access to diverse financial products and services is an indispensable component of successful participation in a market economy. Out of a total population of 27 million, 13 million people in Nepal lack access to basic formal financial services—a figure that is steadily improving. The Blueberry Hill Charitable Trust, funded by DFID, has followed the SAFAL project in six districts of Nepal for the past two years (August 2013 to July 2015). This ensures a budget of GBP 1 million. SAFAL provides a sustainable increase in income and access to financial opportunities to more than 28,000 people (65% women) living in Nepal’s hill and mountain communities. The project brings about a systemic transformation in the delivery of, and access to financial services. SAFAL is implemented through a consortium comprised of The Blueberry Hill Charitable Trust and Mercy Corps Nepal. For the project, they have provided technical support and engaged local communities in the implementation of project activities in Taplejung, Bhojpur, Sankhuwasabha, Tehrathum, Banke, Jumla, Rukum, Kailali, Bahyang, Kanchanpur, and Palpa for a total budget of GBP 2,200,000. Dhan Krishna Khatik of Raji, Bajura has been a farmer all his life. He planted rice, maize and millet as long as he remembers. Despite working hard on his farm, the traditional crops he planted was not enough to sustain his family financially throughout the year. Last year he attended 3 days' livelihood training on off-seasonal vegetable farming provided by SAFAL project funded by DFID. After the training, Dhan invested his time planting off-seasonal vegetables like cabbage, carrot, radish, etc. instead of the traditional crops. The vegetables can be harvested four times a year compared to the traditional crops which can be harvested only twice a year. Recently, the cooperative opened a collection center aimed at providing an easy platform for all vegetable farmers to store and sell their vegetables at a fair and reasonable price. The facility at the cooperative has helped Dhan increase his income three fold comparatively. “Before, we worried about our vegetable going bad and now the collection center takes care of all our problems. We no longer worry about the price because the cooperative has fixed a rate for all the produce helping farmers like us earn without having to worry about being cheated,” says Dhan. After the livelihood training, Dhan started his vegetable business. Dhan says, “I told myself that I'd plan and manage my finances then I could also save. Sometimes I never thought I could do. Most importantly, I could do it under my own government in my own area to help me raise my family. The interest in the cooperative is increasing from day to day because the farmers believe that the cooperative will help them to do all their wishes—as said ‘I wanted to buy my daughter a better school’, and ‘I wanted to buy clothes for my daughter’. We will give a sponsor loan of NPR 15,000 for the people who fall in the category of the small farmer. Because our project is aimed at helping the people who fall in the category of the small farmer. We want to increase the number of people who fall in the category of the small farmer. We want to increase the number of people who fall in the category of the small farmer.” Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.” Sushila Despite the heavy interest Dhan would still be treated badly. “When my husband would be India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me badly.”
Access to diverse financial products and services is an indispensable component of successful participation in a market economy. Out of a total population of 27 million, 13 million people in Nepal lack access to basic formal financial services – a figure that is steadily improving.

The Blueberry Hill Charitable Trust, with financial support from UK aid through the Department for International Development (DFID), has been implementing the SAFAL project in seven districts of Nepal for the past two years (August 2013 to July 2015), with a budget of GBP 1 million. SAFAL provides a sustainable increase in income and access to finance opportunities to more than 28,000 people (60% women) living in Nepal’s hill and mountain communities. The project brings about a systemic transformation in the delivery of, and access to, financial services.

SAFAL is implemented through a consortium comprised of The Blueberry Hill Charitable Trust and Mercy Corps Nepal, funded by UK aid through DFID. The Blueberry Hill Charitable Trust implemented project activities in Ilam, Panchthar, Taplejung, Doti, Achham, Bajura, and Dadeldhura districts; and Mercy Corps implemented project activities in Taplejung, Bhojpur, Sankhuwasabha, Tehrathum, Banke, Jumla, Rukum, Kalikot, Bajhang, Kanchanpur; and Baitadi for a combined total budget of GBP 22,00,000.
Kala Devi Kunwar, 49 is a woman everyone in her village in Sanfebagar, Achham looked up to. She is a hotel and a grocery shop owner. She has been in the business for the past 23 years. Her business helps her to support her family of 6 and is proud of the fact that she is a successful business owner.

“I opened the grocery store 8 years ago. It made sense to operate both the business simultaneously. I was happy with my hotel and the shop but one day one of the staffs mentioned about Laxmi microfinance which provided loans and training. I didn’t think twice and I made a group of 5 women and joined the microfinance immediately.”

Kala found herself absorbed in the Enterprise development training. Despite being in the hotel business for the past 23 years Kala didn’t know about balancing income and savings, accounting and managing her finances.
“The training helped me understand technically how I could improve my earnings and manage my finances. I applied for a loan of NPR 60,000 to expand my business to Laxmi microfinance institution. I had learned to make a business plan during the training and that is exactly what I did.”

Kala’s son who had studied Technical SLC (Agriculture JTA) joined his mother to help her in their family business. “In the past and even today people in our society look at women differently – especially women like us who are independent financially. If a woman voiced her opinion she would be talked about and shamed for being a big mouth. But our microfinance group consists of all women. We now command respect because our families know our contribution is key to our family’s social status and wellbeing.”

The public training and meeting has supported women to speak about their financial challenges openly and are often seen voicing their opinion along with the men. They are confident and their confidence in doing business has commanded respect to these hard working women. Women are no longer discredited for earning their own income.

“It is very important for women to be economically stable. They don’t have to depend on their husband and family for basic things. And being self-dependent is very important.”
Indra is a housewife and she lives in a large family. Their only source of income is her husband’s salary as the local teacher. Financially, their situation is so dire that Indra compromised all her wishes – as simple as buying a new set of glass bangles.

“My life has been a life of compromise. It is ok when the compromise is for me, but when it affects my children it is really sad. I wanted to send my daughters to a better school, but economically, we just couldn’t.”

As a member of the Namuna Women Multipurpose Cooperative Limited, Saraswatinagar VDC-7, Doti she decided to participate in the Financial Literacy Training provided by SAFAL project funded by DFID. “My sole purpose to attend the training was to learn about management of money and saving. Because our income is so limited I thought this training could be the key to helping me
understand how to manage better with less income.”

After the training Indra availed a loan of NPR 30,000 from her cooperative and immediately started poultry farming with 200 chickens. Now, Indra is in her second batch of poultry farming where her husband helps her in keeping records. The income from the poultry has been a tremendous boost for her family not just financially but also socially.

Her income now supplements her husbands’ income and she manages her finances better. All her four daughters are now attending an English medium school.

“Before I had to depend on my husband for every purchase or decision. Today, I earn as much as my husband. The feelings I had suppressed earlier is free now. I am now capable of buying many things for myself and for my daughters. The happiness I see on my children’s face compares to nothing. I am happier these days because I am confident I can provide for my family.”

Indra’s confidence will one day reflect on how her daughters perform in school and what kind of life they choose to lead. There couldn’t be a better role model than Indra.
Dhan Krishna Khadka of Rajali, Bajura has been a farmer all his life. He planted rice, maize and millet as long as he remembers. Despite working hard on his farm the traditional crops he planted was not enough to sustain his family financially throughout the year. Last year he attended 3 days livelihood training on off seasonal vegetable farming provided by SAFAL project funded by DFID.

After the training Dhan invested his time planting off seasonal vegetables like cabbage, carrot, radish, etc. instead of the traditional crops. The vegetables can be harvested four times a year compared to the traditional crops which can be harvested only twice a year.
Recently Laxmi Cooperative opened a collection center aimed at providing an easy platform for all vegetable farmers to store and sell their vegetables at a fair and reasonable price. The facility at his cooperative has helped Dhan increase his income three folds comparatively.

“Before, we worried about our vegetable going bad and now the collection center takes care of all our problems. We no longer worry about the price because the cooperative has fixed a rate for all the produce helping farmers like us earn without having to worry about being cheated,” says Dhan. After the livelihood training Dhan also attended the Financial Literacy training. The financial literacy training has helped Dhan to plan and manage his income better: “I learned that if I could plan and manage my finances then I could also save. Something I never thought I could do. Most importantly I can now pay my children’s school fees without a worry.”

Dhan is happy with what he has learned and put to practice. He says, “The training has enabled me to earn a decent living. I may not have a government job but the confidence I have in myself is enough to raise my family. The income from the vegetables is nice and the cooperative is always there to support us.”
Laxmi Saving and Credit Cooperative Ltd.

Bajura is one of the most remote districts in far west Nepal. Despite having a long history of cooperatives since 2000 operating in the area the locals weren’t aware of the benefits they could avail from the 145 cooperatives in Bajura alone. Laxmi Saving and Credit cooperative started operating as a local club which was later registered as a cooperative in 2000. The cooperative operated without any formal training on financial operation.
“It was SAFAL project that took to training the cooperative members on cooperative management. The training included Financial Literacy - financial planning, cash flow, saving, debt, investment, insurance, and remittance; and cooperative business, cooperative management & good governance, accounting & book keeping training, PEARLS training, and internal control system. The consolidated training helped the members realize they weren’t operating the cooperative to benefit the members at all,” says Chairperson Amar Khadka.

The cooperative has registered share members and increased its capital. The training was fee based which surprised many members. The collected fee was deposited in Institutional Share Account to be used for the betterment of the cooperative. The levied training fee has helped the cooperative to filter genuine participants.

“There are a lot of NGOs who pay participants to attend training and hence people participated for the allowance. But we charged them NPR 100 per training and when the participants realized the importance many more members started attending the training sessions. We told them later that their training fees would be deposited in their in their respective accounts in the cooperative. The PEARLS training organized by SAFAL has helped the training participants to analyze their individual finances and improve the cooperative.”

The cooperative has further invested in vegetable collection and storage center for the farmers. Many farmers migrated seasonally to India due to poverty. The training on livelihood which includes off seasonal vegetables along with the cooperative’s easy access to loan and readily available vegetable storage and collection facility has helped many farmers to increase their income.

Many members have started their own shops and businesses and farmers now migrating to India seasonally has almost ceased helping them earn in their own village.
Namuna Women Multipurpose Cooperative Ltd. was established in 2009 and is managed and operated by all women members in Doti. The cooperative was established by a group of 25 educated women who realized they needed to be financially independent and earn their own living.

‘It was a difficult task to make the women understand about a cooperative in the beginning,’’ says, Secretary Mina Khatri. ‘‘Women didn’t know what a cooperative is and how it functions.’’

Even though the cooperative was established in 2009, it was only after SAFAL project’s intervention did the cooperative members learn to function in a systematic way.
way. The members despite having a passion to make the cooperative success didn’t have any formal training or experience to operate a cooperative successfully.

SAFAL project through its local implementing partner supported the cooperative with basic infrastructure like buying some office furniture and steel cupboard. The various institutional level training like cooperative management, good governance, PEARLS training for the cooperative helped the members to understand the importance of saving and credit which greatly helped to increase their members making the total share members count to 301 members. The most important outcome of the training was to build the confidence of these women. Secretary Khatri says, “It was not easy to convince women to attend the training, but now they demand for more training because once they attend the sessions they know its practical something crucial to manage their finances.”

The SAFAL project facilitated the financial linkage between the cooperative and the Nepal Rastra Bank for a loan of NPR 20,00,000.”

“We can see the members’ confidence raised. Each and every member now enquire about business possibilities which is something we never expected. So many members are now proud small and medium business owners. They no longer rely on their husbands’ for fulfilling their basic necessities and they share their stories proudly during the meeting. They are no longer shy and the change in their personality is great. They can talk about right and wrong and this is a major development for the village of Saraswatinagar, Doti.”
The Dalit community of Vinayak, Achham is among the poorest in this village. They are often discriminated and often work on someone else's farm. The barter system of labor for produce is not enough for their families to survive all 12 months of the year and hence many take loans from their landlords at high interest rate. The interest rates are so high that these families end up working in the farms to pay their loans. The situation prompted some of these farmers to establish a cooperative and they named it Dalit Shreejansheel Savings and Cooperative Limited in 2012.

They started the cooperative, but they didn’t have any experience of managing and operating the cooperative. “It was only because of SAFAL project, we learned to manage the cooperative properly,” says,
Cooperative Manager Bhim Nepali. “We have managed to keep the records properly and have learned to monitor the system. The training and support provided by the project helped us increase our share members from 125 to 474 (245 male and 229 female) members.”

Many members have taken a loan and started their own businesses. The sustenance of their business has helped them improve their income and are no longer bound to work for free. Their business brings in customers from all castes in the society which is a huge change in this village.

“In the past, people from Dalit community were not treated with respect. If they fell sick, they took loans from the upper caste people who would often abuse them verbally. Some even ended up mortgaging their houses for small loans. If a Dalit took a loan of NPR 100 s/he had to pay NPR 160 in return. Things are different today, Dalits who had a hard time saving even NPR 10 have now taken loans and become a businessman. And now they mingle in the society freely.”

SAFAL has further linked the cooperative with the Rural Microfinance Development Corporation and the loan of NPR 9,00,000 has been approved to the cooperative and loan disbursed to 12 loan clients. With the approved loan the cooperative can provide loans to more share members and increase their capital at the same time.
Lack of access to finance and lack of financial knowledge have led many poor farmers in remote villages to search for alternative work – which is often leaving their country and their loved ones behind. Sushila’s story resonates with many other women in her village. She and her husband were struggling to raise their two children working in their landlord’s farm. They hail from a dalit community hindering them from grabbing other opportunities. Sushila’s husband complimented their earning by working as a daily wage laborer. When their financial situation failed to improve, her husband Dhan started going to Shimla, India for six months of the year. By the time he returned with NPR 20,000, his family would have accrued enough debt along with a hefty interest.
“When my husband would be in India I had to take loan and the lenders treated me badly. Despite loaning me the money with heavy interest they would still treat me bad.” Sushila despite having a valuable skill to stitch clothes could not use it due to lack of a sewing machine. She joined Kisan Microfinance, Bajura with a heavy heart due to bitter past experience of being cheated again and again.

She participated in the enterprise development training provided by SAFAL which had a fee of NPR 100. “When I learned about the training fee I wasn’t sure, but when they told me that the money would be later saved in our own account I was convinced that the training was genuine.”

Post training, Sushila availed a loan of NPR 22,000 with which she bought a sewing machine and opened for business. Today, Sushila earns NPR 15,000 per month. Her earning has stopped her husband’s seasonal migration to India.

“My husband is with us, he supports us in every way. Our children are attending an English medium school and our future is full of possibilities.”
Tek Bahadur Chadara

Tek Bahadur has a very large family to support – a total of 22 members. He and his family have lived in poverty as long as he remembers. He used to work as a porter and a woodcutter to support his family earning him a meagre income of NPR 4,000 per month. His brother used to go to India for a few months every year to support their family. But things changed for better when Tek attended a livelihood training provided by SAFAL project funded by DFID and availed a loan from Sri Laxmi Savings and Credit Cooperative, Bajura to start his own Malika Agro-vet.

The agro-vet earns him around NPR 15,000 per month and he saves around NPR 5,000 every month. “I had attended a lot of training before because at the
end of the training I got an allowance. Even though we had to pay a NPR 100 fee to attend the SAFAL enterprise development training it was the most useful. And the fees would go to our saving account so it is as good as savings.

If SAFAL organizes more training, I will happily pay for the livelihood and agriculture-related training as it has provided me valuable lessons to plan, operate and manage my business,” says Tek. “Before there were days when we couldn’t afford meals throughout the day. This training taught me the basics of starting my own business and showing me ways to access loans. I learned that even small savings can sum up to a big amount in the future. Since I started the business, my brother Junga has not gone to India and both of us are running the agro vet happily as a team.”

Tek and his brother both feel thankful to the project for showing them the opportunity. They had never dreamt of owning their own business. The place where they didn’t see any opportunity have now become the land of opportunities.

Junga says, “It is so much better to work in our own village rather than working in India.”
Partner Organization

Mahila Jagaran Sangh
Ilam Municipality-6
Sighbahini
Tel: 027-521688
Email: mjs ilam@ntc.np.np
Website: www.mjsilam.org

Mahila Jagaran Sangh
Phidim, Panchthar
Tel: 024-520884
Email: mjspanchtar@outlook.com

Environment Conservation & Development Form
Fungling-4, Taplejung
Tel: 024-460464
Email: ecdftpj@ntc.net.np
Website: www.ecdf.org.np

Samaj Sewa Doti
Silgadi, Doti
Phone: 094-411223
Email: ssddoti@gmail.com

Integrated Development Society
Amargadhi 5, Dadeldhura
Phone: 096-420087
Email: idesddl@gmail.com

Working for Access and Creation (WAC- Nepal)
Mangalsen, Achham
Phone: 097-620364
Email: wacnepal09@gmail.com, wasnepal@ntc.net.np

Gift Bajura
Martadi, Bajura
Phone: 097-541168
Email: giftbajura@ntc.net.np

Contact
P. O. Box 8759, Chakupat-10 Lalitpur, Nepal
Tel: +977-1- 5260585/ 5260270 / 5261719
www.sp-uk.org