



# Annual Report

July 1, 2021 to June 30, 2022



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# Message from the National Director

The global COVID-19 pandemic continues to affect people worldwide, with the health and economic impacts being borne disproportionately by low-income families and vulnerable communities, who also largely bear the brunt of climate change. For Habitat Nepal, it's a humbling reminder to unite for change continuously and to work relentlessly towards building a promising future for our communities at crossroads.

Over the last year, we increased our outreach and impact by collaborating with myriad partners, donors, market actors, and federal and local governments to put people at the center of inclusive and sustainable housing solutions. With support from the Government of Nepal, we built 440 homes with families and communities in need of decent housing. Through our innovative designs, we have increasingly promoted bamboo as a sustainable local housing material. For the first time in Nepal, we are collaborating with the Ministry of Urban Development's Department of Urban Development and Building Construction to develop national guidelines for building homes with bamboo in Nepal.

To ensure that our housing services are sustainable, we are increasingly advocating for transformative approaches such as secure land tenure and joint land titles for marginalized and landless informal settlement communities in East and West Nepal. Through our housing microfinance work, a total of US\$41 million in loans were

disbursed to 32,021 families through our partners. Together, we worked towards agency and economic independence for indigenous marginalized women, who through financial literacy are today fulfilling their dreams and futures. In addition, we were proud to be the convener of the national-level housing microfinance policy workshop that brought together various international and national stakeholders to jointly envision sustainable solutions towards stronger policy reforms on the implementation of housing microfinance.

I am very happy to present the annual report of Habitat Nepal for the fiscal year ended June 30, 2022. The numbers, photographs, stories, and quotes in our annual report represent individuals whose lives have changed as a result of your generous contribution and strong partnership with Habitat Nepal. Without you, achieving the milestones highlighted in this report would not have been possible. As we mark 25 years of partnership in Nepal and celebrate what we have achieved together, we look forward to another year of enabling people to thrive with dignity, security, and resilience.

I am immensely thankful to my predecessor, Christy Stickney, for leaving the organization on a solid footing and for her fiery passion for accomplishing Habitat's mission amid the countless challenges posed by the pandemic. I would like to thank the Asia-Pacific leadership team for their guidance and



support as I take on the role of National Director. I am deeply grateful that I can be part of a very capable and dedicated team at Habitat Nepal.

Thank you very much.

**Eliza Sthapit**  
National Director  
Habitat for Humanity Nepal



**In FY22, the Government fund leveraged is \$1,335,445**

# Partnering for financial inclusion



“The working poor makes too much money for government [house] subsidies or development aid, but not enough to qualify for home loans. 1.6 billion people in the world get told, “You don’t get to have a good house.”

– *Habitat for Humanity’s Terwilliger Center for Innovation in Shelter*

In Nepal, 80 percent of residential structures are built by owners incrementally, mainly from personal savings and remittance income. They remain unserved by formal financial institutions due to a lack of stable and formal income and collateral, according to a case study funded by Australia’s Department of Foreign Affairs and Trade or DFAT and produced by Habitat for Humanity. While microfinance institutions are an important channel in Nepal through which low-income families can access financial services, there is a massive gap in the demand and supply of housing microfinance solutions. Since 2019, with DFAT’s support, Habitat Nepal has partnered with housing microfinance institutions to disburse more than 57,000 loans with over 6 billion Nepali rupees (over US\$48 million) in capital mobilized. The support of Jersey Overseas Aid or JOA enabled Habitat Nepal’s partner microfinance institutions to strengthen credit management, internal controls, product marketing, delinquency management, and individual lending. In turn, these partners trained women’s savings groups in financial literacy and awareness of safer, disaster-resilient homes in their communities.

# Calling for national housing microfinance policy

In June 2022, more than 60 representatives from the microfinance sector, the donor community, and Nepal's regulatory body gathered in Lalitpur to advocate for creating a national policy to support low-income families in accessing housing microloans. The national-level policy advocacy workshop received media attention, including from Nepal's various national media, which spread the workshop's message about the need for a national housing microfinance policy to a wider audience, established the credibility of Habitat Nepal, and highlighted the financial inclusion activities.

On behalf of Nepal Rastra Bank, the country's central bank, Dr. Gunakar Bhatta, executive director of the banks and financial institutions regulation department, expressed his appreciation for the support of the Australian Government's Department of Foreign Affairs and Trade's Business Partnerships Platforms, and Habitat Nepal. He also commended the workshop participants for their outstanding efforts in developing policies that benefit Nepal's low-income population.



**“Long-term sustainable solutions lie in innovative and inclusive business enterprises that generate sustainable commercial returns.”**

*— Australia's Ambassador to Nepal, Felicity Volk*



# Innovative housing solution strikes “green gold” with Impact 2026

In Nepal's Eastern Terai region, homes built with cement bamboo frame technology create new pathways to stability and security for families. The technology was developed by Base Bahay Foundation, an organization founded by the Hilti Foundation. The homes built using this technology are constructed with specially treated bamboo and cement plaster that makes them disaster-resilient and sustainable. Habitat Nepal is part of a multifaceted group that is working together to scale the use of cement bamboo frame technology. The other partners include nongovernmental organizations, financial institutions, local communities, masons, bamboo treatment centers, private bamboo organizations, and federal and local governments.

Bamboo is already a popular building material for low-income families in Nepal, but more traditional building methods lack the structural integrity to withstand harsh weather conditions or disasters.

“There are many benefits to building with cement bamboo frame technology. The most important are that houses built using the technology are more resistant to earthquakes due to their low mass, experience 70% less carbon emissions than those using conventional construction systems and help create jobs in local communities.”

— *Luis Felipe Lopez, head of technology at Base Bahay Foundation*

To change the perception of bamboo being a “poor family’s building material,” Habitat Nepal is inviting community members and officials to visit the cement bamboo frame homes. The visitors can ask residents questions about their experiences with the homes’ durability.

On May 5, 2022, Habitat Nepal and the Ministry of Urban Development's Department of Urban Development and Building Construction inked a partnership to create the country’s first national bamboo guidelines for housing construction. A seven-member technical team has been formed. The members comprised three government

representatives from the ministry’s department, a representative from the central Pulchowk campus of Institute of Engineering, Tribhuvan University and three staff members of Habitat Nepal. While the private sector’s involvement is under discussion, the technical committee is drafting guidelines that will mainstream and accelerate the use of treated bamboo as a primary building material for Nepal’s social housing programs. These guidelines will eventually be incorporated into a national bamboo building code.

Habitat Nepal hosted a visit by representatives from key partners from May 30 to June 3.

Johann Barr, a member of the Hilti Foundation’s executive board; Base Bahay Foundation’s general manager Pablo Jorillo and head of technology Luis Lopez; Habitat’s director for program operations Gregg McDonald and two representatives from Right2Study joined field visits. They were able to observe the progress and achievements of Habitat Nepal’s Impact 2026 project and co-design strategies for the remainder of Phase II. The second phase aims to lay the foundation for achieving future scale-up of safe and durable bamboo housing solutions in the eastern Terai.





**Fourteen families from the Dalit community were among those who built new homes under the Impact 2026 project.**

Durganand is among these families living in Shambhunath municipality, Saptari district. With secure land tenure and durable homes built with cement bamboo frame technology, these families were set to build better lives when they encountered opposition. Residents on the adjoining plot of land had filed lawsuits to try to halt the project. Thanks to the chairperson of the ward and the mayor of the Shambhunath municipality, the Dalit families and other stakeholders met to discuss the concerns. Eventually, the project was able to continue as planned.

*Photo: Durganand and Magain showing approval of their home built with cement bamboo frame technology.*



## Voice of the community

Women masons are not a common sight, but Neelam stands out for a different reason — she is the voice of advocacy for a 25-member group in Sampanna Basti, Biratnagar-12, eastern Nepal. The group was formed on April 30, 2022, after 145 homeowners, including Neelam, were trained in disaster risk reduction and response by Habitat Nepal.

While she is known to be tough as nails, she also calls for sensible measures. These include asking the local government to provide training and development in her community and encouraging fellow homeowners to be proactive in mitigating disaster risks and increasing disaster preparedness. She also voiced the need for a house's foundation to be built above flood levels and proposed that an early flood warning system be set up in the community.



**440**  
homes were  
constructed.

**3,483**  
people were  
trained in  
masonry,  
financial literacy  
and disaster risk  
reduction.



“My wife and I gained the confidence to restart our new lives after owning the land on which we built our new home in collaboration with Habitat Nepal. Our ability to use the land as a resource to launch our small business has improved our economic and social standing.”

— Sher, Sudurpashchim province

## Free to thrive

Through more than two decades of working in Nepal, Habitat Nepal believes that no matter who we are or where we come from, we all deserve to have a decent life. We empower families through shelter so they can build their futures. Reflecting this approach, Habitat Nepal supported a study between February and March 2022 to examine the socioeconomic conditions of communities under a bonded labor system known as Harawa-Charawa and ex-bonded labor known as Haliya, Kamaiya, and Kamlari in the four provinces of Madhesh, Lumbini, Karnali, and Sudurpaschim. The aim was to propose policy changes to improve the lives of these communities who were trapped in debt and faced discrimination. Habitat Nepal advocated for changes that included jointly registering the names of both husband and wife on property titles or occupancy rights documents. Such a move helps to protect women from being evicted from their marital homes in the event of separation, divorce, or the death of their husbands. Besides research-based advocacy, Habitat works with the Government of Nepal to build new homes with freed laborers like Sher.

The results of the studies were shared with the Ministry of Land Management, Cooperatives and Poverty Alleviation by a study committee backed by Habitat Nepal. Members of the committee comprised government officials and well-known personalities championing the cause of the ex-bonded labor. Nepal's Prime Minister Sher Bahadur Deuba called on the ministry to lead changes in ensuring skills development and self-reliance of freed laborers at a commemorative ceremony in July 2022. The event marked the abolition of the Kamaiya system more than 20 years ago. While celebrating their freedom, the prime minister noted that communities such as Harawa-Charawa need support to develop their skills and self-reliance.

# Cash-based assistance for safe and secure homes

Despite nationwide lockdowns in 2020 and 2021 in response to waves of COVID-19, 11,951 deaths were reported in Nepal as of May 2022. The pandemic also took a serious toll on an economy that relied heavily on remittances, imports fueled by remittances, informal labor, and tourism revenues, according to the United Nations. Based on International Labour Organization's data, eight in 10 Nepalese had informal jobs, and the loss of income hit their ability to provide for their families. They could not afford to make home repairs or improvements, although a safe and secure home is seen as the first line of defense against COVID-19. Habitat Nepal launched a pilot conditional cash transfer program in the fiscal year 2022 to support low-income families and vulnerable groups such as women-headed or children-headed households, older persons or people with disabilities in purchasing construction materials and hiring workers to improve their homes and protect the household against the spread of COVID-19. Partnering with Machapuchare Bank and Shahara Nepal Microfinance, we helped families to set up formal bank accounts, assess what home improvements were needed, prepare a customized bill of quantities, and provide technical assistance during the construction. A total of 132 families could install hand pumps, build toilets, repair roofs and walls, or improve floors.



*Kadir opened his first-ever bank account and used the cash transfer to pay for construction materials for a new toilet.*

# 132

families received cash-based assistance and improved their homes

# 105

of these households opened their first-ever bank accounts

# Building resilient communities

Upholding Nepal's 2015 Constitution, Habitat Nepal is partnering with multi-sector partners, including local governments, in securing land rights and housing for indigenous communities and landless people. As part of the Digo Samudaya (Sustainable Communities) project, Habitat Nepal organized awareness-raising sessions on women's property rights and joint land ownership for both spouses. Participants included groups that were trained in the Participatory Approach for Safe Shelter Awareness, microfinance institution partners, and local governments.

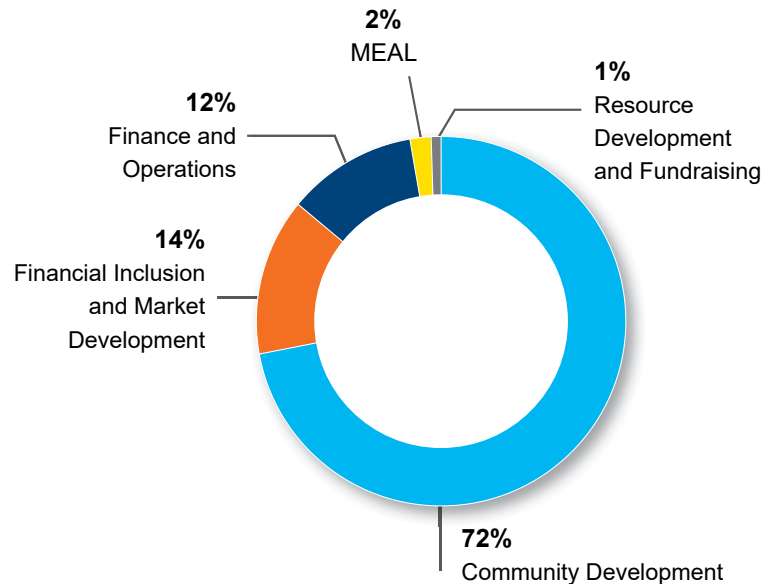
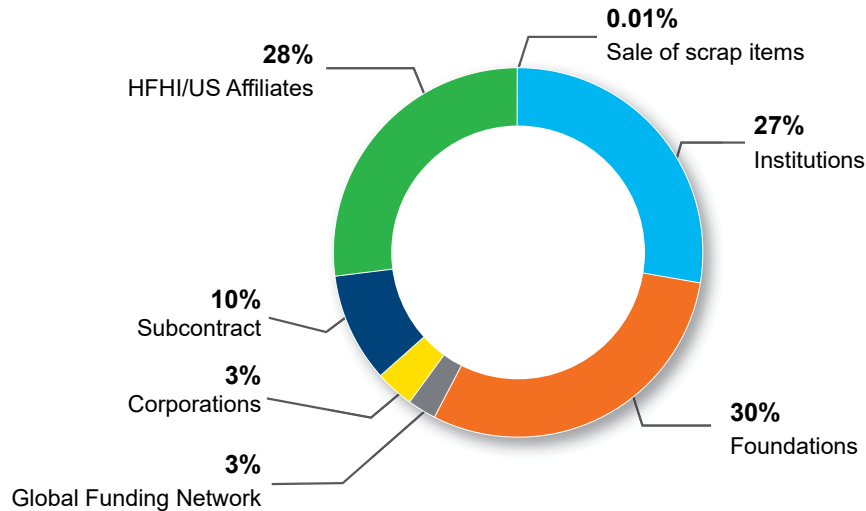
Nearly **1,800** people — **845** women and **952** men — were trained in Jhapa and Saptari.



“Our Habitat home has given us victory; now I want my daughters to go further than I could have ever dreamt possible.”

— Palhashsada (left) with one of her daughters

# Financial Information



## REVENUE

	Amount (USD)
HFHI/US Affiliates	663631.23
Foundations	716245
Corporation	61796.52
Global Funding Network	80085.69
Subcontract	232357.9
Institutions	651824.12
Sale of scrap items	285.64
<b>Total</b>	<b>2406226.1</b>

## EXPENDITURE

	Amount (USD)
Finance and Operations	256485.17
Financial Inclusion and Market Development	305031.44
Resource Development and Fundraising	18508.34
MEAL	40579.13
Community Development	1599685.56
<b>Total</b>	<b>2220289.64</b>

# In appreciation

## U.S. tithing affiliates

Habitat for Humanity of Southern Santa Barbara County (California)	Indian River Habitat for Humanity (Florida)	Habitat for Humanity of Rowan County (North Carolina)
Habitat for Humanity Greater Cincinnati (Ohio)	Stillwater Habitat for Humanity (Oklahoma)	Habitat for Humanity of Durham (North Carolina)
Greater Des Moines Habitat for Humanity (Iowa)	Habitat for Humanity of Omaha (Nebraska)	Habitat for Humanity of Oregon (Oregon)
Greater San Francisco Habitat for Humanity (California)	Habitat for Humanity of East Jefferson County (Washington)	Habitat for Humanity Menominee River (Michigan)
Habitat for Humanity of the St. Vrain Valley (Colorado)	Habitat for Humanity of St. Joseph County (Indiana)	Habitat for Humanity of Laramie County (Wyoming)
Habitat for Humanity of Kansas City (Missouri)	Paterson Habitat for Humanity (New Jersey)	Skagit Habitat for Humanity (Washington)
Habitat for Humanity Greater Birmingham (Alabama)	Yakima Valley Partners Habitat for Humanity (Washington)	Glen Falls Area Habitat for Humanity (New York)
Habitat for Humanity Tucson (Arizona)	Habitat for Humanity of Ontario County (New York)	Habitat for Humanity of Gallatin Valley (Montana)
Evergreen Habitat for Humanity (Washington)	Flower City Habitat for Humanity (New York)	Twin Cities Habitat for Humanity (Minnesota)
Fort Worth Area Habitat for Humanity (Texas)	Columbus Area Habitat for Humanity (Georgia)	Habitat for Humanity of La Plata County (Colorado)
Raritan Valley Habitat for Humanity (New Jersey)	Alachua Habitat for Humanity (Florida)	Habitat for Humanity Cowlitz County (Washington)
Pikes Peak Habitat for Humanity (Colorado)	Cedar Valley Habitat for Humanity (Iowa)	Greater Erie Area Habitat for Humanity (Pennsylvania)
Habitat for Humanity of Metro Denver (Colorado)	Habitat for Humanity Metro Maryland (Maryland)	Habitat for Humanity Chemung County (New York)

## Global funding network

Habitat for Humanity Australia  
Habitat for Humanity Great Britain  
Habitat for Humanity Nederland  
Habitat for Humanity New Zealand  
Habitat for Humanity International

## International Donors

Australian Government, Department of Foreign Affairs and Trade (DFAT)  
Australian Government, Department of Foreign Affairs and Trade - Business Partnerships Platform  
U.S. Agency for International Development, TAYAR Nepal  
The Hilti Foundation  
Jersey Overseas Aid (JOA)  
MetLife Foundation  
Selavip Foundation

## High Net Worth Individuals

Ines Kaindl





Sanepa Chowk, Lalitpur - 2  
P.O. Box 24037, Kathmandu, Nepal  
Phone: +977 1 5521182, 5554976  
Fax: +977 1 5520778  
info@habitatnepal.org  
habitatnepal.org

