2009

Karunafoundation

"Saving Children from Disability, One by One"

Annual Report

Karunafoundation

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"Saving Children from Disability, One by One"

KFN would like to express gratitude to people and authorities of programme areas, Government of Nepal, Partner Organizations, Donors, Well-wishers,
Prawin Adhikari for editing and N. R. Manandhar for designing this Annual Report

2009: The year of Karuna Foundation's first groundbreaking steps!

Karuna Foundation can look back on a successful year with the first groundbreaking milestones. We have grown in many ways; at organizational level as well as at project level. We reached, empowered, and inspired directly and indirectly, tens of thousands of people in our project areas and throughout the country. With a budget of 285,000 Euro we achieved tat;

- 432 children with disability received medical, social or economical support, of which many improved their life in terms of daily life activities, physical condition and social participation. In some children the disability could be reduced significantly,
- Although prevention of disabilities is influenced by many factors and it is extremely difficult and costly to generate exact figures, we are convinced that Karuna Foundation contributes substantially to reducing health risks during pregnancy and delivery, leading to more newborns saved from disability,
- By improved health care and awareness, children were saved from developing a disability in the first 5 years of their life (immunization, care for injuries, growth monitoring, etc.),
- 231 trained health professionals reached 7,500 persons through our Training of Professionals (ToP) program, and consequently maternal child health indicators improved rapidly,
- 1799 households from 6 communities joined the Share & Care community based health insurance scheme and paid their premium, which means that 10,794 people were protected against health risks;
- 50,000 inhabitants of the 6 communities have access to improved local primary health care services sustainably supported through community based health insurance; and,
- 88 families below poverty line improved their income through loans and training.

It is because of the complexity of our interventions, the highly ambitious goals we set, and disturbing influences, like the adverse political situation in the country, that we also faced many challenges. It sometimes seems that there are more obstacles and problems than rewards. However, we learned a great deal from these challenges and are very grateful for them as they keep us focused and sharp. Our most important challenges were to manage and influence an entire community and its expectations; to convince community people that health and prevention are important issues and the completely new concept of micro-insurance can serve as a tool for sustainability; to continue investing in (government) people, in strengthening local leadership and decentralized structure; and to shift from push to pull and operate more demand-driven.

On behalf of our founder Rene aan de Stegge and the other members of the Board, I would like to thank my Nepalese colleagues for their dedication, belief and perseverance, and for their understanding that only by being critical, open and ambitious we can make groundbreaking changes happen in the lives of children with a disability and their families, as well as of other members of the communities where we work.

I would also like to express our gratitude to our donors and all other stakeholders for their confidence in our work.

We have a lot to be proud of, and we enter the new year full of hope and motivation to continue our mission of preventing many children from becoming disabled, and improving the lives of children with a disability.

Betteke de Gaay Fortman, General Director

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Remarks from Country Office

We are honored and proud to be associated with Karuna Foundation Nepal. This is not simply a statement: it is the truth, and a reflection of our commitment to KFN's vision. It is not without a few concrete reasons that we show this confidence: We do have a nice bunch of people in the team. We have an environment where we are encouraged to perform and to grow personally and professionally. We have the responsibility and the challenge to create success for a very new organization that has introduced cutting-edge innovative approaches like the Share & Care model for sustainable community health-care services delivery. And, most importantly, we are empowering communities by working with them in an effort to serve their interests and address their needs, erasing the donor-recipient mentality on both sides.

The diversity we encounter in the social, economic, political, literacy and cultural conditions of the people in our program areas is definitely a great learning opportunity for us. Working with local structures/ organizations, like the Health Facility Operation and Management Committee (HFOMC), the Village Disability Rehabilitation Committee and the Village Development Committee is a unique learning experience: we get a front-seat view into the intricacies of the local dynamics of development, and we get to understand how development is thought of at grassroots levels. Also, working with, and for the most discriminated and undermined people, the Children With Disability (CWD), not only forms life-long experiences, but also enriches our lives and teaches us about who we are and what we ought to be doing.

We are a dedicated team that understands the importance of the goal we have set for ourselves. We understand our role as a catalyst in the community to guide them towards increasingly more transparent, democratic and sustainable approaches to managing the community's health services. Collectively, any community will always work towards its best interest. But, as a complex organism, the community will also have its own set of challenges that arise from differences of various types. As a part of KFN we are always aware that we are there to remind the community of the best aspects of itself, and to show and share our respect for human dignity and the need to recognize and respect diversity of all sorts. Therefore, we feel proud to be a part of an effort to bring dignity and respect to people living with a disability, especially the children living with a disability, and designing our programs so that more children can be saved from disability.

KFN is truly making a difference in its program areas. Our Share & Care model is improving community based health service delivery. The Livelihood Program for disadvantaged people aims not only at increasing the income levels of certain strata of the community, but also aims at empowering them financially to the extent that they too can claim ownership of the community's assets like the Share & Care program. The Training of Professionals program is complimentary to the Share & Care program, and also a major part of our efforts towards guiding the community to develop disability prevention projects by taking care of the mother and the child well before birth and well in the childhood of the newborn. These programs, with their guiding philosophy, are the bedrock for sustainable approaches to health service delivery and empowerment in some of the poorest communities in the world. They form the essence of KFN's values, and are the reasons why working with KFN is such a rewarding experience. The entrepreneurial approach in development is a unique and innovative aspect of KFN's programs. We, at KFN, developed these approaches, and these approaches continue to be major strength of KFNs work culture, and make us ever more proud to be a part of it.

Deepak Raj Sapkota, Country Director

Introduction

Karuna Foundation 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.

Mission

"SAVING CHILDREN FROM DISABILITY, ONE BY ONE"

Karuna Foundation strives to reduce the number of birth defects and disabilities among children in developing countries, and to improve the quality of life of children with disability, and the lives of their families through community participation in providing health-care services.

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Strategies

KFN strives to realize its objectives by broadly employing five strategies:

- better health services from existing local health institutions,
- stimulating community participation and responsibility through the establishment of community health-care system managed by the people themselves,
- training health workers in the field of prevention of avoidable disabilities,
- facilitating treatment and extra care for children with disability
- political lobbying

In five years, in our project areas we aim to:

- achieve 5-10 percent reduction in the rate of birth defects and 30-40 percent reduction in the rate of children acquiring a disability through illnesses, malnutrition, accidents or infections ,
- achieve 5-10 percent improvement of the mother and child health indicators,
- achieve sustainable access to improved health services for 100,000 people, especially for mothers and children,
- achieve a better life for 2,500 children with disability and their families through access to education, access to health services, financial support and community life,
- develop a proven successful, sustainable and replicable model (effective health care system with socio-economic empowerment of the marginalized and disabled people), which can be implemented in Nepal and in other countries,

Karuna Foundation aims to multiply the impact of its activities through:

- increased participation of the Nepalese authorities in our projects,

- stimulating more entrepreneurs and companies to contribute financially and in substance to the realization of the objectives of KFN or to start such initiatives themselves,
- influencing more Dutch and Nepalese organizations through our approach,
- organizing the community so that local people can get a grip on their own future.

Projects implemented by Karuna Foundation

Project 1: Share & Care (Scaling up Essential Community Health Services and Awareness Raising Activates for the Prevention of Avoidable Disability)

Share & Care is a community based program where the community shares the health risks, responsibilities, and cost of improved health services. It is a focused program to provide sustainable health services by linking existing health structures with the nearest tertiary care provider. Community participation and ownership in terms of management and finance is the basic principle, which eventually leads towards community empowerment.

Share & Care has six major components:

1. Organization development: Organization development is a planned, organization-wide effort to increase an organization's effectiveness and viability. To achieve this, HFOMC receives intensive training and orientation on different aspects of the program and leads the planning, implementation and monitoring of the program.
2. Community Based Health Insurance (CBHI): CBHI is a strategy for sustainability of the program, financial risk sharing, participation and ownership of the program in the community. Each household contributes a certain amount to the program and gains membership, which provides them with the right to file claims for a defined benefit package. Different models have been developed for different VDCs after discussions with the community, experiences, and probability principles.

Models	Contribution collection per household	Benefit package	Life insurance
Model 1 VDCs: Mechhe, Chapakhori, Narayansthan	NRs 1,000 per household	All services at local health institution are free NRs 5,000 per person in member household in case of referral	NRs 20,000 per person if one person is insured, NRs 10,000 per person if two people are insured
Model 2: VDC: Hansposha	NRs 1,100 per household of 6 members (NRs 1200 in 2nd year) NRs 150 per person for additional members (NRs 200 in 2nd year)	Local health institution (NRs) 1,000 Surgery (NRs) 5,000 Bed(NRs) 1,000 Diagnostic(NRs) 3,500 ICU(NRs) 5,000 Ambulance(NRs) 600 Medicine (NRs) 5,000	NRs 10,000 per person for insured member up to two members
Model 3: VDC: Bhokraha	NRs 1,500 per household of 6 members NRs 100 per person for additional members	Local health institution (NRs) 1,000 Operation (NRs) 5,000 Bed (NRs) 1,000 Diagnostic (NRs) 4,000 ICU (NRs) 5,000 Ambulance (NRs) 2,000 Medicine (NRs) 7,000	5,000 per person for insured member up to two death

3. Upgrading Health Facilities: The health facilities are upgraded in terms of developing infrastructure such as renovation of the building, participating in constructing new building, providing solar-powered lights, telephone as well as improving the health service delivery system like additional service hours, additional human resources, laboratory, additional drugs and supplies, etc.
4. Health Promotion and Disability Prevention: Health promotion and disability prevention is merged within the government service delivery system: strengthening of Primary Health Care Out Reach Clinic (PHC/ORC), mobilizing Female Community Health Volunteers (FCHV), supporting maternal health services and child health services and regular monitoring of the program.
5. Community Based Rehabilitation: Children with disability receive medical, educational and social support and counselling in order to improve their lives (health, education, income and participation). The activities are managed by and embedded in the community.
6. Livelihood: Livelihood support is provided to poor families who can not afford to participate in the program. The families receive entrepreneurship training and loans in order to increase their income. The repayment is collected in weekly installments in addition to the savings.

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 in 2009 to four more VDCs: Chapakhori, and Narayansthan of Kavre district; Bhokraha of Sunsari district; and Syafru of Rasuwa district. All decisions and actions in the preparation and implementation of the projects are taken based on the community's initiative and willingness. In some cases, however, there was a push from KFN's side as well.

Output Share & Care 2009

Indicators/ VDCs	Syafru	Mechche	Chapakhori	Narayansthan	Hansposha	Bhokraha
Organization development						
Annual agreement with HFOMC (times)	1	1	1	1	1	1
Capacity building training to HFOMC (times)	0	2	2	1	2	1
Annual planning and budgeting (times)	1	1	1	1	1	1
Total annual budget (NRs)	2,470,780	2,749,300	2,542,140	2,475,400	4,476,301	3,817,000
Community's contribution (NRs)	986,940	1,310,415	7,01,770	734,900	2,878,791	1,855,000
KFN contribution (NRs)	1,483,840	1,438,885	1,840,370	1,740,500	1,597,510	1,962,000
Community Based Health Insurance						
Total Household (number)	485	1218	555	637	4265	3204
Total members (number)	153	468	144	61	873	100
Ward level orientation on CBHI (times)	9	9	9	9	9	9
Upgrading Health Facility						
Renovation/new building (number)	1	1	1	1	1	1
Solar (number)	0	1	1	1	0	0
Telephone (number)	1	1	1	1	1	1
Basic equipment support (times)	1	1	1	1	1	1
Additional Human Resource						
For Health (number)	3	3	3	3	5	3
Others (number)	2	2	1	1	2	2
Establish basic laboratory (number)	1	Not planned	Not planned	Not planned	1	Planned in 2010
Establish birthing center (number)	Already exist	1	Not planned	Already exist	Not planned	Planned in 2010
Health Promotion and Disability Prevention						
Health camp (Uterine prolapse, ENT, eye) (times)	Planned in 2010	2	2	2	2	1
Support to PHC/ORC (number)	Planned in 2010	5	5	5	2	Planned in 2010
Livelihood						
Families supported (number)	Planned in 2010	Planned in 2010	Planned in 2010	Planned in 2010	88	Planned in 2010
Total investment (NRs)	Planned in 2010	Planned in 2010	Planned in 2010	Planned in 2010	717850	Planned in 2010
Total collection (NRs)	Planned in 2010	Planned in 2010	Planned in 2010	Planned in 2010	285089	Planned in 2010
Total saving (NRs)	Planned in 2010	Planned in 2010	Planned in 2010	Planned in 2010	42688	Planned in 2010

Share & Care is a very new, entrepreneurial approach to community health. Introduction of such a model has resulted in many interesting challenges. People perceive development work as the sole responsibility of development agencies, and therefore are unwilling to take any initiative or responsibility. The community is divided into many groups along political or class lines, and each group has its own unique set of needs or agendas. Since Nepal is a poor country, health and disability don't feature at the top of a long list of priorities. There is inadequate health-care service delivery structure, policy or resource put into place by the government, and the political situation continues to remain highly volatile and without a direction. Besides, the influence of environmental factors mentioned, the SC concept hasn't been fully tested in the field, which has resulted in a slower progress in the pilot communities. However, each challenge is also an opportunity to learn.

Project 2: Community Based Rehabilitation

CBR, as a part of Share & Care, is based on the WHO CBR matrix, which comprises of rehabilitation in health, education, livelihood, social and empowerment. It aims at achieving independence for the child living with disability, while reducing the burden upon the child's family of the child's upbringing and health care needs. It is important that the children learn to maintain social contacts and participate in community life. At the end, a child should be able to contribute as much as possible to their own life and to their family and community. The CBR worker will take into account the specific skills and stage of development of each child with disability, and will involve the family and the neighborhood in the rehabilitation process, so that they will gain more confidence in the child's potential. The HFOMC along with CBR worker will link the CWDs and their families with many other programs/ schemes offered or operated by state and non-state agencies.

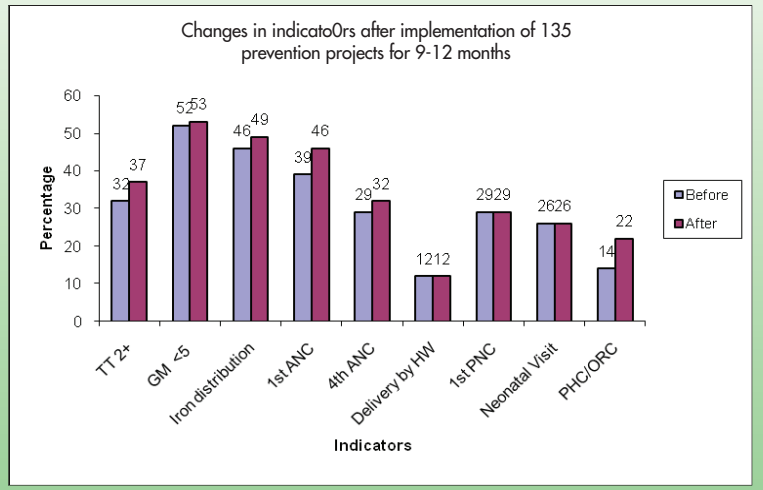
Output CBR 2009

Indicators (in number)	Hansposha	Bhokraha	Mechche	Naraynsthan	Chapakhori	Syafru	Bhorle	Dhaibung	Laharepauwa	Ramche	Total
Total CWD	100	100	71	14	28	11	38	29	27	14	432
CWD assessed	100	100	71	14	28	11	38	29	27	14	432
Received medical treatment	90	30	13	2	7	5	11	13	10	6	187
Under physiotherapy	70	72	32	-	5	7	26	22	21	5	260
Received assistive devices	15	2	11	-	2	2	10	12	18	5	77
Livelihood support	24	-	-	-	-	-	1	2	3	-	30
Educational support	56	52	-	-	-	7	27	16	14	10	182
Received ID card	67	10	47	-	-	9	30	22	27	7	219
Organized in group	31	13	-	-	-	8	4	-	-	-	56
Ramp construction	1	1									2
Training of CBR worker	1	1	1	-	1	1	1	1	1	1	9
Awareness campaign/ street drama	7	-	-	-	-	6	6	6	6	6	37

The main challenge faced by CBR program is in ensuring the sustained involvement of the CBR worker in the program. The task of monitoring the progress of each CWD is an intensive and lengthy process. Unless the community takes ownership of the CBR work, it becomes difficult to make the services provided by the CBR worker sustainable and effective. As the name implies, the burden of success of the program is upon the community itself. But, often, it is difficult for community members to allocate the required time to make the program a smooth and successful operation. Furthermore, the expertise within the KFN team on CBR issues needs to be developed more. Since CBR is a crucial, mutually dependent component of SC, it is important to give CBR the attention and resources it deserves. It is also important to search for and train alternatives to a full time CBR worker in the VDCs and areas where the programs are being implemented. The HFOMC should be adequately educated about the importance of CBR, its effect on the wellbeing of the entire community and its impact on the success or failure of SC. In general terms, the committee should be made more active and vigilant to ensure the success of CBR programs in their village. CBR work is integrated in the SC and a part is implemented by the Resource Center for Rehabilitation and Development (RCRD) as a separate CBR program.

Project 3: Training of Professionals (ToP)

ToP is aimed at creating a pool of competent professionals to create awareness in prevention of disability and to improve health services in accordance with it. During an intensive five-day training, they learn to analyze the problems and causes of disabilities; to design strategies to solve these problems; to develop indicators to measure the results; and to mobilize local resources to implement the project. Knowledge of preventative measures is also stressed as they have an impact on the incidence of disability in a community. ToP graduates design projects for their communities, and KFN co-finances the implementation with NRs 20,000 for each Sub/Health Post. Future projects are expected to be operated with resources mobilized from the community. Each project is discussed and endorsed by HFOMC.



Output ToP 2009

District	Kavre		Sunsari		Rasuwa	Total
Year	2008	2009	2008	2009	2008	
Total Health Institutions Covered	**36**	**43**	**32**	**20**	**5**	**136**
SHP	36	43	32	8	3	122
HP	-	-	-	7	1	8
PHC	-	-	-	5	1	6
Total running prevention projects	**34**	**45**	**29**	**22**	**5**	**135**
Trained Health Professionals	**121**	**121**	**64**	**110**	**15**	**431**
AHW	36	43	32	18	3	132
ANM/MCHW	36	43	32	15	5	131
Village Health Worker	34	23	-	49	-	106
Health Supervisiors	15	-	-	19	-	34
Health Assistant	-	9	-	7	1	17
Medical Officers	-	3	-	2	1	6
VDRC/Community mobilizers	-	-	-	-	5	5
Training to Health Facility Operation and Management Committee	-	6	-	-	-	6
Support to Primary Health Care/Outreach Clinics	-	94	-	-	-	94
Support in birthing centres		17	-	5	-	22

The results so far have been encouraging. A total of 231 health workers have been trained. 63 prevention projects were submitted by the professionals upon completion of their training, and all 63 have been endorsed. 75 separate visits

were made on the 4th and 8th months from the endorsement of the project, and 10 annual evaluation meetings were held to review the achievement in various areas. Two-day long HFOMC trainings were held for 6 VDCs, and subsequently, 94 PHC/ORC were strengthened. 5 new birthing centers were established and 17 were supported to ensure safer birth and post-natal care for the mother and child.

As in any project, there were challenges involved in the ToP program. The transfer of health workers who were being initiated into the ToP program proved disruptive, while some health workers were apathetic towards the training and monetary benefits were also of interest. Some FCHVs are of advanced age and illiterate, which made the implementation of prevention project challenging. Some sub health posts didn't have the designated number of health workers in them. Some health workers were deputed to work in health institutions other than their appointed work stations. Political pressure had also been one of the factors to make it difficult to take any action against health workers who were not doing their duties properly. A lack of coordination among health workers for the division of responsibilities resulted in an absence of accountability. Also, the District Health Officer and supervisors are sometimes too busy to really make their presence felt during the period of program supervision.

A possible solution to these varied and intricate challenges is to give more attention and closer supervision to prevention projects that are performing weakly. There must be channels for, and practice of, clear communication with the DHO and health workers involved in ToP. ToP could be integrated with Child Health Division of the Department of Health Services through a mutual agreement. There should be more discussions with the government and in other forums about a more effective way of taking the program forward.

Project 4: National Level Policy, Networking, Coordination & Advocacy/Awareness (PAAN)

This program aims to establish strong links with the concerned government bodies and other key stakeholders to influence a shift in the policies of the Government of Nepal towards creating a sustainable health-care service delivery system, the prevention of disability, and recognizing the rights of Persons with Disability (PWDs).

We have been quite successful in coordinating with the Ministry of Women, Children and Social Welfare, which is the focal Ministry of Government of Nepal for issues related to the rights of PWDs. The coordination and cooperation with Ministry of Health and Population is still in the starting phase. Central Project Advisory Committee (CPAC) and District Project Advisory Committee (DPAC) meetings have been quite instrumental but could be made more effective. Likewise, the meetings with the expert groups, mainly on the issue of CBHI, were good but we still need more such efforts.

There needs to be more efforts and constant follow ups made to establish good coordination with the ministries, departments and other government offices that will be useful for our programs, as ultimately they are responsible for making the system effective.

Nepal is a country in a transitional period. Let us be hopeful that the system of government will get more decentralized, and that state power becomes more diffused. This will allow communities and people to participate more actively and take ownership of programs that are implemented at the local level. People can then take the initiative to start new programs and take leadership positions in efforts to develop their communities

General challenges and rewards

In KFN's two years of experience preparing for, and working in the field, KFN has found many occasions to reflect on and evaluate the state of its efforts and achievements. There are some areas of concern: the organization of a clear and effective work-flow for the field has proved difficult. There is a general lack of technical expertise among the staff, although, to their credit, each individual is dedicated to learning from and correcting their weaknesses. Documentation of evidence of the effectiveness of some of the programs is a difficult task, partly because of the very nature of the work, and partly because of resource constraint and the nature of the physical terrain and the political gridlock. The program is very ambitious and at many fronts—the very idea that the community should ultimately bear the burden of success, for instance, flies counter to the prevailing trends in development work, and thus flips upside-down the expectations of the stakeholders and influential sections of the community and government. However, two years are enough also to gather positive and empowering experiences. KFN has a very committed core of human resources. In the pilot areas, the communities immediately saw the value inherent in the programs and embraced them. The community became an active participant and made the financial contribution. This gives the community a sense of empowerment. The ToP program has a very high coverage for its low cost, and has noticeable, appreciable results. KFN has been able to establish links with national and international partner organizations to share the efforts and experiences. Share & Care has proved to be a comprehensive program that has the potential of becoming a good example around the world.

Yet, the political instability that has Nepal in its grip is a threat that might end up upsetting the achievements made so far. Frequent and sometimes violent strikes make it difficult to work in the field. There is a profound apathy and lack of commitment on the part of the government. Political differences and occasional conflicts in the project areas can set back the achievement in community cohesion and democratic practices within the programs. Since every change in government results in the transfer of government employees, the task of coordinating with government officials and educating them about the nature of the projects being implemented, becomes very difficult.

The communities seek visible and tangible results and inputs: to them, a health insurance is an abstract concept, as is CBR, but new buildings for the health-post and cabinets full of medicines are more desirable.

Nevertheless, the policies of the Government of Nepal are becoming gradually more progressive. Communities are becoming more aware of the fact that sustainability is the key to their own development. There is increased cooperation among like-minded organizations, and KFN is getting exposure and making contacts and links at the national and international levels. With a bit of perseverance and hard work, KFN can confidently look forward to another year of exciting, eventful and meaningful achievements.

Karuna Foundation: Work, Culture and Values

Kaurna Foundation team members in the Netherlands and in Nepal bring into play their personal qualities, passions and inspiration in order to make the projects successful. They believe that everybody has the right to a humane existence, including the right to health, and that there should be a relationship based on equality between people at all levels. They bring together people and their competence, they are sensitive to—and take into account—local social and cultural factors, and they strive continuously to improve themselves and the organization in order to better serve their mission. The team members believe that through technical, financial and knowledge sharing between the countries, our efforts can be better focused to encourage self-reliance, empowerment and responsibility in the communities that we affect.

There also needs to be equality between all stakeholders, between KFN staff and health workers, between KFN and community, and, equality between genders. Women in developing countries bear an unfair share of the burden of providing food safety and health care services. By focusing on the gender aspects in our projects and stressing on gender equality, and by creating access and avenues to basic primary health services and facilities, we also hope to contribute to the Millennium Development Goals that strives for gender equality, and certainly create a more equitable relationship between the disabled and the non-disabled, along with the basic health rights of every human being. The way we care for the disabled members of our society reflects the very soul of humanity. Their place among us, and in relation to us, shows how civilized we are KFN team members believe in these tenets, and strive to implement these values in each day they spend in serving the vision of the organization.

At KFN, a high priority is the growth of each team member, through respect for their personal caliber and recognition of their vision, and constant encouragement towards ever greater professional achievement. When colleagues and friends in the

organization collectively perform better, the positive ethos it creates results in more innovative ideas, a welcoming, democratic and transparent work environment, greater degree of patience and wisdom in the fields, and overall better results in the communities where we work. It is a matter of great pride and encouragement to see that KFN has matured in its experience and attitude in just that manner over the past year.

What sets apart Karuna Foundation

The community-based approach of KFN is unique in its insistence upon a community's financial and managerial responsibility for health care service delivery for all members of the community. KFN acts as the facilitator of programs that encourage and train community members to develop a long-term solution to their health care service delivery needs. The program also includes the fact that KFN will exit the program area after a period of two years. By this time, the community is expected to meet the full costs of running an improved version of existing infrastructures, and of bearing the cost for additional programs. All the programs are designed by trained community members to address specific and evolving health care service delivery needs of the community. Congenital, post-natal and early childhood disabilities often result from the lack of simple information on, and monitoring of, safe pregnancy and nutritional choices.

KFN's strategy to assist the community in supporting and demanding sustainable, comprehensive health care services shows a bottom-up approach to solving a complicated policy problem in Nepal. A strong emphasis is laid on training the community members in fiscal management and a culture of transparency and inclusive participation. All decisions—whether to enter a partnership with KFN or not, whether to include financially weak members of the community—are taken by the community after intensive consultation and debate.

We find that the community is very smart when it comes to any activity related to the costs of the programs being implemented. This is the result of a sense of ownership over the financial resources, as the funds are no longer seen as coming from an outside agency, but as the hard-earned capital collected from the members of the community. In our experience, this always makes the community think creatively to implement innovative entrepreneurial approaches.

The community is given the responsibility to manage every aspect of the programs being implemented, and to identify new challenges and opportunities. Development efforts by KFN should not create parallel structures. The intention should not be to add an isolated structure for delivering services already being provided by another agency. Cooperation is more productive than competition in such cases. KFN will engage local and existing bodies like the S/HP, the VDC, the DHO, and heads of local political organizations and opinion builders to put together a more effective health care service delivery apparatus that is designed to address specific local needs. This culture of ownership and direct accountability to the immediate local community is the strength of KFN's programs. The scope for redundancy of KFN, which is built into the various agreements it enters with local and state-level governing bodies, encourages selfless service by KFN office bearers, and also engenders an atmosphere of trust between KFN, governing bodies and local political parties, and members of the participating community. This atmosphere of trust at the set up of a program, and long after KFN has made its exit, is vital to the sustainability of a program.

Internal dynamics of community development: Karuna Foundation experiences

'Community Development' is a popular phrase that gets tossed around by almost every development worker. It is a fact that most of the development endeavors around the world are associated with community development. Despite the enormous amount of resources and efforts invested across the world into advancing and developing the community, the challenges that make community development difficult have not been conquered, and the nature of problems remains the same.

We have to understand the following facts about the community before we can start any discussion about it:

- A community is a loose network of people from very different backgrounds i.e. religion, tradition, ethnicity, education, access to state power, socio-economic standard, professions, etc.
- The people are geographically scattered.
- The needs and priorities of different communities are very different from each other.
- There are different strata within each community, with their own socio-economic reality.

There are many environmental factors which makes our work very difficult while working in and with communities:

- Most often, people in communities in a poor country like Nepal are in absolute difficulties and need. In such a scenario, no logic works simply because the question of survival dominates everything.
- It is not easy to make a new development program the main priority out of many urgent priorities.
- Mental poverty, where the members of a community lack the necessary education or awareness to fully grasp the nuances of, and the need for, a specific program being implemented in their community, compounds the problems created by their economic poverty, and creates huge challenges in implementing any program in the community.

- The governmental entities in Nepal are less functional at the moment. Government agencies lack feeling of responsibility and accountability to the people, or to communities in which they work. They hardly take any initiative and participate rarely in any innovative effort that may positively affect or benefit the community. The personal interest and monetary benefits are dominating issues which can hinder the implementation of the programs.
- The national policy of the country should encourage initiating development endeavors in any community. The policy should be clear about whether there is the need for a particular development initiative or not. If a proposed program is in line with the national policy, the government must encourage the program and extend to it all necessary help. If a program is divergent from or against the direction of national policies, the government should actively halt programs like that across the board. There is no such regulatory mechanism in Nepal at present, and therefore a situation of chaos reigns.

At present, there are no monitoring, evaluating and guiding agencies. Every development effort is introduced or implemented as per the objectives of the initiator, usually in a disorganized way, which is one of the big hindrances to the development process of the country.

- The well-off members of a community are not interested in a program until they see specific benefits for their class, whereas the poor, most of the time, can not participate financially because they lack the necessary resources and knowledge.
- Another very stark reality is that every human being is an individual first, with specific agendas for self-gain. Communal or collective interest is always secondary to the individual's interest. Community development programs do ultimately serve the individuals, but they do so by serving the interests of the community first. And the connection between the benefits for the community and how that translates to a better world for an individual is often obscured, and resources are often diverted to influential individuals.

KFN's approach to overcome all these challenges are:

- Find a fine balance between individual interest and community interest.
- Identify and represent the community's needs and priorities, to be able to shore up the interest and support of the residents.
- Have a good understanding of the program and be very committed.
- Introduce an entrepreneurial approach to development. Entrepreneurial approach is the initiative in a community where locals sit together to identify the community's needs, find available resources or identify possible opportunities to obtain resources, and manage them to address the needs. The return of such investments can be measured in terms of human development and improved quality of life.
- Provide permanent and broader training and practice of transparency and good governance within our own organization and in the community.
- Constantly link, cooperate and lobby with the government and determine with them how the responsibility of operating a program can be handed over to the communities so that they have full control over the daily functions of the organization, like identifying and managing financial resources, human resources and other aspects of program management.

Besides this approach, we have an unwavering faith in the fact that KFN is making a positive impact on the communities. KFN is not only changing lives one at a time, but also leading through examples. Although the challenges are numerous, so are the opportunities to learn from each challenge, and so are the rewards in the form of satisfaction for doing a good job.

External evalution

This study was undertaken by Dr. Shrikant Khadilkar, senior expert of Bharatiya Agro Industrial Foundation (BAIF), in June, 2009. The main purpose of the study was to critically evaluate strengths and weakness of KFN as a whole, and more specifically, its Share & Care project. Primary sources like meetings, recording observation, focus group discussions, formal and informal interviews were used for qualitative data and secondary sources like review of records, reports and photographs were used for quantitative data. Purposive Stratified sampling was adopted to get a better understanding. Here is the abstract of the findings.

The impact of KFN's work is seen in the change in trends resulting from implementation of its programs. Increased utilization of available health services, increase in availability of data, increase in number of pregnancies being registered, and increase in number of institutional deliveries are early indicators that the process of change are being accepted, and reflect the documented behavioral change. Similarly, there is an improvement in the rate of registration of children with disability. Generally all the stakeholders expressed their satisfaction towards the project. The quality of life (QoL) of children with disability is improving bit by bit. This is demonstrated by their acquiring improved life skills, continuing education, increased social acceptance, and being included in development agenda for the area, etc.

At present, the participants in SC are a mix of those who want to be included in the projects, and those who are in need of the benefits of the project. All sections of the community have been represented. However, if the poor have to pay to participate, additional efforts for increasing their ability to pay will be necessary through livelihood generation. Although balances of both the SC communities can go into the negative soon, according to principles of insurance, with more subscribers, there will be lower levels of shortfall. So, the program will be viable only if the renewals and new entrants is significantly large, with preferably more than 80 percent of the population. Presently, both the HFOMC can continue if KFN exits from the area, but only for short time. Accounting and management capabilities and solidarity for the projects is also lacking. It is necessary to concentrate on building these capabilities over the next two years in order to gradually start the exit process. It was important to hear from every beneficiary that they were very much impressed by SC and the assistance provided by the whole team of KFN. However the non-beneficiaries were not sure if they would need insurance in the future.

Clarity of organization and project objectives shows an upward trend. Very good team work and skilled business planning are the main contributing factors as inputs from KFN, apart from the initial investment. Use of experiences gained in the field and by others is benefiting the project. Community sharing of responsibility, transparency, accountability is put into practice at various desired levels. Yet, the projects deserve extended support for a few (2 to 3) more years as their ability to carry it "on their own" is influenced by many factors like political division, illiteracy, low level of understanding, lack of access to income generation (livelihood) options, etc. Although the generation-long tendency of demanding more by community has not reduced in any area, the project appeared to be progressing towards sustainability.

On the whole, all the strategies are complimentary to the rest. It was important to implement CBR in order to fully enter the community, while SC helps in towards making the overall vision of KFN sustainable. PAAN is not unimportant if a change in the system is desired. ToP helps in building capacity of professionals for providing services and improving the rapport between service providers and the community.

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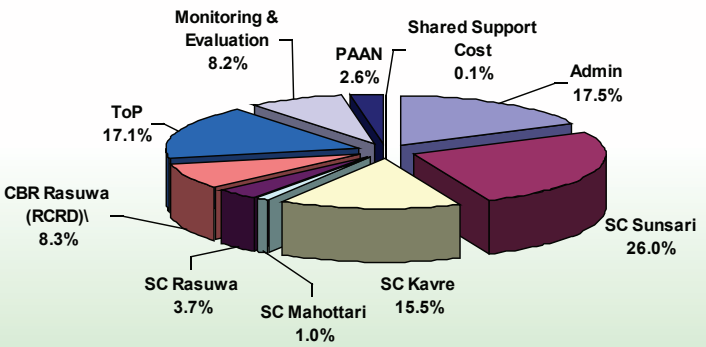
Financial report 2009

In the fiscal year 2009, total budget of KFN amounted to NRs 35,004,096. However the budget was revised in June 2009 and decreased to NRs.29,086,247. Table below depicts the status of Budget Vs. Expenses

Budget analysis for the period from January to December 2009

Budget Head	Budget 2009 (NRs)	Expenses 2009 (NRs)	Budget Utilization (%)
Administration Cost and Liability	3,661,937	4,082,088	111.4
SC-Sunsari	7,151,540	6,050,138	84.6
SC-Kavre	6,066,988	3,613,544	59.5
SC-Mahottari	1,815,965	236,187	13.0
SC-Rasuwa	900,000	850,385	94.4
CBR Rasuwa (RCRD)	2,058,000	1,924,072	93.4
ToP	4,855,664	3,993,249	82.2
Monitoring and Evaluation	1,753,153	1,921,711	109.6
PAAN	823,000	597,592	72.6
Shared Support Cost	-	28,250	-
Total	**29,086,247**	**23,297,217**	**80.1**

Fig: Program wise total expense in the fiscal year 2009



The above budget analysis table for the period from January to December 2009 shows the pattern of expenditure for the year. The organization has maintained a periodic budget chart to perform periodic analysis of the budget. Some variances are noted between the budgeted and actual expenses. However, overall utilization of the fund in FY 2009 is found to be at 80 percent. Although some of the project budget is underutilized, in totality the utilization of fund is appropriate and satisfactory.

Our office in Holland, board and our donors

Organisation

Karuna Foundation has its renewed legal status in Holland as a Foundation since April 2007. Its office is in Arnhem, a city in the east of the Netherlands, near the German border. Since January 2010 Karuna Foundation holds office in the same building as Giesbers Groep, our main donor and inspiration of our organisational values.

Team

The Dutch Karuna team is small, consisting of 1 full-time staff and 1 part-time staff and is in very close contact with the Nepal team. The responsibilities of the Dutch team are to develop and improve policies and strategies (together with Nepal team), strongly support, supervise and motivate our staffs in Nepal, as well as 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 community-based health model. Moreover, it builds a network both in Holland and internationally to exchange good practices and findings, and inspire other entrepreneurs and organizations.

Board and advisers

The Board is formed by its founder Rene aan de Stegge (president), as well as 2 other persons: Toon Kasdorp (secretary) and Gerard Timmer (treasurer). At the end of 2009, our respected treasurer passed away. We deeply regret this loss. At the beginning of 2010 a new treasurer will be appointed to the Board.

During the whole year we received regular and valuable advice from different experts in the field of development and disability: Merel Schreurs, Wim Bor, Brigitte aan de Stegge, Henk van Stokkum, Huib Cornielje, Ad van der Woude, and Niek Bakker for which we are very grateful.

Funds in 2009

Karuna Foundation had 3 major donors in 2009.

First of all, the contribution of Giesbers Groep who covered the costs of Karuna Foundation Holland and major part of the costs of Karuna Foundation Nepal.

GiesbersGroep

Impulsis, an initiative of ICCO, Edukans and Church in Action, in 2009 supported part of the implementation costs of Share & Care, Training of Professionals and advocacy projects of Karuna Foundation Nepal.

Impulsis
Steun•Inspiratie•Samenwerking

Eureko Achmea Foundation, established by a huge and well-known European and Dutch insurance company, supports the Share & Care program in 3 new villages during a period of 2 years from November 2009 onwards.

EUREKO achmea FOUNDATION

There are few smaller donors of which one needs to be mentioned for their brave and challenging mission. Two Dutch adventurers Fons van der Leen and Renske Tromp left Amsterdam with a land cruiser in April 2009. They arrived in Kathmandu in September 2009. With their journey, they also supported a Karuna Foundation project.

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Partners in Nepal

District Health Office (DHO): DHOs are the focal health agencies of government of Nepal in the districts. We partner with them to plan, implement and evaluate the Training of Professionals and Share & Care. Their human resources, technical and material support is vital to make the programs successful.

Health Facility Operation and Management Committee (HFOMC): HFOMC is a government structure representing the community's responsibility to manage local health institutions in every VDC. KFN partners with these structures to implement Share & Care in its project VDCs. HFOMC is the owner and implementer of the Share & Care program in its respective VDC. It takes care of the management aspects, as well as the financial participation by the community.

Resource Center for Rehabilitation and Development (RCRD): RCRD is a non-governmental organization that advocates for the rights of children/persons with disabilities in Nepal. It offers different types of training on disability issues, and has established the National Information Center on disability issues and promotes community-based and inclusive approaches to disability in development. RCRD partners with KFN to implement its program in Rasuwa district. It has been facilitating the implementation of Share & Care in Syafru VDC and Community Based Rehabilitation in 5 VDCs of Rasuwa.

Help for Change, Nepal (HCN): HCN (Paribartanko Lagi Sahara, Nepal) is working with KFN in Timal region of Kavre district, mainly helping KFN in awareness raising and to organize community activities.

The Shared Vision

Assist is an Indian organization for comprehensive development of rural villages set up in 1985. The development of India must start at the village level, 'because independence must begin at the bottom.' KFN will make use of the experience and knowledge of Assist in the implementation of its projects. [www.assist.org.in]

BAIF is an Indian development organization based in Pune, focused on improving income and work opportunities for rural families. BAIF has experience in setting up micro insurance systems for women's groups. On behalf of BAIF, Dr. Srikant Khadilkar is supporting and consulting KFN regarding the development and implementation of the SC program in poor rural communities in Nepal.In 2009, Dr. Khadilkar carried out an external evaluation of KFN. [www.baif.org.in]

Impulsis is an initiative of Edukans, ICCO and Kerk in Actie (Church in Action). It has a department to support Dutch companies and entrepreneurs who want to promote local entrepreneurship and entrepreneurial approaches in developing countries. Impulsis has extensive expertise in the field of development cooperation, and a well developed network. The initiatives and projects Impulsis supports always aim to empower people towards self-reliance. Since 2008, KFN has entered a partnership with Impulsis by being a recipient of its grants. [www.impulsis.nl]

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 a disability, and to put the issue on the development agenda. Karuna Foundation is a member of DCDD. [www.dcdd.nl]

Women for Women provides medical support to women in Nepal, mainly focusing on prolapsed uterus, a frequent 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. [www.vrouwenvoorvrouwen.nl]

Madat Nepal and Sathsathai are two Dutch organizations working on education, water and sanitation. Our activities are complementary, and as we work in the same project area coordination takes place on a regular basis. [www.madatnepal.nl and www.sathsathai.com]

March of Dimes is a leading nonprofit organization in the United States for pregnancy and infant health. Although we don't have a formal partnership, we consider the contacts, advises and conferences organized by March of Dimes as highly valuable. With their technical support, we are trying to set up an system for birth defects surveillance in some hospitals in Nepal.[www.marchofdimes.com]

Eureko Achmea Foundation is an initiative of the European and Dutch Insurance Group Eureko/Achmea. The foundation strives to contribute to the improvement of the socioeconomic environment of marginalized groups in the Netherlands and in other countries. In the year 2009 we received a two-year grant for our SC. [www.eurekoachmeafoundation.nl]

Story of Sujan

Sujan had a hearing and speaking disability. When Sitaram Shah (CBR worker) met him, he was isolated from the community and was not even attending school due to his problem. He was living with his grandmother as his mother was out of country and his father did not have much concern about him. His grandmother was barely managing their living expenses. After he came in contact with CBR program, he was referred to B.P Koirala Institute of Health Science (BPKIHS), Dharan and was recommended a hearing device. The family could not afford it. CBR worker consulted with the family and nearby neighbors. So, neighbors collected NRs 500 and rest NRs 7500 was supported by SC program. Now he can clearly hear with the help of the device and is attending the regular school.

Story of Suren

Suren was 2 years old child from a Mushahar family. He is physically disabled and is not able to walk. When Sitaram (CBR worker) talked to his family, they were completely disappointed and had lost the hope that he can ever walk. He was referred to HRDC, Itahari, where he was recommended for physiotherapy. Sitaram provided regular physiotherapy with full participation of his family and regular follow up. He showed significant progress and improvement. He started to walk with help of rollator and then without it. After two years, now he can freely walk, though with some difficulties. His therapy is still continued by his parents and he is frequently followed up by the program.

Story of Raudi

Raudi Sada is a 30 year old Mushahar (originally rat hunter, nowadays landless people, involved in manual work). He has been living with his wife and three children in Hansposha for the last ten years. He is from a very poor family and has never been to school. Since he was 14, he started to pull rickshaws owned by others. But, he could not continue that as he was too young and had to pay to the owner daily even when he did not earn enough. He did not have any skills either. Therefore, he started collecting plastics and metals as a rag pickers to sell. He also worked seasonally on farms owned by landlords earning monthly around NRs 4,000, and it was irregular. It was very difficult for him to run his family. Nine months back, he came in contact with livelihood program through the Share & Care program. He showed interest in it. Rajkumar Giri (a member of HFOMC) helped him to get in the group of livelihood and has been helping me throughout the process till now. He received entrepreneurship training and loan of NRs 16,500 to purchase his own rickshaw. Now, he drives his rickshaw and earns around NRs 10,000 per month. Even if on a particular day he does not earn enough, he does not have to give my earning to any body else. He pays weekly repayment installment of NRs 350 including saving of NRs 25 on time. The loan will be repaid within a year, and he has already cleared nine monthly installments. He is also a member of the health insurance program, and takes advantage of free health facilities and referral benefits.

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Giesbers Groep and 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, which he has incorporated in his business approach. 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 office and facilities in Arnhem (NL) as of January 2010, 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]

The Blue Guideline

STEP 1
Analyze the problem

a. Who are the stakeholders?
b. What are their interests?
c. What are contradictions in these interests?
d. How much importance have these interests?

STEP 2
Define an intervention – a solution – in the interest of all

a. Think creative – innovative – outside the normal ways (out of the box)
b. Think together, take time, reflect
c. Describe a solution-direction that has the support of all involved

STEP 3
Do you want to continue with this project?

a. Do you want to continue with these stakeholders?
b. Are you capable and willing to do this project?
c. Will you achieve results within a reasonable period?
d. Do you accept the risks?

YES: continue and take the lead

NO: be prepared to stop

STEP 4
Manage the process professionally in steps

a. Formulate a higher goal
b. Map the process. Divide it into steps and define decision moments per step
c. Eliminate wasteful investment → an optimal process
d. Obtain commitment of the stakeholders for the process
e. Define who is the process manager
f. Evaluate the process periodically and adjust where needed

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