Contents

Karunafoundation

"Saving Children From Disability, One by One"

2011 : A year full of Rewards and Realizations

Our strong commitment and intention for 2011 was to make it the year of success. And, it was a year of success in terms of improving the lives of children with disability, in preventing disability among children, in strengthening existing health services, and in developing a sustainable community-based health care model that incorporates prevention and rehabilitation strategies.

We have improved the lives of more than 200 children with disability, along with the lives of their families. We have reduced the risks of having a newborn child with disability. Patient flow to the sub/health posts has increased remarkably, reflecting that basic health care services in the villages have definitely improved. And, our Share & Care program is getting closer to financial sustainability. Karuna Foundation is at the frontline of the implementation of community-based health insurance and community-based rehabilitation practices in Nepal. All of this makes us proud, and gives us motivation and strength to continue our mission.

However, during the past year we also realized that the structure, management and accountability within the Share & Care program were not functioning as we had expected under the responsibility of the Health Facility Management Operation Committee. Their functioning depends too much on the Karuna staff. And, membership enrollment into the insurance scheme is still not at the desired level due to a lack of awareness, a lack of education, extreme poverty, geographical difficulties etc. Our focus in the coming year, therefore, will be more on building capacity of our partners in the community, as well as on raising awareness and education among the community. From 2012 on, a different modality and structure will be used for the implementation of Share & Care. Basic health care and prevention will be provided through the Sub/Health Post as per the responsibility of the Government. The other components like community based health insurance, livelihood and community based rehabilitation will be implemented through local cooperatives in the villages.

In 2011, we initiated the Childhood Disability Prevention and Rehabilitation Program, a new strategy which focuses solely on Karuna Foundation's mission, and which complements the health and disability policies of the Government of Nepal. This program started its activities in late 2011, after signing agreements with the Village Development Rehabilitation Committees in 7 villages of Rasuwa and Sunsari in order to meet the crucial requirement of local resource mobilization. It seems promising in terms of having an impact on the lives of many children with disability and their families, and saving many others from disability.

Our Training of Professionals program has completed its three year cycle. Responsibility has been handed over to the District Health Office of Sunsari and Kavre districts, who have committed to continuing the prevention projects in all 145 villages of the two districts.

We improved a lot at the institutional level. We proved ourselves a learning organization. During a conference in Amsterdam in October 2011, we won the Dutch public award for the best learning moment in development cooperation with the case "To stop is an option." In 2010, due to the complete lack of leadership and ownership among the communities, which meant the absence of any possibility for a successful sustainable program, we had to take the painful and difficult decision to stop our Share & Care intervention in one of the first pilot villages. Unexpectedly, this decision has lead to a more proactive and responsible spirit on the part of the leaders of the surrounding villages. Thus, the award.

Another achievement is the cooperation with the Dutch FEMI Foundation, also initiated by a businessman. FEMI assigned Karuna Foundation to conduct a feasibility study of the Share & Care concept for a village in Tanzania. This research gave us more insight and understanding into factors critical for success and the internal and external requirements to implement Share & Care. It helped us in improving our model.

The Step Forward Foundation, a Dutch Foundation initiated eight years ago to support the rehabilitation of Nepali patients with spinal injury belonging to poor economic background, decided to hand over its activities and relationships to Karuna Foundation. Nearly 60 patients have got the chance to live a new life with this support. In August 2011, Karuna Foundation Nepal signed an agreement with the Spinal Injury Rehabilitation Centre. Through this partnership, poor patients from all over the country get the necessary support for their rehabilitation. This partnership means an extra benefit within the Share & Care health insurance package.

In addition, Karuna Foundation Nepal, together with Creating Possibilities and the Nepal Academy of Fine Arts organized an inspiring and innovative art event at the Basantapur Durbar Square to create awareness about the strength, rights and position of children with disability. It was inaugurated by the Honorable Ambassador of Norway and attended by many press representatives and the general public. Many artists supported the event through their expressive paintings. This event has been filmed and also published on our website.

Although we feel very proud of all these successes, we regret not yet having been able to improve the lives of all the children with disability. Some of the cases are very challenging: Parents are reluctant to seek or accept any support. Some children have multiple and complex disabilities and it is nearly impossible to improve their situation in the present context of Nepal. We also regret not being able to reach the poorest of the poor in the communities where we work. Even though we invested in livelihood activities for the poorest, we know there are still many families who cannot afford to be a part of the program. And it is always painful to realize that in our project areas there are unavoidable cases of children who couldn't be saved from disability. For these reasons, our strong commitment is and always will be to save children from disability, ONE BY ONE, to improve the lives of children with disability, ONE BY ONE, and to reach the poorest of the poor, ONE BY ONE.

2012 will be the last year of our first pilot phase, and we will be preparing for the next phase. This year, we will focus on the quality of the work in the villages and on documenting the evidence of our work's impact on the communities. Our team and our stakeholders in both countries will discuss the findings. The result will be a well thought out, clear, and sound expansion plan for the next four years.

This year is full of challenges for us, and therefore very exciting to all of us! We can only continue this mission with the trust, support and efforts of our donors and partners, for which we are very thankful.

Lastly, I would like to express deep gratitude towards the founder of Karuna Foundation, René aan de Stegge, for his continuous trust, support and inspiration.

Betteke de Gaay Fortman

General Director

Following the Footsteps of Time

Three years have passed since our first Year Book in 2008. This is the fourth Year Book we are bringing out! And, we now reflect on what we have committed to in the previous three Year Books and evaluate what we have achieved so far.

The first year book, in 2008, shared the common vision that we had developed: reaching pregnant women, children with disability, along with their families, and mobilizing the community in the highest possible way to create a community owned, sustainable and effective program. In that year, we built the structure, and learned a lot.

In 2009, we put all of our effort towards strengthening and nourishing what we envisioned in 2008. We were able to collect information on children with disability and their needs. We scaled up the community health system so that basic health services and facilities could serve more people in a better way. The programs we had initiated were moving towards sustainability, and community ownership was taking shape. In 2009, we received significant support from within and outside Nepal. Our association and partnership with Impulsis (ICCO) and Women for Women are some examples of this.

2010 was quite challenging in many aspects: new issues were emerging in the project areas; the level of coordination required was not sufficient, and so on. Despite these issues, we were marching ahead, lead by the guiding principles "learning by doing" and "The Blue Guideline". Finally the programs were taking shape: Share & Care was emerging; Training of Professionals proved to be successful by establishing some concrete facts and figures; and Community Based Rehabilitation also created its visibility by recording individual profiles of children with disability and interventions made by the project.

The team accepted 2011 as a year of challenges. We committed ourselves towards making Share & Care a standard and structured model. The phase-out process of Training of Professionals was also planned. The next aim was to make 2011 a year of success. We really tried our best and we can now claim that our efforts have been fruitful, although we have many more miles to move ahead.

As a part of our decision to create a structured and standard model, we had set three major indicators of sustainability. Firstly, financial sustainability, which balances income against expenses. Second, delivery of service, where interrupted services are resumed, access to services is increased and quality of service is ensured. Third, sustainability of management, where the structure is transparent and the system has accountability. Of these goals, we have been able to create financial sustainability, and we have been able to resume and strengthen service delivery and make it accessible to the majority of the population. Quality service delivery, however, is still a challenge. Regarding sustainable management, we have been able to

foster the management capabilities of the Health Facilities Operation and Management Committees; train the in-charge of local health facilities and build leadership. But the results are not up to par.

The successful partnership with the public structure—health service mechanism of the Government of Nepal—is a unique achievement.

In the past year, we were not able to establish consumer committees or users groups in our project areas because we lacked expertise, and we could not give it the time it needed. In 2012, we believe that we will create effective mechanisms in project villages to mobilize and educate community members on their health rights, and increase economic activities to include marginalized families.

A Rapid Assessment Survey of the Share & Care project was conducted by an independent researcher. The Ministry of Health and Population, together with GiZ (Deutsche Gesellschaft für Internationale Zusammenarbeit), also conducted an assessment of selected Community Based Health Insurance initiatives in the country, under which two of our project villages were also assessed.

Our other program, Training of Professionals, has been able to demonstrate praiseworthy impact and is highly appreciated by District Health Offices. Now the District Health Offices are in the process of internalizing it within their systems.

In terms of Community Based Rehabilitation for children with disability, 219 children from different age groups, socio-economic status and types of disabilities have directly benefited from Share & Care projects in the year 2011. Now they live a better life, with the knowledge of relevant programs, facilities, legal provisions and opportunities available to them. Families are more open towards accepting their children with disability as a part of their regular lives.

We have introduced a new project, 'Childhood Disability Prevention & Rehabilitation,' targeting children with disability and their families. Our aim is to create a successful prevention program. Initially, it also could not take the desired pace because of external factors in the project areas. Now, the project is in full swing and moving ahead with a trained and competent team. About 238 children with disability have been registered whereas all the pregnant women are being listed and supported through this program.

The news coverage and the feedback we received in the conferences, workshops, trainings and meetings we participated in or hosted, is evidence of Karuna Foundation's strong presence in Nepal and in Holland. As a mark of recognition of Karuna Foundation Nepal's work, the Country Director of Karuna Foundation has been elected to the Steering Committee of the Association of International Non-Governmental Organizations.

Few friends left the organization to pursue academic goals and other career opportunities, and we have added some new competent members to our team. The understanding and collaboration with Head Office in Holland is also very strong and unique.

To self-evaluate is not an easy job but we do evaluate ourselves as effective change-makers, and we are proud to be members of this team. This has become possible due to the support and inspiration from every stakeholder involved. We are grateful to the communities with whom we work; the Village and District Development Committees, the District Health Office, the District Administration Office, the District Women, Children and Social Welfare Office, the Ministry of Health and Population, the Ministry of Women, Children and Social Welfare, development organizations, the media, and every individual associated with us. We are inspired to move towards excellence, and we are excited to go further, beyond all limitations.

Deepak Raj Sapkota
Country Director

Karuna Foundation: Introduction

Karuna Foundation, established in 2007, is a dynamic young development organization based in Arnhem, the Netherlands. Karuna Foundation Nepal is registered as an International Non-Governmental Organization in Nepal, the country where nearly all of its projects are presently being implemented.

Vision

Karuna Foundation believes in a world in which each individual, with or without disabilities, has equal access to good-quality health care, can lead a dignified life, and can participate as much as possible in community life.

Motto

"Saving children from disability, one by one!"

Mission

Karuna Foundation strives to decrease the number of birth defects and disabilities among children in developing countries by improving existing health systems and empowering communities and vulnerable groups within these communities, such as children with disability, mothers and newborns, to develop their capacity to claim their right to healthcare. Karuna also works to improve the quality of life of children with disability, and their families.

Strategies

Over a five year period—starting in 2008—Karuna Foundation will set up better health services from existing local health institutions; stimulate community participation and responsibility through its Share & Care project; train health workers to prevent avoidable disabilities by developing their own prevention projects; facilitate treatment and extra care for children with disability; and, lobby to include the needs of children with disability into the national policy.

Goals

Through these strategies, in the period 2008-2012, Karuna aims to achieve 5-10 percent less birth defects among newborns; 30-40 percent less children developing disabilities caused by illness, accidents or malnutrition; a sustainable access to improved health services for 50,000 people; access to education, financial support and community life for 500 children with disability, and their families; and, a proven successful, sustainable and replicable health care model.

Projects implemented by Karuna Foundation Nepal

Project 1: Share & Care

(Scaling up Essential Community Health Services and Awareness Raising Activities for the Prevention of Avoidable Disability - Share & Care)

Share & Care is a community based, entrepreneurial program where the community shares the health risks, responsibilities, and cost of improved health services. It is based on the idea that community participation and ownership in management and finances eventually leads towards community empowerment. It aims to prevent avoidable disabilities, improve the lives of children with disability in their own communities and provide sustainable health services by linking existing health structures with the nearest tertiary care provider.

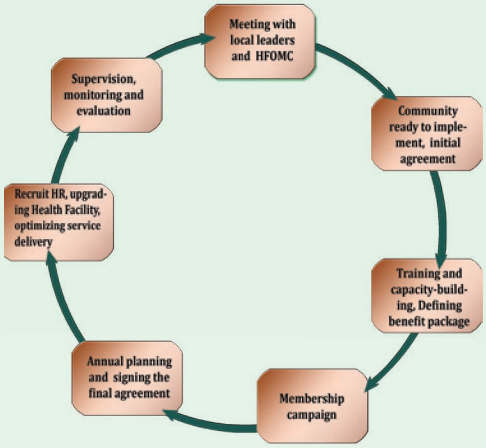
Agreement signing at Bhaluwa, Sunsari

The community owns and manages the Share & Care program through Health Facility Operation and Management Committee (HFOMC) which is a formally constituted body responsible for operating, managing and regulating local health facilities. The Health Facility Operation and Management Committee leads in planning, financial contribution, implementation, management, monitoring and evaluation of the program with the support of the District Health Office, District Development Committee, and Karuna Foundation Nepal. Karuna Foundation Nepal participates financially according to initially agreed limits on initial investment and in 50 % and 30% of operation cost in the first and second year of the program respectively with continued technical support for next two years.

The six major components of Share & Care:

- Preparation and Readiness: Discussion of the concept with the community (including local political and opinion leaders), Agreement on the idea and initial agreement, Annual planning workshop, and Agreement;
- Organizational Development and investment in infrastructure: Management training to the HFOMC, Training and capacity-building of committee and staff, including administration and financial management and additional human resources; Infrastructure development: Expanding and renovating existing health care facility buildings with mobilization of local resources, establishment of laboratories, and support for basic equipments.
- Community Based Health Insurance (CBHI): Awareness raising activities on CBHI, membership campaign, supply of additional drugs beside those in the free drugs program, lab services, life insurance, and further medical referral.
- Health Promotion & Childhood Disability Prevention: Awareness raising activities, health camps, establishing and strengthening birthing centers, strengthening PHC/ORC, strengthening safe motherhood initiations.
- Community Based Rehabilitation (CBR) for Children with Disability: Following the WHO CBR Matrix and Guidelines in livelihood, empowerment, health, education, and social sectors.

- Community Based Entrepreneurship (CBE): Livelihood schemes for marginalized families, enhancing local entrepreneurship, promoting local traditional skills and exploring new opportunities in the local level.



Implementation process for Share & Care project

Share & Care was implemented in Mechchhe VDC of Kavre and Hansposa VDC of Sunsari districts in August, 2008, as a pilot program, with the aim to develop a sustainable and replicable model. The program has since been expanded to more villages and now is running in four villages in Sunsari: Bhokraha, Madhesha, Aurabani and Bhaluwa; two villages in Kavre: Mechchhe and Chapakhori, and a village in Rasuwa, Syafru.

This year, the program was received enthusiastically in its first year of implementation in new villages of Sunsari. Agreement and planning was done in two phases: the initial agreement with the villages, and then the final agreement between Karuna Foundation Nepal and the Health Facility Operation and Management Committees. Membership enrollment and mapping of children with disability was completed before the final agreement, allowing the program to be based on actual ground of beneficiaries and budget available in the community. One of the new VDCs crossed its target for membership enrollment. In the year 2011, a total of 2,114 families in seven different villages directly benefitted from Community Based Health Insurance and livelihood, and many other families benefitted from upgraded health services.

Meeting of livelihood group in Sunsari

We have succeeded in empowering the Health Facility Operation and Management Committee, and in increasing community participation, local resource generation and mobilization, Community Based Health Insurance membership enrollment, and rehabilitation of Children with disability. Our experience shows that strong commitment and effective leadership by local people is the backbone of success in any developmental effort.

Effectively managed, quality health service delivery and financial security ensure sustainability of the Share & Care project. Additionally, attitude and behavior of health workers, enrollment of members, and regular monitoring and

review are crucial. By optimally mobilizing local resources, and by solving obstacles that come their way during the implementation of projects, community members have shown that they can solve any kind of problems. Proper opportunity and assistance for children with disability to develop skills make a great difference in their lives. Prevention of disability and community based rehabilitation are integral parts of Share & Care. Though we have achieved results on treatment, assistive device, scholarship distribution, social inclusion, and raising awareness, we still need to strengthen our work on prevention of disability through Share & Care.

Health education was one of the major activities carried out regularly in the community. Considering that prevention work still needs improvement, we are planning to start a pregnancy registration program, known as the Shubhakamana Karyakram, from 2012.

Community Based Health Insurance, helps in reducing financial risk caused due to health problems in the community by developing risk-pooling system from rich to poor and healthy to unhealthy people. This is the tool we have used to reach our mission of saving children from disability, One by One and to ensure ownership and sustainability of the program.

Share & Care: Achievements 2011

S.No.	Indicators/VDCs	Madhesha	Bhokraha	Bhaluwa	Aurabani	Syafru	Chapakhori	Mechchhe
1	Health Promotion and Child Disability Prevention							
1.1	Ward Level Health Education	6	5	4	5	0	2	0
1.2	Health Camp	2	2	1	1	0	1	1
1.3	School Health Education	3	2	1	4	1	0	0
2	Community Based Health Insurance							
2.1	Total number of households in Village	1,209	3,204	953	1677	485	555	1,218
2.2	Total number of target households	600	750	400	600	231	300	450
2.3	Total Member Households	452	315	415	394	164	154	220
	New membership distribution	129	206	415	394	97	22	0
	Renew membership	323	109	NA	NA	67	132	220
	Drop out membership	233	342	NA	NA	121	98	50
2.4	Marginalize family inclusion (through subsidy and livelihood)	33	36	NA	33	31	14	0
2.5	Life Insurance claim Number	9	1	1	1	0	0	0
2.6	Referral service	259	50	43	51	8	33	1
2.7	Lab service utilisation							
	Number of Members	413	46	37	0	129	NA	NA
	Number of Non Members	120	56	2	0	110	NA	NA
2.8	Total Patient flow	13,756	16,195	7,365	14,815	5,244	3,963	8,061
	Members	6,864	2,931	2,394	1,290	1,432	3,206	5,455
	Non members	6,892	13,264	4,971	13,525	3,812	757	2,606
3	Livelihood							
3.1	Families Supported (Number)	52	36	36	45	31	14	NA
3.2	Total Investment (NRS)	580,000	365,000	300,000	297,000	229,400	100,000	NA
3.3	Total Collection (NRS)	356,428	189,435	NA	76,315	37,904	34,516	NA
3.4	Total Saving (NRS)	27,560	15,270	NA	12,082	19,000	1,451	NA
3.5	Skill Development Training	0	1	0	0	0	0	NA
4	Upgrade Health Facilities							
4.1	Support to the birthing centre	1	1	1	1	0	1	0
4.2	Strengthen PHC - ORC	0	2	1	0	0	1	0

Challenges:

Stationary distribution to CWD, Chapakhori, Kavre

With lessons from past experiences and an improved approach, we will continue the program in 2012. Few challenges still remain for us to overcome. Accountability and responsibility on the part of the Health Facility Operation and Management Committees, and making them capable of owning and leading the program to the desired level remains one of the major challenges we face. While some Health Institution In-charges have led the program exceptionally well, a few continue to take the program as an extra burden and seek high monetary benefits for every involvement. And, though we have been successful in improving health services and increasing its access to a wider population, delivery of quality health care services is still a challenge to us. The difficulty in enrolling all the households of a program village into the Share & Care program, high expectation and difficulty in management of referral services, and in continuing the motivation and enthusiasm among the volunteer Health Facility Operation and Management Committee members, the expectation of tangible benefits like physical infrastructure and equipments, and sometimes the lack of hope shown by family members of children with disability regarding the possible change in their lives are other challenges that we face.


HFOMC Training, Chapakhori, Kavre

In 2012, we will focus on building the capacity of our partners in the participating communities, and on raising awareness and education. Also, starting from this year, a different modality and structure will be used for the implementation of Share & Care. Basic health care and prevention will be provided through the Health Institution under the responsibility of the Government. The other components of community based health insurance, livelihood and community based rehabilitation will fall under the responsibility of consumer committeess in the villages.

Share & Care: Moving Towards Financial Sustanaibility (Recent completed agreement year period)

Indicators/VDCs	Madhesha 1st Year	Bhokraha 2nd Year	Syafru 2nd Year	Chapakhori 2nd Year	Bhaluwa 1st year (Running)	Aurabani 1st year (Running)	Mechchhe 3rd Year
Income							
Total	3,103,921	4,106,171	1,183,365	1,990,397	2,231,784	1,987,793	879,302
Opening from Previous Year	-	336,658	425,819	(76,943)			517,108
Community generated income from local resources	1,233,114 (40%)	1,797,508 (48%)	546,504 (72%)	369,836 (18%)	863,924 (39%)	759,585 (38%)	254,994 (70%)
Membership (CBHI)	652,425	346,200	164,200	63,859	508,600	398,300	122,500
Other Sources (VDC, DDC, DHO, others)	580,689	1,451,308	382,304	305,977	355,324	361,285	132,494
KFN Contribution	1,870,807 (60%)	1,972,005 (52%)	211,042 (28%)	1,697,504 (82%)	1,367,860 (61%)	1,228,208 (62%)	107,200 (30%)
Investment	586,496	877,862	17,450	564,396	548,810	674,808	
Running	861,611	529,654	193,592	1,033,108	518,325	252,625	107,200
Livelihood	400,000	362,110	-	100,000	300,725	300,775	
Other Partnership Activities	22,700	202,379	-	-			
Expense							
Total	2,390,698	3,428,724	1,007,150	1,630,618	1,791,071	1,616,483	609,705
Investment	1,268,915	1,215,544	372,540	764,396	1,222,611	1,178,219	-
Running	1,025,466	2,003,064	634,610	866,222	564,467	436,035	609,705
Other Partnership Activities	96,317	210,116			3,993	2,229	
Present Balance (Including last year's saving)	713,223	677,447	176,215	359,779	440,713	371,310	269,597

Share & Care in Bhokraha: A Case Study

Bhokraha village, located at the south western part of Sunsari district has 3204 households with population of 25,000. The community is composed of diverse caste group which are Muslim (29%), Koiri(23%), Jhagar(13%),Yadav(9%) and others. People of this village aren't only economically or socially backward, but also backward in education and health. The village is poor in infrastructure, water and sanitation facilities though it is just at a distance of 5 km from the district headquarter. Majority of the population (Nearly 60% of the total population) are below poverty line. (KFN Baseline Report, 2009)

Start of Share & Care:

Health Education in Bhokraha, Sunsari

In Bhokraha, Karuna Foundation Nepal started Share & Care project implementation through the Health Facility Operation and Management Committee in 2009 after consultation with and getting consensus from the local political and opinion leaders, and social activists. Bhokraha has completed two years of Share & Care project period in 2011 and is now running the program in the third year. The Health Facility Operation and Management Committee collects and mobilizes resources from household contribution, the District Health Office, the District Development Committee, the Village Development Committee, and other resources to run the program. Karuna Foundation Nepal participated financially with agreed initial investment, 50% and 30% running cost in the first and second years respectively and in the third year, Karuna Foundation Nepal will participate with block grant incentive as a reserve fund for the future and for the motivation of the committee.

Community Based Health Insurance is a part of the Share & Care program to ensure financial sustainability and ownership of the community. Each household needs to contribute pre defined amount per year for ensuring their family's health to protect against financial risks due to health problems. This entitles them to receive defined benefit packaged services for a year. For the cases which are in need of tertiary care, BP Koirala Institute of Health Sciences (BPKIHS), Dharan has been linked to as a referral centre for the members of Community Based Health Insurance. The improved health care service is managed and delivered to the community and rehabilitation services provided to the Children with Disability.

Community Based Rehabilitation is an integral part of Share & Care. One CBR Worker has been hired by the Health Facility Operation and Management Committee who looks intensively after rehabilitation of the Children with Disability ensuringactive participation of their families. To ensure the reach of economically marginalized population to the program, livelihood program is implemented which not only makes them able to join Share & Care program but also improves their economic status.

Reflecting back the previous two years of the program, we have been working with a total of 111 Children with Disabilities of which10 are rehabilitated, two children having left the residence we are now working with 99 Children with Disabilities. Medical treatments, assistive devices support is almost completed and social rehabilitation continued, empowerment, inclusion and support for education, and physiotherapy regime is in place through the program. 10 families of Children with Disability are enrolled in the Livelihood

program for uplifting their economic status. In the first year 164 and 451 families in the second year were covered under Community Based Health Insurance. Thirty-two economically marginalized families have been enrolled in the livelihood program in two years. Similarly increase in institutional delivery (average 25 deliveries in the birthing center per month), increase in antenatal and postnatal check up of pregnant mothers, increase in health service utilization by mothers and community in general has contributed to the prevention of avoidable disabilities.

Challenges:

The program has its success factors and challenges too. Maintaining motivation level of members of the Health Facility Operation and Management Committee who are volunteers and are key players to implement Share & Care in their village is one of the major challenges. In general, the motivation and commitment of the committee members seems very high at the beginning but goes down gradually while the Share & Care program demands more involvement, sincerity and commitment as it grows. Few families not being able to participate in the Community Based Health Insurance Scheme because of poverty is another. Implementation of Livelihood scheme has addressed the challenge to some extent though. Reaching to the mass where illiteracy has a high prevalence is another issue to deal with. Perception of the community that development is responsibility of the government and development agencies is another to deal with. Community is following "learning by doing" approach but only two years have passed; community is still struggling to make balance between benefit package and contribution.

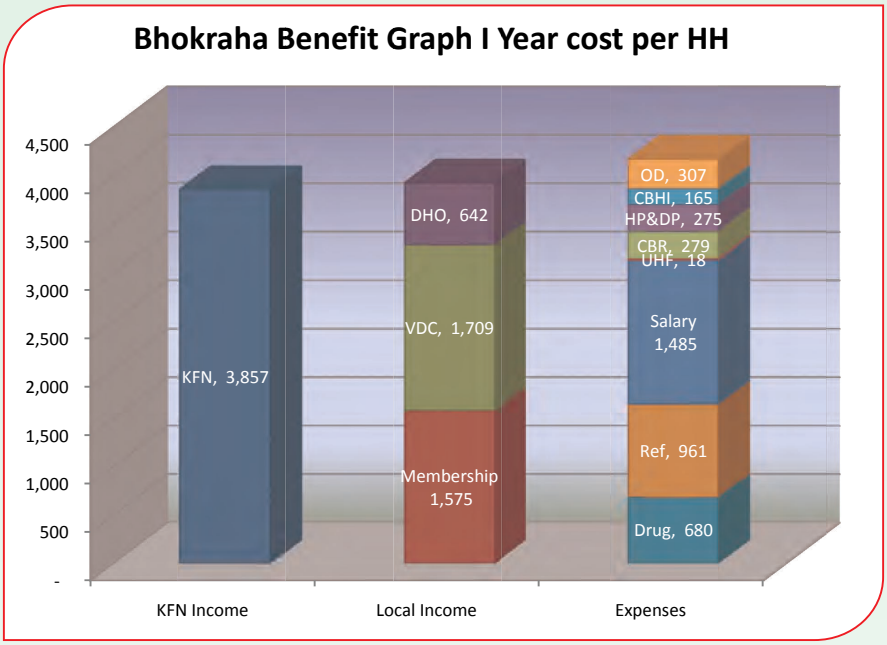
Basically, future of Community Based Health Insurance program depends on quality of services provided by Sub Health Post and behavior of health staffs which depends on the management of the program by the Health Facility Operation and Management Committee.

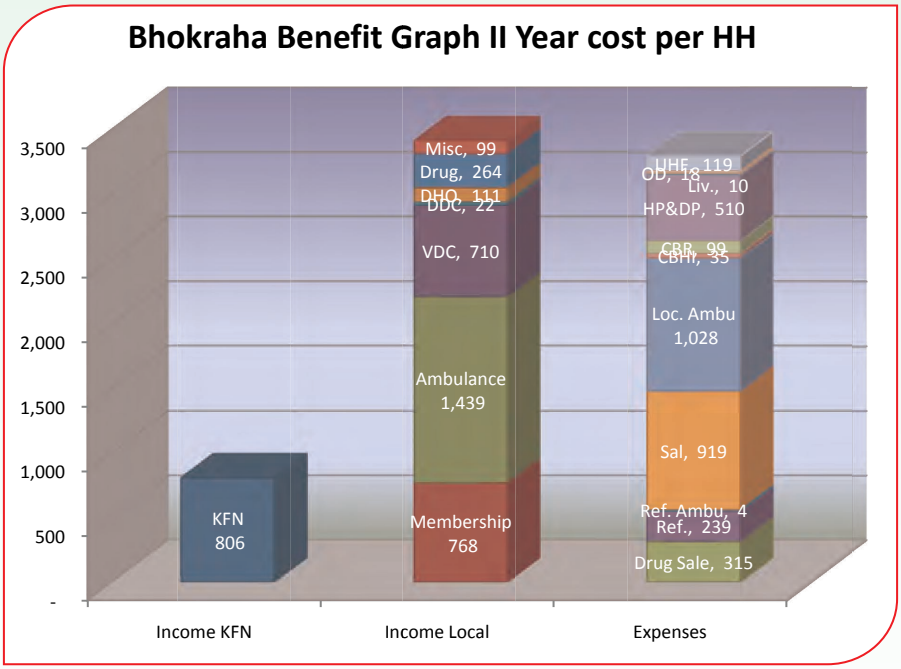
Future:

At present the facts and figures show that Bhokraha village can be a successful Share & Care VDC. The major success factor comes from the fact that the program is owned by the community under strong leadership of the Sub Health Post In Charge in mobilizing the committee and managing health services. The Health Facility Operation and Management Committee members are sincere on their roles and responsibilities. Strong coordination and good understanding among the committee members, working as a cohesive team has its share in the successful implementation of the program. The Project has become integral part of the annual plan of the VDC (Village Development Committee) and VDC is participating financially in the program every year. Increasing trend of Community Based Health Insurance membership, together with delivery of health services to many non-members, improvement in quality of life of Children with Disability, establishment of birthing centre in the health institution, ambulance service, increasing trend of income, generating local resources, NRS 1 million (10.000 Euros) saving at the end of second year of the program are the key indicators of success in Bhokraha.

After completion of second year of program in 2011, the third year's plan is prepared by the Health Facility Operation and Management Committee with no need of any financial support from Karuna Foundation Nepal;they are self sufficient which indicates that they are already financially sustainable. Enrollment in Community Based Health Insurance (1st year- 165, 2nd year- 451 and 3rd year-509) is increasing each year which proves that community people are internalizing the issues gradually which leads to sustainability of the program by decreasing the risks. But, there are still a large number of households not enrolled in the program. Awareness and education can help extend the enrollment massively. Large number of enrollment leads to stronger solidarity in the community. Prevention of avoidable disability and Community Based Rehabilitation of Children with Disability has become an integral part of the program there by benefitting Children with Disability and their families. The present statistics (as shown by the achievements, financial status) suggests strong present and future of the program in this village.

In the graphic below, it can be seen that the costs of the insurance package per household are not exceeding the income per household. Furthermore the costs on the different items can be analyzed.





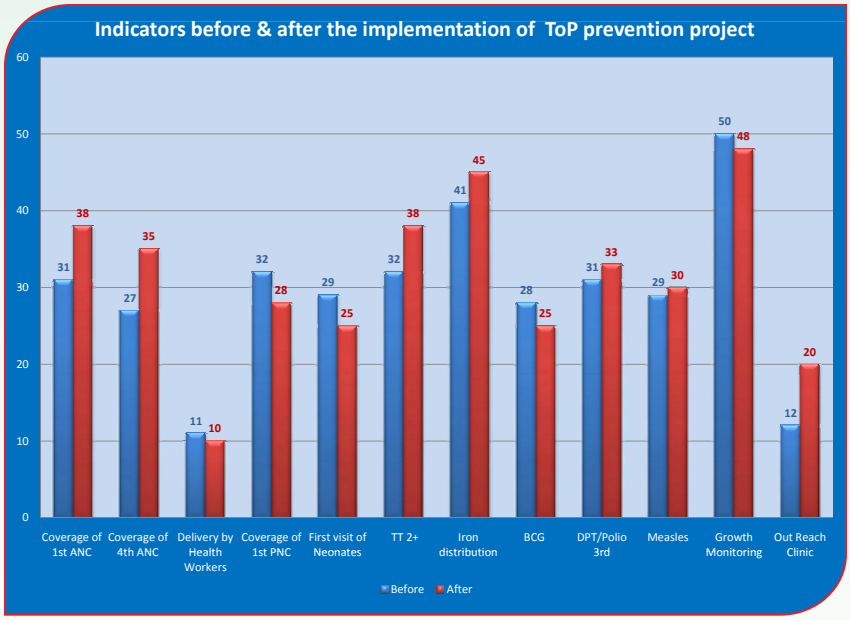
Acronyms - KFN: Karuna Foundation; VDC: Village Development Committee Grant; DDC: District Development Committee Grant; DHO: District Health Office Budget; Misc: Miscellaneous; Ref.: Referral; Ref. Ambu: Referral Ambulance; Sal: Salary; Loc. Ambu: Ambulance Local; HP&DP: Health Promotion and Disability Prevention; Liv.: Livelihood; OD: Organization Development; UHF: Upgrade Health Facility

Project 2 : Training of Professionals [ToP]

Training of Professionals aims to develop professional competence of community-level heath workers to meet community health care service delivery needs. The training focuses on strengthening skills in prioritization, project planning, resource mobilization, and reporting and extending service accessibility through analyzing the situation.

At the end of the workshop, health workers develop a prevention project for their local health institution, which is then endorsed by the Health Facility Operation and Management Committee before it is implemented. Karuna Foundation provides a seed fund of NRS 20,000/- (200 Euros) to each Health Institution for the implementation of the project. Integrated supervision with the District Health Office is done to assess the progress of the prevention project. Participation of the Health Facility Operation and Management Committee during supervision and on-site feedback, annual review of the prevention projects and awards to the best performing health institutions are part of the evaluation of the prevention projects and their implementation.

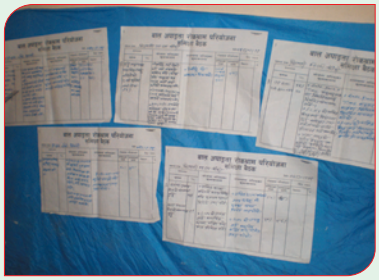
In the year 2011, supervision and review of prevention projects planned and implemented in 2009 & 2011 was done. A total of 14 projects have been implemented, 26 health professionals trained, 32 institutions supervised through integrated supervision, in coordination with the District Health Office (DHO), and 10 health institutions rewarded with additional seed money of NRs 10,000 (100 Euros) for effective implementation of planned projects, local resource mobilization, and for improving the health indicators. In addition, 42 institutions have reviewed their plans to assess the achievement of the projects and to re-formulate their plans for 2012 and beyond.



Compilation of implemented projects in three districts in the period 2008 - 2011

This brings the total number of trained health workers in prevention of disabilities from 150 Health Institutions in 3 districts–Kavre, Sunsari and Rasuwa–to 457. Health Institutions have used the seed money in the activities like strengthening the Primary Health Care – Out Reach Clinic (PHC-ORC) for extension of services, and strengthening birthing centers. They have also mobilized local leaders and resources like Village Development Committee (VDC) grants. The recording and reporting system has also been

strengthened. New buildings have been constructed with the initiation from the Health Facility Operation and Management Committee. In institutions where ante natal checkup was never done at before the ToP intervention, antenatal care services, growth monitoring, treatment, family planning and health education services have been running through PHC-ORC regularly after the training.



ToP Prevention Projects developed by health workers during ToP workshop

As seen in the chart, most of the indicators have improved as a result of childhood disability prevention projects planned and implemented by the Health Workers. The graph also shows decline in trend of few vital indicators: Post Natal Check up, Neonatal visits and BCG vaccination because of institutional delivery in other birthing centers or hospitals. The analysis suggests lapses in recording system in the health institution, e.g. institutional deliveries out of the local health institution including neighboring health facilities and other hospitals was never recorded in the local health institution thus showing a decrease in institutional delivery. Thus, the importance of improving the recording system was learnt and recommended to the health institution.

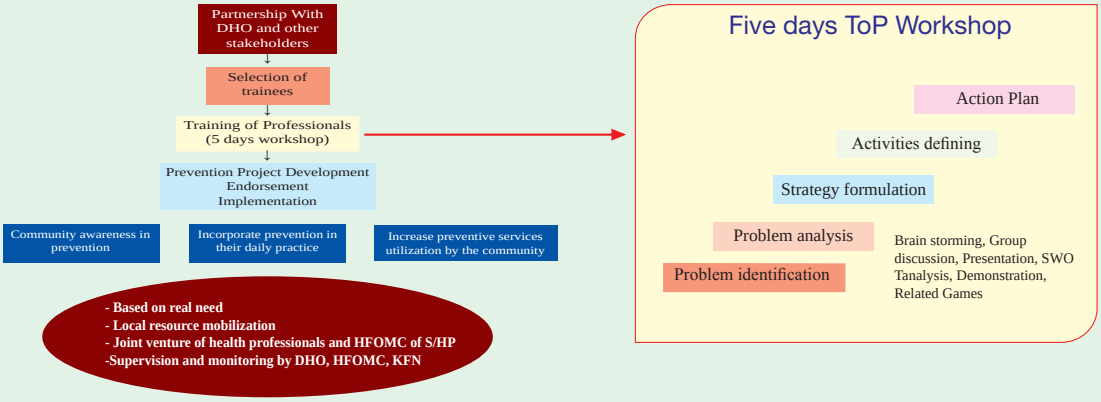
FCHV felicitation

As concluded by many researches, antenatal, intra-natal, post-natal and early childhood are the periods when disabilities occur most often, or conversely, when measures taken to prevent disability are most effective. Thus, those health indicators of prenatal care (antenatal visits, iron intake and tetanus toxoid vaccines), intra-natal and postnatal care (delivery, postnatal care and Vitamin A intake), early childhood care (immunization, growth monitoring, neonatal care), where we made significant changes demonstrates Training of Professional's (ToP) contribution to our mission of saving children from disabilities.

In 2012, ToP will be continued with limited number of activities that could support the supervision of the health institutions, and will strongly incorporate existing prevention projects into the regular health system. Additionally, Karuna Foundation Nepal will support very few institutions seeking infrastructure support that have been awarded for their outstanding performance in 2011. Furthermore, ToP and its innovative prevention component will be merged with our new project 'Childhood Disability Prevention and Rehabilitation'.

"Health workers at the Kharelthok Sub Health Post in Kavre District said that after getting inspiration from Training of Professionals, additional NRS.75, 000 (€ 750) was supported from the Village Development Committee for maintenance and repair of Health Facility building and for strengthening the Out Reach Clinic. The Health Facility Operation and Management Committee members and community leaders said that the seed money encouraged and inspired them to mobilize resources to upgrade their facilities. It became possible to generate further support for the maintenance of the health facility when they gathered to discuss about utilizing seed money and the prevention project. Now both health workers and the community leaders feel proud of their work and initiative."

"In Sathighar Bhagawati, the Sub Health Post purchased baby blankets from the resource generated to reward pregnant women who complete 4 antenatal check up visits."



Process of ToP

Challenges:

One of the challenges is to activate and further strengthen the Health Facility Operation and Management Committee to enhance its proactive involvement in the project. The health workers' expectation of high monetary benefits for participating in the training is a challenge, as is ensuring that records are kept in the local health institution of all the institutional deliveries, immunization, antenatal and postnatal check up of the local community members regardless of the service utilized in the local health institution or elsewhere.

Training of Professionals: Achievements					
District	Kavre		Sunsari	Rasuwa	Total
Year	2008-09	2011	2008-09	2008	
Total Health Institutions covered	79	14	52	5	150
Sub Health Posts	79	0	40	3	122
Health Posts	0	9	7	1	17
Primary Health Care Centre	0	5	5	1	11
Total Running Prevention Projects	79	14	52	5	**150**
Trained Health Professionals	242	26	174	15	**457**
Auxiliary Health Workers	79	0	50	3	132
Staff Nurse /ANM/MCHW	79	13	47	5	144
Village Health workers	57	0	49	0	106
Public Health Supervisors	15	5	19	0	39
Health Assistants	9	8	7	1	25
Medical Officers	3	0	2	1	6
VDRC/Community Mobilisers	0	0	0	5	5
Training to the Health Facility Operation and Management Committees	6	0	0	0	6
Support to Primary Health Care Outreach Clinics	94	7	0	0	101
Support at Birthing Centers	17	0	5	0	22

Training and Capacity Building

Capacity-building is an integral component of many developmental activities and we have invested a lot this year in human resources, both at Karuna Foundation Nepal and in the communities. Various orientation sessions and trainings were implemented to address the varying need of knowledge and expertise in the communities. Community-based health insurance education and tool development (with the support of Micro Insurance Academy, in Delhi), Share & Care leadership training, appreciative inquiry training, accounting and computer trainings, Community Based Rehabilitation training were few among the many trainings that benefited the Health Facility Operation and Management Committee members, health workers, community members, along with Karuna Foundation Nepal team members. The Health Facility Operation and Management Committee members in Share & Care villages received specific training to increase their knowledge, leadership, ownership and skills to implement the Share & Care program.

HFOMC Training, Sunsari

Appreciative Inquiry Training for KFN staff

The Health Facility Operation and Management Committee members have been oriented and trained for leadership and institutional growth.

The Village Disability and Rehabilitation Committees, which were in majority of the cases inactive before the launch of Prevention and Rehabilitation project, have also been given similar trainings.

Karuna is committed towards further developing the capacity and leadership of the Health Facility Operation and Management Committee and the Village Disability Rehabilitation Committees to empower and strengthen them to lead and sustain health programs at the local level.

Awareness materials development workshop

Project 3: Community Based Rehabilitation

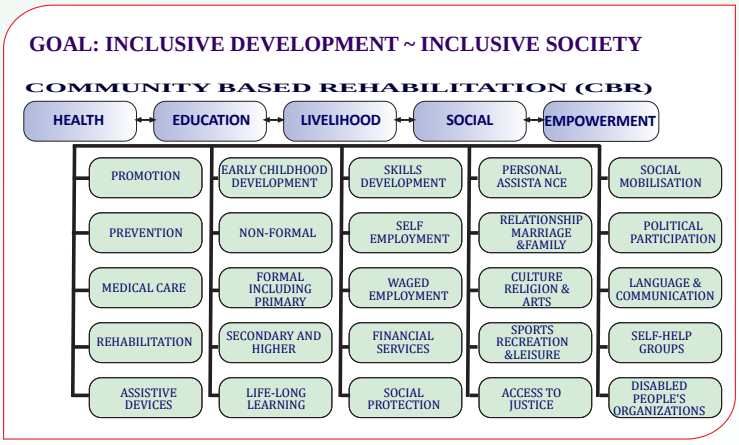
CWD's home visit by CBR worker, Kavre

Community Based Rehabilitation, presently a part of Share & Care and the newly initiated project Childhood DisabilityPrevention & Rehabilitation, is based on the World Health Organization's CBR matrix and guidelines. It aims at achieving independence for and inclusion of children living with disability, while reducing the burden upon the family for the child's upbringing and health care needs.

There is a trained CBR facilitator in each project village who takes into account the specific skills and stage of development of each child with disability, and involves the family and the neighborhood in the rehabilitation process, so that they gain more confidence in the child's potential. The Health Facility Operation and Management Committee or Village Disability Rehabilitation Committee along with the CBR facilitator also connect the children with disability and their families to other opportunities available through state and non-state agencies for rehabilitation, empowerment and increased participation in the society.

Currently, we are working directly with 457 children with disability through Share & Care and Childhood Disability Prevention & Rehabilitation project. Continuous home visits, regular physiotherapy, medical treatment, assistive device support, educational material support, livelihood support to families of children with disability, child clubs, vocational and skill development training to children with disability and their families, disability identity card provided to children have been possible through Share & Care project this year. Further, disability awareness sessions to different groups in the community (teachers, students, school management committee, mother's group, Female Community Health Volunteers etc), supporting school enrolment, formation and mobilization of self help groups, support for disability friendly environment, leadership and capacity building training to children with disability, lobbying and advocacy in village and district level, have also been carried out this year.

All of this has been possible due to the support and cooperation of the families of children with disability, dedicated efforts of CBR facilitators, the Health Facility Operation and Management Committee and close Coordination and collaboration with different I/NGO working on disability.



WHO CBR Matrix

Community Based Rehabilitation in the Year 2011							
Activities	**Bhokraha**	**Madhesha**	**Aurabani**	**Bhaluwa**	**Chapakhori**	**Syafru**	**Total**
Management							
Total Children with Disabilities (CWD)	104	28	26	23	30	8	219
Total no. of CWD Rehabilitated	5						5
Current no. of CWD	99	28	26	23	30	8	214
Training to CBR Worker	2	2	1	1	1	0	5
Types of Disability							
Physical Disability	52	16	14	12	9	5	108
Hearing Disability	20	5	6	2	4	0	37
Visual Disability	5	0	2	2	5	1	15
Vocal and Speech Disability	2	2	1	2	1	0	8
Mental Disability							
a.Intellectual disability	8	2	3	4	10	2	29
b. Mental Illness (i.e. epilepsy, psychosis)	5	2	0	1	0	0	8
Multiple Disability	7	1	0	0	1	0	9
Health							
Average number of home visit per CWD (annual)	6	12	4	6	2	1	5
Physiotherapy (No. of CWD)	36	10	10	8	12	4	80
Treatment of CWDs	44	19	8	8	0	0	79
Assistive Device to CWDs	7	5	3	1	0	0	16
Education							
Support CWDs in School enrolment	2	0	0	0	1	1	4
Educational Support to CWDs	0	28	21	14	20	0	83
Livelihood							
Vocational and skill learning training	10	0	0	0	1	0	11
Loan support for Income generating program	10	3	3	0	0	0	16
Inclusion of CWDs/ Family on saving credit cooperative	10	3	3	0	0	0	16
Social							
Access of CWDs in Identity Card	6	22	11	17	11	0	67
Awareness raising to different stakeholder	3	19	5	10	6	0	43
Empowerment							
No of CWD familiy in Self Help Group	24	23	26	20	18	0	114
Formation of CBR Committee / VDRC	0	0	1	1	0	0	2
Formation of child club (of CWD)	0	0	1	1	0	0	2
No of CWD in child club	0	0	13	13	0	0	26
Leadership and capacity building training	1	1	0	0	0	0	2

Challenges:

CBR worker providing physiotherapy to Anusha, Madhesha, Sunsari

Sustainability of the Community Based Rehabilitation depends on the ownership by the community, the Health Facility Operation and Management Committee and/or Village Disability Rehabilitation Committee together with the Government. Community members still do not take community based rehabilitation program as a necessary component of Share & Care, and as something that has an important positive impact on the lives of children with disability while at the same time, it is lesser priority area of the Government. Since the beginning of the program, rehabilitation of children with intellectual disability and multiple disabilities has been a challenge. High, and sometimes unrealistic, expectation from family members of children with disability, lack of trust of the family members on improvement of conditions of children with disability, ensuring continuity in education, participation of the child with disability in the household and social activity are other challenges we strive to overcome. If the family realizes that children with disability can be as productive and strong as other children while offering them the best opportunities, then the problem is already solved.

We realize that our focus on intervention has to go beyond medical support to include social rehabilitation and empowerment of children with disability. Coordination and collaboration by the Health Facility Operation and Management Committee, Village Disability and Rehabilitation Committee, CBR facilitators with different organizations working in disability will be further encouraged. We have found that there are some children who need special and intensive care and rehabilitation services from different rehabilitation centers. Along with community based rehabilitation, institution based rehabilitation for special cases will also be done through coordination and collaboration with available rehabilitation centers. Some children with disability will work as ambassadors to other children with disability and their families in their own community and other communities to show that disability cannot stop them from growing and developing in full potential.

Childhood Disability Prevention and Rehabilitation (P&R)

Street Drama performance, Bhaluwa, Sunsari

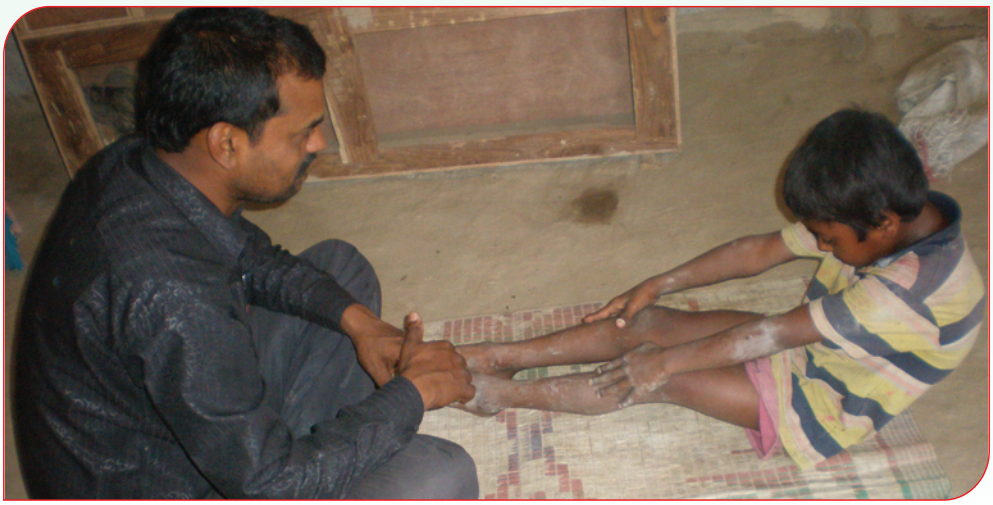
Since 2011, Karuna has implemented Childhood Disability Prevention and Rehabilitation Project through respective Village Disability Rehabilitation Committee in close coordination with local health institutions heving the sole aim of preventing avoidable disabilities, and to rehabilitate children with disability. Village Disability Rehabilitation Committee headed by the Village Development Committee (VDC) Chairman is the village level implementing body for Community Based Rehabilitation of People with Disability as mandated by the Government of Nepal. This committee constitutes of local representatives from the field of education, health, livelihood and organization working in the disability sector, and more im-

portantly, representative from among people with disability and their family. Childhood Disability Prevention and Rehabilitation has been implemented in three villages in Sunsari: Madhuban, Baklauri and Dumraha, and four villages in Rasuwa: Dhaibung, Laharepauwa, Bhorle and Ramche. Community Based Rehabilitation-District Coordination Committee (CBR-DCC) at the district level is responsible for monitoring and supervision of all the activities implemented in the villages. The project duration is four years, of which both financial and technical assistance will be provided by Karuna Foundation Nepal for the first three years, whereas technical assistance will be provided during the fourth year.

CWD's home visit by CBR worker

The prevention component of the project focuses on improvement of maternal and child health, which mainly includes identification and registration of pregnant women, their accessibility to health services (delivery services, antenatal and postnatal checkups, full immunization of children under two years of age, nutrition, early identification and prompt treatment of injuries and health problems), school health education, public awareness and advocacy, etc. And, the Rehabilitation focuses on rehabilitation of children with disability, including health, education, empowerment, and social rehabilitation for children with disability, and livelihood for their families.

All Village Disability and Rehabilitation Committees have been formed, have been provided training and the program planning and budgeting has been done. One CBR facilitator from each VDC has been selected by the Village Disability and Rehabilitation Committee, trained, and now the program is in full implementation phase.



CBR Supervisor with a CWD

Project 4: PAAN

National Level Policy, Networking, Coordination & Advocacy, and Awareness

This program aims at establishing strong links with the concerned government bodies and other key stakeholders to influence a shift in the policies of the Government of Nepal towards the prevention of disability, recognizing the rights of Persons with Disability and creating a sustainable health-care service delivery system recognizing universal health coverage as a guiding principle. This also intends to share Karuna Foundation's learning and experiences with others towards establishing a replicable model in Nepal.

This year we have been able to bring some significant achievements in terms of coordination and collaboration with various stakeholders. Emerging as one of the main organization in the areas of strengthening community health system and successfully introducing Community Based Health Insurance in Nepal, two of Share & Care project VDCs were evaluated together with other similar schemes to conduct a comparative study by the Ministry of Health and Population, a project supported by GiZ (Deutsche Gesellschaft für Internationale Zusammenarbeit) and carried out by Swiss Health TPO together with MEH Consultants Nepal.

We are closely working with Ministry of Women, Children and Social Welfare to finalise the 'Community Based Rehabilitation Guidelines' and to publish the 'Resource Book on Disability'. Karuna Foundation Nepal is also one of the members of the committee to amend the existing Disability Act formed by Ministry of Women, Children and Social Welfare.

The Country Director of Karuna has been elected as a Steering Committee Member of Association of International Non Governmental Organisations (AIN). A Disability Working Group within the AIN has been formed and all needful coordination among International Organizations working in the field of disability in Nepal has been established to further pursue the disability issue.

The Country Director with the team after being elected in AIN steering committee

An event named Disability and Fine Arts was jointly organised by the Nepal Academy of Fine Arts and Creating Possibilities Nepal in support of Karuna Foundation Nepal to generate awareness on the issues of disability.

A network of likeminded organisations working in the area of Community Based Health Insurance, Association of Social Health Insurance Organisations in Nepal (ASHION) has been formed and Karuna Foundation Nepal as one of the active founding members.

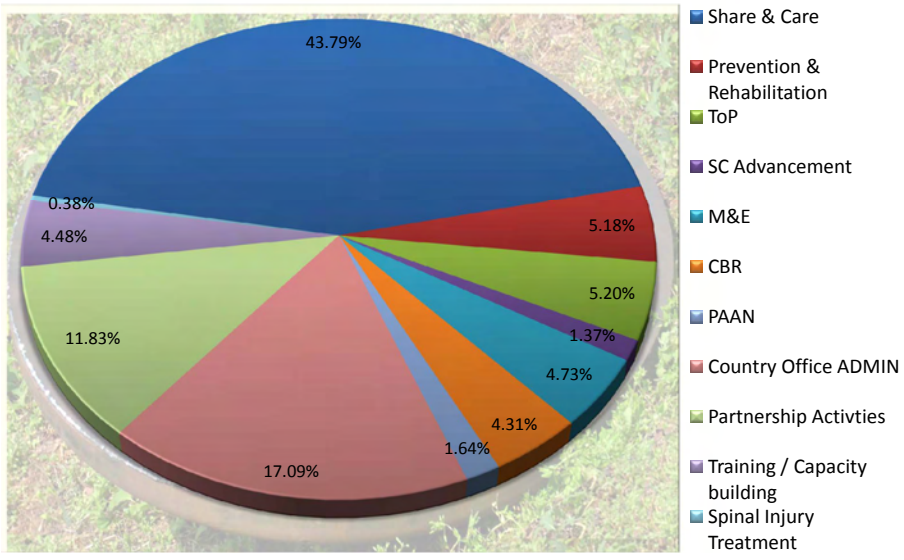
Also, we have been able to develop strong partnerships with district level authorities i.e. District Health Offices, District Development Committees, District Administration Offices and Women and Children Welfare Offices in the program districts.

Financial Report 2011

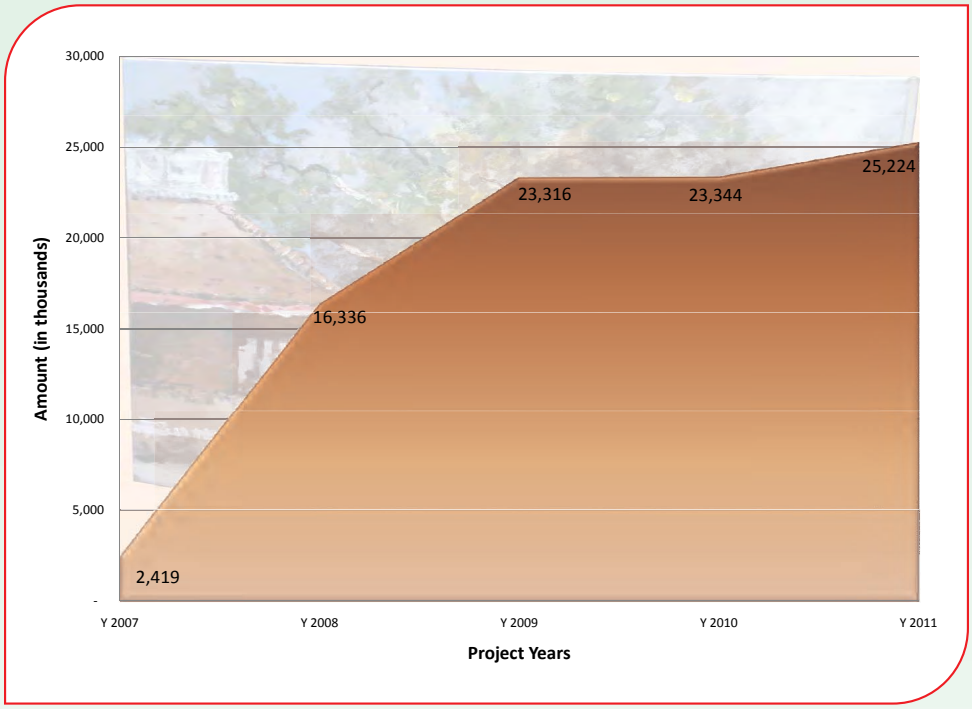
The budget analysis table presents the pattern of expenditure versus budget planned in the year 2011. Some variances are noted. Due to external factors, Prevention & Rehabilitation project could be implemented only in the later months of the year 2011 due to which high variance is observed. However, overall utilisation of the fund in FY 2011 seems satisfactory. As shown by trend of Annual Expenses over the years, it can be concluded that during three years, the yearly expenses show similar trend (Around € 240.000), although activities and target population have increased substantially. Taking into account that € 28.443 of the expenses were from other resources than Karuna (Madat Nepal and Women for Women) as partnership activities indicates that cost-efficiency is improving every year.

SN	Program	Budget (NRS)	Expense (NRS)	Expense (€)	Budget Utilization %
1	Share & Care	13,579,219	11,054,042	105,277	81.40%
2	Prevention & Rehabilitation	4,301,000	1,308,600	12,463	30.43%
3	ToP	2,176,329	1,312,205	12,497	60.29%
4	SC Advancement	650,000	345,449	3,290	53.15%
5	M&E	1,139,512	1,193,566	11,367	104.74%
6	CBR	1,476,070	1,087,926	10,361	73.70%
7	PAAN	656,500	414,408	3,947	63.12%
8	Country Office ADMIN	4,655,941	4,312,845	41,075	92.63%
9	Partnership Activties	4,179,644	2,986,497	28,443	71.45%
10	Training / Capacity building	1,793,000	1,129,749	10,760	63.01%
11	Spinal Injury Treatment	828,000	97,000	924	11.71%
	Total expenses	**35,435,215**	**25,242,287**	**240,403**	**71.24%**

Distribution of Expenses ***(NRS in thousands)***



Trend of Annual Expenses over the years



Water Project, Mechchhe, Kavre

Looking forward to the year 2012

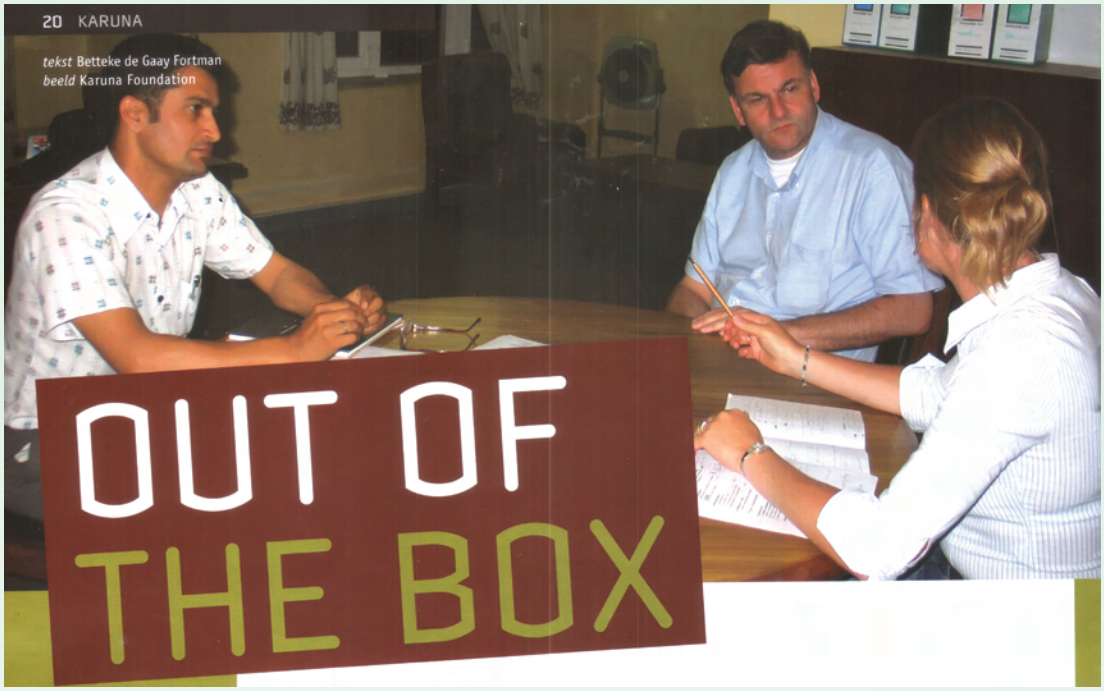
The year 2012 is important to Karuna Foundation Nepal as this is the final year of the first five years agreement with the Social Welfare Council. Within the Karuna Foundation Nepal team, we have visualized 2012 as the year of transition from the first phase of piloting to the phase of replication of the projects in some districts of Nepal. So, in 2012, evaluation of all the projects of the first five years will be done. And, that will show where we stand. We also will develop a way forward where and to what extent we can move ahead.

Artists with their creations after art workshop

New plans and programs include Implementation of Consumer Committee in the project villages, and Advocacy and Partnership with the Ministry of Health and Population for extensive replication of the project Share & Care in other districts of Nepal.

Apart from implementation of regular activities, we will be focussing on development of replication plan for the year 2013 - 2017. Training of Professional project will be handed over to the District Health Offices of the districts. Studies will be done on the impact of Community Based Rehabilitation in improving the quality of life of children with disability and impact of Share & Care program in improving maternal and child health in project villages.

School Health Camp



(Translation of article on Public Private Partnerships, written for a Dutch magazine on development- 'Vice Versa')

Many think that an entrepreneurial approach in the development sector means micro credit. But micro credit is not the only tool. Besides, it is not new anymore. In many other development fields an entrepreneurial approach can be fruitful. Especially in the health sector. But, how? What dynamics come up when a construction businessman, a child rights activist and a development professional decide to work together?

Betteke de Gaay Fortman, director of Karuna Foundation, talks about thinking 'out of the box', about the tension between doing business and 'doing' development and how to find synergy between different approaches to development and business.

Karuna Foundation was founded in 2007 by the entrepreneur René aan de Stegge, owner of a Netherlands based construction business called Giesbers Groep. The foundation has its office in the same building as the company. Together with me as a development professional with experience in Latin America, and with a Nepalese child rights activist Deepak Raj Sapkota, René developed a vision and strategy, built up an organisation and started the implementation of projects. Karuna's mission is to prevent avoidable disabilities and to improve the lives, within their own community, of children with disability. Under the name of Share & Care, Karuna is setting up a cooperative community based micro-insurance scheme cooperating with the existing government health structure. Besides focussing on Karuna's goals, this cooperative also serves the common interest of the community: improved and affordable health care for all. After two years the system is expected to be financially sustainable.

The specific characteristic of the entrepreneurial approach behind Karuna Foundation is a strong vision on the 'exit strategy' right from the beginning. Moreover, it involves thinking 'out of the box' during each step in the process, and leading a result-oriented process with the drive and zeal familiar to and owned by many businessmen. The willingness to accept the risks regarding the social investment, as well as the willingness to stop when ownership is not taken up by the target group, is also essential.

In order to serve a sustainable development process and to create ownership within the given period, the businessman considers it necessary to stick to the principles and the agreement made with the lo-

cal community, for example, on the amount and the duration of the financial support. Because of the influence of many foreign organizations, the expectations of the target group in terms of money, buildings and equipment are often high. In the static and 'still-standing' circumstances, the communities are neither used to getting into action, nor are they motivated to get into action and to think independently about their problems or needs. The basic attitude is to wait until another foreign organization comes along to build a school, a hospital, provides soft loans or give education and awareness. However this is not a sustainable attitude. Development is only possible if people themselves take the initiative and become proactive.

Confronted with this passive attitude, the pure businessman handles each request for funding from a business point of view and considers the person or group who handed in the request as an equal partner. 'How do think you can finance the hospital you would like to build? Could you mobilize local resources to guarantee the necessary funds?' I have learned that this hard attitude, approaching the people by encouraging them to take responsibility and inspiring them to get active and be proactive, is real compassion.

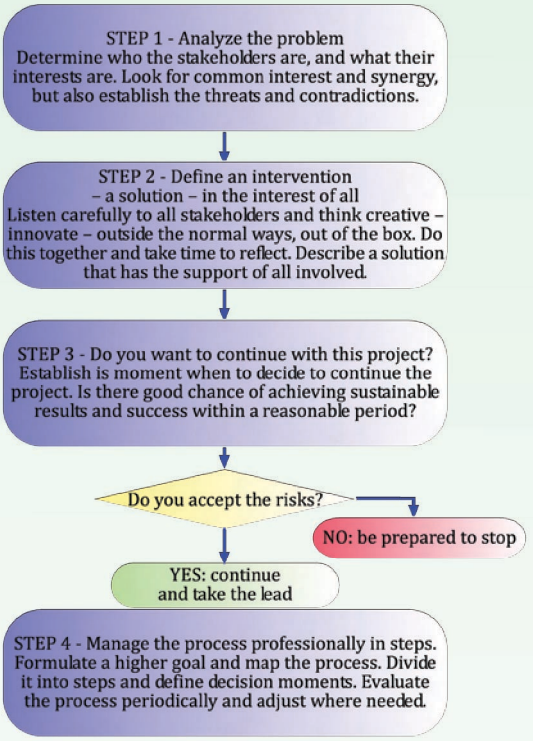
Blue Guideline:

A business man is used to reacting according to the market. Results and profit are simply the bottom-line in the free market. The discipline and regulation of the market are his drive.

However, in case of social investments, it is impossible to be guided by profitable goals. But it is possible to be lead by the principals of ownership and sustainability. If the same strictness is used on progress, sustainability and self reliance, then we can really talk about a truly entrepreneurial approach.

Karuna Foundation uses the same philosophy as Giesbers Groep during the implementation of its projects. It is called the Blue Guideline, developed by René aan de Stegge.

The Blue Guideline leads development processes in a structured approach. By involving all stakeholders in the process from the beginning, all the different – sometimes conflicting – interests can strengthen each other to create synergy in a project. The Blue Guideline facilitates to get support and consensus and innovative solutions are found for projects, which can be realized efficiently and fast.



The Blue Guideline

An example of using the Blue Guideline is the stakeholders analysis we make during each step in the process. For example, our similar analysis lead to the decision to stop the project in one of the Share&Care villages due to lack of commitment and responsibility of the local leaders and therefore lack of the possibility of sustainability. The result was an unpredictable positive effect on the leadership and the financial participation of the surrounding villages. There is a visible shift from dependency on Karuna towards proactive approach by local leaders.

As a real business, the goals and ambitions of Karuna were realistic, but high. Results had to be met in a short time. Of course, there were obstacles, but obstacles are there to be overcome. During the process

René and I realized that we are completely different individuals. My 'businessman' thinks that I should be more determinate and strict on our principles, such as financial support. But, from my development perspective, I think – what is one more year? Now, I have learned that by approving of such requests for funds too soon, the process will slow down, even though it is so very important to keep the pressure on to achieve real change.

On the other side, I sometimes think my 'businessman' insists too much on principles and doesn't have enough patience. If in the second year there aren't enough household members in the cooperative micro-insurance system, he tends to consider the project as not successful. But, in the meantime he has learned that it takes more time to get results in the development sector then in a business setting, and often there is no clear and simple solution for the complicated problems in a development setting.

It is the combination of both attitudes that helps to guarantee the desired development on the longer term.

Working with people from different cultures is not easy. 'I don't have an easy job,' Deepak Raj Sapkota, Country Director of Karuna Nepal, frequently says, comparing himself with the hundreds of professionals working in more traditional development organisations. What we see is a Nepalese child rights activist putting himself in the place of a Dutch businessman, a Dutch businessman putting himself in the place of a Dutch development professional, and, of course, vice-versa. We have learned a lot from each other, and during interactions, also from ourselves. That is only possible by investing a lot in the relationships. After intense and sharp discussions for many hours we always set a higher goal, which usually turns out to be a common vision and strategy. It works. The most important thing is that one always listens with an open mind, is ready to see things from a different perspective and to change one's opinion. This sounds very simple, but it is a constant challenge for each of us.

The result of this entrepreneurial approach and combination of disciplines and character is an innovative and decentralized cooperative community-based health insurance system implemented in several villages in three districts of Nepal, within a span of four years. We are close to achieving financial sustainability of the system. The strength of Share&Care lies in the linkage with existing government structures, the mobilization of local resources (including those of the Government, without being dependent upon them), and well-trained local leadership. The institutional result is a completely new Nepalese organization with young, competent, and motivated professionals who have greatly internalized values such as on-going improvement, transparency, and knowledge-sharing.

Dare to confront

My 'businessman' knows what he doesn't know, how and where to get the knowledge. Every development professional also should know this.

Development professionals should be careful not to accept the existing situation too easily, but they should have the same guts and eagerness as businessmen in order to break through deeply rooted and long established dogmas and practices which are frequently based on unequal power structures.

For that reason, 'Dare to confront' has become one of the slogans of our people at Karuna Nepal. A health worker who sneakily tries to get some money for personal interest from the Share&Care fund will be confronted with his behavior during the community meeting. This requires a lot of courage in a culture in which such confrontations have traditionally and generationally been avoided. If the zeal of result-oriented businessmen is combined with the empathy for, and knowledge of, local structures and cultures of development professionals, and if both are willing to learn from each other, then something productive and sustainable can grow.

Our Office in Holland

Organisation

Karuna Foundation has its legal status in Holland as a Foundation since April, 2007. Its office is in Arnhem, a city in the east of the Netherlands. Karuna Foundation holds office in the same building as Giesbers Groep, the company of the founder and chairman of the Board of Karuna Foundation who is our main donor and source of inspiration for our organisational values.

Team

The Dutch Karuna team is small, consisting of 1 full-time and part-time staff members, and is in very close contact with the Nepalese team. Betteke de Gaay Fortman is the General Director. Merel Schreurs provides support with policy development, monitoring and evaluation, and program coordination. The responsibility of the Dutch team is to strongly support, supervise and motivate Karuna Foundation, Nepal, as well as to guarantee the necessary funds from Holland. It provides financial and technical reports to the donors and the Board, and compiles the information and experiences needed to develop a sustainable and replicable model of Karuna's projects. Moreover, it builds networks both in Holland and internationally to exchange good practices and findings, and inspire other entrepreneurs and organizations.

Board

The Board is composed of its founder Rene aan de Stegge (Chairman), Toon Kasdorp (Secretary), and Huub Timmer (Treasurer).

Informally, we receive regular and valuable advice from different experts in the field of development and disability: Brigitte aan de Stegge, Henk van Stokkom, Huib Cornielje, Ad van der Woude and some senior managers at the Giesbers Groep.

Participants of agreement signing program, Bhaluwa, Sunsari

Funds in 2011

Our philosophy is that the invested money should create measurable social impact. By mobilizing others to participate financially and technically, we strive to multiply our effects and generate sustainability.

Karuna Foundation had two major donors in 2011.

First of all, the donation of Giesbers Groep/Rene aan de Stegge who covered the costs of Karuna Foundation Holland, 60% of the costs of Karuna Foundation Nepal, as well as some development projects carried out by other organizations. Giesbers Groep is a Dutch company active in construction, project and area development. For Giesbers Groep corporate social responsibility means contributing to sustainable development processes in developing countries like Nepal. Giesbers Groep decided to support Karuna Foundation on a structural basis using its entrepreneurial approach. Apart from sharing an office and facilities in Arnhem (NL) both organizations also share the same organizational values as ongoing improvement, investing in people, learning by doing, daring to take risks, and applying a decentralized structure. www.giesbersgroep.nl

Impulsis, is an initiative of Edukans, ICCO, and Kerk in Actie (Church in Action). It has a support department for Dutch companies and entrepreneurs who want to promote local entrepreneurship and entrepreneurial approaches in developing countries. Since 2008, KFN has entered a partnership with Impulsis by being a recipient of its grants. In the year 2011 Impulsis granted € 60,000 to support the implementation of Share&Care, Training of Professionals and advocacy projects of Karuna Foundation Nepal. www.impulsis.nl

Among others donors, the Start Fund of Fred Foundation (www.fredfoundation.org) in the Netherlands donated nearly 10.000 euro for our training program for the year 2010-2011. The Dr. Hofstee Foundation (www.hofsteestichting.nl) donated € 7.500 in 2011, covering part of the Share & Care program. The Dutch fund Johanna Donk-Grote Stichting also gave a lump-sum amount (2500 euro) for our overall activities. Apart from that we also received smaller individual donations.

We are very grateful to all our donors for their confidence in our work. It is the responsibility and the commitment of the Board and the management in Holland and the management in Nepal to spend the money as effectively and wisely as possible to reach our goals: prevention of disabilities and a better life for children with disability and the development of a community based health insurance model. We strive to have utmost transparency at all levels.

Parallel bar training of a CWD, Sunsari

The Karuna Working Spirit

I prefer to call this the Karuna family rather than the Karuna team. Our team is a professional family, spreading from Arnhem in the Netherlands to the country office in Kathmandu, to the field office in Sunsari, to our staff working in Rasuwa and Kavre, to the field-level staff working in the project villages. We are all committed towards a common cause. The Karuna family is comprised of energetic and committed young people from various academic, ethnic and cultural backgrounds. It is a blend of experience and zeal.

In 2007, we started the office with 3 people. Now we have a team of 23 committed people in total, including at the Holland office. Many friends joined us in the course, and some have left us in the pursuit of their bright future. Some of our friends returned to the office after perusing higher-level study and we are happy to welcome them back, because they bring added wisdom and capabilities. Some friends who worked with us are not in the formal setup of the team now but still contribute to our work and goal directly and indirectly. This indicates that the cause of Karuna gets into our heart once we are in the family.

We have a broad horizon of work—from the rural community to the central level administrative offices. We are very happy to work with communities in rural villages, and equally confident to advocate for the policy and rights of the children with disability with the officials of the central government. The variety in the working environment, from rural communities to government offices in the district headquarters or Kathmandu, makes our work vivid, removes the monotonous from the mundane. But the real happiness comes when we can bring change in the lives of people, or a child with disability in a remote village. We know this to be the ultimate purpose of our work. Sometimes the work pressure is high; but nobody complains because we all know it needs a great effort to achieve our ambitious goal. We agree that an entrepreneurial approach in development needs harder work than any conventional or bureaucratic approach. We believe in the principle of 'never give up if you want to achieve a goal.'

What motivates us to perform better? The first and the foremost is the outcome regarding our mission to save children from disability, one by one. Every outcome encourages us to strive to achieve another. And there are many more motivating factors – the able leadership of the Management and the Board, the support from the peers, the happiness of the partners, the respect from the community people, the smile in the face of a Child with Disability, and there are many more to count on. Every member of Karuna Foundation has enough space and opportunity to prove their worth and to learn by doing and making mistakes. That inspires us to try better and think out of box. Most importantly, when one of us falls behind, many hands around us pull us back into the work. All these things make Karuna a family.

Working in the community is full of vivid experiences and tough challenges. The first pre-requisite is to bring us together with the community people – talk their way, eat their food, live at their standard. And, we enjoy that. The geographic terrain is a challenge too; not only for our movement but also to bring the interventions to the families. Weather, road conditions, unexpected strikes, etc., can be challenging, but they are never insurmountable before our determination.

Community dynamics is another issue we are forced to come to grips with. Some communities are more welcoming and accepting; others are more cohesive and homogeneous which might make it difficult for us to build trust. Social norms, religious beliefs, cultural values all count while trying to make an inroad into a community. Every community has its unique cultural and religious identity – Muslims, Tamangs, Brahmins, Chhetris, Tharus, and even the heterogeneous communities. We have to deal with all of this diversity. And we have done so successfully.

We are implementing four projects now – Share & Care, Prevention & Rehabilitation, Training of Professionals and PAAN. The first two are more oriented towards the objectives of Karuna Foundation. Besides that, they follow the principle of 'working with the community on equal footing'. That means participation in planning, implementation, monitoring, and in resource identification and use as well. The Share & Care, with health insurance as one of the major components, requires each household to pay the annual membership fee. Both Share & Care and Prevention & Rehabilitation project require VDC, DDC and other local agencies and organizations to participate with financial means, which is quite different from many existing approaches to development. This is the major strategy to reach our goal, to make the programs sustainable, financially and in terms of community ownership, to empower community, establish rights of the people over the services, ensure transparency and thus promote good governance.

When Karuna members were briefed about the programs soon after joining the organisation, most of us were skeptical about program modalities actually functioning, or of the financial participation of the communities. But after working in Karuna and seeing the effects and results, we all pledge that this approach of development not only works but is among the best models to empower the community, make any program sustainable, and to establish the rights of the people over services they naturally require, like health and education services, and livelihood security.

It is time now to move on from pilot projects to scaled-up projects to prove that this is a workable model with tangible, measurable benefits for the poorest of the poor communities. And, we pledge our commitment towards making that stage of Karuna's endeavor a success.

On behalf of the Karuna Foundation,
Mandar Shikhar Banerjee

Participants playing resource utilization game during HFOMC Training, Sunsari

Partners in Nepal

In Nepal there are many partners without whom our mission and goals can't be achieved. Partnerships with and support from:

- The Ministry of Health and Population of Nepal
  - The District Health Offices of Sunsari, Kavre and Rasuwa district. They are the focal health agencies of the Government of Nepal in the districts. Karuna works with them to plan, implement and evaluate the programs. Their human resources, technical and material support are vital towards making our programs successful.
  - The Health Facility Operation and Management Committees (HFOMC) in every village is the formally constituted body, under the Government of Nepal's decentralization initiative, responsible for operating, managing and regulating local health facilities. Each HFOMC owns and implements the Share & Care program in its village. It takes care of the participation, financial and otherwise, by the community, as well as of the managerial aspect.
- Ministry of Women, Children and Social Welfare and the Community Based Rehabilitation- District Coordination Committee (CBR-DCC) is responsible for monitoring and supervision of Prevention & Rehabilitation activities implemented through Village Disability Rehabilitation Committees.
- The Village Disability Rehabilitation Committees in the 7 villages where Prevention & Rehabilitation program has started are responsible for planning, implementation and evaluation. These are village level implementing bodies for Community Based Rehabilitation of People with disability as mandated by the Government of Nepal.
- The Spinal Injury Rehabilitation Centre (SIRC) offers rehabilitation services to patients so that they are able to rebuild their lives within the limits of their ability. Karuna Foundation Nepal has an agreement with SIRC to sponsor some poor patients yearly, preferably from Karuna project areas.
- Kusheshwor Higher Secondary School, Mechchhe, implementing Drinking Water Project in Mechchhe, Kavre District.
- Help For Change Nepal (Pariwartan ko lagi Sahara Nepal) is working with Karuna Foundation Nepal in Timal region of Kavre district, mainly helping Karuna Foundation Nepal in awareness raising and to organise community activities.

Apart from our partner organizations, we collaborated with many other organizations in the year 2011 during the program implementation which are as follows:

- Resource Centre for Rehabilitation and Development (RCRD) in Bhaktapur for intensive Community Based Rehabilitation training the CBR Facilitators
- PLAN Nepal on scholarship and other support for children with disability
- World Vision International Nepal for financial support to the construction of Sub Health Post building, Madhesha, Sunsari.
- PHECT Nepal on medical intervention of children with cleft lip and palate and post burn contractures
- CBR Biratnagar for assistive devices for children with disability
- Hospital and Rehabilitation Centre for the Disabled Children (HRDC) for orthopaedic surgeries
- Dhulikhel Hospital in Dhulikhel, Kathmandu Model Hospital in Kathmandu and BP Koirala Institute for Health Sciences (BPKIHS) in Dharan for providing referral services to patients referred from Share & Care VDCs of Kavre, Rasuwa and Sunsari respectively.
- Rural Reconstruction Nepal for supporting construction of Birthing Centre in Aurabani Sub Health Post, Sunsari

Cooperation in 2011

The Micro Insurance Academy (MIA), based in Delhi, is an Indian charitable trust dedicated to training, research, technical assistance and advisory services for micro-insurance units that serve the poor. The institution is dedicated to providing technical assistance to grassroots communities and organisations in insurance domain knowledge. In 2011, they assisted Karuna Foundation Nepal in developing tools for health insurance education. They also conducted a Training of Trainers to strengthen the knowledge and delivery of insurance education in relation to the Share & Care program in Nepal. www.microinsurance academy.org

The Dutch Coalition on Disability and Development (DCDD) is a network of organizations and individuals that jointly advocate to bring attention to the plight of people with disability, and to put the issue on the development agenda.DCDD's mission is to work from the perspective of human rights and solidarity for the inclusion and social participation of people with disabilities who live in situations of poverty and exclusion. Karuna Foundation is an active member of DCDD, with the General Director serving as the Treasurer of the Board of DCDD. www.dcdd.nl

Women for Women provides medical support to women in Nepal, mainly focusing on prolapsed uterus, a rampant medical problem in Nepal. Apart from the medical treatment, Women for Women also focuses on education, awareness and research. They implement training and health camps for women in the same project areas as Karuna Foundation. In 2011 they coordinated with Karuna Foundation to carry out a Uterine Prolapse Camp in Sunsari. www. vrouwenvoorvrouwen.nl

Madat Nepal and Sathsathai are two Dutch organizations working on education, water and sanitation. As Karuna works in the same project area, coordination takes place on a regular basis. Karuna Foundation Nepal is an implementing partner of Madat Nepal regarding a drinking water project in Mecche Pauwa which started at the end of 2010 and will be finalized in 2012. www.madatnepal.nl; www.sathsathai.nl

Foundation Step Forward was initiated 8 years ago to support patients with spinal injury. During these years, they had a partnership with the Spinal Injury Rehabilitation Centre (SIRC) in Saanga, near Banepa. Foundation Step Forward handed over its activities to Karuna Foundation and signed agreement with SIRC.

FEMI, Foundation for Earth, Mankind through Inspiration and Initiative, offers opportunities to people, young and old, to achieve a more dignified existence in a more sustainable manner. Karuna Foundation was assigned by FEMI Foundation to conduct a feasibility study of the Share & Care project in Mtakuja of Moshi district, Tanzania, where one of FEMI's partners, FD Kilimanjaro, is currently implementing a comprehensive project to eradicate poverty. This feasibility study focuses on the possibility of implementing the Share&Care model as developed by Karuna Foundation to improve access and quality of health care services, including prevention and rehabilitation in a sustainable and cost efficient way. www.femi.org

Enablement is operating in the field of disability and rehabilitation management and is particularly concerned with people with disabilities in lesser-developed countries. Its specific strengths lie in the areas of policy development, applied research and training in disability and development issues. Enablement, based in Alphen aan den Rijn, in the Netherlands, was set up by Huib Cornielje, a rehabilitation expert, researcher and trainer, with vast experience in various projects in southern Africa and Asia. He is an advisor to Karuna Foundation Nepal. With the support of VISIO (www.visio.org), Karuna Foundation was able to finance a Community Based Rehabilitation leadership training given by Enablement to one of the representatives of the Ministry of Social Welfare, Women and Children. www.enablement.org

Management Development Foundation (MDF) Training & Consultancy is a worldwide training and consultancy agency. Their mission is to enhance management capacities of professionals and organisations in the development sector. Niek Bakker, senior consultant of MDF, gives regular coaching and training to the Dutch Karuna team. www.mdf.nl

Stories of Change

The Impact of physiotherapy

Rupesh Sharma, a six-year old boy, is from Bhokraha-3. His parents are day-laborers. Rupesh was born with a physical disability, adding to the financial burden of the family. His extremities were very weak from the time of birth. In his first few years, he frequently suffered from fever and abdominal pain. He could finally stand on his own in his fourth year, and started walking in the fifth, which is considered very late. His family undertook various pledges and worshipped God for his better health but, nothing worked. He was taken to hospitals in Sunsari and India for checkup and treatment.

He came in contact in May of 2009, during a disability assessment camp under Share & Care. He and his parents were taught the necessary physiotherapy exercises. He was taken by CBR Worker to CBR Biratnagar to assess if he could have an assistive device. But, he was suggested that he should continue physiotherapy instead of using an assistive device. These days, his mobility is gradually improving. He is still continuing the exercise. He is provided with a grade C Disability Card and the facilities accordingly. He goes to school and studies at grade 2.

Rupesh's parents are thankful to Share & Care, Bhokraha for the visible changes in him.

The Result of a Strong Willpower

Dayanand Mehata, 19, of Bhokraha, belongs to a family of five members dependent on labour wages for a living. Dayanand could not continue his study after grade 5 because he had to start earning a wage. He has had muscular atrophy in both legs since childhood, which had resulted in difficulty in mobility. Due to lack of specific skills, he could not get a productive job. He used to travel great distances for work. He has had several bitter experiences of being mistreated while receiving wages from employers.

His health assessment was carried out in 2009 under the Community Based Rehabilitation program of Share & Care. He did regular exercise and physiotherapy as suggested by the CBR facilitator. He received bicycle repair training from the program.

Subsequently, he opened a bicycle repair workshop and a small grocery shop in his village through the loan received from the livelihood program, another component of the Share & Care program. He is now married and leading a happy life.

Age does not bar changes

Nanda Kumari Mainali, 93, lives in Ward 4 of Kuruwas, Chhapakhori, Kavre. She completely lost her vision since the last two years due to cataracts.

She was denied service by an eye-specialist during an eye camp organized at Kavre a year ago because of her age. A health camp was organized in Kavre under Share & Care where she managed to get a checkup, following which she was operated on at the camp to cure her cataract. The operation was successful. After the operation, she recognized her son and daughter. She is very happy with her new vision and life. These days she stands up in front of the mirror and seeing her reflection, she becomes very happy.

Story of Bishal

Bishal Sardar, 10, is the eldest son of Hiralal Sardar and Sichabati Sardar of Madhesha-4. At birth, Bishal was physically healthy. In his later years, his hearing capacity decreased. He lost his ability to speak.

In October of 2010, he came in contact with Share & Care Madhesha. It turned out that he could hear with the assistance of a hearing aid. In July, 2011, the Lahan Hearing Hospital, supported by IMPACT Nepal, provided him with a hearing aid. Bishal can now keep himself safe as he can hear vehicles on the road, cattle from behind, etc. He can speak two-syllable words. His problems are ear infection with accumulation of ear wax, and he is being treated for the same.

He is studying in grade one at Janata Higher Secondary School, Madhesha. His circle of friends is expanding, but he still needs special education. To see the changes possible from hearing aid is really heartwarming.

Shanti and her mobility

Shanti Kumari Umaw, 12, lives in Bhokraha-8. The toes on her right leg were turned inwards, making it difficult for her to walk. Her feet were normal at birth, but as she started walking, this symptom was seen. Her condition became worse by the day as she grew up, but she was not taken anywhere for treatment. When the CBR Facilitator of Bhokraha, Surendra Mehta, got news of her, he went and assessed Shanti.

Subsequently, she was placed under a physiotherapy and exercise regimen. After some improvement, club shoes were provided to Shanti through a camp organized by HRDC. The assistive device has helped with her mobility and ease. Now she is an active member of the Children's Club of Bhokraha.

Community Based Health Insurance: A tool to minimize financial risk

Jenimaya Ghale, 22, from Syafrubesi of Rasuwa, comes from a family with moderate financial means. She is a member of Share & Care, Syafrubesi Health Post. Therefore, she is protected from financial risks resulting from health problems.

When she was pregnant, she completed 4 ante-natal visits to the Health Post. But she didn't deliver on the expected date due to unknown reasons. As she had a history of still births and had crossed the expected date of delivery, she was referred to the Maternity Hospital first and then Kathmandu Model Hospital. After facing delay at the maternity hospital. she was admitted in Model Hospital for a day and she delivered normally after a few medications.

After delivery, the couple returned to Syafrubesi. They were very happy that they were protected financially by the program and wished to be of use when other community members are in similar need. They hope that the community runs the program forever and are satisfied with the decision to be a member of Share & Care.

Chapakhori SHP Building: During & After Renovation, Kavre

Giesbers Groep, Karuna and the Blue Guideline

Giesbers Groep is a Dutch company active in construction, project and area development.

For Giesbers Groep corporate social responsibility means contributing to sustainable development processes in developing countries like Nepal. Giesbers Groep decided to support Karuna Foundation on a structural basis using its entrepreneurial approach.

Rene aan de Stegge, owner of Giesbers Groep, developed the Blue Guideline, an entrepreneurial approach regarding process and risk management. This philosophy also has been applied by Karuna Foundation from its initiation in 2007, and continues to be of great influence and inspiration during the implementation of the projects.

Apart from sharing an office and facilities in Arnhem (NL) both organizations also share the same organizational values as ongoing improvement, investing in people, learning by doing, daring to take risks, and applying a decentralized structure.