A number of support functions assisted UMN and its staff and programme units in their work. High priority was given to capacity building of staff, through the Training and Development Section (for Nepalis) and the Languages and Orientation Programme (for expatriates). The "English Language and Thinking Skills Unit" was set up to develop critical thinking and communication skills. A total of 457 mid- and senior level UMN and partner organization staff benefited from this programme. A senior administrative assistant for the Staff Association was appointed to facilitate the communication of staff concerns to the leadership.

The Advisory Group on Nepali Women continued to advocate and raise awareness on gender issues. More resources were set aside for Disaster Preparedness, with the appointment of a full-time co-ordinator. The regional co-operation network, "Tri-Agency", welcomed a new partner organization from Sri Lanka. Its activities focused on food security and disaster mitigation in 2001/2002.

The Kathmandu International Study Centre and tutorial groups in Kathmandu and Tansen continued to provide education for the children of expatriate staff.

United Mission to Nepal is a joint effort by 29 Member Bodies and 23 Affiliated Member Bodies from 16 countries "to minister to the needs of the people of Nepal in the name and spirit of Jesus Christ", in close co-operation with Nepali individuals, organisations and government. (Affiliated Member Bodies in italic)

Australia
Church Missionary Society of Australia
Teer Australis

Canada
Presbyterian Church in Canada
United Church of Canada
Pentecostal Assemblies of Canada
Volunteer International Christian Services

Denmark
Dammision

Finland
Evangelical Free Church of Finland
Finnish Evangelical Lutheran Mission

Germany
Church Development Service
Gesner Mission

India
Church of North India
Church of South India
Presbyterian Church Synod, Mizoram
Methodist Church in India
United Evangelical Lutheran Church in India

Ireland
Presbyterian Church in Ireland
Church Missionary Society

Japan
Japan Overseas Christian Medical Cooperative Service

Netherlands
Utrecht

Norway
Norwegian Himal-Asia Mission

Norwegian Pentecostal Mission
Singapore
Singapore Baptist Convention
South Africa
SAAWE
Sweden
InterAct
Swedish Pentecostal Mission

Switzerland
Swiss Friends Mission in Nepal
United Kingdom
Baptist Missionary Society
Church of Scotland
Church Mission Society
Methodist Church, Britain

Teafund

United States of America
Common Global Ministries Board
Evangelical Lutheran Church of America
International Technical Assistance Group
Mennonite Mission Network (USA and Canada)
Mennonite Central Committee
Presbyterian Church (U.S.A.)
United Methodist Church
World Mission Prayer League
American Baptist Church
Maryknoll Sisters
Navigators
Southern Baptist Convention
 Wesleyan World Mission
Multi-national Bodies
Assemblies of God
Interserve
World Concern
South Asia Group

The year 2001 – 2002 will be remembered by many for its darkness, for death and destruction, grief and sorrow, violence and injustice seemed to prevail, rather than peace and harmony. On the international arena the events of September 11 changed the course of politics and the focus of the international discourse. Violence was met by violence and a new war was declared, the war on terrorism. Nepal also saw a worsening spiral of violence and destruction. The conflict between Maoists and security forces changed gears. Thousands of Nepali lives were lost, children became orphans and young wives turned widows. Poverty deepened, and many Nepalis, particularly in the remote areas, sank further into despair and hopelessness.

Small lights, however, can dispense heavy darkness, and we saw many small lights in 2001 – 2002, giving hope for the future! Lives of individuals and communities were transformed throughout Nepal, and UMN had the privilege to be part of that. Despite the security situation, most of our work could continue, as you will see in the pages ahead, often thanks to new creative and innovative approaches. Furthermore, we were very encouraged to see that several of our local partners could continue development efforts at a grass-roots level in locations where UMN could not stay.

At the organisational level, strategic planning for the future was given top priority in the past year. We looked at all aspects of UMN and UMN's work in the light of the changing context of Nepal and trends among our Member Bodies. Seeking God's guidance, we assessed our strengths and weaknesses and analysed opportunities for the future. UMN's Board of Directors reaffirmed UMN's Mission and Vision Statements, and a set of Strategic Directions was identified. They will lead to a significant transformation of the organisation, both in terms of work, culture and structure.

The new Strategic Directions focus on addressing the root causes of poverty, as we seek to understand them, promoting justice and equality, contributing to peace and reconciliation, involvement in relief activities and development of national policies. We will do this in partnership with Nepali organisations, seeking to build their capacity in areas consistent with the above areas of focus. We are looking forward to continuing our positive working relationship with His Majesty's Government of Nepal in the years ahead.

It is with pleasure that I share this Annual Report with His Majesty's Government, and with members of UMN's Board of Directors.

Jennie Collins
Executive Director

Editor: Stefan Osten
Layout: Sudipta Dutta
Cover photo: Stefan Osten
Production: UMN Communications Office

Contents:
New Directions
4
Education
12
Engineering & Industrial Dev.
6
Projects & Partners
8
Rural Development
10
Health Services
14
Resources
17
In June 2002, the United Mission to Nepal identified a set of new Strategic Directions for the organisation. They were the culmination of a participative one-year-long information-gathering and consultative process that included the input of major stakeholders. The Strategic Directions refocus UMN’s work, describing how UMN’s Vision and Mission can be worked out in UMN’s current situation in Nepal, building on UMN’s unique and rich heritage from the past 48 years.

Nepal, along with the rest of the world, is experiencing rapid and drastic change at many levels. It was against this backdrop that the UMN Change Process was initiated. Seven Topic Teams involving expatriate and Nepali staff were appointed to explore issues of importance to UMN’s future. Their reports formed the basis for discussion among the whole of UMN and its stakeholders.

A UMN Programme Review contributed significant learning from past experiences. Furthermore, a Nepal Country Profile was developed, structured around UMN’s Vision for Nepal. This gave valuable insight into the status of different aspects of Nepali society today, and their progress in relation to the vision that UMN has for Nepal. It also looked at HMG/N priorities and policies for the years ahead. An overall conclusion was that infrastructure and coverage of basic public services has improved, and people are living longer. However, in rural areas poverty and hunger have increased. Clearly, the current security situation is hampering progress and adding to the despair experienced by many Nepalis.

Finance
Ten years ago the UMN Annual Report confirmed the strong support between the people of Nepal and UMN’s Member Bodies, as well as other development funding agencies and friends around the world. Again this year the provision of personnel, finance and other support provided a balanced three-legged stool. As the chart shows, strong financial support was received from many countries.

Perhaps for the first time for ten years UMN contracted in size with a 6% reduction in the volume of income received compared with the previous year. Interestingly there are about the same number of active projects as there were ten years ago although in average about 50% larger in size. The reduction is due to closure of projects, some according to plan, others due to the security situation and political uncertainty particularly in the hills.

The largest sector of UMN’s work is health. More than 50% of the gifts and grants received by UMN in 2001-2002 were used for health work. The Rural Development Department accounted for a further 24% and the Education Department for 17%.

All these resources are spent on health and development work in Nepal and do not cover the costs of expatriate workers, who are supported entirely by sending organisations outside Nepal. The total turnover in 2001/2002 amounted to 492 million Nepali rupees (6.3 million US dollars). In addition to gifts and grants from donors, this also included local income, interest and currency gains and other income.

Personnel
United Mission to Nepal’s most valuable resource continues to be its staff. As UMN reduced in size over the past year, the staff numbers decreased to below one thousand. At the end of the financial year, UMN staff included 825 Nepali employees and 112 expatriate visa holders. The expatriate workers were sent by Member Bodies and Affiliated Member Bodies from 17 countries in Asia, America, Europe and the Pacific.

The staff numbers will continue to decrease as UMN moves away from direct implementation of projects, programmes and institutions, to primarily working through partnerships. In 2001/2002, 40 percent of UMN’s expatriate workers were seconded to Nepali organisations through partnership agreements. This percentage will increase over the next few years.
HIV/AIDS counselling. (photo is staged.)

The projects continued their planned work and once again reported on a year of many achievements. The challenge that lies ahead is how their unique and important contributions can be continued under Nepali organisations.

Tansen Hospital had a particularly good year in 2001 - 2002, doubling its income for medical assistance to the poor and raising substantial funds towards the new hospital extension. The development of a co-ordinated Pastoral Care Division helped to strengthen the holistic care offered to patients. The Intern training programme for young Nepali doctors developed further and the Midwifery and Nurse-anaesthesia training courses were much in demand from other organisations.

Similarly, Patan Hospital developed new measures to improve the overall care to patients. For the first time the hospital had a full-time Patient Counsellor and a fully trained Social Worker. A new information and “helping hand” service was set up by youths from a local church. Volume of services continued its upward trend and the hospital was stretched to the limit with record numbers of patients. Outpatient numbers increased 10 percent to 230,000, there was a 70 percent increase in orthopedic patients and hospital deliveries increased to more than seven thousand.

It was a difficult year for the Okhaldhunga Health Project, with deterioration in the security situation in the early part of 2002 and acute shortage of senior staff. Thanks to good community relationships the work of the Community Health Section was not disrupted by the insecurity.

The start of the year was difficult for Ampipal Hospital with UMN withdrawing in September 2001. However, hospital staff and the local community responded positively and decided to keep it open as the Ampipal Community Hospital. The year ended on an encouraging note with a decision in July 2002 by the government to grant it district hospital status. With the establishment of an official status UMN has renewed discussions with the Management Committee as to how UMN can support the hospital.

While there was a reduction in services at Ampipal Hospital the nearby Lamjung Community Hospital became well established under Human Development and Community Services (HDCS). In June 2002 UMN signed a Memorandum of Understanding for mutual co-operation between UMN and HDCS and then seconded a general practitioner to develop the medical work of Lamjung hospital.

**Training**

Training of health workers continued to be a high priority for UMN, in the hospitals as well as through other institutions and programmes. Lalitpur Nursing Campus became the first institution in Nepal to get 100% accreditation from the Nepal Nursing Council. It is now moving towards independent status. The Tansen Nursing School took in its third batch of students and continued to develop its cooperation with Tansen Hospital for clinical training.

The focus of the Rehabilitation Project was to start formal physiotherapy training in Nepal. This finally achieved success with the start of a certificate level course by the Dhulikhel Medical Institute. The project also began a feasibility assessment of developing the Occupational Therapy profession in Nepal, building on existing involvement at the Teaching Hospital through the Mental Health Programme.

In January 2002 two UMN secondees joined the BP Koirala Institute of Health Sciences (BPKIHS) in Dharan, to head its new graduate practice training course. Within just a few months a new postgraduate programme in Family Medicine was approved and underway. In addition they are heavily involved with the hospital, overseeing the outpatient and emergency departments. UMN secondees also contributed to the Institute of Medicine’s Department of Biochemistry and Nursing Campus in Kathmandu.

The outside world is also changing, including priorities among financial donors and UMN Member Bodies who supply expatriate personnel to work with UMN. Their input to the project gave indications of what resources UMN will have access to for its future work.

A large part of UMN’s corporate resources was dedicated to this information-gathering, consulting and analysing work in 2001-2002. It resulted in a set of eleven Strategic Directions.

The first four Strategic Directions concern the areas of work that UMN will focus on in the future: “Addressing Root Causes of Poverty”, “Addressing Injustice”, “Peace and Reconciliation” and “Relief”.

**Focus on poverty**

The number and proportion of Nepalis living in poverty is increasing. Only treating the symptoms is not enough – the root causes must be addressed. UMN wants to contribute to this effort, and work has started on researching and identifying the true causes of poverty. This is a key exercise for guiding UMN’s future involvements.

Injustice and lack of peace are believed to be two of the root causes of poverty in Nepal. Therefore, UMN wants to engage in advocacy to promote justice and equity in Nepali society on behalf of the poor and marginalised, and in peace and reconciliation efforts, including the healing of relationships and the restoration of hope. UMN will also develop a capacity to be involved in specific, time-limited, geographically focused relief activities for people who have suffered directly from conflict or disaster. The relief will be directed towards meeting basic needs in ways that encourage interdependent communities and do not undermine development.

The other Strategic Directions relate to “how” UMN will be involved in the above areas. UMN will primarily work through its partnerships, moving out of direct implementation. UMN will continue to seek partnerships with NGOs, companies, institutions, local government and other organisations involved in addressing the root causes of poverty. This will include legally registered Christian organisations. As a part of the Christian community, UMN wants to encourage and assist others to become involved in development efforts.

UMN’s main input to its partners will be capacity building in areas consistent with UMN’s work. UMN will also seek to continue its contribution to the development of national guidelines, priorities and strategies, building on its experience in particular in the health sector.

The new Strategic Directions imply a major shift for UMN. The transition from the old to the new is in itself a major undertaking. This will take several years to complete, and will be accomplished in a careful, compassionate and orderly way.

The structure and culture of the organisation will need to change to fit the new strategies and a changing environment. UMN will be smaller and more flexible. It will be decentralised, with a reduction of people in Kathmandu and a clustering of people in a smaller number of under-served locations. In addition to mid-hills rural areas, UMN will work in the Terai and in urban areas. UMN will become more focused and involved in fewer areas of work.

The Strategic Directions formed the basis for the development of a five-year Strategic Plan 2003 - 2008, which gives more detail and will guide the organisation through the process of transitioning from the old to the new UMN.
The Education Department continued its efforts to contribute to Nepal’s education sector in 2001–2002, through involvement in non-formal education activities (NFE) as well as formal education at primary, secondary and tertiary levels. The department had to live with much uncertainty due to the security situation, and priorities and activities were adjusted accordingly. Much work could still be accomplished thanks to flexibility and innovative approaches.

The Mugum Education Project continued with many aspects of its planned work, though for some of the year, out-of-district staff could not safely visit field areas. Staff were withdrawn and activities temporarily suspended in December, but thankfully they could be resumed one month later. The training courses provided by the project have been a great success and had a significant impact on participants. There was an amazing zero drop-out rate in all of the NFE classes conducted, and the project was awarded for its fruitful work with a recognition from the District Development Committee.

First books in Mugum
Another major achievement was the development of an alphabet and the publication of the first ever books printed in the Mugum language as well as the first issue of a Mugum newsletter. A Mugum language and culture development NGO was registered with HMGN. The Mugum people is an ethnic minority of Tibetan origin, living in the northern part of Mugum District.

In Daulkhet the NFE project remained as alarming with the prediction that by 2010 it will be the commonest cause of deaths in the age group 15–49 years. The th.net Support Project came to a natural end with the completion of th.net. This ended a long history of formal involvement with the national TB Centre. However the link will continue as UMN hospitals and projects are key players in treatment and control of TB in Nepal.

It was a productive year for the Reproductive Health Coordinator following her return in January 2002. In addition to being involved with many UMN projects, she made important contributions to HMG, the Safe Motherhood networks and other international organisations. This included curriculum development for Basic Essential Obstetric Care and an evaluation of the national Maternal and Child Health Worker programme.

Community Health
Perhaps the greatest achievement of the past year was to find effective ways of working in insecure areas. The community health projects managed to fulfil most planned objectives. Lamjung CHP has been the project affected most by insecurity. The planned phase out from two VDCs had to be brought forward by three months.

The Community Health and Development Project (CHDP) in Palpa finished in April. Tansen Hospital took over part of its work, including the urban Town Clinic, support to MCH activities in Tansen town and support to health posts throughout the district. The hospital now runs very effective maternal and child health and family planning services for the District and these provide excellent training opportunities for doctors, nurses and midwives.

The failure to hold local elections disrupted some of UMN’s community health initiatives in Palpa and Lalitpur. In June 2002 an experienced field coordinator was seconded to the Palpa District Development Committee (DDC) for capacity building and to assist with follow-up in the former CHPD working areas. This work could not be continued as there was no elected DDC Chairman after mid-July. The plans to work in partnership with the Lalitpur DDC had to be put on hold for the same reasons as in Palpa.

Project work continued in Makwanpur despite security constraints and in July the project contributed to relief efforts for families affected by severe landslides. The Nutrition Programme initiated a new district programme in Dhading, partnering with a local NGO. Preparations were begun to start a second district programme in Tanahun District later in 2002.

UMN’s involvement in urban health in Patan continued, and a new agreement was signed with the municipality. The programme extended to cover all 22 wards of the city of Patan. The Education and Environment sections were phased out but Savings and Credit groups continued through a local network and the rehabilitation of wells through a new local NGO.

Hospital work
A Hospitals Steering Committee has been established as the main management body for the UMN hospitals. Much effort was devoted to future planning and in-depth analysis of the factors affecting future success.
The Engineering and Industrial Development Department’s (EIDD) mission is to “meet the basic needs of the people of Nepal by promoting the development and activities of appropriate Nepali organisations, especially enterprises, that will contribute to the Mission and Vision of UMN”. This is achieved through the following strategies:

- Promoting enterprise development
- Developing skills and knowledge
- Developing appropriate technology
- Developing infrastructure
- Supplying professional expertise
- Facilitating funding

EIDD continues to work with partners and in an effort to ensure that the growth of the organisation and of individuals is supported. The network of relationships and friendships has in itself been a catalyst in the fulfilment of organisational aims and challenges.

In 2001 – 2002 EIDD had an average of sixty-eight appointees seconded to ten partners and programmes. They worked at various levels of capacity building in governance, management and technical skills training. Further, this department facilitated funding for a number of programmes such as the work in Jhimmuk Industrial Development Company (JIDCO), based in Palpa District; and research projects in Developing and Consulting Services (DCS) in Butwal, Rupandehi, and Dang.

As the work progressed through the year, EIDD’s partners felt the impact of the security situation in Nepal, along with the rest of the country. The resulting economic depression has meant a lack of investment from both inside and outside Nepal leading to unemployment among those who had employment and no job opportunities for those evacuating from the hills in search of work in urban areas. However, there has been some stability in some of the programmes. Butwal Technical Institute continued to offer a range of courses in vocational training to both genders, and Nepal Hydro Electric was successful in winning a number of large transport-related infrastructure jobs.

The security situation impacted most on the work in Palpa. The JIDCO offices were raided and destroyed by Maoists in April 2002, and the Jhimmuk and Andhi Khola hydropower plants were not available. Fortunately, no one was injured in these events. The work of JIDCO was suspended following the incident. The Andhi Khola Project has been repaired, and repair work is proceeding in Jhimmuk.

The work of DCS was assessed during the year, resulting in a programme of marketing and donor awareness raising. However, a number of factors led to the decision to close the operations at the end of the financial year. A large number of technologies have been developed by DCS over the thirty years of its history. The introduction of biogas plants in Nepal, micro hydro technology, roofing tiles, hydraulic water pumps, are only a few examples of many successful innovations.

The reasons for closing DCS at this point included lack of funding, the security situation, a change in attitude towards how research in development is motivation for working together. Therefore, the impact in people’s lives is expected to continue after projects have phased out, be it for security reasons or according to the project plan.

UMN continues its involvement in Dhading, Ramechhap and Achham through the Partnership Programme, building the capacity of the locally formed NGOs there. This Programme was born in July 2002 through the merger of the former NGO Support Programme and the Nepal Organisations (NOU) Unit. It will initially run as a one-year pilot programme, bringing all lessons on partnership together into one unit. These will be essential for the future, as all UMN work will be carried out through partnerships.

The NGO Support Programme has been working with grass-roots community groups, while the NOU Unit has focused on strengthening Nepal organisations committed to serving others. Nearly forty organisations throughout Nepal benefited from their training and coaching in the past year. An evaluation of the NGO Support Project showed an enhanced capacity of partners in planning and implementation of local activities, and increased recognition of their skills by local government. Two co-operatives in Ramechhap received official recognition by the District Co-operatives Office.
Over the past year the health projects moved into a period of transition in line with UMN’s Change Process. At the same time the projects continued their planned work and once again reported on a year of many achievements. The challenge that lies ahead is how their unique and important contributions can be continued under Nepal organisations. The biggest challenges of the year were insecurity, which affected most projects in rural locations, and shortage of medical staff for the hospitals.

National Policy
The Health Services Department worked closely with HMG at different levels. UMN continued to be represented on the Core Group established by the Ministry of Health to guide its Health Sector Reform Strategy, and was asked to develop a “Hospitals Autonomy Plan”, meaning a new strategy for governance of the different levels of government hospitals. This will be completed during 2002-03.

The Mental Health Programme made further progress in developing a replicable model of community mental health services through the Western Region Mental Health Project. A key event was a workshop in January attended by the Minister of Health and Health Secretary who both expressed their commitment to services for the mentally ill. Mental health now has greater prominence in health sector plans and is included for the first time in a new organogram for the Ministry of Health.

Likewise the Oral Health Programme has been a catalyst for the development of a national oral health programme. Through the year the Project Director was the driving force behind several working groups which culminated in the production of a very detailed draft national strategy.

The Saktiya Unit was significantly involved in the development of the national strategy for HIV/AIDS and is seen as the lead agency in a number of key areas, especially counselling training, and care and support for people living with HIV/AIDS. The scale of the epidemic suspended for most of the year due to the security situation. However, after much pressure and encouragement from local people and helpful visits from UMN management staff, the project restarted in June with a low profile and based in the district centre. Only local staff are working in Duhlā. Work has progressed in the development of forums of local women’s Development Co-operative Groups. These will form an overall representative group, which will register as an NGO. One of the main objectives is to raise the awareness of the importance of primary education.

New NFE materials
The education projects in Mugu and Dailek, as well as a number of other projects within and outside of UMN, have benefited greatly from the training courses and material developed and provided by the NFE Support Office, located at UMN headquarters. Many thousands of pieces of literature were distributed in 2001/2002 and a new book in the “Pipal Pustak” series was published. In addition to material in Nepali, readers in minority languages such as Kaling and Limbu are now being added.

The School Partnership Programme (SPP) in Dailek was suspended most of the year and only minimal activities could take place. The SPP in Syangja, however, produced some great results in changes of attitude and behaviour in the partner higher secondary school in Chilaunebas and in the feeder schools it is linked with. Because of the security situation, however, it was not possible for the two expatriate staff members to live there as planned. They were instead based in Kathmandu and involved in other education activities in addition to short-term visits to Syangja.

The Gandaki Boarding School (GBS) in Pokhara continued to produce graduates with excellent results, including a 100 percent pass rate in the School Leaving Certificate exams, with 98 percent in First Division. In Higher Secondary exams, 90 percent passed with Distinction or First Division. The Gandaki College of Sciences B.Sc results were also excellent.

Teacher training
A teacher training programme, “DALTON”, was organised for government schools in five neighbouring Village Development Committees. This initiative was very appreciated by local government, as the professional expertise of UMN secondees and other GBS teachers had an impact also outside GBS itself. Preparatory work continued for the new Master of Education programme. Unfortunately, its start was delayed from mid-2002 to mid-2003.

NFE student, Mugu.

The Education Department’s Teacher Trainer was much involved in textbook development in the past year – particularly Civics Education – and in training teachers how to use the material and how to train other teachers. A total revision of the grade seven and eight English textbooks for government schools was completed.

Through the Scholarship Programme a total of 112 students received school level scholarships during the year and 59 students received tertiary level scholarships. The scholarship students were all from vulnerable and disadvantaged groups in society.

“Another major achievement was the development of an alphabet and the publication of the first ever books printed in the Magam language.”
The year 2001 – 2002 marked several significant achievements and learning steps in rural community development in UMN.

In November a week-long workshop was organised for all departments of UMN and several partner organisations, focusing on community organisational development. The outcome is of great value for future initiatives in community development. There was consensus on the process called the “six D approach”, defined as follows:
1. Developing relationships
2. Diagnose the situation
3. Define vision, values, goals
4. Decide action plans
5. Do capacity building
6. Draw together (develop networking with other groups and organisations)

A major conclusion was that an empowerment approach to rural community development and organisational development of groups are really one and the same process.

Rural development projects and partners had to adjust their work significantly to the intensified security situation in the past year. The

Ramechhap Community Development Project’s field activities were suspended for eight months. However, several training courses were organised successfully in the district headquarters and field work resumed on a reduced scale in March 2002. The project will be completed in July 2003.

A local NGO has been formed of former project staff, “Community Development Society”, building on skills and experiences they acquired as UMN staff members.

A final evaluation of the Dhading Resource Management Project highlighted several significant improvements in the lives of the marginalised people in the forest user groups with whom UMN worked. Despite changes in community forestry law requiring significantly more technical work and the difficult security situation, the project reached the goal of forming 140 community forest user groups, with good participation of marginalised groups and women. The project phased out at the end of the financial year, but work continues through the staff-formed NGO, “Resource Identification and Management Society”.

The CODE Achham Project unfortunately was forced to close in May 2002, fourteen months earlier than planned, due to violence in the area, including attacks on the project’s offices. The staff have formed their own NGO, “Youth in Empowerment Sector” (YES). They plan to start empowerment and relief work in Achham as soon as the situation allows it.

Community development

The community development projects have focused on awareness and problem-solving skills, giving people and communities confidence, self-reliance and

done, and difficulties in technology implementation. Staff members were encouraged to take on some of the work of DCS, and a number of small enterprises have resulted, in the areas of Micro Hydro, Appropriate Technology, Electronics and Block-making. DCS contributed to these start-up businesses with appropriate assets.

Enterprise support

Other parts of the work of DCS continued under the banner of the Enterprise Support Programme (ESP), including the Mandarin Orange Juice Project and the Cold Storage Project. They are funded for another year to test the business case for future work. In addition to helping business births from DCS, ESP has tested a number of models in entrepreneurship, paving the ground for future initiatives in the area of enterprise support.

Developing skills and knowledge along with appropriate technology has been the focus for the partnership with Kathmandu University (KU). Significant input was given to student projects resulting in a practical outworking of theoretical training. This is seen as an essential part of the learning experience. The project work culminated in a display at the KU annual exhibition, KUPEX. A number of the projects won University prizes for their efforts. Research work through these projects and other work has been linked with demonstration projects in remote area communities. Significant implementation of improved cooking stoves, sanitation and solar related devices has resulted.

A network has developed with a number of EIDD partners with respect to Pico Hydro Power. This is the provision of electricity at low power outputs in the range of 200W to 5kW. Research has been completed, mostly in Nepal Hydro and Electric, to prove the technology and make it appropriate for Nepal. This has included demonstration projects in remote areas. A very successful workshop was co-ordinated by EIDD to share information and learning among the Pico Power network and the technology is seen to have huge potential impact in the provision of power for light in isolated rural communities. This will increase safety in the home, reduce consumption of fuel wood and bring an increase in general standard of living as a catalyst for further development.