It gives me great pleasure to bring to you the annual report of the year 2019. This report will give our readers a comprehensive understanding of Heifer’s program approach, goals and achievements till date. As Heifer International Nepal steps into 22 year of service, we can proudly say that we have been a part of 259,818 small holding families in 43 districts to help them achieve an annual livable income to pursue self-reliance and resilience.

Heifer is guided by its Theory of Change and a Value Based Holistic Community Development (VBHCD) approach to work in the rural farming smallholder women to lead Nepal to achieve the goal of milk and goat meat self-sufficiency. The second phase of Strengthening Smallholder Enterprises of Livestock Value Chain for Poverty Reduction and Economic Growth (SLVC II) project has been capitalizing on the gains made by the first phase and is working towards the aim of increasing the annual income of the farming families by 72% and reach NPR 557,000 annually.

This year, smallholder goat farmers sold 148,569 goats to the formal market out of which 47% (70,757 goats) were sold through cooperatives generating USD 12.6 million.

This year also Heifer pursued tying up with various bank and financing institutions to bring ease in the access to finance for the rural small holder communities of Nepal. Innovative ideas such as Branchless Banking and the Kisan Credit Card will be playing a valuable role in bringing much needed finance to the farming community to start-up / grow and expand their enterprise. As we collaborate with four municipal governments for the establishment of modern Abattoirs, we hope to support the government of Nepal towards implementation of the Animal Slaughterhouse and Meat Inspection Act of Nepal (1999).

As we near the end of 2019, we are hopeful that our work will bring much desired increase in income, nutrition, care for the Earth and end hunger and poverty. Like always, this year too has been committed to put into action our brand values and commitment to serve the small-scale farmers.

Finally, I am taking this opportunity to extend my gratitude towards all donors and stakeholder without whom these achievements wouldn’t have been possible.

Dr. Shubh N. Mahato
Country Director
### TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>About us</td>
<td>1</td>
</tr>
<tr>
<td>Market System Development in Livestock and Dairy</td>
<td>3</td>
</tr>
<tr>
<td>Climate Smart Agriculture</td>
<td>6</td>
</tr>
<tr>
<td>2019 In Figures</td>
<td>8</td>
</tr>
<tr>
<td>Access to Finance / Capital Deployment</td>
<td>11</td>
</tr>
<tr>
<td>Digital Technologies in Agriculture</td>
<td>11</td>
</tr>
<tr>
<td>Research and Development</td>
<td>12</td>
</tr>
<tr>
<td>Active Projects</td>
<td>13</td>
</tr>
<tr>
<td>Heifer Project Nepal (HPN) – LSE</td>
<td>14</td>
</tr>
<tr>
<td>Heifer Cornerstones for Just and Sustainable Development</td>
<td>15</td>
</tr>
<tr>
<td>Financial Statement</td>
<td>16</td>
</tr>
<tr>
<td>Major Donors</td>
<td>17</td>
</tr>
<tr>
<td>Collaborating Partners</td>
<td>17</td>
</tr>
<tr>
<td>Implementing Partners</td>
<td>17</td>
</tr>
</tbody>
</table>
About us

With the gift of high yielding, improved breeds of cattle, sheep and pigs for cross breeding along with the parent stock of poultry, Heifer international entered Nepal in the year of 1957-58. Formally it began its operation in Nepal with the first community development project entitled “Baruwa Goat Raising Project” in Gitanagar of Chitwan and today with more than 22 years of experience Heifer International Nepal has been able to reach more than 259,818 families and has transformed their livelihood with a focus on livestock development programs. These families have been organized into 11,000 Self Help Groups (SHGs), 227 Social Entrepreneur Women Cooperatives (SEWC) and 3 District Unions.

The long-term country program strategy (2012-2023) aims to bring 500,000 families from a state of poverty and vulnerability to sustainability and resilience through their engagement in competitive, sustainable and inclusive goat and dairy value chain enterprises through the Values Based Holistic Community Development (VBHCD) Approach. It aims to reduce the goat imports by 50% and dairy imports by 25%. Heifer has worked in 43 districts and with more than 100 local Non-Governmental Organizations as local partners in implementation and along with collaboration with civil society, private sector and academia. Heifer closely works with Ministry of Agriculture, its departments and local bodies.

Main Strategies, Area of Focus and Value Chains

Envisioning farmer owned enterprises to be the force of ending hunger and poverty, Heifers project interventions nurture, feed, develop and guide cooperatives to accelerate engagement and profitability of smallholder livestock producers in meat and dairy value chains. An in-depth market system analysis has surfaced ample opportunities in various stages of the selected value chain. The projects will address current bottlenecks and constraints in the market system creating additional benefits for all value chain actors. A sustainable inclusive market system development will result in moving the families to the living income and resiliency.

Core Value Chains

Heifer International Nepal’s SLVC II project is a Pro-Poor Wealth Creating Value Chain prototype at scale. The project is primarily based in meat goat and dairy value chains and advances back yard poultry and vegetables as subsidiary value chain. The project contributes to scale up the enterprises of the participating farmers. The project enhances access to improved technology to the farmers which will enable the farmers to increase their scale and efficiency of enterprise operation.

In case of goats, the average number of does per household is targeted to increase by 71% from 3.5 (2017) to 6.0 by 2021. Adoption of the package of recommended practices (technology) is targeted to contribute to reduce the goat kid mortality by 50%. The average weight of marketable male goats is targeted to be 35 kg (18% increment) and 20 kg for females (43% increment). Through collective action (cooperatives), the bargaining power of the farmers increase to ensure a fair price. By this, the sales income from goat will be increased by 190%. The value addition (abattoirs) will contribute to the profitability in the value chain.

Similarly, the average number of dairy animals is targeted to be increased by 25% (from 2 to 2.5) with 95% increase in milk yield (lit/lactation period) and 146% increase in income from milk. The average area under vegetable cultivation will be
increased by over 25% with adoption of improved technology, thereby increasing productivity and income.

SLVC II positions Heifer as Global leader and Expert in the Goat value chain. The establishment of improved market systems and infrastructure creates additional opportunities for the farmers to scale up the enterprises as well as engage in further value addition activities. The investment throughout value chain creates market opportunity, while business development services (BDS) creates more space for enterprise growth and ultimately increased income.

The project promotes the Cooperative Business Hub Model that enables accessing critical business development services within the framework of the value chain through inter-organizational linkages between the producers, buyers and service providers. The business approach supports farmer organizations to define how they do business with their clients based on the understanding of buyers’ needs and market requirements.
Market System Development

Heifer Nepal has been working since 1993 to empower smallholder farmers and increase their participation in the market as potential producer. The farmers face numbers of barrier concerning productivity which hinders their possibility to extract benefits. Heifer Nepal has been engaging in identifying such constraints or barriers in the market system to unravel economic opportunities for the poor farmers.

Smallholder farmers in Nepal with limited land and resources are restricted to subsistence farming and thus trapped in poverty. Many such poor farmers aim to increase their farm product, access the market and break the cocoon of poverty. Unfortunately, there are numbers of issues in supply and demand side that doesn’t provide an environment for those poor farmers to scale up.

Heifer Nepal’s engagement in goat production and productivity was critical in understanding the barriers that limited the farmers’ production. During the early phase, piloting of some benchmark interventions like improved shed, improved feed, improved breeds and improved vet services was instrumental in achieving the outcomes.

Building an Inclusive Livestock Production System

An inclusive Livestock production system is the one where smallholder farmers are able to participate as the producer. Heifer Nepal has supported in establishment of 227 SEWCs where smallholder farmers are incorporated to build capacity and grow their farm enterprise while the cooperatives provide numbers of business development services. This has enabled smallholder farmers to increase their investment in livestock, grow their flock size and participate in the livestock market system.

“"In 2019, smallholder farmers in the project area sold 148,569 goats”"

Increased Access to Vet services through Community Agrovets Entrepreneurs

Availability of animal health service is critical for livestock producers and sometimes a limiting factor. Lack of such health service will impose risk to livestock during disease outbreaks and disasters which smallholders may not
be able to recover. Heifer Nepal promotes Community Agrovets Entrepreneurs through training, capacity building and equipment support so that vet services are available locally. This has enabled farmers to increase the quantity as well as quality of Animals in their farm.

“Till 2019, 312 CAVEs have been trained and mobilised to provide service to farmers”

Promoting the Fodder Value Chain as an Enterprise

Fodder and Forage resource centre has always been a constraint for growth of livestock farming. Heifer has initiated strategy to establish fodder and forage resource centres locally where farmers as individual entrepreneurs has started fodder enterprise in their private as well as leased land. Cooperatives are able to provide services, inputs and collective marketing of fodder.

Promoting Resource centre for Breeding animals

The project Community Initiative Genetic Improvement of Goats (CIGIG) was successful to promote production of genetically superior seed goats for its further multiplication and contribute to increasing productivity. The project piloted with 2 resource centre enabled goat breed improvement in the participation of the community members. To upscale the successful model, 3 additional resource centre are promoted for breeding animal in western Nepal. This will contribute to breed improvement hence increasing production and productivity for farm entrepreneurs.

Aggregation through Collective Marketing

One of the major systemic constraint in enabling smallholders to sell their livestock at a fair price is the lack of access to market where traders were practicing informal bargaining and door-to-door collection resulting low price to the farmers. Heifer Nepal through the cooperatives promoted collective goat marketing where smallholder farmers will sell their goat through the cooperative after aggregation or bulking in a live weight measurement system. Cooperatives will link with the traders with a fair price based on negotiation so that farmers will be able to receive better price. This has ensured standard price for livestock and increased the profits for the smallholders and at the same time reduced risk of hastily selling goat to informal traders.
Collective marketing in Dairy has benefitted farmers with dairy animal in increasing their yield as well as income. Heifer Nepal has supported 24 cooperatives till date with chilling vats where collective marketing creates business for the farmers.

Collective Marketing in Vegetables is also practiced in Salyan and Dang through cooperatives which have increased business for local farmers.

Heifer Nepal applies the market system development approach in Livestock, Dairy, Vegetable and Poultry to facilitate market linkages, achieving lasting changes and increase economic opportunities for the poor smallholder farmers.

**Promoting the Expansion of Milk Market System**

Heifer Nepal has supported in establishment of 24 Milk collection center which has enabled expansion of milk market system in Nepal. With support from Heifer Nepal, Social Women Entrepreneur Cooperatives have extended their services for Milk collection through establishment of Milk collection centers.

“In 2019, 135 cooperatives carried out collective marketing selling 70,757 goats.”

“In 2019, Dairy farmers sold 73,248 litres of milk per day.”
Public Private Producer Partnership for Abattoir Development

Heifer Nepal has collaborated with four municipal governments of Pokhara Metropolitan city, Biratnagar Metropolitan city, Butwal Sub-Metropolitan city and Kohalpur Municipality for the establishment of four modern abattoirs as required by the Animal Slaughterhouse and Meat Inspection Act of Nepal (1999). Heifer Nepal is piloting Public Private Producer Partnership (4P) model where the public sector will invest in establishment of the abattoir infrastructure as a part of its social responsibility of ensuring the availability of hygienic meat to its citizens. The private investment comes from producers and meat entrepreneurs through their investment companies which will establish a private company with the majority of the shares owned by the investment companies of the producers. The private companies will manage and operationalize the abattoirs. Till date, the municipal and provincial government have allocated US$ 3 million for infrastructure, and producer and meat entrepreneur’s investment companies have committed US$ 2 million as equity for the development of the modern abattoirs.

The 4P model will ensure fair market for the producers and entrepreneurs also generating revenue from the abattoir that will go back to these shareholders. The abattoir will generate consistent demand of goats for the smallholder producers which is expected to boost the meat consumption market in the country. Heifer Nepal has leveraged more than 4 Million USD in public, private and producer investment to promote abattoir in Nepal.

Climate Smart Agriculture

Climate change increases challenges for food security as women and men farmers are already facing the consequences. Farming communities needs to understand climate change and its consequences and increase capacity to adapt and build resilience towards the uncertain future so as to continue their livelihood. Climate Smart Agriculture practices enable farming communities to reduce stress on water, land and ecosystem by adjusting existing agriculture practices and ensuring sustainable production, productivity and income.

Heifer Nepal has been promoting some best approaches and practices in agriculture and livestock which has strengthened traditional agriculture to Climate smart agriculture.

Empowering Smallholder farmers

Smallholder’s farms are far more environmentally friendly than a big commercial livestock farm. Livestock production in small holders consumes less resources such as land, water, energy, as well as other inputs, such as nutrients. Moreover, integrating livestock and agriculture increases the efficiency of a farm and reduces the environmental impact by recycling manure and reducing food waste.

Promoting Fodder production and zero grazing

Heifer Nepal has extensively promoted high quality nutritious fodder and forage species which has contributed in controlling grazing and reducing deforestation and degradation which contributes to climate change mitigation. Also, replacing less nutritive grasses with higher yielding and digestible forages improves quality of feed while reducing enteric Greenhouse Gas (GHG) emission from Livestock at
the same time increasing animal productivity. Fodder plantation has huge positive impact in retaining vegetation cover, improving natural habitat, maintaining microclimate, reducing soil loss, increasing water holding capacity of soil and sequestering carbon biomass. Also fodder plantation inside forest increases vegetation layer thus increasing carbon sequestration per unit area.

Livestock Insurance

Insurance is the best adaptation policy when the impact of climate change in livestock is increasing. It further ensures that farmers apply practices to reduce certain risks to disease outbreak with vaccination and health management and at the same time enables farmers to recover from loss by sharing the risk. Insurance helps to build resilience and bounce back in case of loss and disasters. Heifer promoted SEW Coops provide livestock insurance as one of the main business development services to farmers. A total of 106 SEW Coops have received livestock insurance agent training and are currently providing livestock insurance services to smallholder farmers. Heifer has been facilitating these cooperatives to liaise insurance agents and its members most of whom are goat farmers for a better understanding, coordination and to maintain accountability between both the parties.

Drip Irrigation

Heifer has been promoting Drip Irrigation since 2016 for Vegetable farming where water availability is limited. Drip Irrigation is highly water efficient technology to maintain adequate soil moisture with minimum input, less labor and reduced damage. It enables farmers to grow their crops with limited water availability and increasing the availability of different vegetables for their home consumption and even sell for income. In areas with dry climate and less water availability, drip irrigation has enabled farmers to increase vegetable production even during off-season and hence improving their nutrition. As a consequence of climate change, water availability is expected to be decreasing while demand increases, thus use of water efficient technologies will enable farmers to sustain their production as well as income.
2019 In Figures

43 Districts reached

29 districts in 2019

11,000 Self Help Groups (SHGs)

227 SEW Cooperatives

312 CAVEs

93 Vet Tech

11067.85 Ha Fodder Plantation

259,818 Families Reached
Marketing of Goat

- 135 SEW Cooperatives are engaged in collective marketing
- 183 Collection centres
- 282 collection points
- Bulking has reduced the transaction cost and benefitted both the producers and buyers

- Live Weight measurement has ensured fair price and more profits per goat for the farmers

- 148,569 Total Goats sold in the market
- 70,757 Total Goats sold through Cooperatives
- USD 12.6 million Total amount generated by from sale of goats

Collective Marketing of Milk

- 24 Milk Collection Centres
- 73,248 litres sold daily

Capital Deployment

- 15 SEWCs provide Branchless Banking
- Subsidized Interest Rates and Mostly Collateral Free Loans
- 2.6% - 7.5% interest per annum

- 4 million USD disbursed
- 25.2 million USD committed
- 68 cooperatives engaged
- 14 BFIs involved

fund disbursed by Coops

- 13.7 million USD loan disbursed by 227 Coops from its own fund
Barsha Pump for Irrigation

Heifer has piloted Barsha Pump technology in 4 different sites where the water availability is limited but the production potential is high enough. Installing Barsha pump enabled farmers to resume vegetable production which were otherwise fallow due to lack of irrigation facility. It has directly contributed to increase the yield and income along with helping farmers to cope with drought or water stress. In addition – it has contributed to reduce the use of fossil fuel (diesel) for irrigation pumps. Thus, smart technologies are used to promote climate smart agriculture in areas with limited water availability.

Animal Breeding

Selective Animal Breeding is a strategy to increase productivity, replacing large unproductive animals and thereby reducing resource consumption as well as emission. Selective Breeding and cross breeding enable farmers to identify more resilient breeds and take advantage over adaptation, food security and mitigation. Heifer has successfully facilitated goat entrepreneurs to practise selective breeding and cross breeding which has enabled them to produce most resilient and productive breeds of animals. This has ensured higher profits per animals while reducing risks from climate change and disasters.

Organic Farming

Heifer promotes organic production in home gardens aiming for safer nutrition and healthy environment. We have been providing training on botanical pesticides, composting method and use of composts in farming, utilization of animal wastes (fodder and dung) in farming after composting. Furthermore, adoption of mixed cropping, green manuring, agro-forestry system, companion cropping, crop rotation according to the crop calendar, integration of legumes with other non-legumes are being practiced by heifer supported families at different scales. These practices are helping farmers to understand climate change, reduce its consequences and practice adaptation techniques for homestead food production.
Access to Finance / Capital Deployment

Heifer Nepal believes that by improving access to finance, the farmers will increase investment choices in agricultural produce and develop effective tools to manage and reduce risks.

Heifer has been facilitating financial linkage between Banks and Financial Institutions (BFIs) and Heifer supported cooperatives. The main objective of this model is to complement one another in areas of mutual interest, and, in particular, to increase deployment of capital in the goat, dairy, vegetables and backyard poultry sector.

In this model, cooperatives play a key role by providing corporate guarantee to the banks and package services to their loan needing members. This includes loanee selection and recommendation to banks, preparation of documentation required to apply for these loans, collection and deposit of loan amounts in bulk (repayment of loan), monitoring of loan utilization, as well as assisting banks in recovery of loan in case of default.

Heifer Nepal has been working with 14 financial institutions and is successful in establishing MoU with 7 commercial Banks to achieve the objective to increase access to finance for farmers. This collaborative effort will broadly benefit the whole sub-sector, but concentrated efforts is conducted in Heifers’ respective project areas within Nepal.

Digital Technologies in Agriculture

In recent years, Heifer Nepal has successfully introduced several digital technologies to enhance agriculture practices, input, services and market linkages. These technologies are developed as prototypes and adopted in a small scale where it is tested before it can be upscaled. Information and Communication Technology (ICT) has been embedded in multiple sectors which enables its use in agriculture in more effective ways. Farmers have access to mobile technologies and internet to some extent which brings the access to such technologies. This has high potential to increase access to services, promote market linkages, practice fair pricing, maintain and validate quality products while saving time and resources in more effective ways.

1. Samuhikbajar.com (an online marketplace) : Heifer Nepal launched an online trading platform for marketing agricultural produce, the first-of-its-kind online business-to-business market under Samuhikbazar(dot)com in partnership with Pathway Technologies. It acts as a bridge between traders and self-help groups, coordinated by cooperatives to market commodities produced by the farmers in a collective manner. The website also provides business-to-business (B2B) platform where farmers’ surplus, and buyers’ demand for crops and livestock, are advertised and traded. The online portal can connect producer smallholder farmers to buyers directly and ensure fair market price.

2. Kisan Credit Card : Heifer Nepal has collaborated with Machhapuchhre Bank Limited, an A class commercial bank to introduce Kisan Credit Card (Farmers card) which provides a credit limit of NPR 400,000 (USD 3540 approx.) to farmers in 14 districts. The farmers can access the credit service based on Kisan Credit Card from any Branchless Banking counters of Machhapuchhre Bank. This service will increase access to finance for smallholders and encourage them to invest in agriculture.
3. Virtual Collection Centre (VCC app) - Virtual Collection Center is a mobile based app which keeps a record of sellable goats in any locality and allows farmers to be contacted to sell their product at a fixed date and time. This app is especially valuable for local farmers because many Nepalese villages are scattered over difficult, hilly terrain. Before, farmers walked for hours to take their goats to the nearest market without assurance of getting a good rate or even making a sale. Currently, members of cooperatives are using the app to access to the traders.

4. Feeding Support Tool (FST app) - Feeding Support Tool is a mobile based app which helps farmers calculate the least cost to feed a combination to reduce production costs while maintaining optimal animal health. Livestock farmers using the app has experiences increase in body weight of meat goats and milk yield in dairy animals increasing their benefits while improving the animal well-being.

Research and Development

‘Designing and Evaluating Innovations for Development of Smallholder Female Livestock Cooperatives in Nepal’ project is supported by USAID/Feed the Future Innovation Lab for Livestock Systems at the University of Florida. It aims to improve income of smallholder goat farmers through improving goat productivity and better market linkage. For productivity enhancement, interventions on feeding improvement had been planned, the on-station trials at NARC stations have been completed with recommendations of legume and non leguminous fodder combination for winter and summer months and concentrate at 1% of BW for significantly better daily growth and higher economic return. For increasing women VAHWs and providing better services at doorstep, the government approved VAHW course has been digitized and 58 women trained under hybrid distance digital learning approach and is being compared with traditional VAHW training, in terms of competences and satisfaction of services provided to the clients. Similarly for improving market linkage and goat sale, a virtual collection center mobile app has been developed and deployed in some of the cooperatives.
Active Projects

1. **Strengthening Smallholder Enterprises of Livestock Value Chain for Poverty Reduction and Economic Growth in Nepal II (SLVC II)**

   **Project Duration:** Oct 2017 – Sept 2021
   **Project Number:** NP3159
   **Project Location:** Jhapa, Morang, Siraha, Dhanusha, Mahottari, Sindhuli, Sarlahi, Rautahat, Bara, Chitwan, Dhading, Nuwakot, Nawalparasi, Rupandehi, Kapilbastu, Arghakhanchi, Palpa, Tanahu, Kaski, Baglung, Parbat, Gulmi, Lamjung, Pyuthan, Dang, Banke, Bardiya, Surkhet, and Salyan districts

   SLVC II focuses on the meat goat and dairy value chain, connecting smallholder producers to end markets. Aiming to bring goat meat and milk/milk products from farm gate to the plate in an efficient manner, this project intends to scale up enterprises of participating farmers by introducing new technology along with an increased access to finance and business development services such as input supply, technical support, market, insurance, etc. The project will benefit 125,000 families directly and 350,000 families indirectly in 30 districts of Nepal. Capitalizing on the gains made by SLVC I, it will demonstrate the synergistic relationship between social capital development and market engagement as envisioned by Heifer.

2. **Strengthening Smallholder Enterprises of Livestock Value Chain for Poverty Reduction and Economic Growth in Dhading District of Nepal**

   **Project Duration:** July 2017- June 2021
   **Project Number:** NP3157
   **Project Location:** Dhading District

   The project aims for economic growth, improved livelihoods, and food and nutrition security of smallholders through their engagement in inclusive goat value chain enterprises. The project addresses issues of production and marketing by strengthening smallholders’ stake in the goat value chain. The project intends to integrate input supply, production systems, core market actors and the enabling environment for a sustainable, inclusive goat value chain. Target groups of this project are 1,300 families, 52 SHGs, 1 cooperative and 3 Community Agro-vet Entrepreneurs (CAVEs) in Dhading district.

3. **Designing and Evaluating Innovations for Development of Smallholder Female Livestock Cooperatives in Nepal**

   **Project Duration:** Oct 2016 – Sept 2020
   **Project Number:** NP3153
   **Project Location:** Morang, Mahottari, Sindhuli, Sarlahi, Rautahat, Chitwan, Dhading, Nuwakot, Nawalparasi, Rupandehi, Kapilbastu, Arghakhanchi, Palpa, Tanahu, Kaski, Baglung, Parbat, Lamjung, Pyuthan, Dang, Banke, Bardiya, and Surkhet districts
This research project’s agenda focuses on the development and evaluation of innovations in management of producer cooperatives, training of Community Animal Health Workers, and the production of animal feed and forage, addressing the key constraints in goat meat production. The project aims to design, implement and rigorously evaluate highly innovative and potentially transformative interventions to improve goat value chain functionality in rural Nepal. The project is supported by USAID/Feed the Future Innovation Lab for Livestock Systems at the University of Florida.

4. Strategies to Increase Milk Consumption among Children in Rural Nepal

Project Duration: Jan 2019 – Sept 2020

Project Number: NP3162

Project Location: Dang, Surkhet and Bardiya

This research project aims to assess the relationship of milk production and consumption of milk by children in rural households of Nepal which is related to the growth and development of children. The research project is based in three districts: Dang, Surkhet and Bardiya where a total of 200 dairy animal keeping households where the intervention of previous project “Improving Dairy Animal Productivity and Income of Dairy Farmers through Effective Control of Mastitis Disease” was conducted will be included in the project. Thus, theoretically, these households have maximized milk production. The project will be conducted with awareness of the seasonal nature of milk production. The project is supported by USAID/Feed the Future Innovation Lab for Livestock Systems at the University of Florida.
Heifer Project Nepal (HPN) – LSE

HPN is a sister organization of Heifer International Nepal established in 1996 with a mission to end hunger and poverty and restore the environment through partnership with local stakeholders and national and internationals organizations/institutions. HPN aims at benefitting participating communities by helping them become food secure and attain a quality of life through sustainable livelihoods development based on agriculture and livestock farming.

HPN’s objective is to alleviate hunger and poverty, increase knowledge and skills and bring about ecological restoration in partnership with other people, associations and institutions.

<table>
<thead>
<tr>
<th>Active Projects</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smallholder Female Livestock Cooperatives in Nepal</td>
<td>On going</td>
</tr>
<tr>
<td>Comparative Study on Carcass Yield of Nepali and Indian Meat Goa</td>
<td>Completed</td>
</tr>
<tr>
<td>Evaluation of Feeding Support Tool in Goat Feeding Management</td>
<td>Completed</td>
</tr>
<tr>
<td>Banke Goat Business Center</td>
<td>Completed</td>
</tr>
<tr>
<td>Development of Abattoir</td>
<td>On going</td>
</tr>
<tr>
<td>Establishment of Community Initiatives for Genetic Improvement of Goats (CIGIG) in western Nepal</td>
<td>On going</td>
</tr>
<tr>
<td>Simplified Digital Finance Service</td>
<td>On going</td>
</tr>
<tr>
<td>Strengthening Capacities of Model Goat Entrepreneurs Through Student Engagement</td>
<td>On going</td>
</tr>
<tr>
<td>Poultry and Goat Value Chain Financing in Jhapa</td>
<td>Completed</td>
</tr>
</tbody>
</table>
Heifer Cornerstones for Just and Sustainable Development

The essential values we apply to our projects are called the Cornerstones for Just and Sustainable Development. Cornerstones stimulate group wisdom and personal insights and keep people's ears, minds, and actions balanced, focused, and productive. Using the cornerstone as a framework, project participants develop the attitudes, behaviors, and skills necessary to improve their own lives and gradually transform their communities. Together, these values form the acronym PASSING GIFTS, echoing the quintessential trademark practice which is unique to Heifer. The combination of personal leadership along with cornerstone is to let participants see how their own personal values connect to that of the project.
## Financial Statement

### Statement of Activities

**For the year Ended 16 July 2019 (31 Ashad 2076)**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues, Gains and Other Support</strong></td>
<td></td>
</tr>
<tr>
<td>Revenue-Related Party</td>
<td>369,297,093</td>
</tr>
<tr>
<td>Other</td>
<td>502,210</td>
</tr>
<tr>
<td><strong>Total Revenues, Gains and Other Support</strong></td>
<td>369,709,304</td>
</tr>
<tr>
<td><strong>Expenses and Losses</strong></td>
<td></td>
</tr>
<tr>
<td>Livestock &amp; Freight</td>
<td>1,111,990</td>
</tr>
<tr>
<td>Horticulture &amp; Freight</td>
<td>4,431,219</td>
</tr>
<tr>
<td>Agriculture Equipment &amp; Supplies</td>
<td>8,899,344</td>
</tr>
<tr>
<td>Travel and Vehicle Operations</td>
<td>36,461,893</td>
</tr>
<tr>
<td>Training</td>
<td>59,063,377</td>
</tr>
<tr>
<td>Technical Services and Evaluation</td>
<td>71,486,739</td>
</tr>
<tr>
<td>Personnel and Benefits</td>
<td>135,384,712</td>
</tr>
<tr>
<td>Offices Expenses and Services</td>
<td>28,819,700</td>
</tr>
<tr>
<td>Depreciation Expenses</td>
<td>5,702,518</td>
</tr>
<tr>
<td>Other Program Field Expenses</td>
<td>8,917,937</td>
</tr>
<tr>
<td>Expenses Related-Party</td>
<td>415,493,305</td>
</tr>
<tr>
<td>Foreign Exchange Loss/(Gain)</td>
<td>322,526</td>
</tr>
<tr>
<td><strong>Total Expenses and Losses</strong></td>
<td>402,151,261</td>
</tr>
<tr>
<td><strong>Total Change in Net Assets</strong></td>
<td>(32,441,957)</td>
</tr>
<tr>
<td><strong>Net Assets, Beginning of Year</strong></td>
<td>31,288,956</td>
</tr>
<tr>
<td><strong>Net Assets, End of Year</strong></td>
<td>(1,153,001)</td>
</tr>
</tbody>
</table>

### Statement of Financial Position

**As on 16 July 2019 (31 Ashad 2076)**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>48,357,082</td>
</tr>
<tr>
<td>Accounts Receivable and Other Advance</td>
<td>1,666,920</td>
</tr>
<tr>
<td>Advance to Projects</td>
<td>3,469,441</td>
</tr>
<tr>
<td>Prepaid Expenses and Other Assets</td>
<td>873,732</td>
</tr>
<tr>
<td>Property and Equipment, net of accumulated depreciation</td>
<td>13,032,842</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>67,300,017</td>
</tr>
<tr>
<td><strong>Liabilities and Net Assets</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>39,642,067</td>
</tr>
<tr>
<td>Accrued Expenses</td>
<td>28,810,951</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>68,453,018</td>
</tr>
<tr>
<td>Net Assets - Unrestricted</td>
<td>(1,153,001)</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td>(1,153,001)</td>
</tr>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td>67,300,017</td>
</tr>
</tbody>
</table>

**Expenses based on Functional Allocation**

- 88% Total Programmatic Expenses
- 12% Total Administrative Expenses
Major Donors

Bothar Foundation
GALVmed
Seoul International School
USAID
University of Florida
Tufts University

Collaborating Partners

Agriculture and Forestry University
Agriculture Development Bank
Department of Livestock Services
Everest Bank Limited
Himalayan Bank Limited
Himalayan General Insurance
International Fund for Agricultural Development
International Red Cross Society
Laxmi Bank Limited
Machhapuchhre Bank Limited
Ministry of Agricultural and Livestock Development
Ministry of Land Management, Cooperatives and Poverty Alleviation
National Co-operative Bank Limited
National Dairy Development Board
Nepal Agricultural Research Council
NLG Insurance Company Limited
NMB Bank Limited
Rastriya Banijya Bank
Sakchyam- Access to Finance
Sana Kisan Bikas Bank Limited
Shikhar Insurance Limited
Siddhartha Insurance Limited

Implementing Partners

Abhiyan Nepal
Bheri Environmental Excellence Group
Bhimpokhara Youth Club
Environment Protection and Community Development Center
Forum for Community Upliftment System Nepal
Himalayan Community Development Forum
Integrated Rural Development Society
Jan Jagaran Youth Club
Mount Everest Social Development Organization
Nepal Integrated Rural Development Center
Prayash Nepal
Rural Economic Development Association
Rural Women Development Center
SAHAMATI
Sondhuli Integrated Development Service
Social Development
Sundar Nepal Sanstha
Tharu Women Upliftment Center
Women Group Coordination Committee