plan, and implement
micro-projects that
are sustainable.
The skills they
learn result in
direct economic
improvements.



local community was able to generate more than 500,000 rupees, 45% of the total funds required for the upgrading of the school.

Once the local community head towards a definitive direction, proposals are written, screened, and submitted. Private sector involvement, consultants, and resources are monitored and evaluated by the community, funds and labor must be documented and spent in a manner that result in accountability. Training is provided so that all of this is possible. Once the project paper is submitted to Shanti Griha, it is screened by a panel of experts and forwarded to donors and approved for action. Projects take three months to 18 to complete and monitoring and evaluation is taken care of primarily by the local community with inspections from Shanti Griha and the donors. Stop gap measures are taken in case need is identified. And when the project support ends, the community must now take over and maintain and take the effort forward.

Committees are formed in advance and plans and human interventions are set. Communities are ready not only to ask for further help from Shanti Griha, but also take independent action through internal fund raising and labor allocation. They are ready to access government funds from the village development committees. Accounting, management, literacy, and confidence has increased and Shanti Griha has made a contribution that is worthwhile. In a year alone, eight villages from Rampur Jharna to Sirkot have found the confidence that allows them to sustain and expand their efforts.





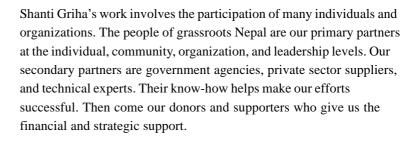
Art, Anurag Bhetwal, aged 12



Photo captions: These images show Nepalese villagers, local leaders, and primary donors.



Our Partners

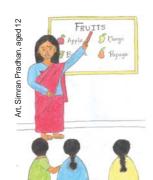


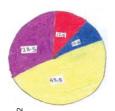
Over seven years, Shanti Griha has reached and worked in more than 100 remote villages across this Himalayan nation and we have been able to operate more than one hundred micro-projects. In order to do our work well, government institutions such as the Social Welfare Council, Nepalese tax offices, district and village development committees, district education offices have provided advice and ideas. Private sector suppliers make sure that cement and iron, pipes and motors and many more things are available even during times of severe shortage so that our work continues and our primary partners are able to get the supplies that they need and deserve. Technical experts are a part of the Shanti Griha work structure. Training, operational knowhow, technical backstopping, planning, and fact finding are some of the areas that they provide their cooperation on.

And importantly, partners such as CARE Deutschland-Luxemburg, Kinderhilfswerk für die Dritte Welt, Grundschule Richardstrasse give us the financial and strategic backing so that we can do what we are here to do. Without their support, our lives would lose a little bit of its meaning and we are thankful that they are here for us and, more importantly, they are here for the Nepalese people when the need is the greatest.









Financial Summary 2006

All amounts are in Nepalese rupees. At the time of going to press, 1 Euro was equivalent to average 108 rupees and 1 US dollar was equivalent to 74 Nepalese rupees. Note that averaged out figures are provided for easier analysis.

Shanti Griha budget from July 1, 2007 to December 31, 2008 was Rs. 26,255,339

Program investment in terms of equipment during this period was Rs. 600,450

Program operation cost during this period was Rs. 3,828,432

Funds for project implementation during this period was Rs. 14,329,595

Art, Khushi Raikarnikar, aged 7

Rs. 7,496,860 cash on hand due to project extensions.

Shanti Griha resource and expenditure patterns

	Project Title	Shanti Griha Contribution	Local Contribution	Total Expense
1	Thamtar Kirantar Drinking Water Supply	1,667,519.00	440,780.00	2,108,299.00
2	Birendranagar Drinking Water Program	1,990,062.00	663,812.00	2,653,874.00
3	Dumri Khadi Drinking Water Supply	395,234.00	137,020.00	532,254.00
4	Damphu Khola Drinking Water Program	1,111,477.00	389,870.00	1,501,347.00
5	Chisapani Drinking Water Maintenance	210,508.00	72,351.00	282,859.00
6	Onewang Drinking Water Program	1,016,508	355,900.00	1,372,408.00
	Total Clean Water	6,391,310.00	2,059,733.00	8,451,043.00
1	Second Floor for Dibya Jyoty R.P. School	1,042,944.00	261,173.00	1,304,117.00
2	Aap Pani Rastriya Primary School	566,828.00	164,000.00	730,828.00
3	Community House, Bhandara	1,323,828.00	368,283.00	1,692,111.00
4	Swamitar School Building Construction	1,012,564.00	182,000.00	1,194,564.00
5	Kuchhur Rastriya Primary School	735,870.00	204,470.00	940,340.00
	Total Infrastructure Support	4,682,035.00	1,179,926.00	5,861,961.00
1	Satisal Drip Irrigation Program	403,817.00	144,099.00	547,916.00
2	Rampur Jharna Lift Irrigation	467,198.00	177,563.00	644,761.00
3	Thamtar Kirantar Irrigation Program	581,934.00	219,555.00	801,489.00
4	Jyuri Darlami Irrigation Program	468,593.00	156,197.00	624,791.00
	Total Irrigation	1,921,544.00	697,414.00	2,618,958.00
	Income Generation & Capacity Building Programs	1,334,706.00	0.00	1,334,706.00

Acknowledgements:

From the bottom of our hearts, we extend our thanks to BMZ, Dr. Christine Harth, and everyone else who has helped make 2007/2008 a success for Shanti Griha.



Nepal is in the process of preparing a constitution. Considering the rise in racial problems and the relocation of hill families from the plains where they had lived for generations, it is important that tolerance is the basis upon which the "new" Nepal stands.

The equity and equality promised by "new" politics and governance may not be ideal but the decentralization of resources has taken place to a degree and this allows more village development committees and district education officers to distribute workable funds amongst grassroots' people and community groups interested in bettering their situations.

There is a greater flow of remittance, with more and more young people heading to other nations, and farm incomes have gone up, however, land and consumable goods' prices have increased at an alarming rate and the divide between the haves and have-nots appears to have increased with the poor becoming poorer.

Under these circumstances, Shanti Griha finds that its role becomes even more important, the selection of projects more sensitive, and our achievements, along with that of the people and the communities that we work with even more significant.

The Shanti Griha Family



